

IMPACT OF TOURISM ON SOCIO ECONOMIC DEVELOPMENT:

A CASE STUDY OF HUNZA VALLEY



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CERTIFICATE

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ABBREVIATIONS

AKDN	Aga Khan Development Network
AKRSP	Aga Khan Rural Support Organization
BOP	Balance of Payment
CPEC	China Pakistan Economic Corridor
GB	Gilgit Baltistan
HDR	Human Development Report
KADO	Karakorum Area Development Organization
KKH	Karakoram Highway
LSO	Local Support Organization
NGO	Nonprofit Organization
SD	Standard Deviation
UDC	Unit of Data Collection
UN	United Nation
UNDP	United Nations Development Programme
UNWTO	United Nations World Tourism Organization
VO	Village Organization
WO	Women Organization

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DEDICATION

I dedicate this to my parents whom I love most.

Also to my brothers and sisters

ABSTRACT

Tourism becomes a rising industry in Pakistan. This study examines the socio-economic impact of tourism in mountainous region of Hunza, Northern parts of Pakistan. In order to achieve the objective of the study, well-structured 123 questionnaires filled from respondents of Hunza valley at their premises. Tourism has both direct and indirect positive and negative socio-economic impacts on the local community of the destination. The local community wants to develop tourism as an economic development tool to stimulate wellbeing. Its development is concerned with positive economic impacts that increase the total income of the local community, create more jobs and expected to increase the local economy. However, some negative economic impact have identified like the higher the prices of goods and have limitations for shopping facility for tourist. The positive socio impact of tourism includes to have better destination image, living standard improved and developed social status, strengthen and rejuvenate local values, having opportunity for cultural exchange and strengthen cultural exchange. Some of negative impacts reported by respondents related to social values, loss of cultural originality, accelerating the social evil, insufficient facilities of entertainment and telecommunication. The findings of this study demonstrations that positive socio economic impact of tourism in Hunza Valley is greater from the negative socio economic impact for tourism.

Keywords: *Tourism, Socio-Economic Development, Hunza*

CHAPTER I

Introduction

This section covers the overview of socio-economic impact of tourism on development in specified area by narrowing from global understanding to local knowledge.

1.1 Back Ground

Tourism considered as engine of socio-economic development. It is the third fastest and largest economic activity in the world after oil and automobiles industry (Furqan, Hussin & Paud, 2010). Tourism seen by governments in developing countries as one of the feasible opportunities of national and regional development (Mbaiwa & Darkoh, 2008). The last decades of anthropology of development, rural areas have long provided the atmosphere for tourism activities in developing and developed countries (Chuang, 2011). In the era of globalization, the inflow of international tourist raised by a significant 7% in 2017 to reach 1,323 million by the report of World Tourism Barometer (United Nations World Tourism Organization [UNWTO], 2017). In addition, tourism industry has reached the world's largest emerging sector for economic development and according to the results by region, Asia (+6%) noted 324 million international tourist influxes in 2017. In South Asia tourist inflow raised 10% and Southern East Asia by 8%.

In developing countries tourism is consider as the key factor for state to work on regional and local level projects in order to strengthen the tourism infrastructure. Mostly, tourism leads to improvement in infrastructure, socio-economic stability, restoration of heritage sites and architectural monuments and promote preservation of natural environment (Barlayaev, Akhumeto & Nasyro, 2009)

The main factor of regional tourism is its infrastructure; the infrastructure included basic building and services institutes. The infrastructure is further divided in, Technical infrastructure comprises transport, communication, gas, heat, power and road and Social infrastructure contains education institution, culture, health department, physical culture and tourism, public management (Panasiuk, 2007).

According to Jovanovic and Ilic (2016) stated that tourism infrastructure provides the all-necessary functioning of tourist destinations, which includes the complementary facilities, equipment and different resources. The resources includes the roads, railways, airport which easily make access to tourist destination. Further infrastructure contains the health facilities care system, services includes availability of variety of food in restaurants, hotels etc.

Despite the richness of natural resources and cultural diversity across Pakistan and beautiful Hunza valley of Gilgit-Baltistan in Northern Pakistan, tourism industry has not completely developed due to lack of interest by government. Since 1970s, rural areas tourism activity has increased in most of the developing nations. The industry caused significant development shifts in economic and social lives of people (Baqir, Palvia, Nemati & Casey, 2011). According to Pesonen and Horster (2012) in China Yuan 120, billion generated from the tourism industry and created occupation opportunities to 15 million people throughout the country. A current figure from ministry of tourism sports and culture, government of Gilgit-Baltistan (GB) about 1 million tourists stayed the region in 2016 and expecting the figures will reach to 1.2 million, Hunza is among most visiting destination points for domestic and international tourists (The Express Tribune, 2016).

Minister Tourism Sports and Culture GB said the government is giving special attention for the promotion of tourism in GB. Further he added “a tourist resort is being constructed at Attabad in

Hunza at a cost of 520 million rupees and also mentions complex would be constructed at Khunjerab to facilitate international and domestic tourists''(Khan, 2018).

In the era of globalization of development issues, there is urgent need for looking into new dimensions of development. The agrarian transformation of 1990s needs revised. There is a need to bring specialty in programs with new and modern themes of development. Tourism programs would promote local organizations and people for sustainable rural transformation (Buhalis, 2014).

The tourism industry emerged world fastest growing sector and it will sustain in future. To continue the regularity of tourism industry in 21st century there is an urgent requirement of development model and procedures, which recognize the feasible openings and possible face by industry (Kerr, 2003).

While discussing the issues such as transportation, regionalism, seasonality, and fragility one should recognize the potentials to harmonize the skills and resources to balance the poor communication and heavy dependency on existing communication process. This research will reveal a more thorough understanding of phenomenon for tourism services providers, recipients and academicians interested for further investigations in field (Mcleod, Lewis & Spenser, 2016).

1.2 Statement of Problem

Tourism affect the economy and living standard of destination community. However, the study explored the infrastructure has direct impact on the development of local community in terms of socio-economic development. Unfortunately, how the tourism being affected Hunza people with regard to socio-economic development yet unexplored until date.

In these uncertain economic times, Socio-Economic development programs composed of tourism is facing range of questions. Tourism have the great advantage that they allow rural people of

Hunza to replace the old rural development techniques. There is no doubt that tourism play an important role in replacing physical struggle of rural area people and reducing labor costs to live a better and sustainable life. Yet tourism may produce a completely new range of unintended consequences on socio-economic arrangements of locals, cultural structure, environmental degradation, unmanageable infrastructural development, and attitude of local people.

Although, many rural areas like Hunza have added tourism as key development approach and its outcomes have made life a whole lot easier economically and socially. Many regions have connected through transport infrastructure tools to encourage tourism as development methods. In current years, both China and Pakistan have been making intensive efforts to recover the momentous Silk Road that is one of the oldest known route in the world and will provide a route for trade from Kashgar (China) to Gwadar (Pakistan). This road benefited to easy accessibility to region of Northern Areas of Pakistan (Abid & Ashfaq, 2015).

The entire region of Northern Pakistan and especially in Hunza district is rich for tourism industry. Historical structures; snow-covered mountains, cultural authenticity and natural environment always attract local and foreign visitors. The adventures road trips become more exciting after reconstruction of KKH under the project of CPEC. According to Ritchie and Crouch (2010) a destination is more reasonable when conveyance schemes are reliable, competent, safe, regular, and route take travellers to destination.

As physical distance, traditional and environmental sections mark rural areas ideal for particular reason. There exist issues regarding current level of tourists' activities and infrastructure integration among local natural and physical structure. To deal smartly with the tourists activities on socio-economic development we need to have the understanding of variations and trends to design tourism as sustainable development program.

1.3 Research Questions

Research questions of this study are:

- I. What will be the economic and social impacts of tourism in Hunza?
- II. To what extent local people are benefit from the development of tourism?

1.4 Objective of the Study

The objectives of this study are:

- I. To explain the impact of tourism in Hunza on socio-economic development of local people.
- II. To evaluate the economic and social impacts of tourism on the local community of Hunza.

1.5 Significance of the Study

This study contributed to build a detailed understanding of unexposed domains of socio-economic development of the rural area Hunza. This work has featured the basic linkages between key characteristics of socio-economic development, which can profit the entire society.

Similarly, this study has made understanding in light of researchers and development practitioners the domains of tourism for socio-economic development. This study additionally helped us to construct a reasonable collection of information on the relationship amongst tourism and local people development as joined components and as an individual push factor for entire society. With certainty, it has prepared us to recognize key policy framework techniques, issues and procedures to chip away at the neighborhood and territorial level.

1.6 Key Term

Following the key terms adopted in the study:

Tourism

Tourism can comprise activities and benefits in farms, nature, sports, education, arts, health, adventure and heritage in any country (Pesonen & Horster, 2012). For this study, three features from this definition, nature, adventure, and heritage are employ. The reason for employing these specific types of tourism activities are favorability for study area.

Socio-Economic Development

According to Nwachukwui and Ogechi (2014) socio-economic development, define as the educational facilities, healthcare facilities, market facilities, road network, water supply, and the monthly income of households.

The phenomena of socio-economic development as economic development through agriculture sector, industrial sector, social sector (health, education), and service sector (transport facility, electricity and communication) (Choudhury, Zaman & Harahap, 2007). In addition, a case study on socio-economic impact of tourism conducted by Puttaiah and Kumar (2015) in India, results the overall incomes of local people positively increased by 68%.

Before defining the socio-economic development, it is appropriate to understand the word development. Development is progressive course of growth.

There are some theories, which clarify the procedure of development in developing countries, which are social development theory and economic development theory. Social development refers to opportunities for education, social connections and evolution of social duties and different trends.

