

## TOURISM AS A CATALYST FOR PAKISTAN'S ECONOMIC DEVELOPMENT: A LESSON FROM VIETNAM

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### ABSTRACT

*The topic of this research paper is Pakistan's Tourism potential, which is considered as the catalyst for economic development—lessons from Vietnam. The prime object of this study is to extract outline for the role of tourism industry in economic development of the country. This research is a descriptive method. In this study, the data collection technique is used through book review and literature review method. Pakistan has unique natural beauty, a rich historical heritage, and vibrant cultural diversity similar to Vietnam. However, Vietnam has developed Community Based Tourism (CBT) model that has been empowering local communities, safeguarding old traditions, and generating a sustainable income. The tourism potential of Pakistan not only has the power to transform its economy, but also enhances its global recognition. Tourism industry of Pakistan has strength to generate up to 2 billion USD in revenue; if the government adopts a successful tourism plan besides having similar model of Vietnam.*

**Keywords:** *Community Based Tourism, Tourism Potential, Economic Development, Rural Development.*

### INTRODUCTION

Nowadays, it has become a reality that economy of the states depends on tourism industry. Tourism industry has become a global phenomenon. It has connected people across the globe and it has created economic opportunities for the developing countries

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(Damluji, 2019). Likewise, nature is very kind to Pakistan because it has a unique natural beauty, a rich historical heritage, and vibrant cultural diversity similar to Vietnam (Cohen, 2004).

According to FPCCI, one million tourists visit in Pakistan can generate up to 2 billion USD in revenue; if the government adopts a successful tourism model Vietnam. Vietnam faced financial hardships, is investing in the tourism sector. In this way, Vietnam has developed Community Based Tourism (CBT) model; it has been empowering local communities, safeguarding old traditions, and generating a sustainable income (Tan, Fumikazu, & Dinh, 2019). It has become one of the most important tourist destinations in South East Asia due to its community based tourism model (Nguyen, d'Hauteserre, & Serrao-Neumann, 2022). Developing countries like Vietnam mostly rely on tourism sector for its contribution to GDP growth, job creation, foreign exchange earnings, and infrastructure development. It has welcomed more than 18 million international tourists especially in rural and ethnic minority regions like Sapa, the Mekong Delta, and Ha Long Bay. It generates annually more than 28 billion us dollar from tourism industry. For Pakistan too, Community Based Tourism model offers great opportunities to develop its economy. This model can be utilized for rural development and poverty alleviation of marginalized regions of Pakistan.

This model is more suitable for Swat, Gilgit Baltistan, KP, Makran Coastal Belt of Baluchistan and the Tharparkar region of Sindh. These regions have diverse cultures, beaches, natural beauty and mountainous landscapes that can attract domestic as well as international tourists. However, tourism industry has the potential to boost the economy, but it has remained underdeveloped due to many reasons such as, security concerns to international tourists, inadequate modern infrastructure: dilapidated roads, railway, restaurants and hotels towards tourist spots. These factors are making it uneasy for tourists to visit Pakistan. This paper aims to explore the potential of tourism as a catalyst for economic development in Pakistan by examining Vietnam's tourism policies and strategies. By

drawing lessons from Vietnam's success, this study will propose actionable recommendations for Pakistan to develop its tourism sector and harness its economic potential.

### **Research Questions**

1. What are the economic and social benefits of implementing Community Based Tourism (CBT) in Pakistan's rural communities?
2. How can CBT contribute to poverty alleviation, community empowerment, and cultural preservation in Pakistan?
3. How can Pakistan learn from Vietnam's CBT models to develop its own sustainable tourism practices?
4. What are challenges to the development of CBT in rural areas of Pakistan?

### **Research Gap**

Vietnam has made significant research on CBT model while there is a dearth of focused research on its potential in Pakistan's rural regions. Current studies often emphasize on national and international tourism, neglecting the potential for sustainable, community driven models like CBT. Furthermore, there is a gap in comparative research on the adaptation of CBT models from Vietnam to Pakistan, especially in the context of engagement of local community in tourism.

