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Organic farm-based tourism as an element of sustainable multifunctionality to support peripheral regions-Hualien, Taiwan as an example

International Rural Development

Edited by Béatrice Knerr

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Tzu-Ying Li

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as an element of sustainable
multifunctionality to support
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LIST OF TABLES

TABLE 1	HYPOTHESES OF DEMAND SIDE FOR H1, H2, H3, H4, H5 AND H6	59
TABLE 2	HYPOTHESES OF SUPPLY SIDE FOR H7, H8, H9, H10, H11 AND H12	61
TABLE 3	HYPOTHESES FOR THE DEMAND AND SUPPLY SIDES	63
TABLE 4	METHOD OF SAMPLING OF DEMAND AND SUPPLY QUESTIONNAIRES.....	66
TABLE 5	FOUR DUMMY VARIABLES CODING SYSTEM FOR EDUCATIONAL DATA.....	83
TABLE 6	SEVEN DUMMY VARIABLES CODING SYSTEM FOR CURRENT OCCUPATION DATA	83
TABLE 7	SECTORAL DISTRIBUTION OF TAIWAN'S GROSS DOMESTIC PRODUCT, IN % (1981-2008) (MILLIONS NT DOLLARS, AT THE 2006 CONSTANT PRICES)	90
TABLE 8	SECTORAL SHARES OF EMPLOYMENT IN TAIWAN (1993-2008) (1,000 PERSONS)	90
TABLE 9	POPULATION OF FARM HOUSEHOLDS IN TAIWAN (1952-2007).....	91
TABLE 10	CHANGES IN TAIWAN'S AGRICULTURAL SECTOR (1960, 1990 AND 2005).....	92
TABLE 11	FARM INCOME AND NON-FARM INCOME OF FARM HOUSEHOLDS IN TAIWAN (1966-2006) (AT THE 2006 CONSTANT PRICES).....	93
TABLE 12	INCOME BETWEEN FARM HOUSEHOLDS AND NON-FARM HOUSEHOLDS IN TAIWAN (1966-2006) (AT THE 2006 CONSTANT PRICES).....	94
TABLE 13	THE DEVELOPMENT PROCESS OF FARM-BASED TOURISM IN TAIWAN.....	99
TABLE 14	POPULATION OF 13 REGIONS OF HUALIEN (2000 AND 2007)	104
TABLE 15	STRUCTURE OF LABOUR IN INDUSTRIES IN HUALIEN (1998-2007)	105
TABLE 16	OPERATIONAL STATUS OF MANUFACTURING AND SERVICE SECTORS IN TAIPEI AND HUALIEN (2006)	106
TABLE 17	THE CONTRIBUTION OF MANUFACTURING AND SERVICE SECTORS (2006)	106
TABLE 18	PERSON-NUMBER OF TOURIST VISITS TO SCENIC SPOTS IN HUALIEN (1997-2007)	108
TABLE 19	THE PROFILE OF HUALIEN FARMERS (2000 AND 2005).....	111
TABLE 20	CHANGES OF FARM HOUSEHOLDS AND FARM HOUSEHOLD MEMBERS IN HUALIEN (1997-2006).....	112
TABLE 21	HUALIEN FARMER'S INCOMES FROM THE SALE OF FARM PRODUCTS (2005)....	112
TABLE 22	TOURISTS' ATTRITUBES.....	119
TABLE 23	TAIWANESE TOURIST' CONSUMPTION ON ORGANIC PRODUCTS	122
TABLE 24	FOREIGN TOURISTS' CONSUMPTION ON ORGANIC PRODUCTS.....	122
TABLE 25	STATISTICAL RESULTS OF DEMAND SIDE FOR H1, H2, H3, H4, H5, H6	122
TABLE 26	REGRESSION COEFFICIENTS TABLE FOR TOURISTS' LEISURE PREFERENCES REGARDING THE NTC.....	124
TABLE 27	THE RESULTS OF EQUATIONS ANALYSED BY MULTIPLE REGRESSION	132

