



RURAL TOURISM DEVELOPMENT IN NEPAL

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ABSTRACT

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Nepal is a country that has emerged from a decade long civil war between the Maoist rebel group and the state. Naturally, the political turmoil has led the country's economy to suffer even more. Tourism is the main source of revenue for this small country sandwiched between the giants China and India. However, the mainstream tourism does not seem to be progressing which demands other alternatives. One of the best possible alternatives could be rural tourism development.

This bachelor's thesis mainly highlights the importance of rural tourism in a country where about 80 % of people live in rural areas. The Nepalese countryside has a lot to offer for the tourists, such as scenic beauty, kaleidoscope of traditions, cultures and an array of opportunities to explore the outdoors through sporting and adventure activities. This study has tried to prove that, if managed and organized in a proper way, rural tourism could bring the economic prosperity back to the people of Nepal. The study also ponders upon the fact that the youths of Nepalese rural areas are migrating to other countries due to the lack of job opportunities. This work force migration could cause severe damage to the country's economy, and again the solution to this problem could be rural tourism.

The study indicates that there are various limitations and challenges to tackle. At the same time, rural tourism is slowly taking its roots in Nepal. Although the history of rural tourism in Nepal is very young, there are success stories which are inspirational. The continuous growth of rural tourism in recent years, however, has shown the positive sign. It can be taken into consideration that it holds the possibility even with a lot of challenges.

Key words: rural tourism, developing countries, Nepal

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1 INTRODUCTION

This bachelor's thesis concerns about the tourism industry in Nepal. Personally, the author of the thesis was fascinated to choose this country and this topic because Nepal is a small country yet very rich in terms of bio-diversity due to its unique geographical position and altitude variation. This country has a great potential to attract all kinds of tourists from all over the world mainly because of its multiple cultures, languages, traditions, ethnic groups, unique blend of art and on top of all, its scenic beauty.

According to the travel and tourism competitiveness report 2013, which was published by World Economic Forum (WEF), Nepal remained unmoved on 112th place in the world travel and tourism ranking. Its neighboring countries India and Pakistan have been able to make noticeable progress over the years but, it is exactly where Nepal was ranked last year and before. Experts say that, given the low investment in tourism infrastructure, weak policy and protracted political transition, it is satisfactory for the country to be in this rank. The author definitely agrees with the experts but, he also argues that it is long since the peace has been restored in the country and the Maoist rebel groups came to the parliament, now it is high time to change the direction of tourism industry of the country.

It is believed that community tourism has to be successful in order to sustain the tourism industry in any country. For instance, Spain, as the consequences of its difficult economic situation; Spain is bound to cut down on the annual vacations. As a result, the Spaniards prefer spending their holidays traveling inside their own country than abroad. In a way, this situation has given them chance to rediscover their own country, its urban and rural destinations and its riches. Spain undoubtedly is one of the best countries in the world in terms of tourism and its tourism industry is still very strong but, this new local tourism trend has definitely made it stronger. Over the coming years, the country's economy is expected to improve but, beach and sun tourism will continue to be a great attraction for Spanish households and the writer thinks nobody wants to give up annual summer beach vacations for anything else. The viewpoint of the writer is that people

from other corners of the world would love to visit Nepal, but, how about the Nepalese? Emphasis must be given to local tourism in Nepal if they want to make their tourism industry sustainable and strong.

In the context of Nepal, where about 80 percent of the population lives in rural areas, no wonder can be done without developing the rural tourism. The most poor and most needy people are also in rural areas, so to improve local tourism, international tourism and tourism industry as a whole, rural tourism has to be taken care of, firstly.

2 KEY CONCEPTS

2.1 Defining tourism

The travel and tourism industry is the world's largest and most diverse industry; in such a way that many nations rely on this dynamic industry as a primary source for generating revenues, employment, private sector growth and infrastructure development. Tourism development is encouraged, particularly among the developing countries around the world, when other forms of economic development, such as manufacturing or the exportation of natural resources, are not commercially viable. The reasons people wish to travel are complex and varied.

Contributing to the powerful growth tourism has experienced in a relatively short time frame the increased accessibility to the many components of the travel experience. Transportation to, from, and within parts of the world once considered remote has become more affordable for, and within the reach of, the majority of residents in many nations. Accommodations and restaurants in assorted budget categories are universally found in major cities, resort locations, adjacent to airports and thoroughfares, and even in rural areas. Professional services provided by travel agencies and tour operators, marketing efforts by public sector tourism offices, advanced technology that rapidly brings the tourism components together in a flash for the potential traveller; all make today's travel experience safer, more comfortable, and more enjoyable (UNWTO).

However, in the past two decades increased attention to the negative social, cultural and environmental impacts of tourism has also emerged, calling for more careful planning and management of tourism development (WTO 1996; Mathieson & Wall 1982; Wahab 1997). As discussion of responsible tourism growth is still in its infancy, the dilemma for many countries is devising a way to develop a sustainable tourism industry – one that maintains economic benefits and limits associated negative impacts. In other words, how can countries develop a tourism industry which provides the much needed economic benefits such as foreign exchange, employment and income while protecting the human and natural resources it is built upon?

Tourism is an attractive tool for economic development, specifically in the developing world. Viewed as an export industry of three Gs- "get them in, get their money, and get them out" – tourism has assisted many developing countries to move away from a dependency on agriculture and manufacturing (Tooman 1997). Chosen for its ability to bring in needed foreign exchange earnings, income and employment, tourism has become a popular addition to economic development policies in many African, Asian, South and Central American countries. Although tourism seems to be adding substantially to the economic growth of many of these regions, many developing countries are not reaping full benefits from tourism. Pleumarom (1999) writes that more than two-thirds of the revenue from international tourism never reaches the local economy because of high foreign exchange leakage. Understanding the many ways that tourism profits can leak out of an economy, and devising strategies to minimize leakage could make tourism a more effective economic development agent. The purpose of this paper is twofold: to describe the nature and sources of leakage of foreign exchange earnings from tourism, and to suggest strategies to maximize the economic benefits of tourism in developing countries.

