

Part III

Economic Opportunities and Options

This part contains five papers on selected economic sectors with potential for development and poverty alleviation, based on comparative advantages offered by mountain areas. The first two deal with diversification of agriculture: one, on the general trends in the HKH region, looks at growth and compositional changes in food crops, horticulture and cash crops, and animal husbandry and brings out the implications for sustainable development of agriculture based on analysis of data from a cross-section of mountain regions and areas from different countries in the region. The second paper on the subject focuses on agriculture in the mountain regions of India and points out the tremendous heterogeneity across and within hill states/regions. Still, in general, it concludes, the potential of agriculture, particularly in its diversified forms, has not been realised in mountain areas because of infrastructural and institutional constraints, while, on the other hand, signs of unsustainable use of natural resources are becoming increasingly visible.

Forest resources constitute an extremely valuable endowment for poverty alleviation and, within them, non-timber forest products, particularly medicinal herbs and plants, have great potential for high-value production. The paper on the subject, after analysing the experience of the extraction and use of these resources in the region, suggests an institutional and policy framework for commercialisation of forest products for sustainable development and improved livelihoods. Another paper on enterprise development, based on several ICIMOD studies, notes the trends and patterns emerging in the diversification of mountain economies through market-oriented development of products and argues for a more favourable policy framework and reorientation of programmes for enterprise development based on comparative advantages in mountain areas. While in some areas there is already a growing demand for mountain produce and products (herbs, forests, hydroelectricity, recreation), in others there is a need to generate greater awareness about the value of some of the products (those based on cultural resources). Increasingly, with improvement in access,

product quality, standardisation, and packaging have become critical components of value added.

The last paper in this part deals with the most visible and most recommended activity for development of mountain areas, namely, tourism. It focuses on tourism as a vehicle for local community development and improving the livelihoods of mountain people. Based on the experience of mountain tourism in the region, documented by ICIMOD through various studies undertaken, and with particular reference to Nepal, the paper draws several lessons for effective use of tourism to increase its benefits to local communities with adequate emphasis on augmentation of environmental resources. If some benefits from tourism are ploughed back to further develop local resources (both cultural and environmental), tourism can become a sustainable force for local development.

Chapters

9. **Mountain Agriculture in the Hindu Kush-Himalayas: Trends and Sustainability** — P. M. Tulachan
10. **Agricultural Development, Growth and Poverty in India's Mountain Region** — R. Chand
11. **Commercialisation of Natural Resources for Sustainable Livelihoods: the Case of Forest Products** — M.B. Karki
12. **Enterprise Development for Poverty Alleviation with Sustainable Resource Management: Trends, Experiences and Policies in the Hindu Kush-Himalayan Region** — T.S. Papola
13. **Tourism and Livelihood in the Mountains: Regional Overview and the Experience of Nepal** — P. Sharma