

11:00 – 11:30 Coffee Break

11:30 – 12:30

URBAN-RURAL INTERDEPENDENCIES (2)

CHAIR: Thomas Panagopoulos

- » George Owusu
 - › *The Role of Small Towns in Regional Development and Poverty Reduction in Ghana*
- » Eveline Van Leeuwen
 - › *Multifunctionality of Towns for Firms and Householders*
- » José António Porfírio
 - › *New Economic Geography and Rural Development: The Importance of Corporate Strategy for Economic Development of Rural Regions*

12:30 - 13:00 Discussion

13:00 – 14:30 Lunch

14:30 – 15:00 **Key Speaker - Peter Nijkamp**

> *The impact of the urban systems in sustainable development*

15:00 – 16:00 **Round Table - Teresa de Noronha**

> *Future trends without futurism*

20:00 Dinner at the Hotel Faro

KNOWLEDGE IN SMALL AND MEDIUM SIZED TOWNS

UNIVERSITY OF ALGARVE

4TH AND 5TH DECEMBER 08
FARO, PORTUGAL

Organization and Contacts

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CONFERENCE PROGRAM

Auditório Vermelho da Faculdade de Economia

December 4

9:15 - 9:30 Welcome by the Rector of the University of Algarve and the Mayor of Faro

9:30 - 10:00 **Key Speaker - Charlie Karlsson**

> *In a global economy, do entrepreneurial activities differ with town size?*

10:00 – 11:00

NETWORKS AND PUBLIC-PRIVATE PARTNERSHIPS

CHAIR: Jose Angel Vazques Barquero

- » José Luis Navarro Espigares and José Antonio Camacho Ballesta
 - › *Public-Private Partnership in Small and Medium-Sized Cities*
- » Manuel Margarido Tão
 - › *The Socio-Economic and regional impact of the transeuropean High Speed Rail Network: Some empirical evidence from european cases*
- » Ana Paula Barreira
 - › *Social and Political Determinants of the Medium Sized Cities Influence Area in Portugal*

11:00 – 11:30 Coffee Break

11:30 – 12:30

TECHNOLOGICAL DEVELOPMENTS, INNOVATION AND KNOWLEDGE SPILL-OVERS

CHAIR: Teresa de Noronha

- » Francisco Diniz
 - › *Local Integration Determinants of Upstream and Downstream Firms' Transactions in Six Portuguese Small and Medium-Sized Marketowns*
- » Fernando Fonseca and Rui A.R. Ramos
 - › *The Entrepreneurship Dynamic in Rural Tourism: The Case of the Portuguese Municipality of Almeida*
- » Hugo Pinto and João Guerreiro
 - › *Innovative Profiles and Regional Actors in the Algarve and Andalusia: An Exploratory Approach*

12:30 – 13:00 Discussion

13:00 – 14:30 Lunch

14:30 – 15:00 **Key Speaker - Helen Lawton Smith**

> *Technological transfer in a perspective of town dimension*

15:00 – 16:30

LOCAL ENTREPRENEURSHIP AND GLOBALIZATION

CHAIR: Charlie Karlsson

- » Tomaz Dentinho
 - › *Divided Knowledge on Small and Medium Towns*
- » Dr. Clive Winters, Dr John Dodd and Keith Harrison
 - › *The Role of Universities for Economic Development in Urban Poles*
- » Conceição Rego and António Caleiro
 - › *On the Spatial Diffusion of Knowledge by Universities Located in Small and Medium Sized Towns*
- » Marisa Cesário
 - › *The challenges of the Global Economy for the competitive positioning of textiles, clothes and leather sectors from European southern regions*

16:30 – 17:00 Discussion

18:00 Port-of-Honor at the Municipal Museum of Faro

December 5

9:30 - 10:00 **Key Speaker - José Angel Vazques Barquero**

> *Citizenship and associations towards development*

10:00 – 11:00

URBAN-RURAL INTERDEPENDENCIES (1)

CHAIR: Helen Lawton Smith

- » Emilia Malcata Rebelo
 - › *How Knowledge on Land Values Influences Rural-Urban Development*
- » Dr. Marcin Gospodarowicz and Dr. Hab. Danuta Kołodziejczyk
 - › *Urban-Rural Continuum as a Dynamic System on the Example of Warsaw Metropolitan Area*
- » Dr. Zbigniew Florianczyk and Dr. Adam Wasilewski
 - › *ITC's Role in Rural Areas Neighboring Towns – Stakeholders' Perception*

**International Conference on Knowledge in Small and Medium Sized Towns:
Towns as a place of knowledge and diffusion
4th and 5th December 08, Faro, Portugal**

**The entrepreneurship dynamic in rural tourism:
The case of the Portuguese municipality of Almeida**

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Abstract

Rural tourism has been widely seen in the last years as an effective means of addressing the socio-economic problems of rural territories. Accordingly, not only the supply has grown significantly, but academic interest has also been paid to the rural tourism impact. However, its impact is controversial and not always evident. To analyse these issues, this paper presents a research on rural tourism impacts in the Portuguese small town of Almeida and in its rural municipality. So, this paper focuses on the case of rural tourism in Almeida illustrating two dominant objectives: primarily, analysing the real contribution of rural tourism in the local development process, mainly in the economic diversification and in the rehabilitation of traditional activities and heritage; and secondly, examining the entrepreneurship factor and the innovation capacity in Almeida's rural tourism development, because tourism is one of the economic sectors in which a great degree of involvement and cooperation is needed to face the market increases and its new demands. Key factors that enable or hinder the contribution of rural tourism and the entrepreneurial spirit into a sustainable development process are put in relief. Some conclusions, due to the same nature of problems involved, can be extrapolated to other peripheral municipalities and small towns of the East part of Portugal.

Keywords: Entrepreneurship; rural tourism; small towns; Almeida.

1. Introduction

The regressive tendencies in course in several rural areas, mainly in those located in peripheral regions, such as the East part of the Portuguese country, are in the top of the preoccupations of different entities in order to reverse or, at least, diminish local impoverishment process, caused by migration and elderly population phenomena. Recognising the individuality of each case, the current perspectives of development drawn for these areas are sustained in the economic diversification and in the promotion of new functions by exploiting all the local resources as a key to surpass the declining of traditional activities in these areas. To put these strategies into practise, some changes are needed, which represent a high challenge to the rural territories capacity of innovation and mobilisation. In fact, the policies are supported in a “bottom-up” strategy that not only defends the exploitation of other local potentialities (material and intangible heritage, landscapes, new products, renewable energies, etc.), but also the development of new structures of local governance, to promote a higher involvement of the local entities in the development process, and the emergence of a network cooperation in the regional context. In this sense, the main urban areas of those territories could have a very important role in the revitalisation of the surrounding rural areas as favourite consumers of *rural products* (heritage, handcraft, food, nature, among others) and as centres of learning and transference of innovation. However, the relation between urban and rural areas isn't so simple and peaceful, because cities currently work as autophagous centres of rural areas, appearing as more attractive spaces to live in and to get a job. Thus, this relation should be more equilibrated and only by promoting new opportunities and functions in rural areas will it be possible to achieve a sustainable development and face the higher attractiveness of urban centres. On the other hand, rural development is increasingly associated with entrepreneurship, which is considered a central force of economic growth and development.