The potential economic benefits of tourism are a major attraction for developing countries due to three pro-tourism arguments (Mill & Morrison 1999). First, the trend in demand for international travel is projected to continue at astonishing rates due to the economic stability and travel preferences of people in the developed regions such as Europe, Asia and North America. Second, the income elasticity of demand for tourism means that as the household incomes of people in the developed world increase, more disposable income will be directed towards travel. And third, developing countries are in need of foreign exchange earnings to support their economic development initiatives and to satisfy the demands of their own residents. Due to these pro-tourism arguments, many developing countries are choosing, or being encouraged to develop tourism over some of the more traditional industry alternatives such as agriculture and manufacturing. Although between 50 – 70 percent of people in developing countries are directly dependent on agriculture, reliance on the agriculture can result in numerous problems. (World Bank 1979.) One of the primary problems with agriculture is that countries can be overly dependent upon a few specific crops or products (Mill & Morrison 1999). In

the competitive global market, where externalities are uncontrollable and prices unpredictable, countries dependent on agriculture have an unreliable and inconsistent source of revenue. In these cases, tourism may play a role in diversifying the economy and complementing the income brought in through agriculture. For example, after introducing tourism into the Caribbean island economies, the 6.6 billion Euro tourism sector brought in six times the revenue of all traditional agricultural exports (Simon & Kaufman 1995).

Other developing countries have sought manufacturing as an economic development policy option. As with agriculture, there are inherent problems when relying upon manufacturing. In order to manufacture something, a country must have easy access to a source of raw materials for production. Thus, manufacturing is more successful in nations that are richly endowed with natural resources. Many developing countries are also plagued with chronic shortages of skilled labor, one of the necessary inputs for a strong manufacturing base. And, even when these problems are nonexistent, export oriented industries still face full international competition in selling their products (Mill & Morrison 1999). Tourism, like manufacturing, requires similar access to land, labor and capital resources. Yet, tourism, in the way that the product is produced and delivered, may be a more viable alternative for developing countries. Most countries have the basic raw materials required to establish a tourism industry. Whether using its heritage, architecture, landscape, water or people, the mix of natural and cultural resources is what makes a destination unique and marketable to visitors. As international policy agreements on trade of services advances, there are fewer restrictions on international travel than trade (Edgell 1999). Demand for tourism is expected to remain strong in the new millennium and with advances in technology reducing the time required to travel, the distance between the consumer and the tourism product is becoming insignificant. Finally, unlike other industries, tourism prices are more under the control of the seller than the buyer. These traits combined, tourism is seen as an attractive economic development option for many countries in the developing world. But, as the OECD cautions, “there are few if any developing countries which could, or perhaps even should, rely principally on tourism for their economic salvation” (Erbes 1973).

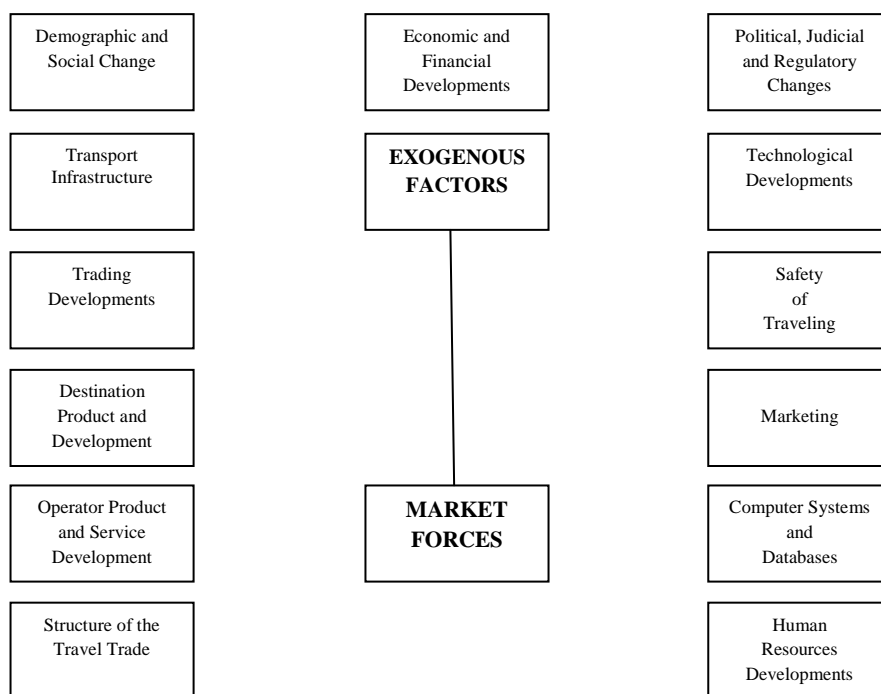


FIGURE 1. Global tourism forecasts to the year 2000 and beyond (World Tourism Organization)

2.2 Rural tourism or sustainable tourism

Rural tourism simply means a form of tourism taking place in rural areas or settlements, providing employment and income to local population and offering individualized holiday products to consumers. Rural tourism is based on accommodation service which is complemented by additional services and facilities relying on the local social, cultural and natural resources, which are exploited according to the principles of sustainable development.

According to Rátz & Puczkó, it seems to be simple to define rural tourism as ‘tourism that takes place in the countryside’, but this definition does not include the complexity of the activity and the different forms and meanings developed in different countries. According to a broader definition, ‘rural tourism includes a range of activities, services and amenities provided by farmers and rural people to attract tourists to their area in or-

der to generate extra income for their business'. If this broader concept is accepted, rural tourism covers not only farm tourism, which is what rural tourism means for most people, but also special interest nature holidays, touring in rural areas, and the services include accommodation plus events, festivities, gastronomy, outdoor recreation, production and sale of handicrafts and agricultural products, etc. (Rátz & Puczko 1998). However, it is impossible to find a concrete universal definition of rural tourism. It can be different from country to country and time to time, but it has many potential benefits for including employment growth, an expanded economic base, repopulation, social improvement, and revitalization of local crafts. At the same time, tourism is not the solution to all the problems that are there in the rural areas but it has number of positive attractions. It is one of the many opportunities that rural communities might consider to improve productivity and income.

