

Editorial

# Rural Areas Facing the Challenge of Economic Diversification: Threats and Opportunities

Francisco Javier Castellano-Álvarez <sup>1,\*</sup>, Rafael Robina-Ramírez <sup>2</sup> and Francisco Silva <sup>3</sup>

<sup>1</sup> Economy Department, University of Extremadura, 10071 Cáceres, Spain

<sup>2</sup> Business Management and Sociology Department, University of Extremadura, 10071 Cáceres, Spain; rrobina@unex.es

<sup>3</sup> Management Department, University of the Azores, 9500-321 Ponta Delgada, Portugal; francisco.jf.silva@uac.pt

\* Correspondence: fcocastellano@unex.es

This Special Issue delves into the challenges and threats associated with rural economic diversification. The contributions received shed light on the fact that rural areas in the most developed countries face markedly different challenges compared to those in other parts of the world. Offering such a diverse and multifaceted perspective on the various realities of the rural world from an international standpoint is a key strength of this Special Issue, which comprises total of eleven research articles; six come from Chinese authors and three from Spanish authors, and contributions from Polish and Taiwanese researchers are also included.

While all articles share a common focus on analyzing issues of significant interest within their respective rural environments, the approaches taken by Chinese researchers exhibit notable diversity. For instance, Yang et al. [1] developed an index aimed at quantifying rural revitalization in the 12 administrative regions of western China. Their methodology utilizes entropy models, the BCG matrix, and geodetection systems. This research represents a valuable addition to the existing literature on the subject [2,3], emphasizing the necessity of establishing valid indicators to accurately define rural conditions [4]. This is crucial for tailoring policy interventions to effectively address the multifaceted challenges that are inherent in rural areas.

The contributions by Zhang et al. [5] and Sun and Xu [6] delve into the impact of financial development in rural China from distinct angles. Zhang et al. [5] examine the interplay between the increasing accessibility of digital financial services for China's rural population and the demand for infrastructure, knowledge, and communication technologies in rural areas. Their study identifies a positive correlation between these factors, which stimulates rural consumption and enhances financial regulatory systems. In conclusion, the authors emphasize that modernizing China's rural regions necessitates a significant push towards digitization, including improvements to mobile connectivity infrastructure, advancements in technological development, and the promotion of digital literacy among the populace. On the other hand, Sun and Xu [6], amidst the health crisis triggered by COVID-19, utilize data from the Chinese Health and Retirement Longitudinal Survey (CHARLS) to explore the significance of financial market development in helping families cope with illness-related expenses without plunging into poverty. Their findings reveal a positive association between ownership of financial assets and health expenditure. According to the authors, this underscores the importance of fostering financial market development, including digital platforms, and enhancing financial literacy among the population. These measures aim to bolster the financial assets of rural households, thereby strengthening the national healthcare system and mitigating the risk of impoverishment among those affected by illness.

Another perspective on rural development is offered in the articles authored by Zhang and Huai [7] and Zhang et al. [8] within the realm of intangibles in rural development [9].



check for updates

**Citation:** Castellano-Álvarez, F.J.; Robina-Ramírez, R.; Silva, F. Rural Areas Facing the Challenge of Economic Diversification: Threats and Opportunities. *Agriculture* **2024**, *14*, 623. <https://doi.org/10.3390/agriculture14040623>

Received: 8 April 2024

Accepted: 15 April 2024

Published: 17 April 2024



**Copyright:** © 2024 by the authors. Licensee MDPI, Basel, Switzerland. This article is an open access article distributed under the terms and conditions of the Creative Commons Attribution (CC BY) license (<https://creativecommons.org/licenses/by/4.0/>).

Through a case study of the Shaanxi region in China, Zhang and Huai [7] employ a structural equation model to investigate the factors contributing to poverty among agricultural households. They identify educational and health conditions as barriers to employment access, thereby exacerbating poverty levels. In terms of policy recommendations, they advocate for increased public investment in infrastructure, particularly in education and healthcare facilities. Despite the challenges associated with defining the factors perpetuating poverty in rural Shaanxi, the authors assert that deficiencies in education, health, and employment are interlinked, forming a “trap” reinforced by community dynamics. To mitigate these risks, Zhang and Huai [7] endorse bottom-up development strategies that engage the local population, fostering a sense of belonging and identity, which enhances their psychological resilience. These findings align with those of Rangel-Preciado et al. [10], who, in their study on agglomeration economies, highlighted the positive impact of such strategies on social capital. Similarly, the work of Zhang et al. [8] underscores the importance of enhancing basic resources and infrastructure for the well-being of farmers. While the availability of these resources may vary depending on the country’s level of development, the central conclusion of this study holds true for rural areas worldwide.

