

THE ROLE OF TERROIR IN TOURISM LED AMENITY MIGRATION: CONTRASTING EFFECTS IN TUSCANY AND THE OKANAGAN VALLEY OF BRITISH COLUMBIA

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Abstract

Definitions of terroir elude consistent agreement. As defined geographical space the common denominators of its conceptualization include natural and cultural elements of life, work, and lifestyle that have become idealized, even fetishized worldwide. It seems the ideal terroir for wine production is also an idealized lifestyle location. A very high quality of life is associated with the landscape of the wine terroir, hence, visiting a winery, running a winery and living in the vicinity of a winery has become valued among amenity seeking tourists often followed by amenity migrants. This broad scale investigation uses the theoretical framework of evolutionary economic geography to examine the process and effects of tourism led amenity migration in Tuscany, Italy and the Okanagan Valley of British Columbia, Canada. Tuscany and the Okanagan are examples of old and new worlds of wine production where wine tourism and amenity migration have taken on common qualities with often differing results. Evolutionary histories of the wine and tourism industries in Tuscany and the Okanagan are laid out alongside the process of lifestyle or amenity migration that have emerged. Key motivators that facilitate tourism led, wine based migrations are theorized to illustrate temporal and spatial patterns of tourism and migration. The amenities of the wine terroir integrate natural, cultural and lifestyle characteristics associated with the rural countryside in general. The process of change from wine led tourism to migration appears imbedded in a class attachment to the romanticized social construction of wine production. However, the effects of wine based amenity migrations are deeply localized and appear driven by local innovations and innovators, the transition and specialization of local institutions and the presence or absence of windows of opportunity created by cultural and economic transformations. **Key Words: terroir, amenity migration, wine tourism, Tuscany, Okanagan**

1. INTRODUCTION

Wine tourism industries in old and nascent new world wine regions – such as Tuscany in Italy and Okanagan Valley in British Columbia have deployed the aesthetic ideals and lifestyle identities derived from wine production and the identification of terroir into great advantage. Terroir, an indefinable Gallic term, blends the production of innovative and living products, with natural and cultural resources to define unique geographically delimited space (Unwin, 2010). Use of the term terroir is often associated with wine regions, but has also been linked with food and other forms of agricultural production. Declaration of a unique terroir can create a powerful marketing identity that has influenced the draw of wine regions by tourists and amenity or lifestyle migrants. The process that evolves wine production areas into wine tourism and amenity migration regions is not well understood. The paths of tourist and migrant mobility are not linear, nor are they orderly, but both phenomena are pervasive in the rural regions of industrial economies. Tourists and migrants are drawn by a quality of life associated with natural and cultural landscape of wine regions where central themes of family, tradition, culture integrate with natural environments promising health and wellness. The unique mobility that transitions wine production into wine tourism development

and amenity migration is not a linear process but comes as a consequence of multilevel and co-evolving development paths. The aesthetic and lifestyle or cultural identity produced through the wine tourism industry in the form of terroir is reflective of, and supported by, an evolving agricultural economy and changing market for tourism experiences, lifestyle opportunities and food products that demand a healthy supply system derived out of sustainable natural environments. Tourists and lifestyle or amenity migrants are drawn to the unique terroir of these environments for the high quality of life associated with the attractive natural and cultural landscapes. Rahman et al. 2005 identifies a number of objective and subjective elements that contribute to quality of life including health, work, productivity, material well-being, feeling part of one's community, personal safety, quality of the environment, emotional well-being and relationships with family and friends. These elements contribute to tourism experiences that offer travelers temporary community and a unique sense of place supporting optimal health and well-being that integrates body, mind and spirit, that is often missing from their everyday routine (Smith and Puczko, 2014, Steiner and Reisinger 2006). Increasing health consciousness, individualization, the quest for spirituality and the accelerated pace of life are megatrends contributing to the growth of wellness tourism and wine regions are taking advantage of these trends by deliberately branding themselves as wellness destinations to enhance awareness, appeal and profitability (Voigt and Pforr 2014).

