

# Integration Of Pro-Poor Tourism Activities In Community-Based Development Initiatives: A Case Study In High Mountain Areas Of Pakistan

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**Abstract:** Over the years, tourism sector has evolved into a major global industry. In many developing countries, it helps in economic development through contributions into GDP, export earnings, tax revenues and service charges. However, to grasp its multi-dimensional potential and impact on the broad social reality at regional scale, a deeper and more integrated vision is indispensable. Moreover, there is urgency for approaches that critically evaluate the nexus "tourism industry-economic development" in developing countries. A community-based approach is rooted in the broad tradition of alternative development, which can be integrated constructively into the tourism sector of rural and developing constituencies. This study objectively focuses on some important pro-poor tourism initiatives adopted for community-based development in Hunza valley of Northern Pakistan. The case study highlights how these activities adequately got jelled into a wider community development framework (strategy), which positively impacted marginalized and deprived segments of the local society

**Key Terms:** Pro-poor Tourism, Marginalized People, Community Development, Sustainability, Karakoram Area Development Organization, Hunza, Pakistan

## 1. INTRODUCTION

### 1.1 Pro-poor Tourism and Community-based Development

More recently, the concept of Pro-Poor Tourism (PPT) has gained momentum. This concept has created curiosity not only for the academia, and researchers but also for the development practitioners and international donor agencies. According to the Department for International Development (DFID), pro-poor tourism is an alternative form of tourism which helps in benefiting the poor from tourism activities not only from an economic point of view but in a holistic way (Manwa and Manwa, 2014). Further, Mitchell and Ashley (2010), comprehensively explained the role of pro-poor tourism to improve the quality of life of poor people by employing them directly in the industry, secondly, involving them in the supply chain of tourism sector and thirdly, exposing indirect benefit by developing infrastructure with structural changes at the destination (Manwa and Manwa, 2014). Many researchers have acknowledged the role of tourism in development (for good or ill) from different perspectives. First, and perhaps most importantly, PPT stresses the role of such initiatives that incorporate the poor into capitalist markets through increased employment, entrepreneurial opportunities and more collective benefits. Harrison insists that PPT must be integrated into wider tourism systems and policies. The advent of PPT has essentially raised many debates about ethical, ecological and policy perspectives arguing that all those aspects have impacts on small-scale community-based tourism (Harrison, 2008). The role of an integrated PPT within a community ontology approach is not intended to be a priori anti-free-market system, but it recognizes the necessity to integrate its

mechanism in an attitude that looks first at (all the segments of) the community and its needs. This is a crucial point because, especially in developing countries, needy people are socially excluded not for the market mechanism per se but often for social, cultural and gender reasons (Baden, 1992). It conceptualizes the market as a tool that can be used in a good or in a bad way, to consider its usefulness from the point of view of the community. Market forces do co-exist with trust and social equity and responsibility in different mixture spanning over times and contexts. The main point is that, ontologically, community comes first. The role of tourism is strictly connected with rural-mountain tourism - supply is usually a community product, the resultant of a culture, an environment, a history and also a singular local entrepreneurial spirit.

### 1.2 Role of Non-Governmental Organizations

NGOs are organizing alternative activities around a wide variety of developmental fields, such as education, women's rights, food and water supply, environmental protection, health, transport, microfinance, project planning and service delivery (Demirovic, 2003; Mitlin et al., 2006). Aga Khan Rural Support Programme (AKRSP) operates since 1982 and its instrumental role in participatory development through autonomous Village and Women Organizations. To bridge community-led village level organization and international funding agencies, some supra-community-led organizations were shaped and encourage and Karakoram Area Development Organization (KADO) is one of them.

### 1.3 Tourism in Hunza Valley, Pre and Post "9/11"

Hunza Valley is one of eminent touristic destination in Pakistan. It attracts a range of tourists i.e. mountaineers, trekkers, eco-tourists, cultural tourists and general tourists etc. valley offers many indigenous touristic attractions i.e. local cuisine, culture, music, history, crafts and needle work, Mountains (Rakaposhi, Ultar, etc.), scenic wilderness, lake (Attabad and Borit lakes), forts (Baltit and Altit fort), archeological sites (Ganesh Buddha carvings) etc. Since September 11, 2001 with the subsequent war on terror and increasing Muslim fundamentalism in Central and South Asia,

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the tourism sector of Gilgit-Baltistan entered in a dramatic crisis. People related with tourism and hotel industry lost all their savings in billions of rupees and almost 70% of workforce were compelled to shift towards other sectors due to shrinking of hospitality related businesses with imaginable consequences for the community (The Express Tribune, 2011). International tourists were highest contributors of tourism industry, started resisting to visit this area. Hunza in particular, a nonviolent destination without any single extremist presence and violence took a hit with drastic tourism downfall because of media proliferation abroad (The Express Tribune, 2011).