2.2.1 Driving forces of rural tourism

During this research, the author read quite a deal of articles and texts written by different authors and he came up with a summary in general about the major driving forces of rural tourism.

- This is a modern age or the age of urbanization. Most of the people live in big cities amidst the monotonous hustle and bustle of the busy city life. All the noise pollution and not so natural surroundings of the cities wear people out sometimes and they want to escape to rural settings where they can have that stress-free life and the opportunity to re-engage with a simpler, quieter way of life that offers rest and relaxation.
- Attractive advertisements on different media, curiosity and boredom created by visiting traditional touristic destinations repeatedly might also attract the tourists towards the rural settings for some rural tourism.
- Desire to be close to nature.

- Also because these days all the transportation and communication facilities have made the rural places more accessible.
- Rural areas are often perceived as healthier, with fresher air and food and the opportunity for outdoor recreation.
- Rural destinations also portrait special culture, art and way of life of their own which are very attractive to people.
- Desire for authentic experiences including talking with local people because authenticity is believed to be found in genuine country experiences and lifestyles.

2.2.2 Benefits of rural tourism

Rural tourism is beneficial not only to the local people but also to the tourists, government and the landscape. The author has listed down some of the important benefits of rural tourism:

- Rural tourism is obviously a small scale industry so it cannot create jobs like the government itself, but it can help in the job retention. Especially it helps in increasing the flow of retailing, transportation, hospitality, medical care, farming and fishery.
- It creates jobs for the local people in tourism related places like hotels, catering, retailing, transportation, communication and heritage interpretation.
- It definitely gives opportunity to the youth of the place to get involved in tourism related activities.
- It helps the new businesses boom. Handicraft business and local food business come in demand when the flow of tourists increases.
- It helps in the preservation of rural culture and heritage, because when people understand that their culture and heritage are the source of their prosperity, they are inspired to preserve their culture and heritage.
- Tourism brings money and that money could be used on the maintenance of the place.

- Environment of the place is also improved because like in our daily life, when we are expecting visitors, we clean the house as much as we can; local people try to keep their village clean for the tourists.

3 FRAMEWORK OF NEPALESE TOURISM INDUSTRY

3.1 Nepal as a country

Nepal is a small landlocked country of less than 140,800 km², where approximately 27 million people are compressed. Sandwiched between the two Asian giants – China and India – its geographical position is hardly enviable, as it has been traditionally characterized as a yam trapped between two rocks. The country is separated from its other two neighboring countries, Bangladesh and Bhutan, by a narrow strip of Indian Territory. The territorial detachment from Bangladesh is particularly notable, for it makes Nepal totally dependent on India for its external transit routes and sea access, even most goods and products are coming from China. The country is, hence, absolutely vulnerable to India's trade and transit policy towards Nepal, as was demonstrated by the trade embargo that India imposed on Nepal in 1989. It is precisely this geographical squeeze between China and India that has historically played a paramount role in defining Nepal's human geography, cultural landscapes, economic life, and diplomatic navigation. In other words, the way of life in Nepal, as it has evolved over many centuries, cannot be diagnosed in isolation from the hard realities of its geography – both from its relative geographical and physiographic perspectives.

Nepal is perhaps the most mountainous country in the world, at least in terms of altitude, featuring six of the world's ten tallest peaks. Included among these peaks is, of course, Mt. Everest, the most imposing of all, which the Nepalese fondly call *Sagarmatha*—the roof of the world. Despite its highly mountainous and hilly topography, about 20 percent of Nepal's total area lies in the subtropical lowland called the Tarai, bordering India. Indeed, within a mere south-north span of some 160 kilometers between its Indian Chinese borders, Nepal's altitude ranges from barely a couple of seventy meters above sea level to the tallest point on the earth's surface. Consequently, the country constitutes an array of climatic zones, encompassing almost all of those found on the whole continent of North America – from subtropical jungle and hot, humid conditions to the arctic-like permafrost regime of the snow-clad Himalayas to the arid condition of the inner Himalayan region that extends into the Tibetan (Xizang) plateau. Not surprisingly, the coun-

try's temperature regimes are determined more by its altitudinal variations than its latitudinal location, ranging from subzero tundra conditions to over 38 degrees in the southwestern Tarai during the pre-monsoon season of April and May. (Shrestha 2002.)

The Bagmati is a river that flows right next to Pashupati, one of the holiest Hindu shrines, located in the heart of Kathmandu. This geographical link makes the Bagmati more than simply a river meandering through a valley; to Hindus, it is a holy river, a revered cremation site in the Kathmandu Valley. Metaphorically, however, it has emerged in recent years as an uncanny symbol of what is rapidly unfolding in Nepal – a deepening tension between enduring traditional values and inevitable outcomes of soaring Westernization. (Shrestha 2002.)

Now a battle is brewing over the Bagmati. Because its water level is no longer sufficient to flush out ashes and human remains from endless cremations, concerns have been raised about the river's continuing capability. So, at the suggestion of Western agencies and environmentalists, a proposal has been floated to launch an electric crematorium. But devout Hindu traditionalists are at loggerheads with modern environmentalists over this proposal because they prefer "last rites to be performed in a manner and place prescribed by the Veda and other (Hindu) scriptures," that is, on the bank of a holy river such as the Bagmati. (Adhikary 2000, Shrestha 2002).

Although the older generations tend to cling to traditional values, Nepal's younger generation is mesmerized by everything Western –including X-rated movies that go against Hindu tenets of modesty, where even simple kissing in public is taboo. This deepening juxtaposition is increasingly turning into what can be described as intergenerational cultural tension between the old and the new. Compounding this cultural tension is the fact that the country is faced with a massive growth of material consumerism and population. As a result, Nepal is witnessing an array of problems rarely seen until about two decades ago. These problems range from increasing impoverishment to a breakdown in social order to pollution and commercialized prostitution. Because Nepal has been unable to effectively deal with its mounting problems, Western agencies have been all too eager to propose solutions, thereby giving rise to yet another problem –of East versus West. (Shrestha 2002.)

