Tourism as a Catalyst for Socio-Economic Transformation: Insights from Sharangkot, Kaski

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Abstract
This research examines tourism's impact on Sharangkot's socio-economic landscape, a key destination in Nepal's thriving tourism sector. Focusing on communities transitioning from agriculture to tourism, the study used a quantitative method, surveying 100 local households. It analyzed the correlation between tourism and socio-economic variables, considering both benefits (like job creation and infrastructural growth) and challenges (such as inflation and environmental issues. Results show tourism significantly improves Sharangkot's living standards, bringing economic advantages and infrastructural enhancements, but also raising costs and environmental concerns. The study underscores the need for sustainable tourism strategies that harmonize economic and environmental interests. It also suggests further research to delve deeper into the complex interplay between tourism and socio-economic factors in Sharangkot.

Keywords: Tourism, Socio-economic transformation, Community living standard, Sustainable development

1. Introduction

Background
The tourism industry in Nepal has seen remarkable expansion since it opened to international tourists in 1949. This sector has evolved into a significant part of both the global tourism industry and Nepal's economy. The nation's stunning natural landscapes, particularly the Himalayan range, along with its rich cultural diversity, offer tourists a variety of experiences including eco-tourism, mountain expeditions, and cultural journeys. This diversity has been successful in attracting an increasing number of tourists, both from within the country and from around the world (Gurung, 1989; Bhusal, 2004).

Pokhara is a well-known tourist attraction that is situated in the center of the Kaski district, 200 kilometers from Kathmandu. Famous for its natural and cultural marvels, it is the starting point for the Annapurna circuit, captivating nearly 40 percent of all tourists visiting Nepal. Over the past seven decades, Pokhara has evolved into a crucial destination for both national and international tourists (MoCTCA, 2020).

Sharangkot, located in the scenic city of Pokhara, is a historically rich destination offering a wide range of activities. Visitors can enjoy hiking, zip-lining, and especially paragliding in this picturesque locale. Famed for its sweeping views of the Himalayas and as a premier location for adventure sports, particularly paragliding, Sharangkot stands at an elevation of 5,000 feet, positioning it among the world's top paragliding destinations (Upreti et al., 2013).

The region is not just a hub for thrill-seekers but also caters to those seeking serene experiences like sunrise and sunset tours, zipline adventures, and bird watching. Sharangkot's accommodation spectrum ranges from high-end resorts to cozy lodges, appealing to a wide array of tourist preferences. The site's improved accessibility, with the addition of a road and a new cable car service, further enhances its attractiveness. Despite the impact of the COVID-19 pandemic on tourism, Sharangkot remains a popular destination, consistently drawing a steady stream of visitors. This ongoing attraction highlights the area's enduring importance in the socio-economic context of the region, reflecting the resilience and appeal of Sharangkot as a tourist spot.
Objectives of the study

The overarching goal of this research is to assess the transformative role of tourism development on the socio-economic conditions of the local community in Sharangkot, Kaski. To achieve this, the study sets out the following specific objectives:

1. To identify and establish key indicators that reflect the impact of tourism development, which will be used as independent variables in this analysis.
2. To examine and quantify the relationship between the socio-economic transformation of the local community and the impact of tourism development.

2. Literature Review

Tourism, particularly ecotourism, has gained prominence in Nepal, with studies delving into its environmental, community, and socio-economic implications. This literature review synthesizes key insights from relevant research, providing a comprehensive understanding of the multifaceted impacts of tourism in the Nepalese context.

Heredge's (2005) qualitative analysis investigates the intricate interaction between tourism development and local communities in Nepal, shedding light on the dynamics shaping this relationship. Shakya (2010) adopts a case study approach to examine how tourism influences the risk management strategies of rural communities, contributing to their resilience and livelihood.