The study by Luo et al. [11] is part of a series of research endeavors that hold significance within the realm of agrotourism and rural tourism, a focal point of this Special Issue. This cluster of studies includes investigations conducted by Shen and Wang [12], Ruiz-Labrador et al. [13], and Widawski et al. [14]. Through a case study conducted in Guangxi Province (Southwest China), Luo et al. [11] reveal that the integrated development of agriculture and tourism can positively impact the income of farming families. Consequently, they present a set of policy recommendations, advocating for diversification of agricultural income through tourism activities and emphasizing the necessity to enhance the training of tourism professionals. Shen and Wang [12], in their analysis centered on organic agricultural tourism and utilizing the Reasonable Person Model (RPM), explore the influence of place attachment and environmental sensitivity, inherent in the coastal regions of Hualien and Taitung (located in eastern Taiwan), on tourist loyalty to these destinations. The study underscores the significance of place attachment in shaping tourist behavior, while the methodology employed underscores the pivotal role of two factors in destination loyalty: the territorial identity of the place and the cultivation of emotional and functional connections between tourists and the destination itself.

Meanwhile, the contribution by Ruiz-Labrador et al. [13] delves into the practice of agrotourism in peripheral European territories marked by depopulation, aging, and loss of cultural identity. Focused on the case study of Extremadura (Spain), the authors conduct a literature review centered on the analysis of the value chain associated with agrotourism in dehesa landscapes. Their research unveils the vast potential of agrotourism in such territories, underscored by the allure of these ecosystems, the production of high-quality food by livestock farms and its gastronomic derivatives, and the interaction with the local ways of life, production methods, and natural resource utilization. The study suggests various courses of action to leverage this potential, including raising awareness among farmers and ranchers about the economic benefits of agrotourism, ensuring quality standards in service provision, digitalizing tourist offerings and resources, and addressing bureaucratic and regulatory hurdles.

Finally, among the studies focusing on rural tourism in its various forms, Widawski et al. [14], drawing on the Polish context, examine how the implementation of such activities aligns with principles of sustainable development. Employing extensive documentary and web content analysis, the authors underscore the significance of preserving local culture in safeguarding natural and tourism resources. They emphasize that the conservation of local culture is a direct outcome of the community’s efforts to uphold its distinctive features, traditions, and customs. The study underscores two key factors for preserving tourist resources: firstly, ensuring their sustainable utilization without compromising their essence amidst the prevalence of mass tourism and secondly, recognizing their educational value, as a deeper understanding of their uniqueness enhances their appreciation. Widawski

et al. [14] highlight the importance of “educational dwellings” in facilitating this dual aspect of Polish tourist resources. Echoing the findings of Ruiz-Labrador et al. [13] on agrotourism in the Extremadura dehesa, the authors argue that initiatives such as “educational housing” or the availability of suitable rural accommodation enable visitors to engage with the local population, their production methods, and their customs, often intertwined with the utilization of natural resources. Both research teams also emphasize the significance of effectively showcasing tourist resources online and articulating the distinctiveness of natural and cultural assets to promote tourism in a given area. These contributions are part of a broader research agenda that, from diverse perspectives, explores the potential of tourism in rural regions [15,16].

The liberalization of international agricultural trade and the adherence to the associated commitments by developed nations [17,18] pose a significant challenge to the rural landscapes of these countries, where agriculture continues to hold paramount importance. This challenge echoes the rationale behind the initiation of the Leader Community Initiative in the early 1990s [19,20]. The studies by Castellano-Álvarez and Robina-Ramírez [21] and Martínez-Carrasco and Colino Sueiras [22] delve into two intriguing aspects of these European-initiated programs, designed to diversify agricultural and rural incomes across the continent.

Castellano-Álvarez and Robina-Ramírez [21] aim to assess the feasibility of projects implemented under European rural development programs, adopting a long-term perspective and utilizing a case study methodology. In contrast to the plethora of publications in this Special Issue focused on tourism practices in less developed regions, this research sheds light on the risks associated with over-reliance on a single sector for development opportunities, particularly tourism. The examination of the case of La Vera (Extremadura, Spain) reveals a significant concentration of development program resources in initiatives promoting rural tourism, specifically in projects involving the establishment or modernization of rural accommodations. While such a focus may seem logical during the nascent stages of tourism development, sustaining this concentration of investment across successive programming periods could yield adverse outcomes. Firstly, it may disadvantage other sectors that lack equivalent opportunities and resources, despite demonstrating lower rates of investment failure. Secondly, even projects that initially benefit from this focus may face challenges, as it results in an oversupply of accommodation. In fact, over 60% of promoters involved in such projects acknowledge that the profitability of their ventures does not permit exclusive dedication to management duties.

The research conducted by Castellano-Álvarez and Robina-Ramírez [21] represents a significant contribution to the body of research that these authors have established, focusing on an issue of paramount importance within this Special Issue [23,24]. Their study delves into the county as a geographical unit of analysis, which serves as the foundation for the European Union’s endogenous rural development strategies [25,26].