3.2 General economy

The rhythm of life in Nepal is intrinsically intertwined with its physical environment. Geography is therefore not merely a geological entity but an indicator of life deeply imbued with cultural meaning and rituals, social customs and values. Nowhere is this relationship more keenly demonstrated than in the annual drama of what is commonly known as the monsoon, a climatic phenomenon that forms the umbilical cord of Nepali life. The annual cycle of the monsoon evokes both fear and reverence. To Nepali farmers and peasants, the monsoon is their raining god, who can be as richly nurturing as ravaging punishing. It all depends on the timing of its arrival. So, during every rice planting season, farmers and peasants await its arrival with a sense of urgency and eagerness with profound fears and high hopes. (Shrestha 2002.)

As reliant as Nepali life is on the monsoon, its timely arrival is rarely assured. The start of the annual summer monsoon can vary by as much as a month, though it normally arrives in Nepal in early June. This is the season when the celestial drama of life begins in Nepal, featuring the interplay between the towering mountains and the monsoon clouds surging from the Bay of Bengal. As the mountains and the monsoon clouds engage in their swirling annual tango, Nepali farmers are busy in the valleys and lowlands, readying their fields for paddy cultivation. For the next 3–4 weeks, farmers work like bees to prepare the fields and plant rice seedlings. They wake up at the rooster first crow, pack their breakfast, collect their tools, and hit the roads on their way to the fields, some to prepare the soil and others to plant rice seedlings. If the rain god fails to descend with nimbus clouds bearing rains, farmers fear for a life condemned to misery, and they begin to pray. The new crops of rice, the grain of life across monsoon Asia, will suffer, and the harvests will be reduced, adversely affecting millions of lives. Such is the fragility of life in Nepal, all dependent on one timely stroke of the mighty monsoon. (Shrestha 2002.)

Nepal's plains and hills receive more than 70 percent of their annual precipitation during the summer monsoon. The amount of summer monsoon rain generally declines from southeast to northwest as the maritime wedge of air gradually becomes thinner and dry-

er. Although the summer monsoon is critical for farmers and peasants, it does not always represent an eternal blessing. Periodically, the monsoon turns violent, causing immense landslides and flooding. Consequently, human lives and livestock are lost, farmlands are washed away, and properties are destroyed. Besides these visible losses, day-to-day life becomes ruptured. As basic an act as daily cooking can be severely affected. Everything is so damp and soaked in rain that it is very difficult to find relatively dry firewood to cook food. Lighting up a fire suddenly becomes a defiant challenge. As a result, the simple task of cooking rice turns into a daunting chore. This situation is particularly precarious for Nepal's countless poor, for whom gathering firewood is a daily routine like securing food itself. (Shrestha 2002.)

Nepal remains predominantly an agrarian country with only limited advancements in agricultural technology. The agrarian nature of the economy is reinforced by the fact that over 80 percent of the population still resides in rural areas. Barely about 12 percent of the population is concentrated in urban centers. This makes Nepal one of the least urbanized countries in the world. With the exception of the Kathmandu Valley, Nepal has never been a city-dominated country. But it is difficult to assume that the growth of urbanization alone would bring reprieve to what can be described as Nepal's quadrangular problems of heavily agrarian economy, low resource base, high population growth, and low technological advancements. (Shrestha 2002.)

3.3 Political situation and its impact on the economy of the country

Nepal has undergone a radical political transformation since 2006. Dramatic changes marked by the end of the civil war and abolition of the monarchy. However, six years after signing the Comprehensive Peace Accord (CPA) the socio-political and economic situation remains fragile and the economic aspirations of the people are yet to be met. The political transformation process towards entrenching a functioning democracy has been marked by prolonged political rivalry. The struggle for human rights in Nepal for liberation, entitlements and social opportunities still remains unfinished. The failure of

the Constituent Assembly (CA) to deliver the Constitution by the deadline in May 2012 has left Nepal in a political vacuum. A credible, free and fair election depends on the ability of the political parties to create a secure environment for political actors and voters. Nepal still belongs to the Least Developed Countries (LDCs) group and remains among the poorest countries in South Asia. Many political, institutional or cultural factors, such as access to education and health facilities, hygiene facilities or employment opportunities, play a role in the increase of poverty. There is a pressing need to increase delivery on aspirations for the transformation of Nepal in terms of rights, equality, inclusion and embarking upon the fundamental political, socio-economic and governance transformations outlined in the CPA and the Interim Constitution. The overall development goal of the Government of Nepal (GoN) is to attain poverty reduction through sustainable, inclusive and equitable growth. In the Three Year Plan ending in July 2013 the GoN stresses employment generation, infrastructure development and agriculture as the engines for development. Nepal is thriving to achieve the Millennium Development Goals (MDGs) by incorporating them in the Three Year Plans and annual budgets. Despite this positive national trend, wide disparities between rural and urban areas still persist at the national level. (Country Strategy for Development Cooperation with NEPAL 2013–2016, Ministry of Foreign Affairs Finland, formin.finland.fi.)

The people of Nepal have a life and economy of their own, a very simple one it may seem, but geographical and institutional restrictions make it rather complicated. (Lambert 1973, 1). Life is indeed complicated – and more. With Nepal's economy mired in poor conditions, life is, for many, constantly swinging between bare subsistence and hunger. This precariousness of life was poignantly captured in a 1974 report by the Asian Regional Team for Employment Production (ARTEP) that concluded, "Nepal is poor and daily becoming poorer." In the mid-1970s, approximately 40 percent of the Nepalese households were reported to be below the poverty line. Since then Nepal's poverty situation has deteriorated. It is, therefore, no surprise that World Bank has consistently ranked Nepal as one of the poorest countries in the world, with a per capita income of 526.83 Euro (2012). (Shrestha 2002.)