KC and Thapa Parajuli's (2014) mixed-methods research focuses on the impact of tourism on livelihoods in the Manaslu conservation area, offering a comprehensive analysis of both economic and social benefits. Ojha's (2020) analytical review delves into sustainable practices within the Nepalese tourism sector, providing insights into the industry's efforts towards environmental and socio-economic sustainability. Baniya, Shrestha, and Karn's (2018) qualitative study investigates the transformative effects of community-based tourism on local well-being in Nepal, contributing to a nuanced understanding of the broader societal impacts.

Shakya (2014) conducts an empirical study, examining the socio-economic transformations in rural Nepalese society attributed to tourism, highlighting the complex dynamics at play. Subyomon (2018) utilizes qualitative analysis to scrutinize the socio-cultural impacts of tourism on Nepalese host communities, offering insights into the evolving cultural dynamics shaped by tourism.

Khanal and Khanal (2020) employ an ARDL bounds test with data from World Development Indicators to reveal that a 1 percent increase in tourist arrivals corresponds to a substantial 1.15 percent increase in Nepal's GDP. This quantitative approach offers a precise measurement of the economic impact of tourism in the country.

Vijayanand's (2013) descriptive analysis focuses on the role of public-private partnerships in tourism, revealing that stakeholder involvement in tourism management enhances its economic impact. The study conducted by Dahal and Sapkota (2020) on the "Environmental Impacts of Community-Based Homestay Ecotourism in Nepal" critically evaluates the effects of homestay tourism on the environment and economy of Nepal's Nawalpur District. This research highlights the dual nature of tourism’s impact: it generates socio-economic benefits like increased income and cultural preservation, but also poses challenges to the environment, emphasizing the need for effective waste management and sustainable resource use. The study's key emphasis is on the importance of balancing these benefits and pressures, especially in Nepal where tourism is integral to the economy and conservation efforts. This comprehensive analysis provides valuable insights into the complex dynamics of ecotourism in developing nations.

The role of tourism in sustainable development is explored by the World Travel & Tourism Council (WTTC, 2015) and (WTTC, 2017), utilizing a descriptive and analytical study to emphasize tourism's significant contribution to the service industry and foreign exchange. Collectively, these studies offer a comprehensive understanding of the economic implications of tourism in Nepal, ranging from macroeconomic indicators to local-level development initiatives.

The study aimed to fill critical gaps in the existing research on tourism in Nepal by adopting an integrated approach that balanced environmental sustainability with economic development. It provided a deeper understanding of the long-term socio-cultural impacts of tourism, focusing on the preservation of traditional lifestyles and cultural heritage. Special emphasis was placed on examining the effects of tourism on indigenous communities, ensuring their
perspectives and experiences were included in the discourse. Additionally, the study extended beyond the conventional economic analysis of GDP contributions, delving into how tourism revenue was distributed among local communities, its impact on small enterprises, and its role in poverty reduction. By addressing these areas, the study contributed to the development of tourism strategies that were economically beneficial, culturally respectful, and environmentally sustainable in Nepal.

3. Conceptual framework of the study

The study's conceptual framework (Figure 1) is centered on analyzing the impact of tourism development in Sharangkot, with a particular emphasis on its economic and social dimensions. The investigation traces the shift from traditional agricultural livelihoods to tourism-centric jobs and assesses the economic gains stemming from this transition. Key areas of focus include the availability of new job opportunities, variations in income, and the overall improvement in community welfare. Additionally, the framework critically examines the possible downsides of tourism, such as increased traffic, environmental noise, and a rise in living costs. Essentially, this framework aims to provide a balanced view of tourism's influence on Sharangkot, detailing both its positive and negative effects on the community's way of life and its contribution to the enhancement of living standards.

4. Proposed model and hypotheses

The research model in this study adopts the view that tourism development brings both positive and negative impacts on the living standards in local communities. According to Kreag (2001), tourism can drive economic growth through job creation, infrastructure enhancement, increased incomes, and cultural exchange, collectively elevating living standards. Nevertheless, it's also important to acknowledge the challenges it might introduce, such as higher costs of living, traffic, noise, and environmental concerns.