According to this problem and based on a research supported by the Iberian Centre Studies, the aim of the paper is to analyse the impact of rural tourism in the small town of Almeida (Portugal) and in its rural municipality. Rural tourism is classified as one of the most relevant input of the urban areas in rural spaces, because that supply is essentially searched by urban people as a way to fight against nowadays stress. At the same time, tourism is one of the economic sectors in which a great degree of involvement is needed by the entrepreneurship due to its rapid growth and complexity. At the same time, Almeida was chosen as a case study due to four main reasons: (i) the paper follows some previous researches undertaken by the authors in this municipality (Fonseca, 2006; Fonseca & Ramos, 2007); (ii) Almeida is settled in an peripheral and poor region and is living a cycle of regressive trend, loosing resources to other territories; (iii) the municipality presents several vigorous arguments with potential to reinforce its position in the rural tourism market mainly in the heritage domain; (iv) and finally, because local actors classify tourism as the most promising activity to reverse the Almeida's economic, social and cultural decadence. For the authors, these reasons configure a suitable example to analyse the rural tourism characteristics in Almeida, the contribution of this sector in the local development and the implication of the current territorial organisation model in tourist dynamics. Further, this paper can be important to understand the kind of issues that enhance and/or limit the advantages and constraints that rural tourism faces in this kind of territories and to delineate some strategies to achieve a more sustainable development and the adoption of new ways of local cooperation, innovation and entrepreneurship. Due to the same nature of problems involved, some conclusions can be extrapolated to other peripheral territories located in the East part of Portugal, where tourism appears and are reclaimed

recurrently as almost the last chance of development and the final anchor to attract external resources (tourists, investments, events, new services and inhabitants, etc.).

The research is sustained in surveys directed to rural tourism entrepreneurs and gives account to the benefits and impact of rural tourism in the economic diversification and in the appearance of new territorial functions in Almeida. Furthermore, the research can clarify what constraints and gains rural tourism has been originating in local development (particularly in the heritage maintenance), how it has been contributing to the establishment of new structures of collective involvement and mobilisation (with other entities and regions), how it has been important to induce local innovation and the local entrepreneurship spirit. On the other hand, it will be possible to evaluate the function of Almeida and Vilar Formoso, the most important small towns in the municipality (where tourist establishments are mainly located), in the territorial organisation and check whether they have (or not) potential to structure and anchor local development or if they enable the influence of most distant urban centres.

To reach the previous objectives, this paper is organised in two nuclear chapters. In the first part of the article, we review the literature on the dominant perspectives of rural development mainly in the Portuguese context, being the focus on tourism on rural economic diversification and valorisation noticed. In this analysis we avoid some mystification around the excessive importance frequently given to tourism. In this context, we briefly detail the origins, the evolution and the modalities of rural tourism in Portugal. In the remainder of the paper, we present and discuss the findings of Almeida's case study, based on the surveys made to local rural tourism entrepreneurs. Analysis is focused on the impact and on the benefits that rural tourism produced in the economy of this small town.

2. Rural tourism: the last opportunity to enhance the development of peripheral rural areas?

Tourism as a strategy for economic growth has been on the Portuguese and international regional development agenda for some time and in different contexts. Peripheral rural areas in many countries have undergone economic restructuring since the early 90s as part of the transition from Fordist to post-Fordist methods of production (Cawley & Gillmor, 2008). In this context, tourism is defended to enable rural producers to reduce reliance on agriculture and engage new economic opportunities that are more competitive in the more globalised markets.

Focusing the analysis on the Portuguese context, tourism has been identified as having an important role to play in rural development by several policies, plans and authors. The National Strategic Plan for Rural Development (2007) defends tourist investments in rural areas for their contribution to the diversification of local economies. Also the National Programme for Territorial Planning Policy (Law number 58/2007, 4th September) puts in evidence the importance of tourism in the development of rural areas in declining regions, based on the values of cultural, natural and landscape heritage. Even the National Strategic Plan for Tourism (Resolution of the Council of Ministers number 53/2007, 4th April) classifies as *strategic* many products that tend to be located in rural areas, namely natural tourism, health and well-being tourism and, in a smaller dimension, cultural touring. Besides, the orientations of these documents with a national and a transversal character, and in a local level, particularly in a municipal development perspective, tourism is often considered a priority sector. As Moreira (2000) concludes in his research, in the smaller and more peripheral Portuguese municipalities, local policies classify tourism (or are almost obliged to classify it considering the absence of other possibilities) as an anchor of development, supported

on the triad: nature, culture and gastronomy. This speech and the policies undertaken reflect, of course, the distinctive heritage elements found in some territories but, in many cases, result from the lack of other opportunities of local development. Tourism in rural areas is linked to economic development, by its potential to generate local jobs and external incomes. Also in the scientific domain, there are a large number of national and international researches and publications about this thematic, which attest its potential.

Tourism is pointed as having importance to rural areas in three nuclear levels: (i) for its capacity to rehabilitate traditional activities (agriculture) and diversify local economies and their functions; (ii) for its potential to produce employment in these areas where the opportunities are scarce; (iii) and by the incomes and positive impacts that tourism brings to rural areas. So, the economic terciarization, resulting from the implementation of different services emerges as one of the most evident impact, modifying the economic base and structure of these areas, where the primary activities had a nuclear role in past. Concerning the first point, agrarian activities are more and more recognised as one of the most important tourist attractions (Ribeiro & Marques, 2000) in the less favoured areas, because they produce some of the items most valued by tourists (particularly, the food and handcrafts). In this case, “agrotourism” defined in Portugal as a tourist accommodation facility provided by active farming families, is particularly linked to the farming sector.

So, the tourist demand represents a new opportunity to invigorate local productions and the farmer’s profits. At the same time, the economic diversification promoted by tourism, by the appearance of new activities and services that support the tourist activity (related to animation, commerce, transports, culture, etc.) mitigates the dependence on agriculture and can attract other external resources. Also the development of new functions is highlighted by several authors (Caffyn & Dahlström, 2005; Covas & Covas, 2007) as a very important contribution. In fact, tourism helps the emergence of new functions in these areas, such as the residential, the patrimonial or the leisure functions, in opposition to the mono-functionality based on agrarian activities. Considering the second point, there is a social and political need and urgency of employment creation to avoid or, at least, reduce rural exodus. Tourism is classified as a tool to promote local jobs and to raise the level of economic welfare (Fleisher & Felsenstein, 2000), because it generates new opportunities of employment in tourism and in the correlated activities. The lack of jobs (and its low profitability) is well known as one of the biggest vulnerabilities of these territories, feeding the migration phenomena. Besides the creation of jobs, tourism can have a positive impact in several social and economic domains (CE, 1998; Fleischer, 1999; Cardoso, 2001), e.g., by strengthening the farmers profits and other economic activities (commerce); in the diversification of farmer activities; in the promotion and increase of new services (information, transport, animation, etc.); in the creation of a more favourable atmosphere for the exogenous investments; and, the reinforcement of the collective renewal, through a new spirit of innovation and entrepreneurship.