Simply expressed, the economy of Nepal is a landscape filled with poverty. However, the fact that about 80 per cent of the population lives in rural areas, means it is largely rural poverty that dominates the landscape. Regardless of its geographical distribution, the face of poverty is no longer strictly determined by people's economic inability to meet the basic minimum requirements of life, such as staple food and shelter. Poverty has also grown a second face, the one that is intimately associated with what can be called relative scarcity. As the culture of consumerism penetrates every aspect of life and every corner of the country, the second face becomes openly visible. As poverty is increasingly defined and measured in terms of material possessions, the visible distance between the rich and poor is widened, often leading to the stigmatization of the poor. They become the economic equivalent of the Untouchables in the Hindu caste hierarchy. (Shrestha 2002.)

Let us use Coca-Cola as a simple example to illustrate the reality of poverty's second face. Coke became available in Nepal around the mid-1960s, when Western tourists began to pour into the country. Its availability was almost exclusively confined to tourist hotels. Because Coke was rarely available in the open market, it was considered a luxury consumer product back then, something that only a tiny fraction of the Nepali population could afford. If one could not afford it, that was alright—nobody made a big deal about it. But the picture changed in the late 1970s, when a Coca-Cola bottling factory was established in Kathmandu. Coke instantly became a mass consumer product in Nepal. (Shrestha 2002.)

Because it is no longer considered a luxury drink, one is now expected to be able to afford it. The very notion of a product's affordability compounds the problem of poverty. So those who cannot afford a bottle of Coke without sacrificing some of the basic necessities of life—for example, staple food—are automatically labeled "poor. The point is that, today, poverty is not merely a matter of not being able to fulfill basic, minimum necessities of life. It is also associated with the deprivation of certain consumer products even though they are hardly needed as part of basic requirements. Poverty is thus more than an economic condition—it is a social stigma as well. (Shrestha 2002.)

3.4 Tourism and its potential in Nepal

Tourism is the dominant segment of Nepal's service sector and is perhaps the only reliable growth industry, the only one to have experienced a consistent upturn. Prior to 1951, Nepal was almost completely isolated—an insulated—from Westerners, who were seldom allowed into the country. But the situation changed after 1951. It is fair to claim that the country witnessed the first dawn of tourism with the sporadic arrival of some Peace Corps volunteers (PCVs), a few mountaineers, and a small horde of hippies in the early 1960s. Since its inception in the 1960s, when the number of tourists barely exceeded merely a few thousand, tourism has undergone tremendous growth. In 1999 the tourism sector boasted almost half a million foreign visitors, accounting for 3.6 percent of the GDP. Although this sector is generally ranked third behind carpet and garment exports, in terms of foreign earnings it directly complements both the carpet and handicraft industries. One could, in fact, go so far as to claim that the growth of tourism is critical for the sustained growth of both industries, for it is the tourists who provide a vital link to increased sales of Nepali carpets and handicrafts. They are the primary agent of the international diffusion of Nepal-made carpets in the international markets. In addition, tourism is the central link to related industries such as airlines, travel agencies, hotels and restaurants, and trekking. The fate of these and many other auxiliary services is thus directly dependent on tourism. (Shrestha 2002.)

Speaking of hotels and restaurants catering to foreigners, their numbers have mushroomed, incessantly competing against ubiquitous ancient temples to dominate the Kathmandu Valley's cultural landscape. One can find fancy international chains such as Everest Sheraton, Radisson, and Soaltee Holiday Inn to accommodate upper crust tourists, as well as mediocre hotels for low-budget travelers. Some big hotels—for example, Soaltee Holiday Inn and Annapurna Hotel—are even equipped with American-run casinos. In fact, Kathmandu has become the Las Vegas of South Asia. Equally remarkable is the parallel growth of all types of restaurants, serving everything from local delicacies to international dishes. Every cuisine is represented, although one may observe that the local adaptations have often led to change in both taste and form. (Shrestha 2002.)

Traditional sightseeing remains the centerpiece of Nepali tourism, but Western and Japanese visitors are increasingly engaged in various recreational or adventurous activities. Included among these activities are mountaineering, trekking, rafting, ecotourism, and even prostitution. (Shrestha 2002.)



FIGURE 2. Number of arrivals in Nepal

The author of the thesis has the opinion that transportation and communication constraints are the main problems of the tourism industry in Nepal. Being a landlocked country, Nepal has no direct access to sea transportation. Besides trails, which were historically the only means of transportation, Nepal now has two other principal modes of transportation. They are surface roads and airlines.

Although the quality of motorable surface roads are generally poor throughout the country, largely because of massive corruption within the road construction industry and frequent landslides, Nepal's road networks have vastly increased since the early 1950s. (Shrestha 2002.) The total road network in Nepal was reported at 19,875 km in 2008, according to the World Bank. Total road network includes motorways, highways, and main or national roads, secondary or regional roads, and all other roads in a country. One noticeable characteristic of the road networks is that they are mostly concentrated in the Tarai and in certain nodal areas of the hills, the two most prominent points being Kathmandu and Pokhara. The very first highway (Tribhuvan highway) in the country

was built by India in the early 1950s to connect Kathmandu with Birgunj, a city located along the Nepal-India border in the central Tarai. This is still an important highway in terms of trade and transit between the two countries. Other major highways in the country include the Mahendra, Prithvi, Siddhartha, and Arniko highway.