#### 1.4 Selling Diversity

In times when regions sell their “diversity” in the global competition for attracting tourists, it needs to realize that the source of this diversity is exactly the outcome of a human ecology, a community-environment relationship, that can't be reproduced elsewhere. So local development and tourism activity are strictly intertwined, the point is that even when from the outside it can be easily identified who is benefiting from it, needy and social excluded people are hidden, “out of sight”. In passing from a standard local development approach to a community ontology one it emphasizes the crucial aspect of identifying those “hidden” social agents and integrating them in the circuits of benefits that tourism can offer.

#### 1.5 Challenges in the Area

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## 2. LITERATURE REVIEW

Pro-Poor Tourism is ‘defined as tourism that generates net benefits for the poor’ (Ashley, Goodwin and Roe, 2001: 1; Yakubu et al, 2017). Gilchrist (2003) suggested that fundamental principles for the best practice of community development must include; prioritizing the problems of excluded segments of society, community integration to get their viewpoint for the development and undertaking the issue of disparity in the society (Mair and Reid, 2007). Tourism development can play an important role not only in promoting the cultural values and exclusivity of the community but it can also integrate the destination's population into the overall financial and economic development framework (Mair and Reid, 2007). When tourists visit to the remote or underdeveloped regions, naturally they take interest to contribute for the wellbeing of those deprived communities, which ultimately creates a beneficial linkage between tourism and poor at the destination (Mutana et al., 2013). It is important for the organizations to promote linkage between tourism and poor by enhancing the skills and capacities to cater the needs of tourists, therefore, interventions should integrate the community through skill development so that

their integration become fruitful (Mutana et al., 2013). A clear emphasis of Pro-poor tourism can be useful for promoting business attitude and create the “pro-development and “pro thinking among the tourism managers, policy makers and the community which helps in poverty eradication (Musavengane, 2018). This is a case study based paper where role of PPT in a specific socioeconomic environment has been explored. A community based ontology is a powerful theoretical lens through which the local role of KADO can be understood. Literature supports the idea of integrating community in the pro-poor tourism initiatives which KADO has been doing in all its project domains.

## 3. METHODOLOGY

### 3.1 Sample

This study was carried out in Hunza Valley which is located in Gilgit-Baltistan, Northern part of Pakistan, having borders with Afghanistan and Xinjiang (Chinese Turkestan) to the North, Indus Kohistan to the South and Kashmir to the East. The landscape is an archetype of touristic area in a developing country offering enormous potential from the ecological, environmental, cultural and historical point of view. High Rise Mountains of Karakoram, Himalayas and Hindukush attract a variety of tourists including large number of mountaineers from all over the world (MoT, 2006; Karim et al.,2014). The construction of the Karakoram Highway in 1978 thawed the remoteness of this area hence a remarkable flow of tourists in the area (Al-Jalaly et al., 1995). Hunza Valley forms a major tourist hub in the area and continues to grab the attention of travelers with metaphors of the ancient Silk Route, rare wildlife, longevity of inhabitants and of course, its wonderful landscapes (Kreutzman, 2008). To carry out this study, a comprehensive case study analysis was carried out by using secondary data; reports of KADO and primary information through interviewing the Chief Executive Officer (CEO), KADO, Project Manager, KADO, meeting the Artisans (marginalized and special people) and observing the operational work of KADO projects. Detailed discussion was also carried out with five Managers of private companies (women entrepreneurs trained and established by KADO) in Hunza.

### 3.2. Instrument

To get the opinion about role of KADO in integrating marginalized community in the socio economic development framework, an open ended questionnaire was developed to build the discussion on the research topic. Interview session was conducted in the office of Chief Executive Officer (CEO), KADO at Aliabad Hunza. Project Manager in KADO office was also looped in for the confirmation and location of projects and its operations. Following main questions were asked during the interviews;

- What type of projects are working for community development in Hunza?
- Do you think these projects work as integrated pro-poor tourism activities to improve the life standard of marginalized people in Hunza?
- Do you think, through your projects, marginalized and deprived segments of the local society get access to tourism sector or tourists coming to Hunza?

- What are your opinions about impacts (Pre and Post) of projects initiatives on?
  - Income of local people specially the marginalized
  - Quality of life or standard of living
  - Social mobility
- What are your opinions about the impact of tourism on your projects/programs?
  - How do projects and the larger community get effected during low tourists' flow?
  - How projects and community get effected during high tourists' flow?

### 3.3. Procedure

#### Case Study: Karakoram Area Development Organization (KADO)

The study was carried out following an evaluation of PPT's integration into a broad community-based development strategy using a case study of Karakoram Area Development Organization (KADO). KADO is a grass-root NGO that operates in the area through community based (CB) projects since 1996.

