



Tourism and Amenity-Based Development in Rural Communities

The natural amenities that often characterize the rural landscape, whether lakes and mountains or ruggedness and small-town charm, can offer struggling communities an option for economic development and can inject population and money into an area. Indeed, rural areas with natural amenities are some of the turnaround stories of the 1990s. The population in the retirement destinations in the Sunbelt, the coast, and portions of the West and Upper Great Lakes grew by 28% between 1990 and 2000, virtually all of that growth from migration. Nonmetro recreational counties also saw sizable growth, especially where much of the land is federally owned. In contrast, counties dependent on farming and mining were the least likely to gain population in the 1990s.

Yet, as Richard Krannich and Peggy Petzelka caution in their chapter in *Challenges for Rural America in the Twenty-First Century*, relying solely on amenity and tourism-based growth can create its own vulnerabilities and risks.¹ Without strong community engagement and a participatory approach that includes all voices from the outset of the planning process, rural communities can risk losing their sense of culture and community. In addition, simply replacing one dominant industry for another, rather than working to diversify the economic base, leaves the community similarly exposed to potential instability.

Weighing the Pros and Cons of Tourism-Based Economies

Economic development in rural areas is at a crossroads. As the larger economy has moved inexorably toward globalization, rural areas have sometimes faced difficulty maintaining viable economies. The promise of a reinvigorated economy through tourism is certainly a strong lure for struggling communities. However, communities that transform themselves into a tourist attraction often face several potential trade-offs.

Although new jobs may be created as tourism grows, they are often low-wage, service-sector, and part-time jobs. They may represent important employment options for some, but they may not generate incomes high enough to support a family. In addition, relying solely on tourism can lead to hardship should the national economy suffer, the region be hit by a hurricane, or the slopes remain snowless.

Without a diversified local economy, tourism and amenity-based efforts risk becoming just a different form of potential instability.

¹ David L. Brown and Louis E. Swanson, editors, *Challenges for Rural America in the Twenty-First Century* (University Park, PA: Pennsylvania State University Press, 2003). This brief draws mainly on the chapter 14, "Tourism and Natural Amenity Development: Real Opportunities?" by Krannich and Petzelka (both at Utah State Univ.).

The quality of life in the area may change as well. The cost of living may rise as an amenity-based economy takes hold, with skyrocketing property values or prices for goods and services as newcomers with more disposable income settle in.

As a complement to tourism, a new model of economic development promotes flexible, community-centered, and focused economic production—often small-scale entrepreneurs or businesses cooperating under banners of regional trade associations.

Likewise, government may feel a pinch. Revenue generated by new business and populations are often exceeded by the additional costs associated with expanding public infrastructure and services.

Although new residents can reinvigorate civic organizations, re-enliven a dormant downtown, or offer a more rounded set of skills

and talents, they can also cause strain. An influx of newcomers, for example, can reduce the density of acquaintanceship networks or weaken social solidarity. Clashes can arise when different values collide. At its most basic, the area can risk losing the very essence that attracted tourists originally. At its worst, its local culture and identity can be overrun by tourist shops, theme parks, and fast food.

Of course, many of these scenarios have a flip-side. Rather than losing cultural identity, residents of the Loess Hills in western Iowa, for example, gained a new perception of their area and of themselves when the scenic beauty of the landscape brought tourists.

Overall, though, a common theme across several recent studies was a decided skepticism if not outright dissatisfaction among residents with the results of a tourism-based economy.

Ensuring Economic Success

For tourism and amenities to contribute positively to a rural community, local leaders and planners and those responsible for devising rural development policies must work closely together to:

- Address the risks associated with substituting one form of resource dependency for another;
- Encourage local business development and investment such that profits from tourism and growth are not siphoned away from the local economy by outside investment interests;
- Develop cooperating entities with other area governments to enhance the technical and managerial capacity of local governments;
- Develop zoning and other land use ordinances;
- Plan infrastructure enhancements, from handling waste water to preventing traffic jams.

Building Trust, Building Social Capital— Essential to the process is a participatory approach that includes all voices at the outset of the planning process. Some communities can become insular when elites or cliques of individuals dominate. Coming together to plan for tourism or amenity-based economies can help foster broader social capital—strong norms of reciprocity and trust—and build bridges among community members.

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In a community planning process, diverse types of information would be sought from individuals and groups with different values and from many locations inside and outside the community. When the flow of information is not channeled exclusively to or from a particular group, but is dispersed widely throughout the community, decisions are more generally accepted. This process also ensures greater commitment to carrying out those decisions.

Finally, communities should reach out to and learn from other communities. They should also include vertical networks that reach up to regional, state, and federal resources and organizations.

New Models of Economic Development —In the end, relying solely on amenity-based tourism comes with potential trade-offs, and it is seldom a panacea for rural underdevelopment. Although it can be a means of bolstering local economies in locales that offer attractive amenities, it should not become the only game in town but rather be pursued as but one element in a diversified economic base. Without such diversification, tourism and amenity-based efforts risk becoming just a different form of potential instability.

To meet the challenge of securing a diversified set of well-paying, secure jobs for rural areas, some have argued for a new model of economic development, one that promotes flexible, municipally supported economic production—often small-scale entrepreneurs or businesses cooperating under banners of regional trade associations. Indeed, a body of research has shown that economies organized around smaller scale, locally controlled economic enterprises are associated with a more balanced economic life and high levels of social welfare. These enterprises strive for sustainable development that maintains at least some links to the local community. Such an economic base may be ultimately more enduring and sustainable than an economy based solely on tourism.

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