Economic development Means creation of (better paying) jobs, extensive and continuous increase in living standards and accelerated economic activities (Bagri & Kala, 2016). For

purpose of operationalization the above concept used for understanding social development through the establishment and expand of small industries to enhance traditional trends and social interaction with tourist which results the creation of jobs and increased in living standards.

1.7 Organization of the Document

The first chapter covers the introduction of socio-economic impact of tourism on development of the specified region. The second chapter review the literature. The chapter three includes the methodology and techniques of data collection, analysis, and interpretations of study. The chapter four includes the data analysis and discussions and chapter five includes conclusion and recommendations for future research.

CHAPTER II

Literature Review

This section covers the domains of socio-economic impact on development and tourism narrowing from global understanding to local knowledge.

2.1 Overview of Socio Economic Impact of Tourism

Tourism is one of the main social and economic occurrences of contemporary periods (Sharply, 2002). Tourism is economic, social and cultural consideration, which deliver the inflow of people to countries or places outside their usual atmosphere for personal or business/professional purpose, people called visitors (UNWTO, 2016).

The study of tourism is provisional association of people to destinations outside their usual places for work place and residence, the various activities done during their stay. At those destinations points the requirement of travelers and of impacts that they have on the economic and social well-being of their host (Mathieson & Geoffrey, 1982). The study of Akama and Kieti (2007) addresses the some outcomes to tourism development, specifically it relates to the distribution of tourism benefits to all local participation in tourism. The Sharply (2002) suggested tourism is important and integral element of development strategy for any country. The expansion and advancement of tourism is considered and justify on its boosting role in social and economic development.

2.2 Economic Development

The notion of economic development define in broad method. Initially, development has well defined in Western style modernization attained through economic growth. Simply the Western

view, economic development Means upgrading of economic systems through economic growth. The economic development directly increase the national yield a, income and living standard of people (Redclift, 1993).

Therefore, development is not only limited with the growing economic welfare of whole people, its specific improve their well quality of life cycle. The Human Development Report (United Nations Development Programme [UNDP], 2000) mentioned the economic advancement is the expansion of people's choices, better life, to obtain knowledge and have access to the resources needed better living standard.

The concept of development has numerous denotations, including “economic growth, physical change, independent mechanization, entrepreneurship or collectivism, self-actualization, and distinct, national, provincial and social autonomy” (Baqir et al., 2011).

In the establishment of concept of development only comprised the economic growth but late it included societal, ethical, proper and sustainability development. The scholar startup with new following definition of development given by Sharply (2002) “Development, then, is a multifaceted, having different dimensions concept that not only holds economic growth and social indicators like health sector, education facilities and housing, but also pursues the political and cultural honesty and liberty of all entities in society”.

2.3 Tourism and Development Process

At the 1990, primarily the tourism development is the almost focus on benefits to host communities and tourists not to desire to achieve the sustainable development in destination areas. Now recently a conceptual bound made between the economic benefits of tourism and its contribution to development. It also represents the characteristics of social life like wealth, education, health, chance, autonomy and self-confidence (Sharply, 2002).

The reports of (UNWTO, 2016) suggested that the emerging and least-emerging countries have measured tourism as most operational instrument for attaining economic development. Tourism have possible for job formation, connections with the native economy, foreign exchange incomes and its multiplier effect, tourism can central to economic development (UNWTO, 2017).

However, the tourism is not only donates to economic development but beneficial to reduces the discrimination of income (Aref & Redzuan, 2009). The Bagri and Kala (2016) claims that tourism used to attain economic development in marginal areas because tourists travel from main city areas to the border. According to Mathieson and Geoffrey (1982) the policy makers have to make some decisions to use tourism for developing countries for the Means of economic development.

2.4 Tourism Impact

The quick progress of tourism and its possible outcome as a progress tool has progressively define the economic and social effects. Since the late 1970s, different authors (Canning and Bennathan, 2000; Akama and Kieti, 2007; Barlayaev, Akhumeto and Nasyro, 2009;; Karim, Muhammad, Din, and Alam, 2013; Ajake, 2015; Ekong and Imikan, 2016) have carried out the multiple impact studies. These studies are includes to measure the economic impact of tourism in the host destination. However, few research done to measure the impact of tourism on the social and economic sectors of the host destination. Mathieson and Wall (1994) argue that effects of tourism saw as the results of specific tourist inflow to destination point. The local people and ecological relations make the influences and all tourism happenings are effect by this interaction with people. The impacts of tourism can be positive or negative for local people. The literature provide information about two types of tourism impacts of socio-economic development for regions. The following sections comprise evaluations of thoughts on economic and social impacts of tourism:

2.4.1 Economic impact

Sharply (2002) cited the work of Hunziker and Krapf (1942) which presented that tourism impact on domestic economies. They also established the flow of tourist inner and outer, so the tourism have both positive and negative impact on domestic development. Accordingly, the tourism firstly bring the relocation of domestic income and attracting the world tourist at destination point. Secondly it indications to reorganization of revenue between different sectors within the same country. There are multiple varieties of economic impact of tourism. Simply it contributes to sales at destination point, profit, jobs and income. The main tourism sector affected like accommodation, dining, conveyance, amusement park and trade, and the other most of sectors affected as secondary (Stynes, 1997).

For under developed nations, tourism is normally preferred for its possible as a producer of foreign currency. Some researchers learnt valuation function of tourism, which specified with respect to the economic valuation of natural and social attractiveness to the tourism industry (Kerr, 2003). The tourism have potential to contribute in economic development. Therefore, the wide range of economic analysis of tourism focus on definite parts of tourism from an economic perception. These includes, Tourism impact on the balance of payment (BOP), impact of tourism on economic development through the multiplier effect, the impact on regional economic development by tourism, the increase in prices concerns of tourism, the employment impact due to tourism.

2.4.2 Socio impact

The following section discuss the social impact of tourism on relationship of host and guest, and improvement in quality of life of local people.

3.4.2.1 Relationship of host and guest

Tourists meet with the local people and good relationships that mentioned as the host and guest relationship (Ajake, 2015). Sharply (2002) identifies and analyzes the host and guest association and classifies the subsequent faces of the hos and guest association. These are the host-guest nature is transitory; both sides need to fulfill their wants immediately and the relationship is sometime instable due to tourists usually are monetarily more stable then host country and hosts have much local information than tourists. So these unusual experiences of tourist with host is unusual also create huge cultural difference among host and tourists.

According to Wall and Alister (2006) the host and guest connection is for a short time due to the tourist spends only a few days. Further author believed host and guest relation is unbalances in term of money, authority and position. Tourists do not have too much time to enjoy extensive knowledge in a small period and local residents can exploit this situation. Within the limited time, tourists have partial chances to meet with local people because the tourists devote most of their time in tourist facilities. The mostly the tourist meet out with the specific local people who are related to tourism industry so host and guest relationships become pre-planned.

The Bagri and Kala (2016) identifies that the host-guest relationship following below factors effect it in a purpose area: tourist inspiration, boldness, prospects, involvements, socioeconomic background and technical situations in a visitor destination and the size of tourism industry. The cultural interaction are mostly happens when the tourists cooperate with local society through involving and liking incomes, like staying to local villages, loving their traditional recitals and sighted local tradition places (Cholik, 2017). The above discussion outcome is that, the host and guest association happens utmost oat the time in deliberate and exact favorable situations. Simply the travelers spend a maximum time with their in tourist amenities, so they have slight

chance to meet with local people and experience life. Every so often, the local people who work for tourism industry only trained to be welcoming to tourists. Tourism as a social wonder includes all social connections among locals and tourists tourism facilitators (Aref and Redzuan , 2009).

3.4.2.2 Improvement in quality of life

The tourism generates job and so rises the income of host people (Baloch, 2007). The new formation of jobs leads to inflow to income that carries economic progress to host communities, which directly increases the quality of living standard. These amenities are in the form of goods and services. Phoummasak, Kongmanila, and Changchun (2014) opinions that tourism industry in Luang Namtha, Laos significantly enhanced the living standard of local residents. In Kerala, India, travel department progress of standard of living of local communities. The tourism growth not only makes and organized chain of job opportunities for the local communities. Its potentially generates a new ways for local persons of business skills and invest in the tourism business. Obombo and Rotich (2010) argue that money, which received from the activity of tourism have a positive effect on the local people of Ban Nalan, Laos. Where the government used that tourism revenue to clean water to village societies.

The India Government also identifies those tourism assistances countryside areas by decreasing inequalities. Tourism engagements and giving opportunity to the local's women, youths, tribe, and weaker sections of the society (Wall & Alister, 2006). The reaserach findings of Parhad, Yang and Zhang (2005) in China, shows the new travelers who are coming from other cities carry new idea and these new ideas used to promote the projects for community. These arguments are helpful for the members of host communities to update their life styles and improve their standard of living.

3.4.2.3 Socio-economic impacts according to various authors

The Table 1 shows the research of multiple authors on socio economic impact of tourism. The development of tourism has grown significantly in both economic and social importance. One of the largest segments of the service industry, although larger entity in some of these countries, is travel and tourism. Once the exclusive areas of the wealthy, travel and tourism have become an institutionalized for the development of regions (Gnanapala & Sandaruwani, 2016).