Other benefits of tourism in rural areas can be emphasised. Cànoves *et al.* (2004) highlight the social impact, because tourism in these territories contributes to the maintenance of local services (health cares, public transports, schools, etc.), increases social contacts and diminishes the communities’ isolation. But, in the environmental domain there are also important benefits. As Garcia-Ramon *et al.* (1995), López-López (2001) or Cànoves *et al.* (2004) remark, tourism should comprise support for the preservation of the landscape and to stimulate the protection, conservation and improvement of the natural environment. In the same sense, tourism induces a higher preoccupation with the safeguard and rehabilitation of built and intangible heritage

(Orbasli, 2000). In fact, the quality and the distinctiveness of natural and cultural heritage is undoubtedly the most powerful attraction for the tourists that search rural territories (Fonseca & Ramos, 2008).

For the previous reasons, tourism appears as a very promising activity which could favour the growth, the knowledge, the innovation and the economies of the small towns located in rural regions. But should tourism concentrate so much importance and hope in this role? Certainly not. According to several authors and researches, the relation between tourism and development in rural regions is imbalanced and a lot of unfounded and superficial expectations were entrusted in the tourism role, mainly by the public policies and speeches. In this way, some authors, as Cristóvão (1999), Ribeiro & Marques (2000) or Sharples & Vass (2006), relate that a kind of tourism canonisation took place as a result of the excessive rhetoric around the theme and the limited results obtained. In a more moderated opinion, Umbelino (1998), or Cardoso (2001) advise that tourism shouldn't be converted in a panacea or in an elixir, a universal tool that we can successfully apply to all rural territories. In the same way, Fleisher & Felsenstein (2000) argue that in the back of every reason for promoting tourism in rural areas, there is a counter-reason. Thus, while tourism is heralded as job producer, it is also blamed for creating low wages, seasonal employment and a reduced number of jobs. These problems are related, respectively, to the lack of qualifications of some jobs created (Ribeiro & Marques, 2000), to the seasonality of the demand (Cadima *et al.*, 2001) and to the limited market that searches the rural supply, classified as a non massive or "post-fordist" demand (Balabanian, 1999; Fonseca & Ramos, 2007). For instance, Ribeiro & Marques (2000) concluded that in their case study (in the Portuguese and predominantly rural region of Trás-os-Montes) rural tourism generated, on average, only two new jobs in each unit, in which only one is a paid job (the other is occupied by a relative).

Another constraint is linked to the real impact of tourism in the economies of rural regions, one of the most invoked arguments. Despite the tourist profile that searches these areas (mainly proceed from socioeconomic privileged strata) and according to some studies (Ribeiro & Marques, 2000), tourist's expenditures tend to be relatively low and their great fraction is related to the accommodation sector (bed and breakfast). The poor and deficient supply in small towns located in rural regions, frequently characterised by a lack of animation and tourist entertainment, by a small number of shops (souvenirs, craft, etc.), and equipments (museums, sports, etc.) explains the short tourist stays and the small amount spent. Thus, the cause of this weakness is associated with the rural regions themselves, rather than tourists themselves. Related to this problem appears the articulation and impact of tourism in local productions or, in other words, who really benefits with the tourist activity. Several researches (for instance Umbelino, 1998; Cristóvão, 1999; Barros, 2003) concluded that a good portion of tourist expenditures in rural territories is obtained by external entities, mainly by travel agencies and other institutions that organise and explore tourist activities. The insufficient financial and technical capacity of local entrepreneurs in the tourist offer can explain this debility. Internally, some studies show that rural tourism makes an important contribution to the individual farmer, giving an auxiliary source of income to the families, benefiting less the other local entities (Fleisher & Pizam, 1997). Further, the consumption of local products (mainly from the local agricultural activity) is also reduced, because unities offer products from outsider regions (Cristóvão, 1999; Joaquim, 1999), contradicting the rehabilitation of traditional activities insistently attached to rural tourism. Fleisher & Felsenstein (2000) also emphasise the degradation of valuable and infinite resources (environmental and patrimonial) caused by the tourist pressure.

Thus, and based on the information reported in the literature, there is a significant difference between the rhetoric and the practise concerning the benefits of tourism in the rural development, because this speech is clearly hyperbolised. This means that, in many cases, tourism hasn't potential to anchor a sustainable development process in rural regions and in the own small towns located there. Namely in the Portuguese context, rural tourism problems reflect the insufficient support of national/regional policies and the local disorganisation of the sector. As Fleicher & Pizam (1997) argue, the relatively poor financial returns of the rural tourism sector are caused by the farmers' lack of operational knowledge, the inappropriate or insufficient marketing activities and the lack of financial resources to develop and modernise the unities (accommodation facilities). On the other hand, the entrepreneurship spirit in the less favoured territories is negatively affected by the regional context of disinvestment and by the lack of trust in the future by the local (private) entities. As a result of this combination, local entities develop a lethargic behaviour concerning investments and innovation, which is responsible (and justified) by the reduced incomes of tourism, in a vicious circle of declining.

In this context, Lordkipanidze *et al.* (2005) highlight the role of the entrepreneurship factor in sustainable tourism development in rural areas. In fact, tourism is one of economic sectors in which a great degree of involvement is needed by the entrepreneurial sector due to its rapid growth and globalisation. So, as those authors defend, an entrepreneurial orientation with respect to rural development should be based on stimulation of local entrepreneurs thus, creating jobs and adding economic value to a region and community and at the same time, keeping scarce resources within the community. The role of governments (central administration and municipal governments) in stimulating and creating an appropriate entrepreneurial atmosphere is essential, focusing on entities that have resources, motivations and skills to start a new business. This is in agreement with the opinion expressed by Brunori & Rossi (2007) concerned with the important role that local administrations have in the construction of new governance structures, both within their territory and even outside it, because interregional competition requires the establishment of external alliances.

As Rhodes (1996) remarks, in the less favoured territories, strengthening local proximity relations and giving some help and confidence in the future to the local entities are essential to stimulate their active participation and cooperation in the territorial development. The implementation of new patterns of territorial governance, through the dialogue and the cooperation between public and private entities that is stimulated with the establishment of partnerships, can be one of the more appropriated ways to instil the entrepreneurial spirit and the territorial development (Fonseca & Ramos, 2008). Also the work of Edwards *et al.* (2001), on the effect of local government of small towns located in rural regions, suggests that the partnership process had mobilised the established elite of active citizenry, often deliberately, injecting professional expertise, rather than opened doors to the community as a whole. Indeed, in these small towns, this propensity could be impute to the higher tendency of power centralisation in some influent structures, due to the reduced number and limitations of the local collective structures. On the other hand, in rural areas, tourism comprises primarily small entrepreneurs and family-centred enterprises (Fleisher & Felsenstein, 2000; Lordkipanidze *et al.*, 2005). If small companies can respond more quickly to new demands and innovation, their small capacity in terms of resources (mainly financial) could be an important restriction to operate the necessary actions to face the competition. In this context, the development of tourism entrepreneurship is still more important because it strengthens the local culture and identity, diversifies

rural tourism activities, avoids conflicts of interests if the tourism development is not suitable with the community's interests and minimizes the rivalry that subsist among private businessmen. In this sense, small-scale tourism entrepreneurship can prevent cannibalism between the small enterprises, avoiding the repartition of tourists among several operators, phenomena that are very common in the rural areas.