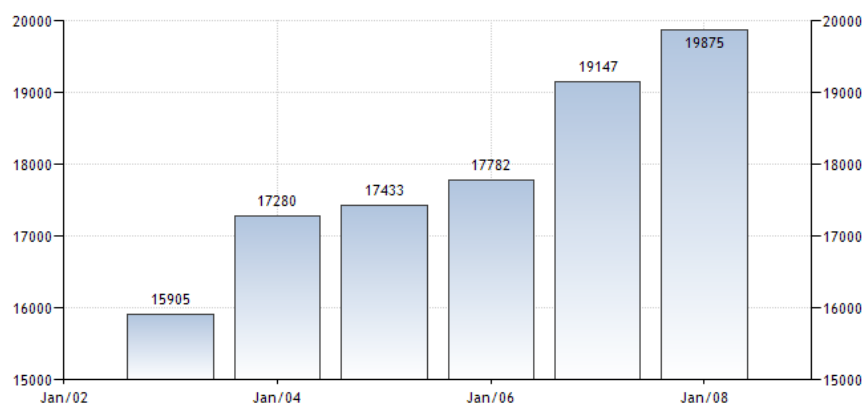


FIGURE 3. Nepal total network data

Because Nepal is a landlocked and mountainous country, airways play a critical role in its transportation system, both domestically and internationally. Air transportation provides quick links to different parts of the country that are inaccessible to motor vehicles. Because of the emergence of private airlines companies, the quality of domestic air service has vastly improved in recent years. Internationally, air transportation is more than an opportunity of Nepal's direct link to countries beyond India; it is the umbilical cord of the tourism industry. Without it, tourism would flounder. The only international airport in Nepal is Tribhuvan airport, situated in Kathmandu, and it is served by the Royal Nepal Airlines and numerous overseas airlines including Aeroflot, Biman Bangladesh Airlines, Qatar Airways, Pakistan Airways, Lufthansa, Indian Airlines and Singapore Airlines.

The tourism industry of any country is shaped up by its economy, geography and people. However, tourism is practiced in different ways in different parts of the world, and is thereby applied to local conditions (Edwards et al. 1998), thus the tourism experience

differs from country to country. For example, whale watching in Norway is not the same as trekking in Nepal. The input and support from the local community is of utmost importance for a propitious tourism development.

4 METHODOLOGY OF THE STUDY

4.1 Research design

A research design is a plan of the proposed research work. It is a planned sequence of the process involved in carrying out a research study. A research model or design represents compromise dictated by mainly practical considerations. Research design is a research plan providing guidelines to researcher to get answers of the research questions and help to control experimental, extraneous and error variances of to particular research problem. The research study of this thesis adapted both exploratory as well as descriptive research design. In the study the exploratory research design was used to understand various aspects of the problems or issues related to importance of rural tourism in Nepal.

4.2 Nature and sources of data

Exploratory in nature, this study required several parts. *Primary data* was collected through informal interviews and observation method, both phone interviews and face to face interviews were conducted with students, NGO workers and travel agency workers. As the author of the thesis could not go to Nepal physically, he made a habit of watching as much documentaries as possible during this research which helped him in collecting data through observation process. Data published by Ministry of Tourism, Government of Nepal and Nepal tourism board were the main sources of his *secondary data* collection. Other secondary data were collected from various books, journals, newspapers, press releases and reports. Textual analysis method was the main tool used for data collection in this study. In this method, researcher used the secondary information about the needs and possibilities of rural tourism and the cause and impact of youth emigration to other countries.

4.3 Limitations of the study

There were limitations of this study and the major ones were;

- Lack of updated and adequate material on the internet.
- The author could not go himself to Nepal for the first hand data collection because of the time constraint and mainly financial constraint.
- Materials that were available on the web were mainly in Nepali language which was another limitation of this study in this case.
- The touristic study that the author of the thesis came across may not portray the similar scenario of overall rural Nepal.

5 RURAL TOURISM EVOLUTION AND DEVELOPMENT IN NEPAL

Nepal is best known for its nature based or adventure tourism which include rafting, cycling, trekking, mountaineering, cultural tourism, sightseeing and bird watching. Most of all the tourism activities take place in the rural areas or villages. The major issues remains that the tourism income is not being shared by all parts of the country, it remains confined to the major trekking trails and destinations such as Everest, Langtang, Annapurna, Kathmandu, Pokhara and Chitwan region. This has led to tourism entrepreneurs and development workers to seek alternative ways to diversify the tourism benefits to other parts of the country as well in par with environment conservation. Nepal's rural settings also provide a strong foundation to promote rural tourism because of its unique lifestyle, unspoiled culture and tradition. If marketed in an innovative way, it can bring out tourism benefits in the villages that are off the main trekking trails and help create off-farm employment.

Nepal has more than 101 ethnic groups and 92 spoken languages and a rich variety of cultures, lifestyles, values and traditions. And if people of Nepal, especially in the rural areas use these aspects, then rural tourism will be more successful than any other form of tourism. Although the law and the interim constitution provided equal rights to all ethnic groups and religious groups, Nepal is characterized by a highly stratified social system, resulting in the presence of many castes. In all the villages there are higher caste groups and lower caste groups. The lower caste groups are often denoted as 'occupational castes'. While higher castes host the guests, lower castes are not included in any tourism activity. Usually the main difference between the higher castes and lower castes is the socio-economic status. Bitter but true, that is due to the lack of alternative options, the youth and the productive forces of the rural areas are compelled to emigrate either to big cities or abroad. More than 80 per cent of people live in the rural areas where the main occupation is farming and non farming occupation is rare, which make the emigration from these areas to big cities and foreign countries inevitable. (Upadhyaya 2007).

It is quite threatening for a developing country to lose its youth that way. The country might just fail to fulfill its goals if the situation is not improved. What will the youth do if they have no work opportunities in their own village? It is very understandable that people move from place to place in search for better living conditions and a better future. This phenomenon has been going on ever since the mankind settled on Earth. And it is also true that nobody likes leaving their birthplace and country for good, if everything they need is available there.

Upadhyaya further writes that, to tackle this situation, the concept of village tourism was introduced for the first time in Nepal in Sirubari village. The village is located at an altitude of 1,700 meter above sea level and one can reach Sirubari either by Jeep ride from district headquarter Syangja bazaar (Putalibazar) or by bus/jeep ride from Naundada along the Pokhara-Sunauli highway (Siddhartha highway). However, the trip from Helu-Lamachaur (about 50 km south of Pokhara) along the same highway offers the joint experience of adventure travel and short trekking along the lush green valley and terraced farm land of Darau-Khola and then uphill climb of about 2 hours from Arjun Chaupari. Visitors can choose either to walk (maximum of 4 hours) from Helu-Lamachaur up to the village via Arjun Chaupari or can ride on bus or Jeep up to Arjun Chaupari and then have a short trek. Nepal Village Resorts (NVR), a Kathmandu based travel agency serving as a marketing agency of the village tourism product of Sirubari, states that the first commercial group of 16 Belgian tourists were taken to Sirubari in October 1997.

