

Background and Objectives

Background

The case studies being presented in this phase are a continuation of the study on "Mountain Tourism for Local Community Development in the Mountain Areas--NWFP and the Northern Areas of Pakistan" and include a carrying capacity analysis of the resource base. The previous study, like the present one, was sponsored by the International Centre for Integrated Mountain Development (ICIMOD) to determine the status of mountain tourism in the Hindu Kush-Himalayan ranges located in Nepal, India, and Pakistan. The focus in the NWF Province and the northern areas of Pakistan is essentially resort and adventure tourism; hence the selection of the two particular areas -- Kalam and Hunza. These areas abound in tourist resorts and contain the largest concentration of high mountain ranges and towering peaks in the world, together with a large number of fascinating treks. Although only a few of the well-known peaks are frequented and only some of the treks are popular with tourists, the potential is vast and the resource base untapped. Similarly, only a few of the resorts have been developed, and these attract the largest number of tourists.

Studies on tourism mostly concentrate on the macro-objectives, and justify tourism on the basis of its macro-achievements, namely, foreign exchange earnings, overall income and employment generation in the economy, and the spawning of economic activity in the related services' sectors. However, the effects of tourism on the local economy and environment are generally ignored, or, at best, take a back seat. The approach of this set of studies is different. It makes the local community the centrepiece and studies tourism as an engine of local community development by stimulating its production base, gearing up its service sector, and filtering economic impulses on to the local community via linkages effected through participation. Such an approach is also expected to be environmentally friendly, firstly by diverting pressure from the existing natural resource base of the area through diversification of economic activity and, secondly, by warding off the exploitative activities of tourism service developers from outside the area by involving the collective interests and choices of the local community.

Major Issues

The Hindu Kush-Karakoram ranges surrounding this area are sufficiently endowed with tourism resources to make this area the centre of adventure and resort tourism. However, the demand of local communities for the resources to meet their basic needs of food, energy, and shelter have also to be met from the same resource base. There is thus competition for the resources between tourists, who have the financial strength to meet their needs, and the local communities, for whom even staying alive is a struggle, and whose habitat becomes a locus for the recreational uses of others. In such a situation, tourism-related activities are not an unmixed blessing: in fact, they are fraught with a variety of problems in the absence of a well thought out development effort focussing on the needs of local communities simultaneously.

The greatest impact of tourism is visible in the environmental and economic spheres. The development activities being pursued are essentially autonomous in nature and have been brought about by the influx of a large number of tourists in these areas. This has resulted in large-scale building activities on mountain slopes that are not stable and pollution and large-scale deforestation, both to meet the growing needs of the people for food, fuel, and construction as well as to provide space for tourism resources. In the areas of adventure tourism, activities such as trekking and mountaineering have led to large-scale environmental problems such as land, water, and air pollution due to the absence of or lack of observance of environmental protection codes.

In almost all cases the carrying capacity of the areas has neither been determined nor adhered to. This is a major indication of the lack of planned development in the area that keeps in mind the competing needs of the tourists and the local communities, and it has been cast into bolder relief by the concentration of tourists in a few well-known destinations -- resorts, treks, or peaks. Whatever development has taken place has been demand-induced, and no effort has been made to diversify attractions and reduce the tourist load in keeping with the carrying capacities of the major tourism resources.

A principal constraint on the proper utilisation of resources and the levelling out of the tourist load is the seasonal nature of tourist activities in the area. Adventure tourism and resort tourism are seasonal in nature and available for only a few months of the year (resort tourism is effectively open from April to October, while mountaineering is confined to the few months from May to August). This leads to problems of accommodation and shortages of essentials (including foodstuffs), congestion, spiralling prices and environmental problems

in the peak seasons, and lack of gainful employment and tourism-related income during the rest of the year.

Tourism can have positive economic effects upon the local communities only if its benefits can filter down to them. There must be strong linkages between the tourism industry and the local production base and labour market and participation in the basic decision-making, on the one hand, and minimum leakage of benefits out of the other. There does not seem to be any sizeable integration between the expenditure incurred by tourists and the benefits to the local communities in the case study areas. It is of paramount importance, therefore, to develop a structure out of the tourism industry that will enable such linkages to take place. Only then can tourism contribute to the upliftment of these communities and the industry be woven into the development fabric of the area.

Another drawback is the absence of markets in the area. Existing retail trade can meet only an insignificant part of the overall demand and supply of the area. The presence of developed local markets would also contribute to linkages between sectors and employment creation. However, the prerequisites for a well-developed market are a good communications system, a class of business people, the production of goods, and the financial assets to undertake these activities. This will have to be encouraged and brought about.