However, these favourable (but theoretical) concepts collide with the traditions and paths strongly settled in rural areas and with all the unfavourable context of disinvestment and declining. The scarce resources, the debilities of rural agents, the insufficient critical mass of local structures and the discredit in a more auspicious future can endanger the development of rural tourism and the entrepreneurial climate. Therefore, surpassing these internal weaknesses emerge as the most important challenge to put in front of rural areas as a *sine qua non* condition to the local capacity of institutional change and of innovation. And on this ability also depends the more or less contribution of rural tourism in the territorial development.

3. Rural tourism in Portugal: contextualisation and evolution

The concept of rural tourism isn't consensual and emerges in different contexts. As Sharpley & Sharpley (1997) or Umbelino (1998) emphasise that the rural tourism concept shouldn't be only understood as a "tourist activity developed in rural areas" (besides the criteria that distinguish the rural from the urban or suburban territories, which cannot be developed here), because it comprises several activities and different types of tourism. In Portugal and according to Ribeiro & Marques (2000) or Cunha (2006), the officially labelled as tourism in rural space (TER - from the Portuguese expression "Turismo em Espaço Rural") is related to the accommodation sector, which has been considering the very essence of this type of tourism since its beginnings (in the 70s). The complexity of the extent and the content of TER, where a lot of activities, services and accommodations are involved, disables its classification as a "tourist product".

In Portugal, TER is essentially reported in culture and activities developed in internal spaces, not absorbed by the urban ways of life. The tourist demand for rural attractive results from its persistence in the imaginary of people, mainly in the urban residents' memory, or like Menezes (2000) argues, is based on the return to the origins, re-establishing the balance between man and nature, which has been broken by the urban and the industrial development in urban areas. These principles are contained in the legislation which describes TER as the unities settled in appropriate and typical houses, currently country mansions, that offer an accommodation and conveniences (equipments, structures and services) so that tourists can enjoy a complete and diversified tourist product in rural space. According to the most recent law (Decree-Law number 39/2008, 7th March) TER only comprises three types of accommodation units: agro-tourism, rural hotels and cottages. Dwelling-house tourism, a category reserved for large country mansions (inserted in rural or in urban spaces), where the owners still live, also integrates TER's nomenclature. Further, dwelling-house tourism was the first typology linked to TER in the 70s but, nowadays, rural areas lost the exclusivity of this type of accommodation, because their legal requirements, the architectonical, the historical or the artistic value of the buildings that should be representative of a certain time, can be found both in rural and in urban areas.

TER is not a recent phenomenon in Portugal and in Europe. According to Menezes (2000) people have been travelling to the countryside on holidays in significant numbers since, at least, the early part of the last century, inspired by fine landscapes and a desire for peace and recreation. Much of this activity was related to

migration to towns and visits back to roots in the countryside; a still important phenomenon in many parts of Europe. However, as we said, in recent years the market has become more sophisticated and discriminated and there has been an increasing interest in rural tourism as a valuable vehicle for much needed diversification of the rural economy. (Sharpley & Sharpley, 1997).

In Portugal, as Menezes underlines, the first public interest in rural areas may be found in the 50s through the creation of the inns (state hotels in historic places or in places with scenic interest). This supply of accommodation increases significantly during the years and can still be found today in different areas of the territory. However and according to Cadima *et al.*, (2001), the first official experiences of TER happened in the 70s, namely in the small towns of Ponte de Lima, Vouzela, Castelo de Vide e Vila Viçosa, where a significant built heritage remains the opulent (and noble) families that lived in these areas. This pioneer experience promoted by the Government was known by *dwelling-house tourism* and intended the tourist exploitation of the patrimonial and landscape values of these regions. At this time, as Menezes (2000) underlines, rural tourism was restricted to privileged classes because, dependently on the existence of second homes, enjoying a holiday time in the country during the summer season or during the harvest season, was only attainable by those with best resources. The public support to the rehabilitation of mansions and noble houses induced the development of this accommodation supply and, consequently, the legal institutionalisation of TER in 1986 (Decree-Law number 256/86, 27th August). As we said, the legal regulation recognised three different types of TER: agro-tourism, rural tourism and dwelling-house tourism. In the course of times other types of accommodations in rural areas were regulated with more importance, such as the rural camping dwellings.

Nowadays and excepting the mentioned case of dwelling-house tourism, the law in force identifies three categories of TER with different requirements: cottages, rural hotels and agro-tourism unities. Cottages are related to buildings located in villages or in rural areas which for their draft, materials and moreover characteristics are well inserted in the regional architecture. Cottages are private houses where the owners or the householders can be living or not; rural hotels (old or new buildings) are described as bigger unities located in rural areas, with the aim to preserve and respect the materials and the dominant architecture in the surrounding area; rural hotels must be located out of the administrative town of the municipality whose population, according to the last demographic census, shall be more than 20.000 inhabitants, and their purpose is to offer accommodation and other related services, including meals. These services imply a monetary cost. Finally, agro-tourism is described as a provision of family like accommodation in typical farmhouses whilst allowing boarding guests to participate and know how to conduct the agrarian activity, or to participate in other activities within the premises of the farm, under the supervision of the owner or manager.

In respect of the recent evolution in rural tourism, the interest as a development strategy has grown in the last decades, partly in response to the changes in agricultural and rural policy and partly in response to the changes in thinking and practice in the tourism market (Snowdon *et al.*, 1997). Portugal is not an exception to this international trend of rural tourism rise as we can conclude by the studies developed by several authors (for instance, Cadima *et al.*, 2001; Cardoso, 2001; Jesus, 2007). Also statistics reveal a strong growth of TER in Portugal. According to the Portuguese Tourism Institute, in 2007, 1.023 TER unities (more 11% in relation to 2006), which offered 11.327 beds, were licensed. Last year, the demand (nights in TER establishments) increased also 11% in comparison to 2006. Curiously, in 1990, only 223 TER unities

were in activity, the lodging capacity was 1.811 beds and the nights spent in TER reached the sum of 60.979 (DGT, 2000). Therefore, the official statistics comparison clearly shows the strong evolution verified in TER, both in the supply and in the demand sides. Despite this growth, the statistics also support an idea defended by some authors. As Umbelino (1998) defends, rural tourism only attracts a small proportion of Portuguese tourists, despite the fact that the market is aimed at tourists enjoying a medium or a higher buying power and consumer capacity, and who are willing to spend money during their holiday (Cristóvão, 1999). Besides, this author points out, that tourism cannot be viewed as a panacea for solving problems involving not only economic and social underdevelopment but also the abandonment and depopulation of rural areas.