Table 1 Major Socio-Economic Impacts

Authors	Socio Economic Impact of Tourism
Sharpley (1994)	Tourism industry creates employment opportunities to attract younger locals for tourism expansion. It directly recovers the quality of living standard over the advances of infrastructure.
Walle (1996)	In community its change the value systems, lifestyles, traditional ceremonies of locals at community level.
Shah and Gupta (2000)	Tourism influences the values, roles and responsibilities within the family unit in community.
Simpson (2008)	The activities of tourism provides baseline to infrastructural development and it promotes greater cross-institutional contribution.
Phoummasak, Kongmanila and Changchun, (2014)	Tourism facilitated the value of resident's social character, produced peoples' awareness to save their traditional and social life style and to promote local uniqueness.
(Jaafar, Ismail and Rasoolimanesh, 2015)	Tourism is a social and economic occurrence involving the flow of people to different nations or outside their normal setting for private or occupational/professional purposes.
(Bagri and Kala, 2016)	The socio-economic impact of tourism on the residents to generate job openings for locals, increase local budget, increase savings in the area and individual income, and financial improve their life.

2.4.3 The impact of tourism for regional economic development

The (Sharply, 2002) cited the work of David J. Telfer about the regional economic development in his book. He mentioned the examples of the new construction site of newly build multimillion-dollar hotel and casino in Niagara Falls, which directly bringing the new jobs and tourism to Naigara. This simply a figurative sign of government and development corporations in the world in favor of tourism economic development.

However, in developing country the role of tourism considered for the regional development. The tourism, which mainly directed to the under developed areas, which attract tourist attractions (natural, cultural and heritage) which indications to rearrangement of domestic income to the advantage the host region. The increase demand side of production in host region, increase in tourism related activities, the increase creation of new businesses, new jobs, new investment, and so on.

2.5 Socio-Economic Development

The society of west, tourism consider as key element to socio-economic development. It is a policy for progressively and modification of economy by implementing the policy of a good government (Ekong & Imikan, 2016). The work of Choudhury et al., (2007) suggest the socio-economic development, which includes initial development such as power, permission, free enterprise and happiness. Another author Baqir et al., (2011) define socio-economic development is a “mixture of economic, social, cultural and political forces”.

The concept of tourism tries to control the issues and integrate the equity reaches the economic growth and social protection, it has also distinguished the equality between local individuals and group and between host and guest (Akama & Kieti, 2007). The government of Kenya providing tourism as the tool of socio-economic development.

Saarinen and Manwa (2008) state the tourism policies committed to change and development of socio-economic situations, and thus tourism is as industry it is not only influences the physical landscapes, land but also social structure, local culture and regional and local economies. These social-economic impacts of “tourism directly deviations in social value, community structure, social relations, distinct behavior, customs and standards of living and traditions”.

Social impact of tourism is an interaction among local people and visitors, which directly contributed to mutual understanding between people and societies. The three types of contact among the local resident and guests. First contact occur, when tourist purchases things and getting some services from the resident. Second, occur when the tourist and local resident mutual sharing a facility and the contact occur when tourist and residents meet for cultural exchange (Phoummasak et al., 2014).

The main aim of tourism with admiration to economics is to rise income rate of people and areas of country. The research conducted in India by Puttaiah and Kumar (2015) revealed that only 30-40% of tourism cafeterias, resorts and other tourist facilities are enhancing the jobs for only people. While on the other side lasting 60-70% of tourist amenities run by local people as well as outsiders. The employment preference to non-native people and purchasing goods from outside farms. The respondents of study clearly indicate the income of peoples by small shop keeping, native transport and marketing the handmade local products like honey, dry fruits, homemade cross-stitched cushions handmade carpet and herbs.

The effects of tourism increase in revenue, manufacture growth, motivation of savings, and development in wellbeing of population. The government companies, local support organizations and individuals to involve with the development of tourist attractions that provide income of local people (Kumar, Hussain & Kannan, 2015).

According to different authors a detailed summary of positive and negative impact of tourism given in the following Table 2 and Table 3.

Table 2 Summary of Positive and Negative Impact of Tourism on Economy and Exciting things to do

Impact		Rationale	Source
Economic Impact	Local business promotion	Increased number of tourists by offers new opportunities and develop a diversity of native businesses.	(Ajake, 2015)
	improved the local economy	Tourism reflect the economic power of the local area.	(Akama and Kieti, 2007)
	Employment /job opportunities	Mostly, tourism motivates native economy and improved service opportunities for locals.	(Bagri and Kala, 2016)
	Revenue for local community	More and more money come in the region when tourist spend money to buy goods and services.	(Baloch,2007)
	The standard of maintenance of facilities such as health, road, shopping, entertainment facility.	Due to tourism, new facilities benefited to local people of community. Tourist uses these facilities and locals required greater maintenance.	(Baqir,Palvia, Nemati, and Casey, 2011)
	Public transport	To improve the public transport demand of tourists, local people also try to use nice transport facilities.	(Canning and Bennathan, 2000)
Exciting things to do	Shopping opportunities	Increasing number of tourists also increase availability of different shops range as well as number of its opening hours.	(Mbaiwa and Darkoh,2008)
	Opportunities to entertain their lives	When the entertainment facilities increased due to tourism then local people have more socialization opportunities.	(Kerr, 2003)
	Intercultural interaction	Most of tourists have different cultural background and like to engage with the local people, which encourage intercultural interaction.	(Jamieson, 1999)

Table 3 Summary of Positive and Negative Impact of Tourism on Disruption, Community Pride, Justice and New Infrastructure.

Impact		Rationale	Source
Disruption	The availability of parking spaces	Tourist and local people make rush on current parking areas which become cause of tension for both parties.	(Jovanovic & Ilic, 2016)
	The number of shops	Large numbers of tourists buying goods from shops and others public place, cause of tension and frustration among local people.	(Parhad, Yang and Zhang, 2005)
Community pride	Overall increase in cost of living	Generally, the prices of all goods including house rent and service charges increase in tourists places.	(Gnanapala and Sandaruwani, 2016)
	Property price values	At tourist destinations, point the prices and demand of land is increased. It directly lead to increased property prices, which only benefited to property owners but a difficult for locals seeking to purchase a property.	(Kerr, 2003)
	Rents	In tourist destination area, the cost of rent increase due to workforces servicing the tourism and tourists themselves.	(Xiang, Magnini and Fesenmaier, 2014)
Justice	Societal and ethical values	The societal and ethical way of behaving would be different from local people, which could be a reason of conflict and tension in the area.	(Canning and Bennathan, 2000)
	Relationships among local residents	The local community have different responses and behaviors toward tourists, which might be a cause of resistances among the local people.	(Bagri & Kala, 2016)
New infrastructure	Increase in shops and restaurants	The numbers of new shops and restaurants are important to build because of tourists attract to a region.	(Ajake, 2015)
	New roads	Transport infrastructure developments are consider to main component of development, such as roads, seaports and airports are essential for the tourism development in any region.	(Hussain, Fisher, and Espiner, 2017)

2.6 Positive Economic Impact of Tourism

Generally, the concept about the people who are in the tourism department are happy to see the inflow of tourist in hometown where numerous activities established to improve to welcome the tourist who are their money (Phoummasak et al., 2014). Tourism directly increase income whereas also create employ opportunities to stimulate tourism industry to overall growth. Thus, tourism accepted as a global economy of earning. Similarly, tourism is instrument of economic activity with great impacts on society (Ekong & Imikan, 2016). Tourism improves standard of living, tax revenue and increase in income generation. Tourism sectors benefits to community by generating a strong inflow of income and growth of economy (Gnanapala & Sandaruwani, 2016).

The tourism infrastructure and facilities like small guesthouses, natural and momentous touristic spots like waterfalls, green plain land and artificial formed lake views become more attractive for tourists (Puttaiah & Kumar, 2015). The local restaurants and new gifts shops capturing the tourist attention by implementing a number of activity install to provide better living condition to tourist.

Tourism basic tool which stimulate economics to promote and foster development through jobs and income (Aref & Redzuan, 2009). Further adding by author that tourism industry not only provides Means of recreation to the tourists but also offers support to develop the economies of the world. According to Phoummasak et al., (2014) the Luang Prabang province economic development where tourist destination streamlined through the trade development. That is directly upgraded the living standards to the improved condition and other tourism infrastructure like roads for transportation facility, hotels for accommodation, resorts, entertainment facilities, daytime and nighttime market as drivers to tourist business.

Kumar et al., (2015) argues that tourism generating the income and generating jobs also donates to infrastructure improvement for target area, improvement in highway roads, telecommunications, hotel management, and utilities such as water and power supply.

The Fleming and Toepper (1990) study about the positive economic impact from tourist spendings interms of income and jobs. Acoording to Kumar et al., (2015) the estimation of ecomic impacts are on the bases of primary data collection. There are three different methods survey methods, evaluating methods and modelling method for primary data collection and data design for impacts estimates.

2.7 Negative Economic Impact of Tourism

The economic impacts of tourism are normally positive, and have some negative economic effects that are leakage, deterioration of traditional service and periodic joblessness, and increased the cost of living. The leakage happens in tourism when the money of tourist not benefited to host country. This Means businesses that function in non-native countries, owning the profit by the hotels and the final profits taken away from the host country (Jaafar, Ismail & Rasoolimanesh, 2015).

Tourism growth leads to decrease the old-style jobs, when the locals switched from industries such as agricultural, forestry, excavating of minerals and fishing into service jobs like tourism (Kumar et al., 2015).

Somehow, the periodic joblessness can be a problem in tourist destinations because it is not continue through the year. An arrival of guests to a holiday area increase the prices mostly when demand for goods and services are high in peak season according to their specialty of that region (Kim, Muzaffer & Sirgy, 2013). The main disadvantages for local people who also pay higher

prices for food and drink, entertaining, conveyance, events due to the tourism (Fleming & Lorin, 1990).