TABLE 28	TOURISTS' LEISURE CONSTRAINTS.....	134
TABLE 29	TAIWANESE TOURISTS' LEISURE PREFERENCES REGARDING THE NTC	136
TABLE 30	FOREIGN TOURISTS' LEISURE PREFERENCES REGARDING THE NTC	137
TABLE 31	ASIA TOURISTS' LEISURE PREFERENCES REGARDING THE NTC	139
TABLE 32	AMERICA TOURISTS' LEISURE PREFERENCES REGARDING THE NTC	140
TABLE 33	EUROPE TOURISTS' ' LEISURE PREFERENCES REGARDING THE NTC.....	141
TABLE 34	AFRICA TOURISTS ' LEISURE PREFERENCES REGARDING THE NTC	142
TABLE 35	OCEANIA TOURISTS ' LEISURE PREFERENCES REGARDING THE NTC	143
TABLE 36	TOURISTS' INTEREST IN EXPERIENCING HUALIEN'S VILLAGES.....	144
TABLE 37	TOURISTS' (FROM DIFFERENT COUNTRIES) INTEREST FOR THE NTC	145
TABLE 38	TAIWANESE AND FOREIGN TOURISTS' INTEREST FOR THE NTC	146
TABLE 39	TAIWANESE AND FOREIGN TOURISTS' WILLINGNESS TO PAY FOR THE NTC (US\$)	147
TABLE 40	TAIWANESE TOURISTS' WILLINGNESS TO PAY FOR LODGING PER NIGHT(US\$)	160
TABLE 41	TAIWANESE TOURISTS' WILLINGNESS TO PAY FOR TRANSPORTATION (US\$) ..	148
TABLE 42	TAIWANESE TOURISTS' WILLINGNESS TO PAY FOR FOOD (3 MEALS) (US\$)	149
TABLE 43	TAIWANESE TOURISTS' WILLINGNESS TO PAY FOR RECREATIONAL ACTIVITIES (US\$)	149
TABLE 44	TAIWANESE TOURISTS' WILLINGNESS TO PAY FOR A TOUR GUIDE (US\$)	150
TABLE 45	TAIWANESE TOURISTS' WILLINGNESS TO PAY FOR SHOPPING DURING THE TRIP TO HUALIEN'S VILLAGES (N=244).....	150
TABLE 46	TAIWANESE TOURISTS' SHOPPING BUDGET (US\$).....	151
TABLE 47	FOREIGN TOURISTS' WILLINGNESS TO PAY FOR LODGING PER NIGHT (US\$)...	152
TABLE 48	FOREIGN TOURISTS' WILLINGNESS TO PAY FOR TRANSPORTATION (US\$).....	152
TABLE 49	FOREIGN TOURISTS' WILLINGNESS TO PAY FOR FOOD (3 MEALS) (US\$)	153
TABLE 50	FOREIGN TOURISTS' WILLINGNESS TO PAY FOR RECREATIONAL ACTIVITIES (US\$).....	153
TABLE 51	FOREIGN TOURISTS' WILLINGNESS TO PAY FOR A TOUR GUIDE (US\$)	154
TABLE 52	FOREIGN TOURISTS' WILLINGNESS TO PAY FOR SHOPPING DURING THE TRIP TO HUALIEN'S VILLAGES	154
TABLE 53	FOREIGN TOURISTS' SHOPPING BUDGET (US\$).....	155
TABLE 54	NUMBER OF EMPLOYEES IN THE TOURISM BUSINESS	157
TABLE 55	DIFFICULTIES OF OPERATING ORGANIC FARM-BASED TOURISM	158
TABLE 56	TOURISM RESOURCES	159
TABLE 57	RESIDENCE OF HUALIEN ORGANIC FARMERS.....	162
TABLE 58	AGE OF HUALIEN ORGANIC FARMERS	162
TABLE 59	YEARS AS A RESIDENT OF HUALIEN ORGANIC FARMERS	163