### **Significance of the Study**

This study is important because it aims to fill the research gap regarding CBT in Pakistan and offer insights into how this model can boost economic and rural development of Pakistan. By examining the economic and social benefits of CBT, the research will provide policymakers and tourism stakeholders with practical recommendations for fostering a sustainable tourism industry that advantages local communities. The findings of this study could work as a valuable resource for governments, NGOs, and the private sector

in Pakistan to develop effective tourism strategies that align with sustainable development goals.

## LITERATURE REVIEW

Pakistan has been rich in natural landscapes: mountainous regions of Gilgit-Baltistan, Swat, and the Karakoram Range. It has historical and religious sites such as Moen jo Daro, and Taxila where international tourists can visit in large number. Taxila, an ancient city with Buddhist Stupas and archaeological sites, attract foreign tourists especially from Srilanka, Thailand and Japan. Prof Michael Jansen (1985), who studied and wrote about Mohenjodaro, was convinced that this site alone could change Pakistan's image from a terrorism-afflicted country to a bastion of proud heritage (Jansen, 1985). Tourism has created a softer image of Pakistan in the world through Kartarpur corridor. The World Economic Forum has placed Pakistan among the top 25 percent of global destinations for its UNESCO World Heritage Sites. In 2020, the American magazine, Conde Nast Traveler, ranked Pakistan as the number one travel destination for tourism. The deserts of Tharparkar in Sindh and Cholistan in Punjab, as well as the coastline of Arabian Sea, also have the potential to attract domestic and international tourists. However, CBT can be a several billion dollar industry in Pakistan on condition that there is awareness and policy on the part of key players to promote the culture of tourism. When Vietnam can earn more than \$20 billion from tourism, why cannot Pakistan that is blessed with natural landscapes? Pakistan can become a hub of tourism through CBT model that require a mind-set of local people, tour operators, hotels and officials attached with the government officials.

Community Based Tourism (CBT) holds important potential for Pakistan's tourism sector, especially in its rural and underdeveloped regions. CBT stresses active community participation which could offer home stays guided treks, and cultural experiences while promoting eco-tourism in regions like Hunza Swat, and Tharparkar region of Sindh because people of these areas are very hospitable.

According to the World Tourism Organization of the United Nations, Pakistan was named the best performing destinations for tourism during the first nine months of 2023. In addition. Development of tourism industry has positive results for Pakistan in form of increased GDP. It can increase foreign direct investments. Pakistan can bring capacity building efforts, and a focus on infrastructure, CBT could transform its tourism landscape, creating long-term benefits for both local communities and the national economy.

## DISCUSSION AND ANALYSIS

### Potential of Community Based Tourism in Pakistan

**Religious Tourism and CBT:** Pakistan can adopt CBT model for the promotion of religious tourism. It is the home of many religions. In the Gandhara region, Buddhist holy sites in Mardan, Taxila, Swat, and Takht-i-Bahi continue to draw pilgrims and tourists, especially from countries like Sri Lanka, Thailand, and Japan (Ahmed, Ahmed, & Abbas, 2022). Similarly, Pakistan is home to over eighty percent of the Sikh religion's holiest sites, with landmarks like Nankana Sahib, Punja Sahib, and Kartarpur Sahib standing as focal points for thousands of Sikh yatrees who visit annually. For Hindus, the country also harbors several revered temples, including Hinglaj Mata in Balochistan, Katas Raj in Chakwal, and the Hanuman Mandir in Karachi, all of which play a key role in the religious and cultural landscape of the subcontinent (Tipu, 2022).

**Cultural Heritage and CBT:** Pakistan is home to great civilizations such as Mehrgarh, the Indus Valley sites at Mohenjodaro and Harappa. These ancient sites of Pakistan can be preserved through CBT model, which engages local communities. The image of Pakistan can be transformed through cultural heritage (Jansen, 1985).