2.8 Positive Social Impact of Tourism

The positive social effects includes the developments in societal services, transport and recreation facilities, multi-cultural communication and quality of living standard (Kim, Muzaffer & Sirgy, 2013). The study of Akama and Kieti (2007) recognizes the positive effects of tourism improve in the quality of lining, optimistic modification in values of locals, greater acceptance of social differences and increasing facilities for tourists.

Study of Barlayaev et al., (2009) the improvement of tourism industry, a large amount devoted to reservation of local heritage of area, to progress the infrastructure, better health services and establishing frequent social measures and thus an improved lifestyle for the locale people. They create a cosmopolitan culture by interacting with the diverse people from different background tourists. The employment opportunities created in region to increase in better services to improve living standard.

According to Baqir et al., (2011) the social impacts of tourism refer to local people to spent better quality of life in their land. Fleming and Lorin (1990) define the quality of life is simple well-being, fulfillment of all wishes and standard of living. The tourism sectors is responsible for providing the employment opportunities this directly increase the income of local. From side to side, the job creation directly takes economic assistances to host societies; thus improving local people's quality of life. In addition, the tourist give a benefit to the financial stability and informal contact to contemporary facilities in the form of goods and services (Gnanapala & Sandaruwani, 2016).

According to Inkson and Minnaert (2018) argue the possible positive social impacts of tourism to host communities comprise, a better understanding among society, revitalization of culture and improved life style. The UNWTO (2017) mentioned the influence of tourism should accepting and giving respect to peoples and societies.

2.9 Negative Social Impact of Tourism

The negative socio-cultural impacts of tourism for host country include loss of cultural pride. The tourism can increase local cultural pride and have the negative impact, which cause a feeling of inferiority in host country. This is because of big difference between the financial strong tourist and host community (Jaafar et al., 2015).

Maximum the outsider never understand the traditional approaches of different situations that results the negative impact on society (Sharply, 2002).The flow of tourists into a region increases the densities at which people live and overcrowds the facilities that tourists share with the local population (Kim, Muzaffer & Sirgy, 2013).

2.10 Tourism and Socio-Economic Development

Tourism is a social and economic occurrence involving the inflow and outflow of people to countries or places outside their usual setting for individual or business purpose (United Nation [UN], 2010). The profits of tourism in current time not judged alone in terms of economic benefits. Obombo and Rotich (2010) argued that tourism has a broader implication surrounding not only economic benefits but also social benefits as well. The tourism has several times occupied as an alternative option for development, without mattering the country is developing or developed (Parhad et al., 2005). The evidence shows the success of tourism industry of China. The statistics shows the China tourism government department administration spend US\$ 34.9 billion in 2012 to generate the revenue , the record arrival of 720 million tourist arrivals are

observed , and almost 85000 villages people are engaged through out 31 provinces (Rui-Ying, Jian-Caho, shou-kun, Xin-ge & Quan-sheng, 2015). Ekong and Imikan (2016) suggests the tourism can be reagent for nationwide and local development, bringing service and benefits to both the locals and the guests.

The tourism in Turpan China, find tourism can improve local retail industries and rise engagement for hospitality to tourist and providing the opportunities to share local heritage and these help to attend the improvement of local economic and social development (Parhad et al., 2005).

The Wang et al., (2013) the tourism activities in China and developing economies are now fronting some challenges unnecessary development at urban side, instable service provision and ecological degradation.

2.11 Tourism in Pakistan

Tourism in Pakistan has not acknowledged globally despite, blessed with natural resources. The country is rich, diverse and important tourism resource, which consist of oldest Indus civilization, world three mountain ranges (Himalayas, Karakoram and Hindukush), religious and historical places, hills of Murree, Naran and Kagan valleys, seasonal varieties, and in northern part world second highest peak K-2 with other three peaks above 8,000m height (UNDP, 2000).

In Pakistan 0.965 million tourist arrivals during 2014, which accounts total receipt of US\$ 315 million. Current tourism activities as compared to its potential are very negligible in terms of flow of international tourists (UNWTO, 2016). However, domestic tourist's activities have become the major and strong element of tourism in Pakistan. As recorded in 2016 1 million local tourists visited northern part of the country and specially Hunza valley (The Express Tribune, 2016). Rana (2015) highlights the nature of tourism industry is very fragile and uncertain in

Pakistan. Further identify multiple kind of barriers facing by tourism industry are mentioned as follow: at state level absence of tourism management committee, low priority to tourism industry, unfavorable security and safety issues, difficulty in issuance of visa, lack of private investment in tourism sector, poor infrastructure, insufficient use of technology and not any tourism workforce development. The Baloch (2007) also argues the Pakistan tourism been incompetently financed; insufficient tourism education training and awareness, insufficient safety measures for environment, lack of infrastructure mostly in rural area are the barriers for tourism industry.

Pakistan want to attractive European country has a large potential for tourism as it offering the beauty of nature and having the variety and diversity in cultures. Undoubtedly, tourism greatest rewarding and business activity, especially for people of mountainous region as it generates new job and decreases the unemployment. However, unluckily, after 9/11 tourists flow into Pakistan tourism industry is extremely decreasing as compare to other country (Rana, 2015).

2.12 Tourism in Hunza

The Hunza valley, a region within the Northern part of Pakistan, close to the border of China, reflects the dramatic natural environment of the Karakorum mountain range, one of the world's beautiful countryside. Before the 1960s, there was no road access to Hunza and its other small settlement, people used to travel from Gilgit to Hunza on foot and horses which took 2 to 3 days to reach the destination (UNDP, 2000). Despite its remoteness, Hunza remains a famous tourist spot for foreign and local tourists.

Gnanapala and Sandaruwani, 2016 states tourism development is uses of natural beauty as well as a base for utilization of destination resources. Most of the tourism facility providers believe that, managing tourism infrastructure is one of the key concerns of managers and tourists (Conor,

2008). The study of Karim, Muhammad, Din and Alam (2013) highlight that different type of tourists visit Hunza mostly in the summer season, most of the tourist visit to experience natural environment, adventure and capture the unique moments with heritage sites. In addition, these visits positively effect on local perceptions about the uniqueness of cultural values, preservation and conservation of physical and metaphysical tourist attraction points.

2.12.1 Cultural heritage sites

With the growing international interest in tourism activities, cultural heritage tourism has also expanded at a great level. The heritage tourism is defined as “tourism concern with feeling the all old arts, heritage buildings and forts, beautiful landscapes, and distinct lifestyles of locals, values, traditions and their traditional events” (Jamieson, 1999). The identification of potentials of cultural richness in economic and social development is very inspiring for local people to realize the unique wealth of resources.

2.12.2 Adventure

Hunza land of multiple glaciers, highest peaks, trails that are leftovers of silk route. The Hunza valley enclosed by huge mountains range heights from 1500 to 8000 meters.

Tourism has become the development sector option for many rural societies as they are working hard for economic and social prosperity. Mohammad, Serafino and Karim (2012) disclose that many nonprofit organization (NGO's) like, Karakorum Area Development Organization (KADO) in Hunza have successfully played important role in identifying the niche markets for promoting local products and services. The study further highlights the niche areas as tourism-related activities to create entrepreneurial activities among local people to meet the expectations of local and international tourists to enjoy the beauty of our culture, handmade products, natural environment, and elements of pluralistic society. Whereas, in Hunza there are so many tourist

attraction spots, according to Israr et al., (2009) mass tourist flow and consumption patterns create the issue to the natural and social environment. With the limited infrastructural options for transport and accommodation, access to drinking water, human and physical waste are becoming key issues for locals to deal. The excess flow of tourists and consumption patterns results in loss of local authenticity, loss to local privacy, and important security issues.

2.13 Conceptual Framework Resulting from Literature Review

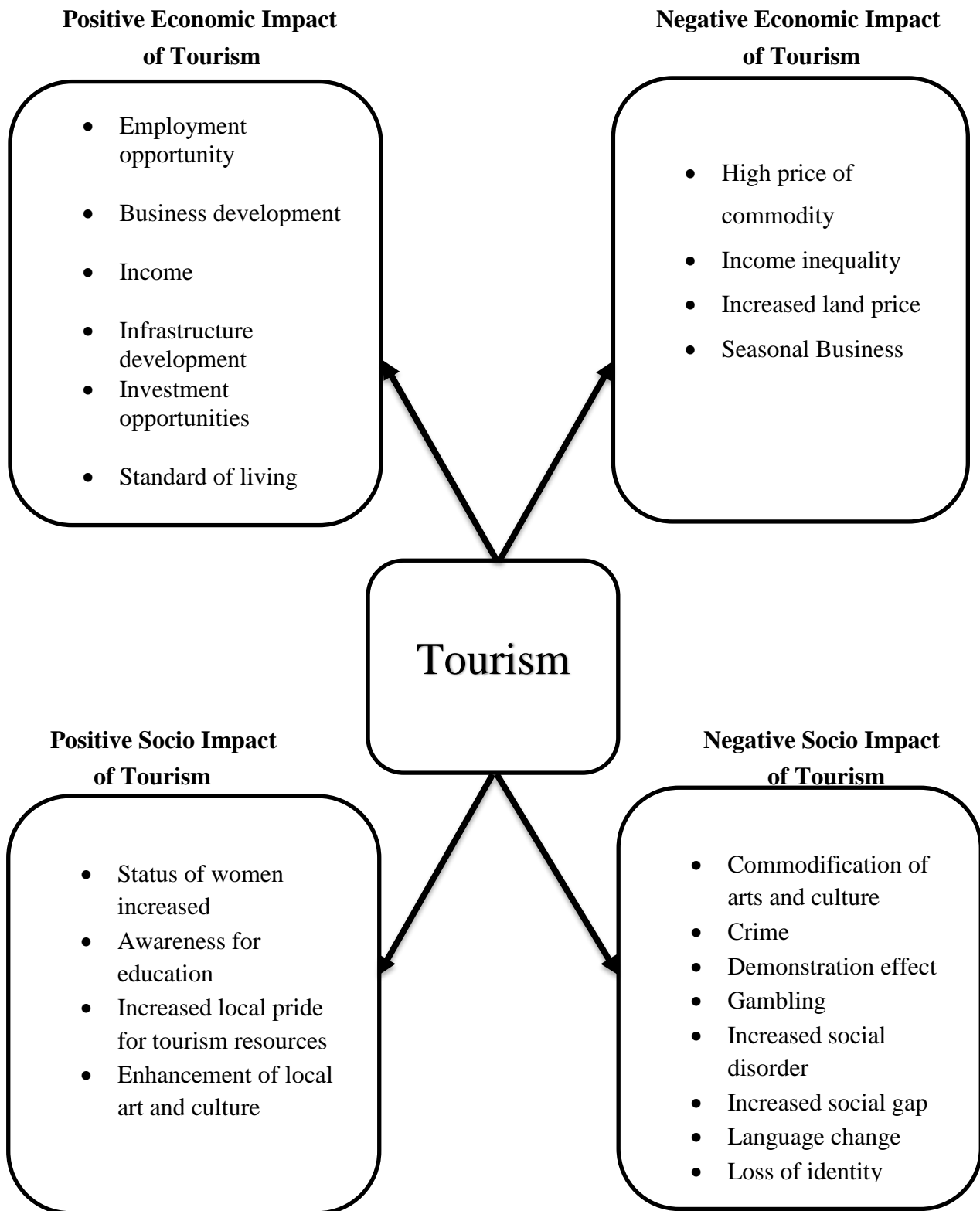
The below Figure 1 shows the conceptual framework resulting from the literature review during the research. The literature review shows the conceptual framework for the two-sided effect, positive and negative impact of tourism on socio economic development of people in Hunza.