The author of the thesis has studied some brochures provided by one of his Nepali friends about this NVR organization. This organization is based on community rural tourism development and is founded by a team of researchers, developers and promoters. It was established in the year 1997, which tells us that the history of rural tourism in Nepal is only barely 16 years old. Sirubari village is their pilot project which they use as an example for other community based tourism development. Well, looking at the success of this village, clearly, rural tourism carries a great potential in Nepal.

5.1 Tourism and the locals

There has been considerable disappointment registered concerning the failure of tourism to deliver its promises in terms of locally realized benefits and enhanced local livelihoods. It has been documented that 23 integrated conservation development projects (ICDPs), most with ecotourism components, revealed that few benefits went to local people (Wells & Brandon 1992). It is usually the case that active local participation is overwhelmingly confined to low-skilled, low-paid, often seasonal employment. Also the gap between those who are very engaged and those not involved in tourism in the community is likely to widen. Entus (2002), for example, describes how preexisting divisions of power may be engendered or exacerbated, leading to the formation of new business elites, who represent a small fraction of the local community. Nepal et al. 2002 show that a large lodge operator in the Annapurna region of Nepal will receive an annual income of over ten times that of a trekking porter and more than 40 times that of an agricultural laborer. (Higham 2007.)

Neupane and Thapa (2004) found in a survey of residents of the Annapurna Sanctuary Trail that 68% of respondents strongly agreed that income distribution was unequal in the area. Benefits to the community at large by way of visitor donations may be viewed as tokenist patronization. Fundamentally, the idea that participation is a cure-all for political and social exclusion has been increasingly challenged. (Higham 2007.) Mowforth and Munt (2003, 214) suggest that local participation may not be working because it has been promoted by the powerful, and is largely cosmetic; but most ominously it is used as a “hegemonic” device to secure compliance to, and control by, existing power structures.

Moreover, the view that outsiders may have of traditional lifestyles may also be viewed as patronizing. In the same way that anti-developmentalists romanticize the lifestyles of indigenous peoples (Corbridge 1995) so, too, may western-constructed tourism assume an artificial, “zooified” lifestyle on local populations, simultaneously assuming that the poor are happy as they are? This approach tends to ignore local peoples’ aspirations for higher living standards founded on a clear understanding of the costs and benefits of de-

velopment. As Brandon and Margoluis (1996) suggest, wholesale, unconditional acceptance of tourism as a sole development strategy by local people is both unlikely and unrealistic. Poor households' income needs are not fixed and they are likely to aspire beyond just holding their own economically. Consequently, they may divert to, or supplement with, other, less sustainable activities, particularly when the dimension of seasonability of tourism visitation is added into the equation. Furthermore, the romanticization of traditional ways of life by western tourists seeking "otherness" frequently does not resonate with local attitudes.

One of the principles of tourism is that it should incorporate an educative component (Page & Dowling 2002). However, while there is increasing recognition that indigenous knowledge is an important component of interpretation, it is undeniable that, once again, western views prevail and assume that First World conceptions of management are superior (Monwforth & Munt 2003, 148). It is vital that it is recognized that education is a two-way process and that there is much to be learned from the long histories of management undertaken by local indigenous communities. Indeed, it is necessary to recognize the inextricability of the natural and the cultural in tourism localities (Hall 1994).

Indigenous peoples are not mere "stakeholders" but internationally recognized holders of collective and human rights, including the rights of self-determination, informed consent and effective participation. Indigenous people are not objects of tourism development; they are active subjects with the rights and responsibilities to their territories and the process of tourism planning, implementation, and evaluation that happen in them. This means that we are responsible for defending indigenous lands and communities from development that is imposed by governments, development agencies, private corporations, NGOs and specialists (Ascanio 2002).

5.2 Participation of women in rural tourism

Community involvement in tourism in developing countries can be very positive in terms of promoting development in economically marginalized regions, encouraging sustainable use of resources and enhancing the control of local people over development in their surrounding area. However, communities are complex entities with various factions and it can therefore be difficult to implement effective community development in practice. In addition, tourism is not a gender neutral activity which automatically benefits women. At times their work is seen as merely an extension of their domestic roles and thus it is poorly paid or unpaid; cultural constraints make it difficult for women, whose livelihood activities are often directly reliant on the natural resource base, to speak up even if they do have positions on natural resource management or tourism decision-making forums; certain employment is seen as only suitable for men. (Higham 2007.)

The challenges to implementing gender-sensitive tourism suggest the need for approaches which: (a) provide ongoing, comprehensive support to women; (b) involve both women and men; (c) provide communal benefits to ensure a broad spread of the benefits of tourism; (d) establish effective and representative decision-making forums; and (e) involve comprehensive data gathering at the community level, as well as participatory monitoring and evaluation (Higham 2007).

Strenuous efforts are often made to engage indigenous groups/minority ethnic groups and women in tourism endeavors through Participatory Rural Appraisal exercises (PRA), consultation forums and training. However these efforts are sometimes disjointed and piecemeal. Thus while women may be targeted for a training exercise, this does not necessarily result in the training being directed into a viable enterprise: sometimes because women are balancing multiple roles, other times because society will not necessarily support women acting outside their traditional roles. In other cases women may be

provided with a certain percentage of the seats on a decision-making forum, but cultural norms make it difficult for them to express their ideas and concerns. (Higham 2007.)

Nepali society is patriarchal; the roles of women are defined by males. Evidences show that Nepali women's tourism jobs are only the extension of their traditional home duties; they have not been able to invalidate the long held assumption that they are only the homemakers. No women from rural tourism communities are found participating publicly with decisive powers. Tourism trainings and capacity building skills offered to rural women have not been able to develop entrepreneurship in them. Tourism has provided them with more responsibilities of maintaining continuity of social and communal practices, but less economic and political power.