2. MATERIAL AND METHODS

To examine the evolutionary process of tourism and migration alongside other development paths in wine regions, we draw from recent work in evolutionary economic geography (EEG). EEG is concerned with the processes of path creation and path dependence that interact to shape geographies of economic development and transformation (Boschma and Martin, 2010). The economic landscape does not tend towards some (predefined) unique equilibrium state or configuration, but is an open system that evolves in ways shaped by its past development paths (Martin and Sunley, 2006). In order to examine the transition process from wine production and identification of terroir towards wine tourism and amenity migration we have selected two case studies for contrasting historical experience: the first an old world wine region, Tuscany in Italy and the second a new world wine region, the Okanagan Valley of British Columbia Canada. Both regions have regionally significant wine industries and both have experienced a rural renaissance (Randelli et al, 2014) largely supported by wine tourism and amenity migration (Senese, 2010). Using a framework from EEG we stress the co-evolutionary process of different drivers of change: the preservation of natural environments and social and cultural traditions; demands for health and wellness and the production of quality wine and wine experiences. In conclusion, we explain the emergence of a wine and tourism industry and migration patterns in the two case studies as a shift from a predominant historical rural configuration to a new one through the interplay of processes at micro (local), meso (regional) and macro (market) levels. This approach is used to contextualize the history and evolution of wine tourism, its landscape and terroir in the two case studies

3. RESULTS AND DISCUSSION

Traditional analysis of wine tourism in Tuscany describes it in terms of its terroir, or richness in local resources (Telleschi, 1992) such as a beautiful, varied landscape, high quality food products and many important historical and cultural centres spread out in the countryside. Between the 15th and mid 20th centuries, rural configuration in Tuscany was based on the “*mezzadria*” system (sharecropping). At that time the merchants owned the majority of rural properties close to the urban areas and used sharecropping to manage their rural properties. Sharecropping offered various advantages both to landowners and to landless farmers, in that the landowners could keep their properties flourishing and sell their share of the production in the city, and the farmers could have a small farm¹ with a house and food for their families. It is in this period that the Tuscan landscape takes on its typical appearance: the merchants built their *villas* and the sharecroppers their *case coloniche* (farm houses). Today the rural settlements on the Tuscan hills are still composed of villas surrounded by gardens and parks (Azzari and Rombai, 1991) and many

¹ The sharecropping farm in Tuscany had an average size of 10-15 hectares (25-37 acres) and to this day average farm size has varied very little.

farmhouses – sometimes small villages - surrounded by olive trees and vineyards. In many rural municipalities of modern day Tuscany the number of *case sparse* (remote houses) is over 30%.

This rural configuration underwent a deep economic and social crisis in the 1950's for several reasons, but largely due to the gap between farm and industrial income (Cianferoni and Mancini, 1993) when sharecroppers abandoned their farmhouses. In September 1964 the Italian government declared any new sharecropping agreements invalid. In 1971 the Italian Census shows an “escape” from the Tuscan countryside and the growth of industrialised districts. After this, only a few landowners successfully became agri-entrepreneurial families, most notably those in the wine industry such as Antinori, Frescobaldi and Ricasoli. In evolutionary terms, a window of opportunity was open. Due to the widespread availability of empty buildings on farms, new residents occupied a large number of remote houses, a heritage of the previous agricultural system. From the 1960's on pioneers, predominantly foreigners from England, France, Germany, Switzerland and U.S.A., or Italians from the main Italian cities began to acquire these empty farmhouses, for very low prices. Young frustrated Europeans worn out by the economic crisis took “refuge” in the countryside (Telleschi, 1992) and in 1977 the Italian government supported these young pioneers with the creation of young people cooperatives' for the recovery of uncultivated lands.