Focusing on Sharangkot, Kaski, the study aims to thoroughly evaluate how tourism development affects the community's development. The standard of living in this area, considered the dependent variable (Eraqi, 2007), is impacted by various aspects of tourism development, treated as independent variables in this model. The research examines ten distinct indicators of tourism development, covering economic, social, environmental, and cultural elements. Each of these indicators is posited to influence the standard of living in Sharangkot to different extents.

The study employs a hypothesis-testing methodology to investigate these interrelations. Its objective is to offer a detailed insight into how the diverse elements of tourism development shape the socio-economic environment in Sharangkot, Kaski. This methodology facilitates a comprehensive exploration of the various ways in which tourism impacts the local community.
Table 1: Proposed Model and Hypotheses for the Study

<table>
<thead>
<tr>
<th>Description</th>
<th>Null Hypothesis (Ho)</th>
<th>Alternative Hypothesis (Ha)</th>
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<tbody>
<tr>
<td>Job Opportunities Created by Tourism</td>
<td>No positive relation with standard of living</td>
<td>Positive relation with standard of living</td>
</tr>
<tr>
<td>Infrastructure Development</td>
<td>No positive relation with standard of living</td>
<td>Positive relation with standard of living</td>
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<tr>
<td>Increase in Income</td>
<td>No positive relation with standard of living</td>
<td>Positive relation with standard of living</td>
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<tr>
<td>Economic Benefits</td>
<td>No positive relation with standard of living</td>
<td>Positive relation with standard of living</td>
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<tr>
<td>Recreational Opportunities</td>
<td>No positive relation with standard of living</td>
<td>Positive relation with standard of living</td>
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<tr>
<td>Business Initiatives</td>
<td>No positive relation with standard of living</td>
<td>Positive relation with standard of living</td>
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<tr>
<td>Price Levels</td>
<td>No positive relation with standard of living</td>
<td>Positive relation with standard of living</td>
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<tr>
<td>Environmental Costs (Traffic, Noise, Pollution)</td>
<td>No positive relation with standard of living</td>
<td>Positive relation with standard of living</td>
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<tr>
<td>Cultural Development</td>
<td>No positive relation with standard of living</td>
<td>Positive relation with standard of living</td>
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<tr>
<td>Education Level</td>
<td>No positive relation with standard of living</td>
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5. Methodology

This study adopts an empirical approach to quantify the socio-economic transformation in Sharangkot, Kaski, attributed to tourism development. Given the predominance of agriculture in Sharangkot, where a majority of households engage in traditional agricultural activities, this research aims to explore the shift towards tourism-related livelihoods and its impact on community standards of living.

The methodology for selecting analysis factors, specifically indicators of tourism development, was rigorously structured. It involved a detailed examination of existing scholarly works, inclusive of contributions by Eraqi (2007), Aref, Redzuan, and Gill (2009), Mohammadi, Khalifah, and Hosseini H. (2010), Ramseook-Munhurrun and Naidoo (2011), and Hasan, Ullah, and Chowdhury (2013). The selection process was enriched through expert consultations and environmental assessments, with additional validation from Focus Group Discussions (FGD) and Key Informant Interviews (KII) with stakeholders. The reliability of the survey tool was evaluated using Cronbach's alpha method (Cronbach, 1951), yielding a coefficient of 0.79. This figure not only meets but also exceeds the generally accepted threshold of 0.70, as recommended by Nunnally (1978). Subsequent data analysis was conducted using the Statistical Package for the Social Sciences (SPSS), employing descriptive statistics and correlation analysis to delve into the dynamics between the chosen variables.

The demographic scope of the study encompasses 2,080 households in Sharangkot, among which only 133 are actively involved in tourism. To determine the sample size for the household survey, the study utilized Yamane's formula (1967), which calculates the sample size (n) as n = N / (1 + N(e)^2), with N representing the population size (133 households involved in tourism) and e denoting the margin of error (set at 5% for a 95% confidence level). This calculation resulted in a sample size of approximately 100 households.