Lastly, the article authored by Martínez-Carrasco and Colino Sueiras [22] delves into a crucial aspect of rural development: the depopulation of rural areas. Using Spain as a case study, they employ a Delphi analysis method, consulting with 35 experts in the field. The findings of their research underscore the pressing nature of rural depopulation in Spain, positioning it as a genuine concern for the state. The expert assessments gathered by the authors unanimously emphasize the necessity for public policies geared towards fostering sustainable territorial development and stemming the migration flows from rural to urban areas. To achieve this overarching objective, the experts stress the importance of maintaining effective coordination among the various administrative bodies responsible for this domain, with the ultimate goal of enhancing the provision of basic services to rural residents and expanding their employment prospects.

**Author Contributions:** All authors wrote, reviewed, and commented on the manuscript. All authors have read and agreed to the published version of the manuscript.

**Funding:** This research received no external funding.

**Acknowledgments:** We would like to sincerely thank all authors who submitted papers to the Special Issue of *Agriculture* entitled “Rural Areas Facing the Challenge of Economic Diversification: Threats and Opportunities”, we also thank the reviewers of these papers for their constructive comments and thoughtful suggestions, as well as the editorial staff of *Agriculture* who have been very easy to work with.

**Conflicts of Interest:** The authors declare no conflicts of interest.

## References

1. Yang, X.; Li, W.; Zhang, P.; Chen, H.; Lai, M.; Zhao, S. The Dynamics and Driving Mechanisms of Rural Revitalization in Western China. *Agriculture* **2023**, *13*, 1448. [\[CrossRef\]](#)
2. Abreu, I.; Mesías, F.J.; Ramajo, J. Design and validation of an index to measure development in rural areas through stakeholder participation. *J. Rural Stud.* **2022**, *95*, 232–240. [\[CrossRef\]](#)
3. Márquez-Fernández, D.; Foronda-Robles, C.; Galindo-Pérez, L.; García López, A. Eficacia y eficiencia de LEADER II en Andalucía. Aproximación a un índice-resultado en materia de turismo rural. *Geographicalia* **2005**, *47*, 137–152.
4. Castellano-Álvarez, F.J.; Castro-Serrano, J.; Durán-Sánchez, A. The Concept of Rural Environment: Difficulties and Perspectives. *Rev. Espac.* **2019**, *40*, 16.
5. Zhang, C.; Li, Y.; Yang, L.; Wang, Z. Does Development of Digital Inclusive Finance Promote Construction of Digital Villages? An Empirical Study Based on the Chinese Experience. *Agriculture* **2023**, *13*, 1616. [\[CrossRef\]](#)
6. Sun, Z.; Xu, X. Can Access to Financial Markets Be an Important Option for Rural Families to Break the Return to Poverty Due to Illness in China? *Agriculture* **2024**, *14*, 165. [\[CrossRef\]](#)
7. Zhang, Y.; Huai, J. A Case Study of Farmers’ Behavioral Motivation Mechanisms to Crack the Fractal Multidimensional Relative Poverty Trap in Shaanxi, China. *Agriculture* **2023**, *13*, 2043. [\[CrossRef\]](#)
8. Zhang, R.; Zhang, J.; Zhang, K.; Xu, D.; Qi, Y.; Deng, X. Do Clean Toilets Help Improve Farmers’ Mental Health? Empirical Evidence from China’s Rural Toilet Revolution. *Agriculture* **2024**, *14*, 128. [\[CrossRef\]](#)
9. Castellano-Álvarez, F.J.; Nieto Masot, A.; Castro-Serrano, J. Intangibles of Rural Development. The Case Study of La Vera (Extremadura, Spain). *Land* **2020**, *9*, 203. [\[CrossRef\]](#)
10. Rangel-Preciado, J.; Parejo-Moruno, F.; Cruz, E.; Castellano-Álvarez, F.J. Rural Districts and Business Agglomerations in Low-Density Business Environments. The Case of Extremadura (Spain). *Land* **2021**, *10*, 280. [\[CrossRef\]](#)
11. Luo, Y.; Xiong, T.; Meng, D.; Gao, A.; Chen, Y. Does the Integrated Development of Agriculture and Tourism Promote Farmers’ Income Growth? Evidence from Southwestern China. *Agriculture* **2023**, *13*, 1817. [\[CrossRef\]](#)
12. Shen, C.; Wang, D. Using the RPM Model to Explore the Impact of Organic Agritourism Destination Fascination on Loyalty. The Mediating Roles of Place Attachment and Pro-Environmental Behavior. *Agriculture* **2023**, *13*, 1767. [\[CrossRef\]](#)