Migrants were attracted by the very elements of terroir that delimit the wine and food region geographically, beauty of the rolling landscape, pleasant climate, cultural tradition and a natural life style. Many were business people who bought rural properties as investments in second homes or to become wine producers (Randelli and Perrin, 2007). A strong business capacity (in terms of finance and knowledge) and an international web of contacts, meant this new set of farmers and residents had a leading role in the transition towards tourism and redevelopment of the wine industry. Intense respect for Italian cultural life, deep interest in local food and artcraft, defined them as “permanent tourists” (Hines, 2009). By 1985 Tuscany earned the name ‘Chiantishire’ as approximately 5,000 British citizens called the Tuscan countryside home. About half of these amenity migrants were retired, but most all were well educated and wealthy who had moved to Tuscany out of admiration for the way of life associated with agricultural work and family relationships in rural Italy (Williams et al, 1997). Today international migrants from more developed countries remain concentrated in rural wine producing regions of the province (Benassi and Porciani, 2009). Tuscany was among the first regions in Italy to legislate *agriturismo*. The regional law (n. 36/1987) stipulates that tourism should be a secondary activity to agricultural production which officially includes tourism in the farm activities, but preserves its *status* of agri-firm. This allowed farmers to invest in tourism with access to a large set of policies and funds designed for the development of agriculture. The new Tuscan law also increased the awareness of farmers of the new path on tourism. The success of pioneers attracted other farmers and residents to follow them on this new path. Hence, the micro-behaviors of pioneers in the first stage of growth were reinforced and led to a second trend of growth at the macro-level when European funding for multifunctionality within agriculture coincided with a trend of urban people looking for a natural life style (Bétteille, 1996; Champion et al., 1998; Romei, 2008). Since 1987 the Tuscan regional government has invested a great deal of European funding into agriculture and rural areas to develop and improve *agriturismo*. Financial support gave farmers the opportunity to restore the old sharecropper farmhouses and later to provide tourist facilities such as swimming pools, restaurants and sport facilities. Between 1988-1991 Tuscan government financed 196 projects of farm restoration to be used as accommodation with 11.3 billion of Italian liras (Telleschi, 1992, p. 72), approximately 6 million of Euro.

Traditional analysis of the Okanagan wine and wine tourism story follows many of the same processes of transition as those that describe the Tuscan case. A mild climate and spectacular landscape of rolling hills, mountains and inland lakes are the shared resources of agriculture, wine production and tourism production. As a ‘new world’ wine region, however, the definition of terroir based on a cultural identity is more problematic in the Okanagan (Conlin and Rouse, 2014). Notwithstanding continued dialogue about the identity of terroir in the Okanagan, transformation of the agricultural, wine and tourism landscape based on notions of terroir and a geographically delimited territory is fundamental to a transformed economic and social landscape. The idea of terroir may be nascent and organic in the

Okanagan, however the close relationship between terroir, tourism and migration in the region is without dispute (Senese et al, 2012). The amenity value of vineyard production reflects the production-consumption convergence of a valuable crop and a valued cultural product. Consumption of wine, at the point of production, carries substantial class attachment (Senese, 2010). More than 40% of all wine produced in the Okanagan is sold at the cellar door, which makes wine tourism extremely important to the industry (BCWI, 2015). This is encouraged by a policy known as mark up free delivery in BC where there is a 100% mark up included in the sale price of all wine products. The mark up is captured by government in government owned liquor stores and by the winery at the cellar door. As a result British Columbia now hosts more than 800,00 wine tourists a year with wine tourism revenues of \$476 million annually (BCWI, 2015).