The tourism positive economic impact directly increase the employment opportunity, business development and rise the income of locals. The tourism infrastructure development attracts the more tourist, which creates opportunity to investment in local area to provide better living conditions to local people.

The negative economic impact of tourism are increase the prices of commodity, higher the land prices. The seasonal business are somehow are periodic joblessness can be problem for local people because it has not continue through the year.

The positive socio impact of tourism includes the development factors. These factors of development in society like increase in status of women and increase in awareness of education. The positive socio impact of tourism to host communities comprise to revitalization of local art and culture, which directly influence the giving and accepting respect to people and whole society. The negative socio impact of tourism for the local community can increase the social disorder, social gap, gambling crime, loss of identity; change in language, and overcrowding of tourist in local area.

Figure 1 Conceptual Framework Resulting from Literature Review



CHAPTER III

Methodology

This section includes techniques of data collection, analysis, and interpretations, proposed by researcher during study. It is valuable to think about the full scope of conceivable outcomes of data collection and association while utilizing certain method.

Methodology deals with the application of a particular technique or procedure aiming to solve a problem with logic and applying a systematic process (Creswell, 2009).

3.1 Research Strategies

There are three types of research strategies, employed in social sciences, Qualitative, Quantitative, and Mixed Methods (Creswell, 2009). The research and study population in qualitative research is far smaller than in quantitative research, because of the ease in structure and condition in which data is collected (Kumar, 2011).

The nature of research questions and objectives bound us to employ quantitative research.

3.2 Research Design

The designs of research allow the researchers to answer the research questions and clarify objectives. Study in qualitative research are more suitable for travelling the disparity and variety in aspects of social life, whereas quantitative research these are suitable in finding the intensity of this variation and diversity (Kumar, 2011). The questionnaire providing the demographic, which includes gender, age, educational level, marital status, occupation and educational qualification. The earlier literature facilitated in the preparation of making second part of questionnaire for local resident's feelings to tourism impacts in tourist destination. In detail

based on Bagri and Kala (2016) work, he further refer research work Akama and Kieti (2007), Aref and Redzuan (2009), Chuang (2011), Buhalis (2014), Cholik (2017). Further, the section includes 18 items that were related to tourism and attitude of local's resident towards economic and social impact on Likert scale where '1' shows strongly disagree and '5' indicates strongly agree. This Likert scale kept equal to impact on Likert Scale of socio-economic development.

3.3 Units of Data Collection

The main step of research is to identify units of data collection. For this study, units of data collection can be individuals, documents, group entities, and professionals determine in accordance with research approach and strategy. For study, the following expected units identified:

- I. Managers of heritage sites and hotels providing food and accommodation in district Hunza.
- II. Tour operators running offices in Hunza.
- III. Representatives of local support organization and non-governmental officers working on development projects in Hunza.
- IV. Shops of local community people.

3.4 Methods

The economic impact study required some level of primary data collection. The data collection was through closed ended questionnaire to get information from local people of Hunza. Mostly researchers have used close-ended questions to evaluate the impact of tourism (Puttaiah & Kumar, 2015).

3.4.1 Sampling

Bernard (2006) in social sciences the process of selecting certain types of groups, events, and cases from large population for the purpose measurement. Each study employ a certain type of sampling technique according to type of research, a researcher intends to conduct. For this study simple random sampling technique employ.

The intention behind choosing this simple random sampling technique in most of researches often used when working with very small population and wish to select cases that are particularly informative in nature. For this study going to use this technique in all UDCs. The reason behind choosing this sampling procedure is very little diversity among UDCs and population size of each UDC.

3.4.2 Sampling frame listing

The Table 4 shows the sample frame list adopted, to identify the total number of respondents in specified unit of data collection. It is a list of all those within a population which taken as sampled and include individuals, households or institutions. Further, each unit of data collection is taken 50% of proportioned through simple random sampling and total selected sample are 143.

Table 4 Unit of Data Collection Data

S.No	Unit of Data Collection	Total	Selected
1	Managers of heritage sites and hotels industry	80	40
2	Tour Operator Officers	6	3
3	Local Support Organization Officers and NGOs officers	85	40
4	Local people Shops	120	60
		291	143

Details of each unit of data collection given below.

1. Heritage sites and hotels:

In Hunza valley the cultural heritage site considered as the most international and local growing interest. There are main two most attractive cultural heritage sites in Hunza, which are about 1500 years and 750 years old respectively. The flow of tourist to explore the culture of Hunza increased from last five years.

In Hunza there are 80 hotels which are categorized according to providing facilitations. The list of heritage site and hotels are show in Table 5.

Table 5 Heritage Sites and Hotels

S.No	Heritage Site	Hotels
1	Baltit Fort, Karimabad Hunza	Serena Hotel Hunza
2	Altit Fort, Altit Hunza	Eagles Nest Hotel
3		Hunza Embassy Hotel
4		Hilltop Hotel
5		Hunza View Hotel
6		Darbar Hotel
7		World Roof Hotel Hunza
8		Hunza Continental Hotel

2. Tour operators

A tour operator are combines of tour and travel components for the creation of package holiday. They advertise and produce brochures to promote their products and holidays. Below Table 6 is list of few operators working in Hunza.

Table 6 Tour Operators

S.No	Tour Operators
1	Hunza Guides Pakistan tour Trekking and Expedition
2	Hunza Alps
3	Hunza Explorer
4	Hunza Adventure tour
5	Great Tour Operators

3. Local Support organization and non-governmental organizations

The Table 7 and Table 8 shows the multiple local support organization and non-governmental organization are working for local area development in Hunza.

Table 7 Local Support Organization

S.No	Local Support Organization	Total	VO	WO
1	Altit Rural Support Organization	26	14	12
2	Baltit Development Organization	24	12	12
3	Ganish Development Organization	9	3	6
4	Haiderabad Rural Support Organization	26	13	13
		85	42	43

The data collected from local support organization Aga Khan Rural Support Programme.

Table 8 Non-Governmental Organizations (NGOs)

S.No	NGOs working in Hunza
1	Aga Khan Rural Support Program
2	Karakoram Area Development Organization

4. Local community shops

The most visiting area in Hunza are Karimabad, Alitit and Aliabad. The multiple people started their own local shops and markets to sell their local products to attract more tourists.

3.4.3 Sample Size

The sample frame list shows the total number of unit of data collections are 291 for the specified location of Hunza (Aliabad, Karimabad, Alitit). Further, each unit of data collection taken 50% of proportioned through simple random sampling. The 123 respondents shows their responses by filled the research questionnaire, which shown in Appendix A. The 18 close-ended items taken from Bagri and Kala (2016) to collect data. The data analysis based on the given Likert scale ranging 1 as strongly disagree/ very minor impact and 5 strongly disagree/ very severe impact.

3.4.4 Primary Data

Primary data composed of close-ended questionnaire. The survey questionnaire was build according to unit of data collection to achieve our objectives. The questionnaire distributed among local people of Hunza, to get information about the impact of tourism on social and economically. The questionnaire is composed of two components. Part one contained question regarding personal demographics of the respondents. Part two of questionnaire contains statements on varies social and economic impacts of tourism and respondents were asked to rank their responses at the given scale. The given Likert scale ranging 1 as strongly disagree/ very minor impact and 5 strongly disagree/ very severe impact.