13. Ruiz-Labrador, E.-E.; Sánchez-Martín, J.-M.; Gurría-Gascón, J.-L. The Agritourism Value Chain: An Application to the Dehesa Areas of Extremadura. *Agriculture* **2023**, *13*, 2078. [\[CrossRef\]](#)
14. Widawski, K.; Krzemińska, A.; Zaręba, A.; Dzikowska, A. A Sustainable Approach to Tourism Development in Rural Areas: The Example of Poland. *Agriculture* **2023**, *13*, 2028. [\[CrossRef\]](#)
15. Robina-Ramírez, R.; Ravina-Ripoll, R.; Castellano-Álvarez, F.J. The trinomial health, safety and happiness promote rural tourism. *BMC Public Health* **2023**, *23*, 1177. [\[CrossRef\]](#) [\[PubMed\]](#)
16. Robina-Ramírez, R.; Martín Lucas, M.; Dias, A.; Castellano-Álvarez, F.J. What role geoparks play improving the health and well-being of senior tourists? *Heliyon* **2023**, *9*, E22295. [\[CrossRef\]](#) [\[PubMed\]](#)
17. Castellano-Álvarez, F.J.; Parejo-Moruno, F.M.; Rangel-Preciado, J.F.; Cruz-Hidalgo, E. Regulation of Agricultural Trade and Its Implications in the Reform of the CAP. The Continental Products Case Study. *Agriculture* **2021**, *11*, 633. [\[CrossRef\]](#)
18. Castellano-Álvarez, F.J.; Robina Ramírez, R. Relevance of the Uruguay and Doha Rounds in the Evolution of International Agricultural Trade: The Case Study of Latin American Countries and Continental Products. *Economies* **2023**, *11*, 2. [\[CrossRef\]](#)
19. Castellano-Álvarez, F.J.; Durán-Sánchez, A.; del Río Rama, M.C.; Álvarez-García, J. Innovation and Entrepreneurship as Tools for Rural Development. Case Study Region of La Vera, Extremadura, Spain. In *Entrepreneurship and the Community. A Multidisciplinary Perspective on Creativity, Social Challenges, and Business*; Ratten, V., Ed.; Springer: Cham, Switzerland, 2020; pp. 125–140. [\[CrossRef\]](#)
20. Castellano-Álvarez, F.J.; del Río Rama, M.d.l.C.; Durán-Sánchez, A. Effectiveness of the Leader Initiative as an Instrument of Rural Development. Case Study of Extremadura (Spain). *Rev. Port. Estud. Reg.* **2020**, *55*, 61–78. [\[CrossRef\]](#)
21. Castellano-Álvarez, F.J.; Robina-Ramírez, R. Long-Term Survival of Investments Implemented under Endogenous Rural Development Programs: The Case Study of La Vera Region (Extremadura, Spain). *Agriculture* **2023**, *13*, 2130. [\[CrossRef\]](#)
22. Martínez-Carrasco Pleite, F.; Colino Sueiras, J. Rural Depopulation in Spain: A Delphi Analysis on the Need for the Reorientation of Public Policies. *Agriculture* **2024**, *14*, 295. [\[CrossRef\]](#)
23. Castellano-Álvarez, F.J.; del Río-Rama, M.d.l.C.; Álvarez-García, J.; Durán-Sánchez, A. Limitations of Rural Tourism as an Economic Diversification and Regional Development Instrument. The Case Study of La Vera. *Sustainability* **2019**, *11*, 3309. [\[CrossRef\]](#)

24. Castellano-Álvarez, F.J.; Robina Ramírez, R.; Nieto Masot, A. Tourism Development in the Framework of Endogenous Rural Development Programmes. Comparison of the Case Studies of the Regions of La Vera and Tajo-Salor (Extremadura, Spain). *Agriculture* **2023**, *13*, 726. [[CrossRef](#)]
25. Castellano-Álvarez, F.J.; Robina-Ramírez, R. Relevance of Territorial Identity in the Rural Development Programs. The Case Study of Tajo-Salor (Extremadura, Spain). *Economies* **2024**, *12*, 34. [[CrossRef](#)]
26. Castellano-Álvarez, F.J.; Robina-Ramírez, R. La comarca como ámbito de intervención en los programas de desarrollo rural. El Estudio de caso de la comarca de La Vera. In *Organización de la Producción, Instituciones y Cooperación Empresarial. Estudios Aplicados para el Desarrollo Rural*; Parejo Moruno, F., Rangel Preciado, J., Linares Luján, A., Eds.; Dykinson: Madrid, Spain, 2023; pp. 365–378.

**Disclaimer/Publisher’s Note:** The statements, opinions and data contained in all publications are solely those of the individual author(s) and contributor(s) and not of MDPI and/or the editor(s). MDPI and/or the editor(s) disclaim responsibility for any injury to people or property resulting from any ideas, methods, instructions or products referred to in the content.