TABLE 60	HUALIEN ORGANIC FARMERS' PERSONAL MONTHLY EXPENDITURES (US\$).....	163
TABLE 61	ANNUAL INCOME OF THE HEAD OF THE FARM (US\$).....	165
TABLE 62	REASONS TO CONTINUE ORGANIC FARM-BASED TOURISM (N=29).....	166
TABLE 63	CROSS-TABULATION REGARDING REASONS FOR STOPPING TOURISM SERVICES	166
TABLE 64	HUALIEN ORGANIC FARMERS WHO ARE NOT INTERESTED IN OPERATING ORGANIC FARM-BASED TOURISM (N=91).....	167
TABLE 65	THE PRICE ORGANIC FARMERS' WILLINGNESS TO OFFER THE NTC AT A CERTAIN PRICE (US\$).....	168
TABLE 66	THE RESULTS OF THE SUPPLY SIDE (H7, H8, H9, H10, H11 AND H12)	169
TABLE 67	CHI-SQUARE TESTS FOR H11.6.....	171
TABLE 68	CONTINGENCY TABLE: OPERATION OF ORGANIC FARM-BASED TOURISM BY INCOME FROM THE PRIMARY SECTOR OF ORGANIC FARMING.....	172
TABLE 69	CONTINGENCY TABLE: OPERATION OF ORGANIC FARM-BASED TOURISM BY INCOME FROM THE SECONDARY SECTOR OF ORGANIC FARMING	174
TABLE 70	CONTINGENCY TABLE: OPERATION OF ORGANIC FARM-BASED TOURISM BY INCOME FROM TOURISM SERVICE OF ORGANIC FARMING	175
TABLE 71	CONTINGENCY TABLE: OPERATION OF ORGANIC FARM-BASED TOURISM BY EDUCATIONAL LEVEL	177
TABLE 72	EDUCATIONAL LEVEL BY OPERATION OF ORGANIC FARM-BASED TOURISM.....	178
TABLE 73	CONTINGENCY TABLE: OPERATION OF ORGANIC FARM-BASED TOURISM BY WILLINGNESS TO LEARN ENGLISH COURSE	179
TABLE 74	WILLINGNESS TO LEARN ENGLISH COURSE BY OPERATION OF ORGANIC FARM-BASED TOURISM.....	180
TABLE 75	CONTINGENCY TABLE: OPERATION OF ORGANIC FARM-BASED TOURISM BY ATTENDANCE AT TOURISM COURSES	181
TABLE 76	SUMMARY OF RESEARCH RESULTS.....	183

LIST OF FIGURES

FIGURE 1	ELEMENTS OF THE NTC.....	30
FIGURE 2	RESEARCH PROCESS	53
FIGURE 3	THE CONCEPT OF THE NTC TO LINK THE RELATIONSHIP BETWEEN THE PERIPHERY AND THE GLOBAL.....	54
FIGURE 4	TAIWAN'S PER CAPITA GNP (1961-2006) (AT THE 2006 CONSTANT PRICES).....	89
FIGURE 5	FARM INCOME AND NON-FARM INCOME OF FARM HOUSEHOLDS IN TAIWAN (1966-2006)	93
FIGURE 6	LEISURE FARMS IN TAIWAN (1974-2005)	96
FIGURE 7	13 REGIONS OF HUALIEN COUNTY	104
FIGURE 8	NUMBER OF TOURIST VISITS TO SCENIC SPOTS IN HUALIEN (1997-2007).....	108

LIST OF APPENDICES

APPENDIX 1	TOURIST QUESTIONNAIRE	218
APPENDIX 2	ORGANIC FARMER QUESTIONNAIRE	222

ABBREVIATIONS

COA	:	Council of Agriculture
CPI	:	Consumer Price Index
DGBAS	:	Directorate-General of Budget, Accounting and Statistics, Executive Yuan, Taiwan
EXCEL	:	Microsoft Office Excel
EU	:	European Union
FAO	:	Food and Agriculture Organization of the United Nations
FT	:	Foreign Tourists
GDP	:	Gross Domestic Product
GNP	:	Gross National Product
HCAPDCC	:	Hualien County Animal and Plant Disease Control Center
NGOs	:	Non-governmental organizations
NTC	:	New Tourism Concept
NTCs	:	Non-trade Concerns
HOF	:	Hualien Organic Farmers
IFOAM	:	International Federation of Organic Agriculture Movements
L-F-A-C	:	Lodging, Foods, Activities and Contact with Local Residents
OECD	:	Organisation for Economic Co-operation and Development
OFRF	:	Organic Farming Research Foundation
TT	:	Taiwanese Tourists
SOP	:	Standard Operating Procedure
SPSS	:	Statistical Package for the Social Sciences
UN	:	United Nations
UNEP	:	United Nations Environment Programme
WTO	:	World Trade Organization
WTP	:	Willingness to Pay

CHAPTER 1

1 Introduction

This chapter presents the problem statement, namely the importance of searching for an alternative approach for small farmers who find themselves under global pressure. Farm-based tourism is a current practice in many countries. The research objectives of the study is to enhance the accomplishment of farm-based tourism by testing the new concept's hypotheses with multifunctionality and organic farming, concerning tourists as well as organic farmers.

1.1 Problem statement

Agricultural employment is relatively low, as the proportion of total employment and productivity and wages in the agricultural sector are comparatively small in economically developed countries and the world economy. Small farms, which can have multiple functions for their communities and societies at large, have become fragile under industrialization, globalization, and international agreements of trade liberalization in agriculture. International agricultural agreements that have a liberalizing effect under the World Trade Organization (WTO) may appear to be a heavy blow for small farms (Rosset, 2000). Whether and how these small farms can survive under globalization and trade liberalization is a hotly debated topic.