3.4.5 Data Analysis and Interpretation

To study the impact of tourism on socio-economic development in Hunza, the descriptive statistics at software SPSS method for calculation of Mean and Standard Deviation (Phoummasak, Kongmanila and Changchun, 2014). For the social science, the statistics package used as investigative tool. Therefore, Likert Scale questionnaire designed to collect information to study and measure the tourism impact on the socio-economic; the author established measure some level of impact as following:

5= Very Severe impact /strongly agree;

4= Major impact/agree;

3= Moderate impact/neutral;

2= Minor impact/disagree;

1= Very minor impact/strongly disagree;

Thus, the results constructed on the bases of the impact level, which can calculate by using the method of (Phoummasak, Kongmanila and Changchun, 2014).

$$\text{Wide of impact level} = \frac{5-1}{5} = 0.8$$

The study interpret the outcome based on level of Mean value as following:

4.21 to 5.00 = Very strong impact

3.41 to 4.20 = Major impact

2.61 to 3.40 = Moderate impact

1.81 to 2.60 = Minor impact

1.00 to 1.80 = Very minor impact

3.4.6 Locale

For this study, selected area is one of the most stunning valleys of Pakistan, namely Hunza. Hunza situated in Gilgit Baltistan that is almost 560 Km away from Islamabad through Naran-Babusir Top and 620 km away through Besham-Dasu-Chilas. Its takes 13 to 15 hours to reached Islamabad. Hunza valley is a mountainous region, peaks covered with snow in all seasons and famous for cultural richness, natural environment. Hunza is located in the north part of Pakistan, which connects China with Pakistan. The bordered with China through Khunjrab pass and extends to rest of Pakistan through Gilgit. It comprises three clusters, lower Hunza (Shinaki), central Hunza and upper Hunza (Gojal). Non-Government organizations (NGOs) are initiators of building bridges between state departments and the local community. They have been engaged in promoting education, women rights, financing, water and sanitation, environmental protection, skill development and health. To fill these gapes Aga Khan Rural Support Organization (AKRSP) is well recognize since its inception in 1980 in remote villages of Gilgit-Baltistan. In addition, success of many interventions leads to birth of new grass-root organizations in many villages (Mohammad et al., 2012).

CHAPTER IV

Data Analysis and Discussions

4.1 Overview

This chapter includes the numerous socio-economic and demographic characteristics of the respondents. The data analyses divided into two main sections. Section A presents descriptive statistics by using SPSS, mostly associated to socio demographic background of the respondents of locals while section B deals with the central issue of investigating the impact of tourism socio economic development of local community.

Socio-Economic and Demographic Background of the Respondents

This section shows the socio-economic and demographic characteristic highlighted of respondents. By specific these cross tabulations associate economic background (i.e. monthly earnings and occupations) of the respondents with their demographics, and the average level of education of the local inhabitants against their professions.

4.2 Basic Result of Respondents

Simple frequency statistics and charts used to summarize the demographic characteristics of the respondents. The variables of the demographic characteristics refer to gender, age group, occupation, total annual income, education.

4.2.1 Gender

Table 9 shows the gender the basic information of informants who related to tourism sector. The sample consisted of 79.7% male are more than and 20.3% female respectively.

Table 9 Gender Composition of Respondents

Variable	Frequency	Percentage	Mean	S.D
Gender				
Male	98	79.7	1.2033	0.40406
Female	25	20.3		

4.2.2 Age

The respondent's age 31-40, have greater percentage of business enrolment shown in Table 10. There are only 4.1% of age 51-60 are involved in tourism industry.

Table 10 Age Composition of Respondents

Variable	Frequency	Percentage	Mean	S.D
Age				
20-30	32	26.0		
31-40	48	39.0	2.1301	0.84891
41-50	38	30.0		
51-60	05	4.1		
Above				

4.2.3 Marital status

Table 11 shows the marital status composition of the sample. The sample consisted 62.6% as married and 37.4 % shows as unmarried.

Table 11 Marital Status Composition of Respondents

Variable	Frequency	Percentage	Mean	S.D
Marital Status				
Married	77	62.6	1.3740	0.48584
Unmarried	46	37.4		

4.2.4 Occupation

Table 12 shows the occupations categories related to the tourism industries. The 26.6% managers of heritage site and hoteling sectors related to tourism industry. The respondents of local shop people as 44.4.the only 3.2% of tour operators are working for tourism industry. The LSO and NGO shows the 25 % of involvement.

Table 12 Occupation Composition of Respondents

	Variable	Frequency	Percent	Mean	S.D
Valid	Manager of heritage site and hoteling sectors	33	26.6	2.8780	1.24552
	Tour Operators	4	3.2		
	LSO and NGOs Officers	31	25.0		
	Shops of local people	55	44.4		
Missing	Total	123	99.2		
	System	1	.8		
	Total	122	99.0		

4.2.5 Total annual income

The Table 13 shows the total income percentage of locals. The 56.9 % locals earn annually Rs.500, 000. Where the 8.9% of peoples earn in the range of 1,000,001-2,000,000.

Table 13 Total Annual Income Composition of Respondents

	Variable	Frequency	Percentage	Mean	S.D
Total Annual Income(PRs.)	100,000-500,000	70	56.9	1.5203	0.65724
	500.001-1,000,000	42	34.1		
	1,000,001-2,000,000	11	8.9		

4.2.5 Educational qualification

The Table 14 shows that the 37.4 are well educated and having a graduation degree. The well education level ultimately facilitated to expand their businesses.

Table 14 Educational Qualification Composition of Respondents

Variable	Frequency	Percentage	Mean	S.D
Educational Qualification	00	00		
Primary	11	8.4		
Secondary	12	9.8		
Intermediate	44	35.8	3.5203	0.94392
Graduate	46	37.4		
Post graduate	18	14.6		

4.2.6 Location

Table 15 provides basic information about the respondents of their businesses location. The local residents of Aliabad are showing the highest 60% of tourism activities.

Table 15 Location Composition of Respondents

Variable	Frequency	Percentage	Mean	S.D
Location				
Karimabad	49	39.8	1.7154	0.65936
Aliabad	60	60		
Altit	14	11.4		

Summary of demographic descriptive statistics

Following Table 16 shows the overall statistical description of demographic of the respondents during the research.

Table 16 Demographic Descriptive Statistics

Variable	Frequency	Percentage	Mean	S.D
Gender				
Male	98	79.7	1.2033	0.40406
Female	25	20.3		
Age				
20-30	32	26.0		
31-40	48	39.0	2.1301	0.84891
41-50	38	30.0		
51-60	05	4.1		
Above				
Marital Status				
Married	77	62.6	1.3740	0.48584
Unmarried	46	37.4		
Occupation				
Private job	49	39.8		
Government Job	10	8.1	2.1220	0.95459
Own Business	64	52.0		
Total Annual Income				
100,000-500,000	70	56.9		
500,001-1,000,000	42	34.1	1.5203	0.65724
1,000,001-2,000,000	11	8.9		
Educational Qualification				
Primary	03	2.4		
Secondary	12	9.8		
Intermediate	44	35.8	3.5203	0.94392
Graduate	46	37.4		
Post graduate	18	14.6		
Location				
Karimabad	49	39.8	1.7154	0.65936
Aliabad	60	60		
Altit	14	11.4		

4.3 Positive Economic Impact of Tourism

The respondents observed positive impact of tourism given in Table 17. The respondents expressed their views “tourism helps all, small shops are benefited”. Economic effects local people perfectly, tourism produced jobs in village, tourism is main factor in the economy development of Hunza, Gilgit Baltistan, and important for strength of the community. Mostly the businesses is in main visiting villages like Aliabad , Karimabad and Altit are rely on tourism, the tourism become significance for the residents to generate the income. Tourism good for development of tourism facilities are including the road facilities and newly constructed Karakorum Highway increase the visitors. The people of Hunza have regulations to control the site, keeping the cleanliness and respect for culture, giving the facilitations to the student to having good income.

Table 17 Positive Economic Impact of Tourism

Variables	No.	Minimum	Maximum	Mean	S.D
Total income	123	3	5	4.4146	0.51098
Create more jobs	123	1	5	4.3577	0.75888
Investment opportunities	123	1	5	4.3220	0.92847
Increased local economy	123	2	5	4.4065	0.54076

Source: research calculations based on field survey, 2018.

The Mean for all questions responded by the 123 respondents where the high range from 4.4065 to 4.4146 as shown in the above Table 17. The Mean ranging from 4.21 to 5.00 shows the very strong impact of tourism on economy of Hunza. Every respondent completely observed that tourism provide benefits locals people and the community.

4.4 Negative Economic Impact of Tourism

Seemingly, the negative impact of economic on tourism would not be intentionally for short period. It directly affect the income of people in their business. Questionnaire had providing evidence that can explain and further research needed. The informants gave their responses are significant to conclude the outcomes the impact of negative tourism on life of local people. Most of local people show their views on the high goods price relatively caused by the tourism.

In the Table 18 the Mean, indicate 3.0738 as highest Mean shows the moderate impact of tourism. Some respondent's title the tourism produced "Goods and food price in Hunza are higher than other neighbor areas".

Table 18 Negative Economic Impact of Tourism

Variables	No.	Min	Max	Mean	S.D
Higher goods price	123	1	5	3.0738	1.10729
Shopping facility for tourists/ Supper markets	123	1	5	2.8940	1.1861

Source: research calculations based on field survey, 2018.