Data collection focused on these 100 households engaged in tourism along the Pokhara to Sharangkot trekking route. The research methodology employed a descriptive design with a quantitative approach. Data were primarily gathered through structured personal interviews. The survey instrument included 14 questions, employing a five-point Likert scale to assess various aspects of tourism's impact on local community life. The questionnaire addressed both demographic variables (such as gender, age, and occupation) and specific factors related to tourism's contribution to local development, including economic benefits, job creation, income sources, investment opportunities, changes in price levels, educational improvements, and overall standard of living.

6. Findings of the study

Table 2 below presents the descriptive statistics of various indicators related to local development, derived from a sample of 100 respondents. The table includes statistical measures such as the minimum and maximum values, mean, standard deviation, and Cronbach's Alpha for each indicator. These indicators encompass a range of aspects including Standard of Living, Job Opportunity, Infrastructure Development, Increased Income, Economic Benefit, Recreation, Business Initiatives, Increased Price Level, Traffic Noise Pollution, Cultural Development, and the Education System.
In this study, a systematic approach was used to analyze responses on a 5-point Likert scale. The scale's range, calculated as 4 (from 5 minus 1), was divided by the maximum value of 5, resulting in increments of 0.80. This calculation led to a structured classification of responses: scores from 1 to 1.80 signifying 'Strongly Disagree', 1.81 to 2.60 indicating 'Disagree', 2.61 to 3.40 as 'Neutral', 3.41 to 4.20 representing 'Agree', and 4.21 to 5.00 as 'Strongly Agree'.

According to Table 2 in the study, which presents descriptive statistics for various tourism impact indicators, the general perception of tourism's effects on the local community is positive. The data highlights several aspects of this impact: the creation of job opportunities due to tourism (mean = 3.70, SD = 1.352), the development of infrastructure (mean = 3.51, SD = 1.235), an increase in income from tourism activities (mean = 3.28, SD = 1.345), economic benefits (mean = 3.54, SD = 1.326), enhanced recreational facilities (mean = 3.27, SD = 1.302), and the provision of business opportunities (mean = 3.42, SD = 1.203).

However, the study also sheds light on some negative aspects, such as an increase in price levels in tourist areas (mean = 3.35, SD = 1.281) and issues like traffic congestion, noise, and pollution (mean = 3.42, SD = 1.336). On a positive note, the cultural and educational impacts are also acknowledged, with tourism contributing to cultural development (mean = 3.48, SD = 1.182) and improvements in the local education system (mean = 3.72, SD = 1.202).

Overall, the respondents demonstrate a favorable attitude towards the impact of tourism, especially regarding the enhancement of the standard of living in the local community (mean = 3.51, SD = 1.226). This comprehensive data offers insights into both the benefits and challenges associated with tourism, presenting a comprehensive view of its effects.

The correlation analysis from this study reveals a refined picture of tourism development's impact on the local community's standard of living. A significant positive correlation between job opportunities and standard of living...
highlights the crucial role of employment in enhancing economic well-being. Similarly, infrastructure development related to tourism is positively linked to improved living standards, indicating the benefits of enhanced public services and facilities.

Increased income from tourism activities and overall economic benefits show a positive relationship with living standards, suggesting that financial gains from tourism are effectively translating into better living conditions. The strong positive impact of recreational opportunities provided by tourism further emphasizes their contribution to the community's quality of life.

Business initiatives driven by tourism also display a favorable impact on living standards, likely due to job creation and diversified economic activities. However, the study also uncovers a negative correlation between increased price levels and standard of living points to the adverse effects of tourism, such as inflation and a higher cost of living, which may not be adequately compensated by its economic benefits.

Additionally, the lack of a positive relationship between traffic, noise, pollution, and living standards highlights the negative externalities of tourism, potentially detracting from the community's quality of life. Cultural development through tourism shows a minimal correlation with living standards, suggesting that its impact is either limited or overshadowed by other factors.