Taiwan is an example which has encountered the above situation and it is trying to find an alternative approach for its agriculture and small farms. Taiwan's agricultural development has been known as the foundation for its industrialization (Wu, 1997). However, the share of GDP in the agricultural industry started to decline during the growth of Taiwan's industrialization. The labour force of the primary sector in Taiwan is 5.27 % of the grand total employment (DGBAS, 2007a). 78.7 % of Taiwanese farmers own less than 1 hectare of arable land (DGBAS, 2005). Under the WTO, Taiwan's agricultural sector inevitably faces great competition and challenges. The Taiwanese

government has paid much attention to enhancing multifunctionality¹ in agriculture by promoting its farm-based tourism to increase farmers' income and to offer recreational opportunities for urban residents.

According to the WTO's definition, multifunctionality is the "idea that agriculture has many functions in addition to producing food and fibre." These are environmental protection, landscape preservation, rural employment, food security² and others. Multifunctionality of agriculture is a significant issue since it is viewed as the debatable topic among the member countries of the WTO. It has many values for society and the communities. These values include agricultural production related to trade and so-called "non-trade concerns," such as: food security, environmental conservation, protection of cultural heritage, rural development, and other aspects, which vary according to each country's interpretation. Non-trade concerns of multifunctionality have been taken into account according to Article 20 of the WTO. Rosset (2000) analysed the virtues of small farms³; he reported that small farms are often viewed as more 'multi-functional' than big farm because small farms contribute better diversity, environmental benefits, empowerment community responsibility, personal connection to food, and economic foundations (Rosset, 2000). One of these multi-functions, agrotourism⁴ is also connected with the "multiplicity of activities" that in large part characterize family based agriculture according to Garcia-Ramon et al. (1995: 268).

Farm tourism has been applied as an economic and social developmental approach for rural/peripheral areas (Ollenburg & Buckley, 2007; Veeck et al., 2006; Che, 2006; Holloway et al., 2006; Van Huylenbroeck et al., 2006; Colton & Bissix, 2005; Kidd et al., 2004; Gössling & Mattsson, 2002; Nickerson et al., 2001; Walford, 2001; Ilbery et al.,

1 In this research, multifunctionality includes conservation of natural resources, preservation of cultural heritage, rural development and recreational functions.

2 Knerr states that food security is defined as a situation in which all persons always have physical, social and economic access to sufficient, safe and high-nutrient food which covers their food requirements and allows them to live an active and healthy life (Knerr, 2006).

3 In Rosset's article, Rosset views family farms as small farms.

4 In this research, the definition of agrotourism is the same as farm-based tourism.

1998). Beyond seeing farm tourism as a tourism activity, visitors have started to seek agricultural lifestyles, natural resources and cultural heritages to escape the hustle of city life and to enjoy a meaningful leisure experience in rural areas (Kline et al., 2007). Therefore, farm tourism for the periphery is the way to trade with the core through offering outside visitors enjoyment in the form of tourism experience in the countryside.

Taiwan has worked in farm-based tourism (COA, 2005) for decades, and its operation is slightly unlike the style in the western countries, which offer stays in farm houses or participation in recreational activities in the outdoors. Due to high competition, Taiwan's farm-based tourism often integrates visits into the surrounding environment; for instance, it can offer tourists the ability to enjoy villages' culture and local lifestyles in the countryside. In addition, it develops diversity by catering to the accommodation of many kinds of activities in farm tourism which are listed on its local government websites. Thus, farm-based tourism in Taiwan has combined with villages' culture and local lifestyles to represent multi-faceted aspects to visitors.

However, the supply of farm-based tourism in Taiwan is rather high and the domestic demand is rather limited. The number of households operating farm tourism in Taiwan is increasing due to the government's promotion; meanwhile, visitors from the core are supposed to bring benefits to the periphery. Domestic tourists of the core metropolitan areas often consider peripheral regions such as Hualien to be too far away; remarkably, foreign tourists are often less concerned than domestic tourists when it comes to the distance on an island. However, peripheral regions in Taiwan have not taken this into consideration or worked practically to upgrade at the international level. Farm-based tourism in Taiwan has hence become a hidden tourist destination for foreign tourists who are interested in Taiwanese or Chinese villages' culture and local lifestyles. This gap between the peripheral region and the global stage needs to be filled. Besides domestic tourists from the core, foreign tourists need to be considered as the future target for marketing. Therefore, foreign tourists' interests in organic farm-based tourism also have to be investigated.