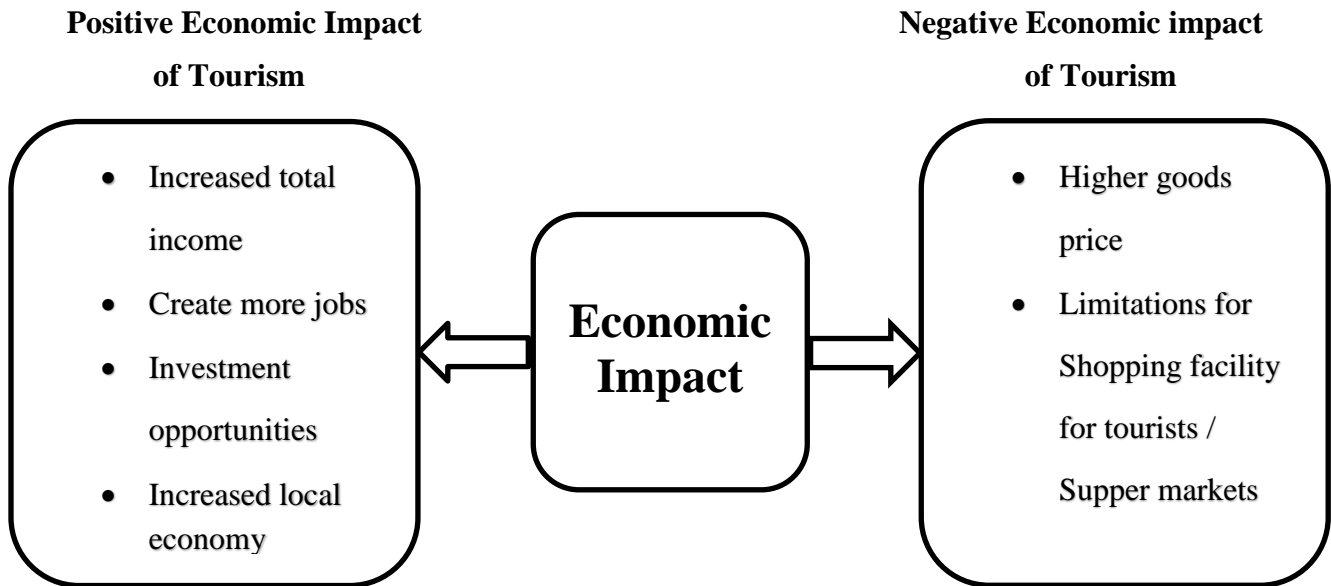
4.4.1 Economic impact model based on the research findings

The below Figure 2 shows the positive and negative economic impact of tourism based on the research findings.

The positive economic impact due to tourism are includes the increased in total income of local business; create more jobs which facilitate the locals, investment opportunities for all people to enhance their local business which directly increased in local economy.

Whereas the negative economic impact of tourism includes the increase in higher goods price at the local market, and have a limited shopping facilities for tourists.

Figure 2 Economic Impact Model based on the Research Findings



4.5 Positive Social Impact of Tourism

The tourism industry in Hunza constructed on the attractive social community attraction, by the old residency of Karimabad and Altit with traditionally old designed housing, historical forts, the original local residents them self-having unique native language, build destination image, natural touristic incomes and cultural custom with their exclusive identity.

The special elements, which productively coordinated into exceptional social atmosphere and build strong community. The people of Hunza having strong native dialogued and they feel proud, strong self, and being happy by having most visited heritage site. Most of people who are in tourism industry are happy of the positive social side.

The Mean of nine (9) items of impact is from 3.4309 to 4.2764 that signify the gratification of the respondents. Due to the tourism industry the respondents believed, that public infrastructure

improved by showing Mean of 4.1382. Social interaction and social status is more active in Hunza by Mean 3.7073.

The positive impact of social activities generating employment opportunities, which directly leads to stable the living standard of local people by Mean, shows 4.0000. Social interaction with the tourists positively strengthen and rejuvenate local values and enhance the opportunity for cultural exchange Mean shows respectively 3.4309 and 3.6504.

The tourism positively influence preservation of cultural heritage and help full for the tourist to easy excess to tourist point by road infrastructure by Mean show 3.8455 and 3.6667.

The tourism mostly create the jobs and increase the income there for tourism is said to improve the economic levels increase special wellbeing and stability for whole society. Following Table 19 shows the respondents reflation about the positive social impact of tourism.

Table 19 Positive Social Impact of Tourism

Variable	No.	Min	Max	Mean	S.D
Destination image	123	1	5	4.0650	1.03020
Improved public infrastructure	123	1	5	4.1382	0.95235
Living standard improved	123	2	5	4.0000	0.94955
Generating employment opportunities	123	2	5	4.2764	0.64402
Developing your social status	123	1	5	3.7073	1.06918
Strengthen and rejuvenate local values	123	1	5	3.4309	1.26803
Opportunities for cultural exchange	123	1	5	3.6504	1.18725
Preservation of cultural heritage.	123	1	5	3.8455	1.17370
Tourism development helpful to road facility	123	1	5	3.6667	0.98901

Source: research calculations based on field survey, 2018

4.6 Negative Social Impact of Tourism

More and more investments from non-native are creating local people business frailer that to be leads to end of their local business. The locals vends his property for the non- natives which directly increase the prices of land. The downtown local people who had have no skills of tourism profession like waiters, would fell indignity to working in tourism industry and change to different cities for employment.

In tourism, service sectors in Hunza local peoples are working in with no choices. All people, especially the women, are quite workable to performed good behavior in fashionable style. However, in Hunza the local tradition not allow women to work in hotels and restaurants. Therefore, it is negatively impact in our local traditions by statistical Mean 2.5610. The working locals are concern regarding the town has distributed economy and divided social classes. There are no single shopping mall for tourist where can easy buy multiple products, the small street shops are not enough for the satisfied shopping. The limitation of shopping facility Mean shows 2.1057.

In Hunza the insufficient provisions for the entertainment, health and telecommunication degraded to Mean respectively 2.9756, 2.7833 2.85583. Social interaction with tourist permit trendy of social occurrences such as rise of crime rate, drug that increased and accelerate the social evils.

Regarded to Mean of figure tabulates in the table below has shown no high score varies from 2.1057 to 2.9756 that reveal the negative social impact of the tourism. The Mean is showing the acceptable toleration of the negative tourism impact toward the people of Hunza in Tables 20.

Table 20 Negative Social Impact of Tourism

Variable	No.	Min	Max	Mean	S.D
Negative impact on local traditions	123	1	5	2.5610	1.39173
Limited services of health	123	1	5	2.7833	2.04645
Tourism accelerated social evils	123	1	5	3.1707	1.28489
Limitation of Shopping facilities	123	1	5	2.1057	1.20663
Provisions of insufficient facilities of Entertainment	123	1	5	2.9756	1.17671
Insufficient facilities of Telecommunication	120	1	5	2.85583	1.14713

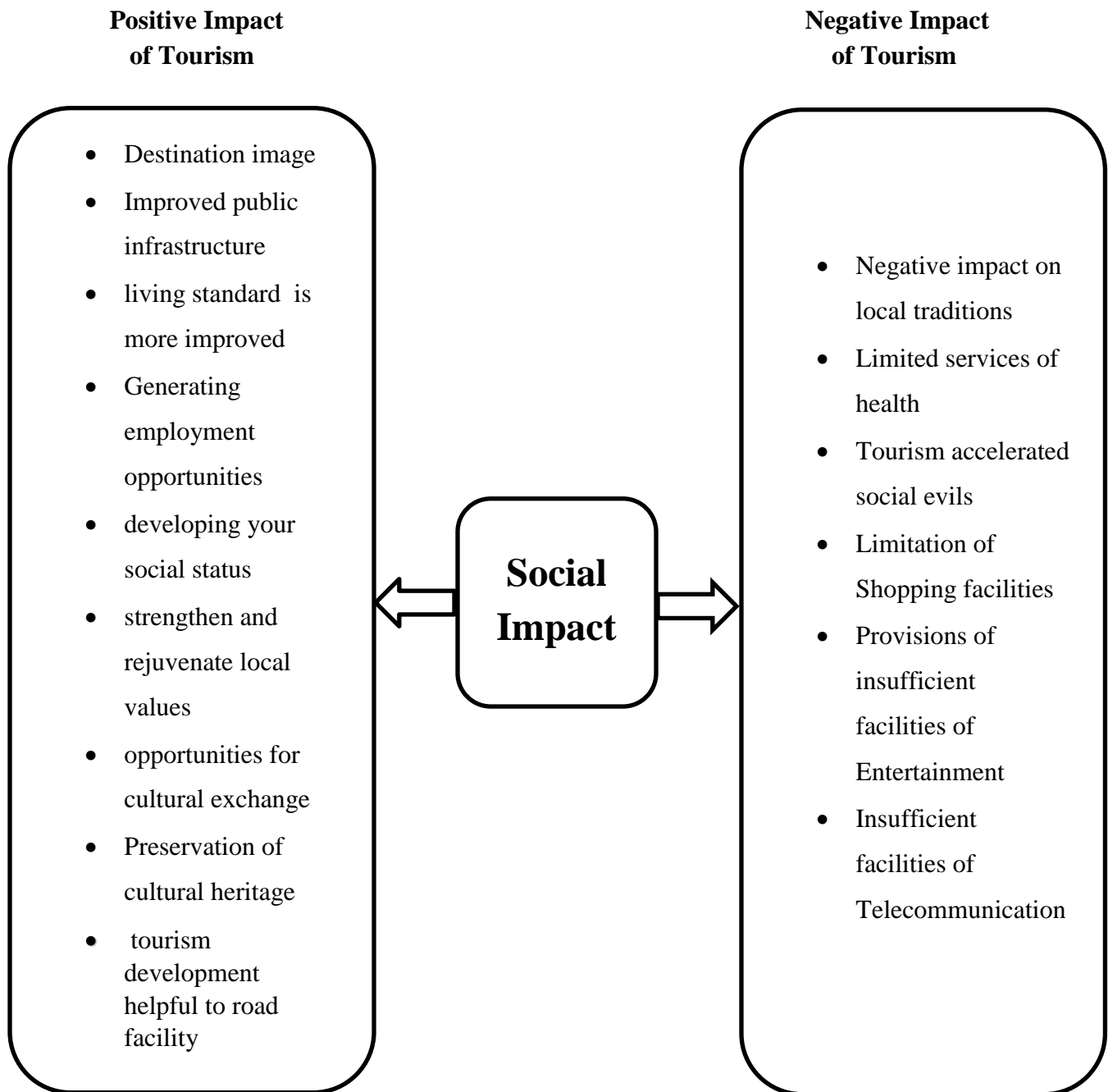
Source: research calculations based on field survey, 2018

4.6.1 Socio impact model based on the research findings

The below Figure 3 shows the positive and negative social impact of tourism based on the research findings. The positive impact of tourism increases the living standard of people in Hunza, by generating the more employment opportunities. The Hunza valley is enrich natural beauty which adding up the destination image for the tourists. The tourism development help full to road facility/ improved public infrastructure to easy access the destination. Tourism gives opportunity for the cultural exchange, strengthen and rejuvenate local values.