4. The case study: the Portuguese municipality of Almeida

4.1. Territorial contextualisation

The Municipality of Almeida is located in the Portuguese region of Beira Interior Norte (BIN) (Fig.1). The municipality is settled in a wide area of low population density and is extremely marked by rural features, where the city of Guarda stands out as the main polarised urban centre of the region. The municipality is composed by 29 parishes where, following the last Census (INE, 2002), 8.423 inhabitants live.

Like almost the total of BIN, Almeida is a territory that aged and regressed demographically during the last decades. According to the 2001 census (INE, 2002), Almeida had a population density of only 16inhab/km², the population with more than 65 years old corresponded to 29.8% (+ 13% than the Portuguese average) and the repulsive character of the municipality is reflected in the loss of 19.2% of the residents during the 90s. The tendency of demographic emptiness appears as one of the main weaknesses of the municipality which has lost half of its resident population during the last 40 years.

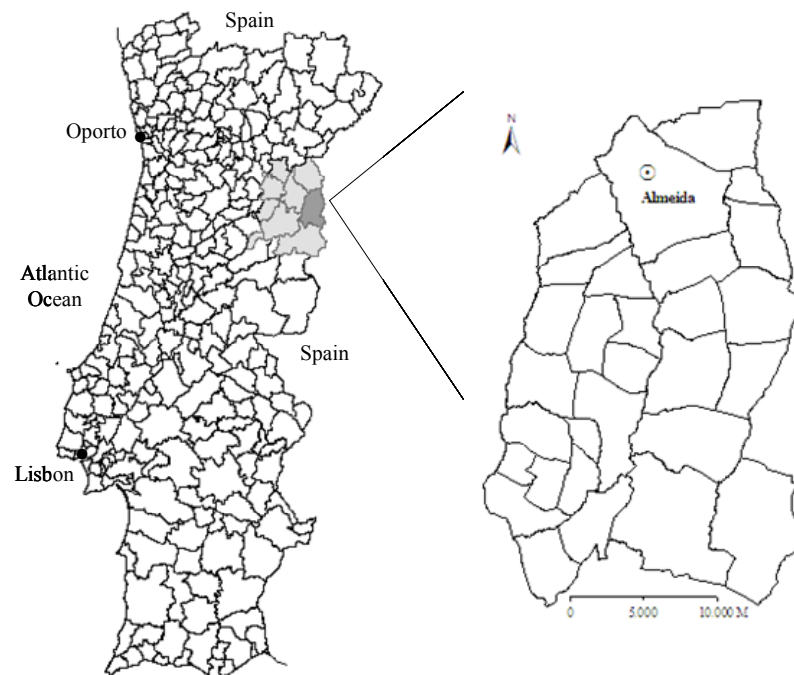


Figure 1 - Geographic location of Beira Interior Norte and Almeida's municipality in Portugal

The economic structure analysis also reveals much imbalance. In 2001, the activity rate presented a low value, the total population dependency rate (69%) revealed that the active population was inferior to the inactive one. With 63% of the population employed in activities belonging to the tertiary sector, the municipal economy proved the importance of the services and the existing commercial activities in the small towns of Almeida and Vilar Formoso, the most important urban areas in the municipality. Both, they grouped 47.2% of the entire municipality population, evidently showing the territory functional bipolarisation. The changing sector was very incipient, for the average of the existing industries was one of the lowest in the entire region. The primary sector activities had a considerable strength with 15% of the active population (more 10% of the Portuguese average, according to INE, 2002), which confirms the rural character of the municipality. However, even the agricultural activity seems to be affected by the depopulation and demographic aging. That is why we can only understand that, according to INE (2001), the percentage of agricultural coverage and the total number of agricultural business diminished (respectively 30% and 9%) between 1989 and 1999. The loss of the local agriculture competitive capacity was confirmed by the fact that in 70% of the agricultural business, the greatest part of the economic incomes had an external origin to the activity.

Reversing these regressive paths strongly settled in this rural area is a daring challenge that requires an integrated intervention and an efforts' mobilisation to increase the profit of its potentialities and to overcome its debilities. A developing strategy implies a bigger rentabilisation of the endogenous resources and a greater participation and involvement from the local entities' side in this process, also promoting a greater volunteerism in acting and exteriorising the resources, so that the territory will become more attractive and therefore will strengthen its position towards the competitive markets and the threats/opportunities resulting from the globalisation. In fact, a new local governance model could be essential to reverse the actual model of governance, led by the municipal government and characterised by a strong lack of cooperation, mainly in several domains related to tourism.

4.2. The TER potential of the municipality of Almeida

Analysing the amount of tourist supply components, according to Albino *et al.* (2000) we should bear in mind three main elements that are related to each other: tourist resources; tourist products; and the equipments and tourist services. Tourist resources are physical and non material elements liable to motivate people to travel or to represent free time occupations/activities. From the resources' quantity, diversity and quality, results the organisation of products, equipments and tourist services (hosts).

4.2.1 Cultural resources

Heritage appears as the most valuable local resource, anchored in the singular cultural legacy of Almeida (Fig.2). The small walled town is the noblest heritage element of Almeida's municipality. It is classified as National Monument, since 1928, and as Historic Village, being one of the most emblematic and well preserved examples of the military architecture of the 17th century. Distinction to the extensive perimeter of the fortress' bastions in a star shape, to the double arched gates and to the several architectonic elements of original military use (prison building, powder room, casemates, ancient artillery train, ancient artillery headquarter, the cannons of Alta square, and the ruins of the medieval castle destroyed during the 3rd Napoleonic Invasion, etc.).

In the municipality of Almeida, the Historic Village of Castelo Mendo has also an outstanding heritage. Although the castle had already been classified as a National Monument in 1946, its interest was recognised by the classification of all the urban area enclosed by the walls as Public Interest (in 1984) and also by its integration in the itinerary of Portugal Historic Villages. It is a medieval fortress that had an important shielding function till the establishment of the definite boundary line by the Alcañices Treaty. Castelo Mendo keeps on having a medieval urban structure, with a good architectonic integration and many interesting civilian (Manueline, Hispanic, Philipin, Judaic) and religious level elements.

In Almeida there are all over the Municipality (Fig.2) other elements of architectonic and historical interest, mainly: the Historic Village of Castelo Mendo (the urban area enclosed by the medieval walls is classified, since 1984, as having Public Interest, with several elements classified as National Monument); the walled village of Castelo Bom (with elements classified as National Monument); the medieval pillory of Vale de Coelha; the Malhada Sorda Church and megalithic monument; and the archaeological site of Malpartida.