Tourism is generally viewed as an economic activity, and its contribution measured in terms of its contribution to the GNP, national employment figures, foreign exchange earnings, and industrial production growth in the hotel and transport sector. No effort has been made to view tourism and its impact from the perspective of the local communities. In fact, there is an acute shortage of research and data on these aspects of tourism.

Although tourism has been given the status of an industry, efforts are needed to look at developments in this sector from a holistic point of view, specifically in the context of the development of mountain areas while keeping in mind, firstly, the unique characteristics of the area and, secondly, the benefits that ultimately accrue to the local communities. This will not come about by itself; firstly, because those who initiate the developments are disposed to narrow self-interests, and, secondly, even if efforts are made to involve local communities, they suffer from a paucity of educated and skilled manpower, as well as a lack of investable resources. Involving communities like these requires first an understanding of the necessary preconditions of their involvement, and then the provision of some of these preconditions.

Again, if development is to be sustainable, it will have to go hand in hand with protecting the environment and conserving the resource base of the area. This will call for efforts for evolving environmental codes for the area which will be observed both by the tourists and the local people. It will also imply adjusting past habits and behaviour patterns, for which training and dissemination of information will be required. However, and more importantly, the basic needs of the people for fuel, heating, and economic/gainful employment will have to be ensured through proper planning, policies, and investments tailored to the specific needs of the area.

National policies have so far had marginal impact on the area, since the policies were never intended to impact on all areas of the country equally but more on those areas that have a profile and which figure high on the national macro-level agenda. Areas like the ones under consideration here need policies that target them directly, consider their disadvantaged position, and can help in the trade-off between their immediate needs for exploiting the resources and the conservation of these resources.

The areas also need input for development of HRD, training, and other essentials concomitant to development. Although the Kalam Integrated Development Project and the AKRSP are both working towards this end, there are still gaps that public sector programmes need to fill.

Objectives of the Case Study

As distinguished from the Overview, the aim in the case studies has been to narrow the focus on particular tourist destinations; to carry out an in-depth study of various relevant issues; and, as far as possible, fill the data gaps witnessed in the case of the overview. It was also agreed that, in the case study of Kalam, the focus will be on resort tourism, while in the case of Hunza, the study will concentrate on trekking.

More specifically, the objectives of the case studies have been:

- to develop a database on tourists and tourism infrastructure of the case study area;
- to assess the environmental and economic impact of tourism activity on the area and the local community;
- to study the strains placed by tourism on the carrying capacity of the

major tourism resources of the area and to assess its present and potential carrying capacity;

- to analyse the employment structure and production base of the area,
- to assess, if possible, tourism linkages with employment creation, income generation, and feedback to the economy and to identify leakages of income and benefits;
- to analyse the nature and role of interventions by government, NGOs, and the community, together with an assessment of their impact;
- to develop indicators for monitoring the carrying capacity;
- to make recommendations for a sustainable development strategy for mountain tourism in the Northern Areas; and finally
- to develop guidelines for an action plan of the area.

The Work Plan

With regard to the Kalam case study area, the proposed work plan, which was further refined during the Pokhara workshop held in August, 1994, was to focus on the following seven principal elements.

- The development of a database on tourists and tourism infrastructure
- Assessing the environmental and economic impact of tourism activity
- Analysing the employment structure and production base of the area
- Assessing, if possible, tourism linkages with employment creation, income generation, and feedback to the economy
- Identifying, as far as possible, leakages of income and benefits
- Analysing the nature and role of interventions by the government, NGOs and the community, together with an assessment of their impact
- Developing guidelines for an action plan of the area

In the case of Hunza, the work plan contained the following major elements.

- Information about the number of trekkers and trekking parties
- Mapping and inventorising at least one of the treks and recording all observations
- Interpretation of these observations in order to assess environmental impact
- Assessing benefits from trekking and the retention of these benefits
- Throwing light on the use of tourism towards the promotion of mountain and local community development
- Developing guidelines for an action plan of the area

In essence then, the work plan for the two case study areas was to revolve around the major objectives of the study, as listed above. To achieve these objectives, the consultants were expected to develop a methodological mix of field research and desk analysis. This work plan was further revised in the light of the discussions which took place and the points agreed upon for incorporation during the review meeting held in March this year in Kathmandu and during the subsequent correspondence with the study coordinator.

Organisation of the Report

This introductory chapter is followed by a chapter on the setting and methodology. Chapters 3 and 4 are devoted to an introduction of the case study areas -- Kalam and Hunza respectively. Chapter 5 contains an assessment of the impact and implications of mountain tourism in Kalam, while Chapter 6 studies the impact and implications in the case of Hunza. Carrying capacity considerations in Kalam and Hunza form the subject matter of Chapter 7 and 8, while Chapter 9 contains a summary of the major findings, and of the major implications of the findings for policies and programmes related to tourism and local community development, along with recommendations for the mountain areas.