6 CHALLENGES OF RURAL TOURISM IN NEPAL

As Nepal is a mountainous country, it is easy to figure out that the first and foremost challenges of rural tourism must be the transportation. Also on the list of one of the least developed countries in the world, Nepal has no facility of road transportation reaching to all rural settings. The author of the thesis had heard from his Nepali friends that products produced in one part of the country cannot reach the other part because of the lack of infrastructure. Apple grown up in the Himalayan region rot out there because there is no way they could be brought to the cities, but people living in big cities have to import apples from India. In this situation, how can tourists reach the remote Nepal to witness its beauty and experience its authentic culture and heritage?

According to a news report published on June 04, 2013 in Xinhua, three plane crashes occurred in Nepal during the last two weeks, raising serious questions about the country's civil aviation security and the safety of passengers, most of whom are foreign tourists. These kinds of news obviously scare the tourists away. As a foreigner, the author unfortunately, would not trust the domestic airlines in Nepal. Most of the planes crash in Himalayan and hilly regions on the way to remote places, which means that these plane crashes are a very big challenge for rural tourism.

Communication and electricity are other integral components for the development of rural tourism. Lack of infrastructure and development definitely means that there is no facility of communication like internet and telephone in all the rural parts of Nepal. According to BBC news, despite the massive hydropower potential, Nepal only produces about half of its electricity need. Less than half of the population is connected to the Nepal power grid and power has to be imported from India. Over the past few years, load-shedding, the theft of electricity through illegal connections and power cuts have become daily realities. It has been assumed that the power cuts will increase to 14 hours a day within the next few weeks. The daily basis power cut hamper rural tourism as well as the entire tourism sector of the country.

Another challenge for the development of rural tourism in Nepal seems to be the people themselves. They have the traditional belief that agriculture could be the only source of income to the rural people and they have off let realization of the fact that tourism can also play an important role in development process. With 60.3% literacy rate in total population (Nepal demographics profile 2013), and the majority of remaining illiterate population living in the rural areas, it is very difficult to make them understand the importance of rural tourism to them and the country. Their rooted traditional belief and led back nature is hard to change. On top of that the absence of supporting industry and proper legislation system kills the idea of rural tourism right at the initial stage.

The author has mentioned earlier that younger generation and the work force of the rural villages are moving to the big cities and foreign countries in search for work. Villages in Nepal are full of old people and lack manpower. Financial support remains at the top of the list.

7 CONCLUSIONS AND RECOMMENDATIONS

Sadly, the entire research led the author to think that Nepal is in a bad shape at the moment. Its politics, development and economy seem to be in a sad state. Tourism industry could bring the prosperity back. Rural tourism is even more important in the context of Nepal because this country has more rural places than urban places. Majority of its population live in rural areas. There are both negative and positive sides when it comes to rural tourism, but people of Nepal must minimize the negative sides to maximize the positive ones. There are some villages which host the local and international tourists and which have been contributing to the development of rural tourism. Ghale Gaon, Sirubari Village, Ghandruk are some of the names that the author came across during this research. These villages symbolize the panoramic identity but that identity seems to be limited only to some websites. The author was amazed to know that some of his Nepali friends studying in Finland, whom he interviewed on the process of this thesis writing, did not know about these villages. Only few knew about them and it is good to know that couple of them had even visited those destinations as local tourists. They thought the domestication of rural tourism is a major part for the promotion of rural tourism in Nepal but this factor has been totally ignored by both policy makers and the planners too.

Rural tourism in Nepal or anywhere else could not be promoted unless there is an essence of rural lives, rural culture, norms, values, social cohesion, nature, scene, scenery, selfless persons and more importantly honeyed hospitality, cleanliness, tidiness and environment friendly development approaches. Similarly, benefits from the rural tourism need to be systematized otherwise the sustainability remains to be questioned.

The recommendations for the rural tourism development would be:

- The surroundings of the villages promoting rural tourism must be kept neat and clean. Houses that are hosting the guests must be clean, too. If they have cattle,

they must keep the cattle sheds separate in some measurable distance for sanitation.

- Bedrooms for the guests are the main parts. They should be kept clean and tidy. The rooms should be comfortable and cozy with enough blankets, pillows and comfortable mattresses. The facilities of both hot and cold water are important in the bathrooms.
- Health care facilities are yet another important aspect of rural tourism. Nobody wants to go to the place without health care facilities because accidents and mishaps might occur, any place and any time. Hosting villages must take care of this sensitive matter.
- Nepal government must work on the education of the villagers. It is of course, a farsighted approach but it is a must for educational uplift. Adult learning classes can be started along with guests' etiquette training to the villagers. Education awareness campaign should be started for proper attention on female education.
- Language is another barrier for the development of rural tourism in Nepal. Youth English learning, tour guide and vocational training should be encouraged for rural tourism promotion.
- Many villages in Nepal are suffering either from daily basis power cuts or no electricity facility at all. In this case, rigorous and collective initiations should be made for electricity availability in the villages by the villagers, village development committees (VDC), NGOs, INGOs and even the donors.
- Villages could be united and develop the infrastructure of the villages. At least they could set up public toilets and public drinking water taps to maintain health and hygiene.
- Most importantly, youth migration to the cities and abroad should be discouraged because youths are the main manpower for the rural tourism development. In no way can the middle aged and elderly people initiate the rural tourism in their villages without the young working force. Youths must involve with the entrepreneurship development programs in the support of NGOs, INGOs and donors. Youth should be oriented thoroughly about the implications of their migrations towards the village and they should orient how they can make meaningful

and traditional culture, norms and values for the benefit of their village development. They should not stay idle but should make themselves busy with different career oriented trainings for the promotion of rural tourism.

- Transportation problems must be taken well care of because it is important that the tourists reach the destination comfortably at first. Safety of the travelers is very important, the frequent plane crashes were not doing any good to the tourism, and the plane crashes must be stopped.

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