In the intangible heritage domain, Almeida also includes a rich and variable handcraft production, an old cuisine, regional products, folk groups and a very strong collective memory. The small town is also known due to the 3rd Napoleonic Invasion historic recreation, which attracts different European associations (from Portugal, Spain, France and the UK), and represents, during three days, the siege, the fights and the capitulation of Almeida as a result of the castle explosion. In fact, rurality, ancestor traditions and history are still very present in Almeida.

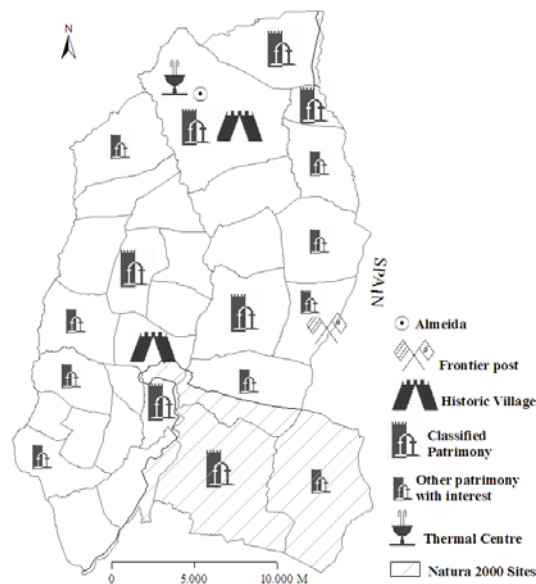


Figure 2 - Distinctive heritage in Almeida municipality

4.2.2 Natural resources

The natural heritage of Almeida is equally rich and diversified. Nature and landscape values reveal a small impact from human activities, mainly because there is not only a low urbanisation but also a low industrialisation in Almeida's area. As a result, Almeida presents a good environmental preservation, with large areas unoccupied by human activities. The existence of two sites that integrate the national Natura 2000 Network (Fig.2) confirm the high interest in conservation of Almeida's area. The traditional agriculture prevalence also plays an important role in the landscape and in the habitats' maintenance (with several species of cynegetic interest). The hot-

spring of Almeida is also known from ancient times for its medicinal and therapeutic properties and nowadays it is in a new dynamic revitalisation due to its new thermal centre. The municipality natural conditions, characterised by the existence of a tableland, cut by Côa river's valley, the main water course of the region, which are in fact adequate to the practice of different types of sport activities in contact with nature (pedestrianism, cycling, horse-riding, balloon flights, orientation, canoeing, rafting, etc.) is also a favourable point.

4.3 Methodology

Based on a research undertaken in Almeida (Fonseca, 2006; Fonseca & Ramos, 2007), tourist resources were diagnosed and classified by the regional and the local entities surveyed as the most promising to reverse the negative tendencies in course in this territory. In this context, the study developed by Fonseca (2006) following the foresight analysis of the study, presented several strategic objectives and actions in order to strengthen rural tourism and so the activities and correlated sectors (agriculture, handcraft, built heritage, etc.).

Therefore, to achieve the purpose of analysing the impact and socioeconomic benefits of rural tourism in the diversification and in the development of new functions in the Almeida's economy, local TER entrepreneurs were surveyed in order to analyse TER establishments, to study the demand, to understand the policies promoted by the entrepreneurs (marketing, cooperation, investments, etc.), and to identify the global vulnerabilities and strengthens of Almeida's TER.

In order to collect the required data, the surveys were subdivided in six parts. The first was dedicated to obtain some general information about the TER establishment, such as its identification, location, category and beginning of activity. After that, some information concerning the entrepreneurship profile was demanded, like their age, educational level, origins and the explanation of the TER investments and motivations. In a third section, the survey was directed to the supply description, a data of nuclear importance to analyse the lodging capacity, its characteristics and correlation with local economy and activities (mainly with agriculture and handcraft). In another section, the entrepreneurs surveyed were confronted with questions related to the tourist demand in their accommodations, namely the origins and occupations of guests and their average stay during the year. This information is also very relevant to achieve the real dynamic of TER in Almeida and its contribution in the development process. In another section, the questions focus was centred in understanding the type and the reach of the marketing actions undertaken by entrepreneurs, because on their characteristics also depends the higher or lesser level of tourist attractiveness and facilities. The last section was related to the impacts of each TER establishment in the socio-economic development and in the heritage rehabilitation and in checks the entrepreneur's overview about tourism and more specifically the TER debilities in Almeida.

Surveys were previously structured with a closed answers format with a typology of multiple choice options. In some questions the Likert scale was used in order to analyse the entrepreneurs agreement/disagreement concerning their content. To gather other points eventually not focused on the survey, an open-ended comments' field was created. The utilization of different survey questions types, which determines the nature and the quality of the data obtained, is justified by the need to cover some relevant variables related to TER in a compact survey format. The surveys were made between June and July of 2008. The main conclusions of these surveys will be presented in the following subsections.

4.4 Tourist dynamic in Almeida's municipality

Taking into account the tourist equipments and particularly accommodations, Almeida's supply is reduced and poor both in quality and in lodging capacity, recovering different categories from the conventional accommodations to the TER. Concerning the conventional accommodations and taking into account only the establishments classified by the Directorate General for Tourism, Almeida municipality has 4 unities, which represent 17% of the regional (BIN) registered supply. Only Guarda municipality, the main urban centre in the region, has a higher capacity. Nevertheless the accommodation capacity of Almeida is even greater if all (classified and non classified) establishments were counted, especially in the small town of Vilar Formoso, where there are 7 more establishments.

Regarding the demand, in the last years (from 2000 to 2006), the proportion of nights in Almeida's accommodations was irregular with a tendency of decrease. In the referred period, the temporary stays occurred in the classified Almeida's establishments had an average rate of 17.500/year (20% of the regional rate). Guarda is clearly distinguished, for being the main receptor centre, having received 44% of the temporary stays occurred in BIN.

On the other hand, Almeida appears itself as the BIN's Municipality where the proportion of foreign guests was the highest, if we bear in mind the last years (from 2000 to 2006). Its boundary location is also significant, because it is near to one of the most important road axis linked to Europe. The percentage of Portuguese tourists' nights in Almeida accommodations represented less than 16% in comparison to what was verified in the remaining region; on the other hand, the Spanish tourists' temporary stays were distinguished for they were 17% (11% more than in the region) and the French tourists' temporary stays were in a smaller scale, but still important (7.3%).

However, the low rate of tourists' stays which was, in 2006, 1.1 nights revealed that it was inferior to the regional average (1.3 nights), which must be due to the lack of entertainment that may attract tourists for a longer period in Almeida.

Another perspective of tourist dynamic is given by the Almeida's tourist office statistics, concerning the tourists'/visitors' number who search this service to get information. According to this service and taking into account the period between 2000 and 2006, we can verify that the number of visitors in the tourist office increased 111.6%, concerning the fact that in 2006 around 80.000 visitors went to the tourist office, a number 8 times higher than the municipal population. In this period the percentage average of national visitors (63.5%) was superior to the foreign visitors. Nevertheless, these significant numbers hide the real impact of tourism activity in the local development and questions as: "how many visitors spent money in Almeida shops, restaurants or accommodations" or "how many tourists return to Almeida" are unknown.