The Okanagan Valley is recognized as one of the most beautiful winescapes in Canada offering vistas of incredible beauty (Aspler 2013) attracting an increasing number of visitors and amenity migrants. The valley is part of the Thompson Okanagan Tourism Region, one of six tourism regions in the province of British Columbia. The region welcomes 3.5 million visitors annually, generating over CAN\$1.7 billion to the regional economy and employing approximately 15,000 residents (Hull, 2016; TOTA 2012). The new *Travel Experiences Guide for the Thompson Okanagan Region* promotes the local flavours of the region's artisanal, handcrafted food and wine, the dozens of cultural heritage sites, the diverse array of learning programs, the wellness offerings to balance mind, body, and spirit, as well as the heart stopping adventures in the mountains, lakes and rivers (TOTA 2015). The region is described as vast and varied, a region of mountains and valleys, deserts and forests, city and countryside. The physical environment and unique natural capital are recognized as main motivators for visiting the region (Carmichael and Senese 2012). Like Tuscany, evolutionary transformation of the wine and tourism landscape is incremental and has relied on crisis, pioneers and windows of opportunity supported institutionally. Climate played a role in a struggling wine industry as severe freezes wiped out much of vinifera varieties in 1968 and 1978 (Senese et al, 2012). In addition, the Canadian wine industry, which had been protected by preferential tax treatments since the 1930's, saw those protections end in 1989 with NAFTA (North American Free Trade Agreement). This created a window of opportunity as Canada's wine industry needed to adapt quickly to a more competitive environment (McGuire, 1993; Hira and Bwenge, 2011). Grape growers were paid \$8,100 per acres to pull out undesirable grape varieties and replant in vinifera varieties. In total, 2,400 acres were pulled and replanted. Today, the Okanagan has more than 10,000 acres planted in vinifera (BCWI, 2015). In 1973 the Provincial Government of British Columbia reacted to urban encroachment into agricultural land and the rapid loss of arable farmland with the Agricultural Land Reserve (ALR) that simultaneously valorized and politicized the landscape of agriculture, and outraged farmers (Yearwood-Lee, 2008). Soon after these crises, co-evolution of wine production, tourism and migration began as windows of opportunity opened in the transitioning economies of rural resource regions (Senese, 2010).

The evolutionary change of the Okanagan wine industry began at the micro scale with pioneers of the Okanagan wine industry from northern European countries like Switzerland and Germany who planted northern varieties and developed wineries with images of the old world. As the wine industry grew southward in the valley, a greater variety of vinifera grapes including reds requiring greater heat units like cabernet sauvignon were planted with success. Wine makers and proprietors soon arrived from a variety of destinations like Australia, California and New Zealand. Today, there are almost 200 wineries in British Columbia, 80% of which are owned by migrants to the valley and almost 70% of those migrants have made the move internationally. Like the pioneers of Tuscany these are experienced business people. More than 70% of wineries in the Okanagan are owned and operated by professionals from the world of finance and wealth management or some other form of professional business. Many have built second homes at the winery or vineyard and commute from their primary homes in the large urban centres of western Canada. A population boom has occurred in the Okanagan during the same period of rapid growth in the wine industry. The Valley maintains a growth rate of 2.9%, the highest in the province, during and net migration continues to increase, hovering around 3%. The proportion of residents who are elderly and retired now exceeds 24%, the highest in Canada (Invest Okanagan, 2016). The terroir brand, centred on health, wellness and tradition and built out of the natural landscape continues to grow. Pressure from urban and suburban encroachment on rural

agricultural land continues as sprawling suburbs surround vineyards with names like Vineyard Terrace built by development companies who have also co-opted the brand like 'Wine Country Homes' and 'Vineyard Custom Homes'. Lifestyle suburban developments, complete with vineyard have also been planned for ageing baby boomers intent on living the rural life associated with wine production.

4.CONCLUSION

Today tourism is a stable driver of rural configuration in Tuscany and the Okanagan where existing agricultural entrepreneurs have diversified their offerings through investment in the quality of their accommodations, in the professionalism of their employees, marketing and on the range of services and facilities they offer (restaurant, guided tours, internet facilities). The mature tourism industry produces more income than agricultural activities like wine production though both are based in the same elements of terroir that attract consumers of the product and the landscape that produces it. At this stage, institutional planning is crucial, ensuring short and long-term community benefits while also preserving its resources. The principles for good planning include authenticity and quality, education, conservation and protection and partnerships between local agents. Integration (Saxena et al., 2007) and sustainability are the key words in regional policies in Tuscany and the Okanagan where co-evolution of the tourism and wine industries now also support and maintain the lifestyles of amenity migrants.

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