##### 3.3.1 Creation of KADO:

The idea of establishing an institution for the local community of Hunza valley was envisaged in the 90s by a group of highly qualified and socially responsible people inspired by the development vision of the Aga Khan Development Network (AKDN). The idea was to develop a model community-driven, local intermediary organization that later on was named KADO. The core objectives were to develop enterprises through revival of traditional arts, empowerment and capacity building of women (artisan) and integration of people with special needs. The end-products were envisaged in such a way that those cater to the tourist market having the potential to generate income for the local populace.

##### 3.3.2 Selling Culture:

The mission of preserving indigenous crafts for the betterment of the marginalized segments of the society became reality with the establishment of Karakoram Handicraft Promotion Society (KHPS) in 1995. This was done in the face of high tourist influx to Hunza, specially keeping in mind the foreigners who preferred to buy indigenous products as souvenirs. The founders of KHPS realized that business groups mainly from outside the region were selling alien products in the local market hence depriving the local people the opportunity to make an earning. More specifically, some segments of local community like disables and women were not so much involved in the tourism business directly. A large number of tourists were visiting the area but there was a demand and supply gap as far as indigenous products were concerned.

##### 3.3.3 New Initiatives:

KHPS project achieved an exceptional detection in the community, and fostered many other initiatives in the field of environment protection and culture preservation. For the rationale, two other projects took place with the names Hunza Environmental Committee (HEC) and Hunza Art and Cultural Forum (HACF). This concept turned out to be an umbrella

organization to control and enhance the capacities of the projects mentioned above. Details of all projects are given in the figure.

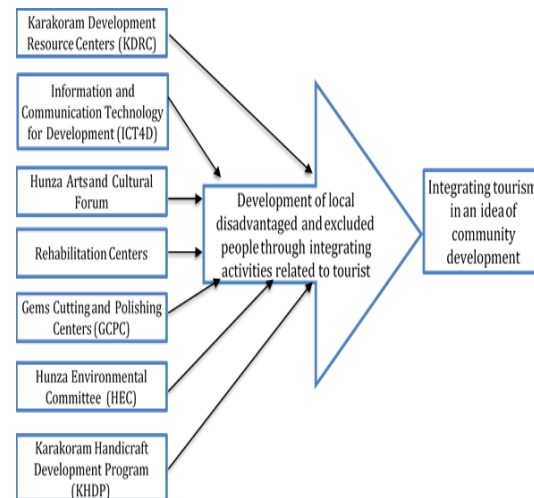


Figure 1: KADO programs and projects – from a tourism dimension

KADO has been playing a pivotal role by integrating and giving recognition to the marginalized and poor segments of the society into the mainstream development arena. The projects spotlight on conception of revenue to poor and marginalized fragments of the society. The KHDP started with the intent of improving the skills of the artisan and increased access to income for more than 3,000 women artisans particularly in embroidery. KHDP created a new brand - Thread Net Hunza (TNH) - for women made handicrafts, which resulted in the formation of 5 independent women owned private companies. These companies purchase raw material (thread, cloth, etc.) from the local market and then give it to primary production units/houses of local women (PPUs) to do the needle work. Women artisans are paid rights always at the time of collection of the embroidered pieces. Those pieces are then fetched to the SPU (secondary production units/company) where variety of finished products are made in accordance with given designs. Finally, products are made available for sale to the tourists and other potential buyers mainly at local business outlets. KADO projects offer variety of products for Hunza bound national and international tourists. Those products include: hand woven carpets, embroidered purses, leather bags with embroidery, valets, wall hangings, glass cases, and mobile cases etc. (see figures). According to Chief Executive Officer, KADO, 80% of the revenues from sale of these products directly go to the pocket of local workers.



Source: Picture taken by author during visit to KADO

**Figure 2:** A local artisan (left) and special person learning handicraft (right) using local motifs and indigenous skills to make daily use products such as a pouch shown below

#### 4. DISCUSSION

##### 4.1 KADO Integrated Projects and Tourism

The slogan of KADO's KHDP product was "harnessing culture for local development" which was essentially focused on the tourist market. In a way, KHDP was a well-thought and contextually designed program with the brand name of TNH. Essentially it was a concept of integrated pro-poor tourism as an idea of community based development. Tourists purchase these products (produced by poor people) as souvenirs. It is evident that TNH is primarily a local niche product (KADO, 2003). According to an estimate, 80% of the clients in Gilgit/Hunza are foreigners, 20% are Pakistani. In down country 40% are foreigners and 60% are Pakistani. Currently 99% customers of TNH Ganish project are foreigners (KADO, 2003).