4.5. TER dynamic in Almeida's municipality

4.5.1. Almeida TER supply

In comparison to conventional tourism, the position of Almeida concerning TER is less advantageous. In fact, there are only three guest house tourism establishments in the municipality, which represent 5.4% of the regional supply. Neighbour municipalities as Guarda, Sabugal or Celorico da Beira have a larger TER capacity and supply. The three guest houses are located in the small town of Almeida (two) and in the small parish of Freixo (one). Thus, TER establishments in Almeida represent a small fraction in the regional supply and even in the municipality, where the greatest number of

accommodations is guided to other demands and market segments. In fact, the prevalence of conventional accommodations with low quality (such as boarding houses) mainly in the small town of Vilar Formoso seems to be inserted in a strategy to attract the passing people in the boundary. The low rate of tourists' stays validates this understanding. Thus, TER in Almeida is based on small businesses, traditionally operated and managed by the owners or their relatives as we will see.

According to the surveys realised, Almeida's TER establishments are related to the cottages reported before and their activity began in the last decade (the latest opened activity in 2003). The unities located in Almeida work in emblematic houses in the historic core, one of them was installed in an 18th century building. Freixo unity works in a regional house of 1720 and was recently repaired for this purpose. The establishments are managed by the owners.

The lodging TER capacity is much reduced (but still enough to the demand as we will see), offering together 12 rooms and 24 beds. TER establishments work during all the year and the prices practised are fixed and don't reflect the changes of demand during the high season and the low season. All the establishments offer common services (dinning-room, sitting-room, games room) except the swimming-pool only offered by one of them (important due to the geographic position of Almeida, far from the sea and fluvial beaches). Breakfast is the only meal provided by the three establishments which is explained by the short average stays of guests and by the existence of restaurants in the nearness.

Considering the entrepreneur's profile, their ages are comprised between 45-64 years old and only one of them has a university qualification (the others have secondary attendance). It is important to underline that none of them has studies or qualification in tourism or in related domains. On the other hand, Almeida entrepreneurs develop other professional activities and, so, TER isn't practised in exclusiveness, having a complementary character and generating low incomes. Concerning the investments in TER, the reasons pointed by the entrepreneurs are linked, firstly, to the pleasure of the activity and, secondly, to the interest and the motivation in rehabilitating the (familiar) built patrimony.

In accordance with the entrepreneur's answers, the tourist promotion is undertaken individually by each entrepreneur, which doesn't engage other external services. The promotional actions are published in different vehicles, mainly with a local or regional diffusion, such as pamphlets, brochures, newspapers and magazines. Only one establishment has its own site on the Web, but the others are divulged in different sites, such as the Tourist Region of Serra da Estrela. However, online reservations aren't available in all establishments, making evident the technological neglect of local entrepreneurs. Additionally, the local entrepreneurs operate individually and don't belong to any association.

4.5.2. Almeida TER demand

The demand analysis is more elucidative about the dynamic and the attractiveness of Almeida in the segments interested in their resources. In the last years, Almeida has counted a significant increase in the number of tourists. In spite of the promising statistics presented, principally the higher number of tourists/visitors in tourist office, that is frequently highlighted by the local entities (mainly by the Municipal Government) as a proof of tourist development and maturity, the local benefits of this increase are, in fact, unknown and questions as how many visitors overnight in Almeida or how many of them eat in the restaurants or buy souvenirs in the local shops, e.g., the incomes left by the visitors are uncertain. On the other hand, the

official statistics related to the written up establishments (INE, 2007) and considering the period between 2001/2006, show different tendencies, with a rise of the total guests (+3%), but a decrease of the nights spent in the establishments (-0,8%).

However, the conclusions obtained with the surveys give a more exact image of the TER dynamic. According to the local entrepreneurs, the stay period of tourists is very reduced (1 or 2 nights maximum), because there is a deficient tourist animation and a lack of activities exploitation to detain tourists for much longer periods in Almeida. On the other hand, the global rate of occupation in TER establishments is always under 20% all over the year, even in the summer, when Almeida receives the highest number of visitors. Thus, the short period of stays associated to the reduced number of nights in TER establishments suggest that this activity brings small benefits to the entrepreneurs and to the local economy. Additionally, as we said before, these statistics attest that the reduced number of TER establishments is more than enough to satisfy the local demand.

Finally, concerning the Almeida tourists' profile, the large number of guests is between 45-54 years old, having also some importance the retired segment. The largest numbers of guest's proceeds from Portugal and between the foreign tourists, the Spanish are predominant, due to the nearness of this territory. This conclusion is aligned with the official statistics presented before. Considering the professional activity developed by TER guests, the greatest number is composed by entrepreneurs, independent workers, qualified workers and retired people.

4.5.3. TER impact on the local development

The previous analysis of the TER supply and demand reveals several constraints (related to the specific market segment, but extensive to the municipal and regional condition) which don't predict a strong contribute to the local development, refuting several advantages linked to rural tourism described in the first sections.

In fact, in the socioeconomic domain, TER dynamic in Almeida is so feeble that no job has been created. All the establishments are exploited and supported by the owners or by closed relatives (usually the housewife). This fact contradicts one of the most defended positive impacts in the rural economies, corroborating other national and international researches undertaken (Ribeiro & Marques, 2000; Fleisher & Felsenstein, 2000) and confirming some excessive optimism around TER and its favourable contribution in employment. For the owners whilst being very small in volume, TER generates insufficient incomes to recruit workers. The lack of properly able professionals to fulfil the requirements of the job related to TER was underlined as an additional problem. On the other hand, in the unique unity inserted in a farm (Quinta do Freixo), the agricultural products obtained aren't consumed (neither sold) by tourists. In the three establishments, the average of local products (agro production, handcraft, etc.) consumed by tourists is less than 20% of the total. This reality is also in opposition with other of the most reclaimed benefits of tourism in rural areas: the development of traditional activities and the diversification of the economic basis. Nevertheless, this conclusion is aligned with the research undertaken by Joaquim (1999) when he said that, frequently, TER dynamic is disconnected of the rural development, being fed by exogenous resources and producing more profitable benefits for outsider entities (usually the urban areas, where some important companies and tourist agencies are located).

Concerning the patrimonial contribution of TER the most visible benefit is related to the rehabilitation of some buildings, namely those where the unities work. According to the surveys, the entrepreneurs supported the buildings repairs cost, but one

of them had financial support (25.000€) from a project managed by CCDR-Centro (a public entity with regional competences). The risk of the investment in TER in Almeida is very present in the mind of an entrepreneur when he said that only in a long time the investment could be recovered, taking into account the reduced level of the establishment occupation and the short stay of guests. Actually, for this entrepreneur, the building rehabilitation in the historic centre is an imperative to strengthen the attractiveness and the image of Almeida. However, taking into account the reduced number of establishments, the TER contribution in the building rehabilitation is very limited and restricted to some particular houses. So, the largest number of buildings doesn't suffer any direct amelioration with TER and the Almeida historic centre and, even more, the core centre of the smaller parishes around the municipality persist in a declining trend of abandonment and deterioration.