The negative impact of tourism effect the social activities, includes the negative impact on local tradition of Hunza and accelerate the social evils. The Health facilities in Hunza range from small clinics to only one medium size hospital for all local people, which limited the services of health. In Hunza there are insufficient facilities of telecommunication.

Figure 3 Socio Impact Model based on the Research Findings



CHAPTER V

Conclusion and Recommendations

This chapter concludes the study with practical and theoretical implications and offers directions for future research based on limitations of this study. Also reconsidering the objectives on the bases of the findings and by explaining the contribution of the research.

5.1 Conclusion

The tourism as in the form of socio economic development for the region. The study investigate the positive and negative impact of tourism on socio economic development on Hunza local people. Hunza valley had transformed from agrarian sector to somehow the tourism industry, but there is need to study the tourism opportunities and natural potentials to develop a modern sustainable model of development to take advantage from mega projects like, CPEC. The questionnaire distributed to the managers of heritage site and hotels, tour operators, LSO and NGOs officers and local shopkeepers. The study found that the people in Hunza perceived both negative and positive impact of tourism. The majority of local people responses shows, they are felling strongly attachment to their local community. The importance of Hunza tourism is significantly recognized the image of destination and tourism businesses fully dominated by the local people.

It concluded that contribution of local community in development different interventions is very important. The absence of policy in administrative offices to monitor the infrastructural development, like construction hotels and restaurants, roads, electricity, water and sanitation, preservation of local culture and security measures have created fear of loss to the beauty of

villages, destruction of local culture and creation of urban centers. It believed that local peoples' contact with outside tourists would bring some positive social and cultural values, which would, translated, into better health and education and the likes.

The conclusion of this study also identified the importance of valuing local culture and traditions to create sense of responsibility among youth to initiate tourism development projects to development of area.

5.2 Review of the Research Objectives

The review of research objectives verified in the relation to research outcomes and individual objective discussion as bellow.

Objective One

To explain impact of tourist arrivals in Hunza on socio-economic development of local people.

According to the report, 1.75 million tourists visited Pakistan in 2017 alone. Statistics from the Pakistan Tourism Development Corporation (PTDC) show that 30pc travelers were domestic (NA, 2018). Whereas the 1.72 million have visited Gilgit-Baltistan during 2017 marking a huge growth as compared to 0.5 million tourists who visited during corresponding period last year. The tourists' visits brought Rs 300 million revenue to the local economy during the last couple of years. "The provincial government is expecting 2.5 million visitors in 2018," Mubashir Ayub, Assistant Director, GB Tourism Department, told *Business Recorder* on the sidelines of 3-day Pakistan Travel Mart which concluded at the Expo Centre on Sunday (Shafa, 2017). The in Hunza the tourism sector flouriest through the arrival of tourist in the region year by year.

The GB has very much to offer in four seasons with cultural sites including Altit and Baltit forts in Hunza, Shigar Fort and Khaplu Fort in Baltistan. Ulta glacier, ancient rock art carvings and inscriptions along KKH in District Diamer, lush green meadows and Attabad lakes in district Hunza, rich culture, dry fruits and hospitality that attract tourists to Gilgit-Baltistan.

The (Akama & Kieti, 2007) suggest the concept of sustainable tourism expected to contribute the sustainability of the environment, social and cultural resources and overall socio-economic development. Therefore, tourism identifies the needs for equality between local individuals and groups, and between hosts community and guests.

The (Obombo and Rotich, 2010) argue in favor of community involvement in the development of tourism and claim that local community's participation facilitates sustainable development of tourism and fair distribution of costs and benefits among members of the community.

Objective Two

To evaluate the economic and social impacts of tourism on the local community of Hunza.

The literature review chapter shows development of tourism has created both positive and negative socio-economic impacts on local community but research findings reveal that local community believes that positive impacts outweighs the negative ones.

Whereas the chapter four data analysis and discussion shows the basic results of the impact of tourism on socio economic development of Hunza Region.

The impact of tourism has created job opportunities that have significant impacts on livelihood of local community and increases the employment opportunity (Saarinen & Manwa, 2008).

When the employment increases income of the local community and facilitates improves the standard of living.

Tourism basic tools stimulates economy to fostering development sectors through jobs and increase in income (Aref & Redzuan , 2009).

The literature analyzed from books, articles, reports of UNWTO on key concept of like socio economic development, sustainable development of tourism, socio economic impact of tourism and community participation.

According to (Schwab, Martin, Samans, Moavenzadeh, and Drzeniek-Hanouz, 2017) presenting the report on the travel and tourism competitiveness which enables the ecosystem have proven to be significant drivers of economic growth, contributes to the global GDP and providing for 1 to 10 jobs through world. The main theme of the report: Paving the Ways for more Sustainable & Inclusive Future, reflects the industry sustainable growth by preserving the natural environment and local communities on which it depends.

According to (Jaafar, Ismail, and Rasoolimanesh, 2015 ; Bagri and Kala, 2016) argue that the tourism sector development is through the participation of community and necessary if government and private sector entrepreneurs want to distribute benefits of this development to local communities.

5.3 Recommendations

Without any doubt, the monthly income of local people is considerably good, but other modern amenities of life, like infrastructure, health, entrepreneurial skills, quality education, preservation of natural resources, and cultural values are still in questionable condition and they must be key policy level priorities of local administration and community development organizations.

The findings in the previous section that tourism in Hunza valley has positive socio-economic impacts while it also has a negative socio-economic impacts which has important policy implications.

The positive socio-cultural impact of tourism is another interesting result from this research; the local authorities would be arrange various events, festivals and programs for gathering the tourist and the host community. These activities will be mitigate the gap between the tourists and the host community and will laid long-lasting effects on the local socio-cultural relationship.

Hunza valley had transformed from subsistence agrarian sector to participatory model of rural development, but there is need to study the technological opportunities and natural potentials to develop a modern sustainable model of development to take advantage from mega projects like, CPEC.

Similarly, the negative social impact of tourism are related to higher goods price and insufficient the shopping facility for tourists/Supper markets. To rethink about the tourism and socio-economic development strategy there is need of detail study on each segment to build a sustainable development policy involving the local community and other stakeholders. All these variables, however, are controllable for the local authorities. There is no doubt tourism development taking a responsibility for the host communities. The positives impact of tourism can be made even more pronounced if concerns negative impact of tourism are addressed properly and timely by the local authority of Hunza. It is also evident from the study that the development projects of NGOs are not for long term except creating awareness. For long-term sustainable development the involvement and empowerment of local people in policymaking is very important on urgent basis.

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Appendix A

QUESTIONNAIRE FOR THE LOCAL PEOPLE

Dear Respondent,

I am student of MPhil, Business Studies of Pakistan Institute of Development Economics (PIDE) Islamabad and conducting a survey to collect data. These questions require answers based on your experiences. Your answers will kept strictly confidential and will used only for research purpose. Your identity will not disclosed on this document. So kindly give an honest opinion to make this research unbiased. You are requested to take 10 minutes out of your busy schedule to fill this questionnaire. Once again thanks for your precious time and cooperation.

Regards,

Seema Begum

A. Demographic Characteristics:

1. Name _____
2. Sex: Male _____ Female _____
3. Age: _____years
4. Marital Status: Married _____ Unmarried _____
5. Occupation _____
6. Total Annual Income: PRs. _____
7. Educational Qualification: Primary _____ Secondary _____
Intermediate _____ Graduate _____ Postgraduate _____

B. Economic Impact of Tourism:

1 = strongly disagree 2 = disagree 3= neutral 4= agree 5= strongly agree

SNo.	Details	1	2	3	4	5
1.	Tourism has positive impact on total income					
2.	Tourism has improved job opportunities					
3.	Tourism industry attracts investment opportunities					
4.	Tourism has caused increased prices					
5.	Tourism sector plays a major role in local economy					
6.	Better Shopping opportunities					

C. Social Impact of Tourism Development:

1 = strongly disagree 2 = disagree 3= neutral 4= agree 5= strongly agree

SNo.	Details	1	2	3	4	5
7	Tourism has improved the destination image					
8	Tourism has negative impact on local traditions					
9	Tourism has improved public infrastructure					
10	Tourism has improved the living standard of local community					
11	Tourism development is helpful for generating more employment opportunities.					
12	Tourism development is helpful in developing your social status?					

13	Tourism is potential to strengthen and rejuvenate local values						
14	Meeting tourists enhance the valuable experiences of locals						
15	Tourism accelerated social evils						
16	Tourism has enhanced the opportunities for cultural exchange						
17	Tourism development helpful for preservation of cultural heritage.						
18	To what extent tourism development is helpful for increasing following facilities.						
	18.a Health service						
	18.b Road facilities						
	18.c Shopping facilities						
	18.d Entertainment facilities						
	18.e Telecommunication facilities						

Thank you for your time.