##### 4.2 ICT Intervention

According to Beg et. al. (2009), prototype ICT project launched by KADO fostered incubated businesses by 30.51% (36.79% tourism industry, 30.58% trade and commerce, 24.17% in service industry). This project facilitates the tourists and entrepreneurs equally to communicate with their families and customers. As per the records of KADO, Seven thousand foreigners visited the internet café in 2008. From the outset KADO has been the pioneer in rendering internet services to the local people in challenging circumstances. Introducing computer education through its Mountain Institute of Computer Sciences (MICS) was yet another initiative in 2002 which was aimed at imparting computer skills amongst the youth specially girls. An e-commerce store was initiated by KADO in partnership with IDRC in order to sell handicrafts made by Hunza women artisans. It was done at a time when there was no internet access in Hunza but KADO team used to facilitate all the transactions remotely through coordination office in Gilgit.

##### 4.3 Hunza Environmental Committee (HEC)

The slogan for HEC is "Keep Hunza Clean" which is unique effort meant to contribute into soft image of the valley. KADO has a firm belief that tourists would like to visit the valley again if it remains clean irrespective of the fact that it has unmatched natural beauty. On the other hand, it is also a healthy initiative with multiple benefits for the locals such as hygiene, systematic garbage collection. The project has also been able to create some jobs for several special people.

##### 4.4 Gems Cutting and Polishing Centre (GCPC)

This project is meant to produce blended-up contextual pro-poor touristic friendly items using local culture, modern artistic themes and indigenous gems and precious minerals. In order meet the market demand specially the tourist market for value-added precious and semi-precious stones found in the area, KADO has made unique interventions. The facility of gems cutting and polishing center as well as skill development in value-added products such as jewelry has empowered the local people specially women to emerge as entrepreneurs. As a whole, KADO intervention have boosted handicraft sale from Rs. 25,000 in 1995 to Rs. 2.4 million in 1999 and Rs. 3.48 million in 2001 (KADO, 2003). After 9/11, there was a sharp

decline in sales of the items which were specially meant for the tourist market because one could hardly see any foreigner in the area. According to KADO officials, within a year after sales of handicrafts dropped from 3.48 million to 1.7 million (KADO, 2003). KADO took some alternative steps for selling the expensive products which were nit affordable for the local visitors or tourists so to speak. For example, an outlet was opened in Islamabad to cater the diplomatic community and posh families in the capital. Also KADO team regularly attended exhibitions where the intended target groups could be found. To this end, KADO is redirecting its strategic efforts to explore new horizons in the larger benefit of the local populace in the face of emerging regional developments such as influx of tourists from within the country, and from other countries specially China with the onset of China Pakistan Economic Corridor (CPEC).

#### 5. CONCLUSIONS

Based on the results, the research argues that to be really affective, PPT must be integrated in a broad community-based development strategy. Following the community-oriented territorial approach as defined in (Moulaert and Nussbaumer, 2005) a community ontology is espoused which is rooted in the broad tradition of alternative development. It can be conceived as alternative to the economists, pure market-led vision and the significance of adopting a definition of development that targets the satisfaction of basic human needs in particular for disadvantaged and, it is important to add, socially excluded people. So from this standpoint, a community-based development project can use tourism potentials for the benefit of weak categories inside the community through different steps. This could be done first by identifying the disadvantaged and excluded and then facilitating them in playing a role in the broad productive system.



**Figure 3:** Gulmit Carpet Center (left) and Sharma rehabilitation center (right)

##### Picture taken by author during visit to the project sites

During the last two-three consecutive decades NGO's have become major players in developing countries. As stressed out in (Bebbington and Bebbington, 2001) there are several development alternative models that can be pursued at local levels, and they can imply different constellation of outputs depending on community needs, local actors and potentials, state actions and failure and market interests. The KADO case study suggests that tourism sector can really advantage marginalized sectors of society in this case for example through sustaining new enterprises that ensure supplies of local arts, crafts products. The primacy of the needs of

excluded people as developmental target eventually produced what in (Moulaert and Nussbaumer, 2005) has been called a "social innovation" virtuous process. Social innovation refers to the awareness that the wellbeing of a community rests on the fair amalgamation of various types of capital: ecological, relational, human, cultural, institutional and also of course business capital. Here the main issue is to break the vicious circle of social exclusion that tends to reinforce itself if we look exclusively at the business capital logic. The case study also evidenced how local grass-roots organizations continuously rethink their role and activities in situations of intense economic insecurity. In particular, in the KADO case it was observed that how an indigenous organization realized the need for a new entrepreneurial "spirit" in facing the downturn followed the events of "9/11". The NGO feels the need to adopt new promotional and product strategies to reach new national and international markets whereas before the "market" (in the sense of tourists) used to come directly in loco. This must be done without losing its "mission" that is to serve the local community and at the same time enhancing the role of an integrated and sustainable development vision for Hunza.

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