The TER contribution in the revitalisation of other patrimonial elements is even more restricted, due to the low articulation of TER with several domains such as agriculture, handcraft, activities in contact with nature, etc. Only one establishment regularly organises activities of TER animation (rides on horseback and on donkeyback). Taking into account the reduced rate of local products sold or consumed in the establishments, we can also conclude that the TER contribution in the proclaimed benefits in the rural economies (the economic diversification and the renewal of traditional activities) is limited and partial.

In organisational and institutional levels, TER has been unable to encourage a great dynamic of cooperation and involvement between local (and regional) public and private entities. The lack of cooperation diagnosed with the surveys reflects not only the insufficient dialogue, but also the contradictory interest and the local rivalry and competition between local entrepreneurs in attracting the scarce resources (tourists, visitors, investments, events, etc.). Even in apparently simple domains, such as marketing, the cooperation between entities has been complex. In fact, the three TER establishments work alone and any kind of activity is put into practice together. The only exception is Casa do Cantinho, which cooperates with Almeida's inn in the promotion and tourist animation of different cultural and nature activities, due to the same management of both establishments.

In spite of the local cooperation being recognisably more difficult in territories with Almeida's characteristics (Barros, 2003), it is essential to surpass the selfishness, the lack of scale and the fragmentation of the individual actuation of local entities and entrepreneurs. In fact, the implementation of a new pattern of involvement and governance could be the key to adopt a more efficient and sustainable exploitation of tourism (and of local development), giving support and stimulating the entrepreneurial spirit, defining actions shared by all the entities and adopting structural and complementary policies focused on the future.

5. Conclusion

The exploitation of tourist resources in rural territories has generated (and still generates as we can conclude by the volume of speeches, studies, policies and actions undertaken) a great enthusiasm to rehabilitate the economy, the cultural values and to ameliorate the social conditions of the small rural towns inhabitants. Though, the results obtained in several rural territories (mainly in Portugal) advise some caution on the evaluation of the real impact of TER, that's why some authors (Cristóvão, 1999; Ribeiro & Marques, 2000) argue that tourism shouldn't be converted in a panacea which can solve all the rooted debilities of these areas.

The case of Almeida represents a paradigmatic example of this problematic. Having distinguishable resources in the cultural and natural heritage domains, the municipal entities classify comprehensibly tourism as the sector with more potential to induce a new dynamic of local development. In relation specifically to the TER, we concluded that the greatest number of benefits conferred have a residual impact in the municipal development, considering the creation of jobs, the patrimonial rehabilitation or the economic diversification. Even the articulation between TER and the patrimonial resources and the residents is still less clear.

Different reasons can be pointed to clarify the TER context in Almeida. Considering tourism in its national dimension, we can verify that, except some policies and (scarce) resources guided to this segment, the strongest investments are directed to well known tourist regions and to massive tourism products, just because they are more demanded and generate higher volume of incomes. In fact, the insufficient public financial support was diagnosed by the local entrepreneurs as a huge obstruction to the sector evolution. Therefore, there are several debilities inherent to the municipality itself which hinder the development of tourism activity and TER in particular. As the entrepreneurs recognised, on the top of these reasons appears the lack of cooperation and involvement among local entities due to the absence of new models of governance that avoid the concentration of efforts and the implementation of integrated actions. The local disarticulation reflects the entrepreneur individualism and the local competition and the rivalry in attracting tourists. As Brunori & Rossi (2007) argue, this divergent entrepreneurial behaviour is usual in rural areas and attests the failure of the strategies put into practise and requires a deep change in the rooted and traditional way of governance. The lack of cooperation is felt in two ways. Horizontally, in Almeida the dialogue and cooperation is very reduced (or null if we consider only the entrepreneurs activity) and has been impelled by the municipal government. Vertically, the municipal cooperation with other regional and frontier entities is also limited and reflects the strong municipal practice of govern taking into consideration only the inside reality, ignoring the surrounding potential and dynamics. Consequently, Almeida needs a new pattern of territorial organisation, which stimulates the dialogue between local entities, encourages the investments, makes the territory more attractive to exogenous resources and defines a new and global policy of development that should answer to the question: *What future do we want to Almeida?*

However, perceiving the nature of these problems, some promising steps have been undertaken by the municipal government in order to reverse this state of things, which assemble the agreement of local entrepreneurs. Examples of these actions are: the installation of Almeida's Promotion Agency, a structure to concert actions principally in the tourist offer domains among local entities and counting with the support of external entities; the reinforcement of regional and frontier cooperation (with the frontier Partnership established with Ciudad Rodrigo), to share experiences and develop common tourist actions; and the growing preoccupation with external promotion (with presences in the 2007 Madrid International Tourism Market, Lisbon Tourism Stock Market and XI International Inland Tourism Market, in Valladolid). This effort developed by the municipal government reveals a new preoccupation with the tourist promotion, as well as with the cooperation of local and regional entities in Almeida's development and these could be the first steps of larger and more effective territorial governance. At the same time, it suggests that the municipal government performs the leading role in the socioeconomic entertainment, due to its greater capacity of local dialogue and mobilisation. In fact, private entities and particularly, the local entrepreneurs, are (but shouldn't be) significantly more passive and excessively

positioned as beneficiaries of public funds and supports. The absence of an entrepreneurial spirit in the local entities is seen as the principal cause of that.

The regional context of disinvestment and the socioeconomic abandonment observed in the small towns of this peripheral area also contributes for the reduced entrepreneurial dynamic and innovation in tourism (and also in other economic activities), fact that was also classified by the entrepreneurs as an impediment of tourism growth in Almeida. Additionally, this context repels investments and promotes an atmosphere of discredit and doubt in the future. The characteristics of local agents and entrepreneurs, with low levels of qualification and relatively old age worsen the entrepreneurial dynamic in tourism. The distance (and not the isolation) from the main urban centres in the west Portuguese coast and to some Spanish towns, associated with the absence of a transversal and solid policy of tourist exploitation, explains the feeble impact of tourism and TER in the Almeida's economic development.

Thus, the Almeida's municipality has a long way to tread until tourism supports the local development and a new territorial organisational model is needed to mitigate some weaknesses. For this purpose, tourism should be inserted in a global and integrated perspective in a double sense: (i) the policies should favour and stimulate the participation and the involvement of the most representative entities in the planning process, articulating the other policies and dimensions with tourism. This institutional solidarity is essential to obtain more critical mass, to encourage the entrepreneurial spirit and to concentrate resources in strategic and mobilising actions; (ii) in spite of transcending the municipal actuation and competence, Almeida should strengthen the tourist cohesion in a regional scale, preferably through the establishment of a common platform, where actions related to the planning activities and marketing should be undertaken. The described global vision is essential to reinforce tourism in Almeida so that TER could effectively renew the local economy and the traditional activities, keeping away the stereotyped idea of rural development.

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