Notably, the strong positive correlation between the education system and living standards underlines the significance of educational opportunities and awareness in improving community welfare.

In summary, while tourism development brings several socio-economic benefits to the local community, it also presents challenges that need careful management. These findings underscore the necessity for sustainable tourism development strategies that maximize benefits while minimizing negative impacts on local communities.

7. Discussion

This research analyzes tourism development in Sharangkot, Pokhara, delves into the various effects it has had on the local community. The results highlight the significant role played by tourism in promoting both economic and social advantages. More precisely, this development has acted as a driving force behind the creation of employment opportunities and the enhancement of infrastructure, making a substantial contribution to the economic upliftment of the area. These economic gains are also evident in the improved quality of life among the local residents, as indicated by higher income levels and increased support for local businesses.

Moreover, the expansion of tourism in Sharangkot has had a noteworthy impact on the social fabric of the community. It has not only led to economic benefits but also to the enrichment of the community's recreational and educational facilities. These enhancements have collectively contributed to a higher standard of living for the residents.

Interestingly, our study reveals that the anticipated negative impacts commonly associated with tourism, such as heightened price levels and escalated issues of traffic, noise, and pollution, were not observed in Sharangkot. This finding is particularly significant, suggesting that the tourism development in this area has been managed in a way that mitigates these common drawbacks.

Furthermore, through a detailed mean score and correlation analysis, our research establishes a clear, positive correlation between factors such as job opportunities, infrastructural development, and increased income, economic benefits to businesses, recreational advancements, and improvements in the education system, with the overall standard of living in the local community. Contrarily, it is noteworthy that increases in price levels, traffic congestion, noise, pollution, and changes in cultural dynamics do not demonstrate a significant positive relationship with the community's standard of living.

The results of this study closely resemble those of earlier research carried out by Subedi and Bhandari in 2019. Their research delved into the socio-economic consequences of tourism on villages in Kaski, Nepal (Subedi & Bhandari, 2019). Likewise, the findings align with the research conducted by Giri (2010), who explored the impact of village tourism on rural development in the Ghandruk VDC of Kaski District, Nepal. This similarity suggests that the socio-economic effects of tourism on villages in Kaski, Nepal, have persisted over time and may have consistent patterns. Both Subedi and Bhandari (2019) and Giri (2010) in their study emphasize the importance of understanding and addressing these effects to support sustainable development in rural areas.

This refined and carefully detailed grasp of the influences of tourism development in Sharangkot, Pokhara, delivers essential knowledge for those in policy formulation and key stakeholders. It underscores the potential of tourism as a transformative force for community development while highlighting the importance of strategic planning to avoid common pitfalls associated with tourism growth. The findings from Sharangkot could serve as a model for other
regions seeking to harness tourism for community development, emphasizing the need for a balanced approach that prioritizes both economic growth and the preservation of quality of life for local residents.

8. Conclusion

The study about tourism in Sharangkot, Pokhara, shows a comprehensive impact. It's more than just tourists visiting; it's about lasting changes in the community. Jobs have been created in various sectors, enhancing the local economy. Infrastructure improvements have made living and working in the area better. People's incomes have increased, leading to a healthier economy and better living standards. Local businesses thrive with more customers. Educational and recreational facilities have improved, contributing to a more vibrant community life. This tourism growth has not just boosted the economy; it has enriched the cultural and social life of Sharangkot, making it a better place to live and visit. It's a clear example of how thoughtful tourism development can positively transform a community in multiple ways.

To improve the local community's standard of living in Sharangkot and maximize tourism benefits, a strategy focusing on sustainable policies for social, economic, and environmental aspects is essential. This approach should prioritize skill development and job opportunities for locals, alongside encouraging investment in tourism infrastructure to increase income and employment. Emphasizing local participation in tourism and supporting local businesses is crucial. Collaboration between government and private sectors is necessary, along with fostering interactions between tourists and locals to promote cultural development. Overall, the tourism strategy should balance the needs of both the community and tourists.

References