**Maritime and Riverine tourism in Sindh:** The Community Based Tourism (CBT) model can play an important role in developing marine tourism in Sindh. It has a long coastline that offers many opportunities for tourists such as Clifton Beach, Paradise point,

Manora Island. Foreign tourists can be attracted for beach relaxation, surfing, diving, island hopping, and marine exploration (Faridullah, 2024). Similarly, Pakistan can draw inspiration from Vietnam's success with the Mekong River and Ha Long Bay; Sindh can promote its Indus River as a key eco-tourism destination. Cruise tours along the river can highlight its historical importance, linking to ancient sites like Mohenjo-Daro, and showcase local culture. Communities can lead guided tours, sharing historical knowledge, and offering local crafts like Sindhi Ajrak. This approach ensures economic benefits, cultural preservation, and promotes environmental sustainability, benefiting both tourists and the local population.

***Maritime tourism in Balochistan:*** Baluchistan's beaches, along the coastline of Arabian Sea, like Gadani Beach, Astola Island, Churna island offering a rich marine tourism (Abasi, 2024). CBT can be applied by engaging local fishermen and indigenous communities. Pakistan can start Cruise tourism in Gwadar and Ormara similar to Vietnam's eco-cruises in Ha Long Bay. It could include guided marine tours, seafood experiences, and insights into local fishing traditions. Similarly, Gwadar, with its deep water port and strategic location, could become a major cruise hub, attracting international tourists. Community run home stays, cultural exhibitions, and handicraft markets could further enrich the tourism experience while ensuring economic benefits for local residents.

***CBT and Sufi Heritage:*** Community Based Tourism (CBT) can deepen the experience of Sufi heritage and pilgrimage tourism. It allows visitors to connect with the region's spiritual traditions while benefiting local communities around Sufi shrines such as Data Ganj Baksh and Lal Shahbaz Qalandar, make Pakistan a significant destination for spiritual tourism. Pakistan's provinces have unique diversity, each with its own unique traditions and landmarks. Take the example of Karachi, with its Empress Market and Quaid-e-Azam's Mausoleum, offers a blend of history and modernity. Peshawar, at the crossroads of Central and South Asia, is famed for its Qissa Khawani Bazaar. Balochistan's stunning landscapes, such as

Quetta and the Urak Valley, captivate visitors, while the region's cultural heritage flourishes. The New York Times picked Lahore as one of the top places to visit in 2021, for its Mughal architecture. Through Community-Based Tourism (CBT), Pakistan can preserve and promote these diverse cultures, fostering sustainable growth and connecting tourists with local traditions and spiritual practices.

***Promotion of Eco Tourism through CBT:*** Like Vietnam, Pakistan has vast natural beauty, including the Himalayas, Karakoram Range, Swat Valley, and the Mekran Coastal Belt with its pristine beaches, ancient forts, and Astola Island, offers unique eco-tourism potential, these can be promoted through CBT model. In Gilgit-Baltistan, tourists can engage in mountain treks, river rafting, and wildlife observation while supporting local communities that rely on conservation for their livelihoods. Additionally, in areas like Chitral, where the Himalayan ibex and Markhor roam, CBT can integrate wildlife conservation into tourism by involving local guides in educating tourists about the region's biodiversity (Grua, 2018).

### **Community Based Tourism in Vietnam: Lessons for Pakistan**

Vietnam has been generating more than \$20 billion from tourism industry. It has adopted a successful CBT model for rural development in regions like Sapa and Ha Giang, the implementation of CBT initiatives has helped uplift local communities economically while preserving their cultural heritage (Giampiccoli, & Mtapuri, 2021). According to WTO reports, Vietnam has been actively boosting local communities to engage in sustainable tourism development, which is expected to grow from \$ 23 billion in 2023 to \$ 27-28 billion in the recent years. Vietnam has been investing in tourism industry to catch international tourists for its economic development. CBT projects have not only encouraged tourism but also created social cohesion, cultural pride, and environmental sustainability in Vietnam (Dung, 2018). These community based tourism have been successful in areas where traditional industries, like agriculture, were in fall, offering new sources of income for local populations (Phuong, Van Song, & Quang, 2020). One of the most notable successes of CBT in

Vietnam is the development of community run home stays in Sapa, which allows local ethnic minorities to gain advantage from tourism influx while preserving their traditional lifestyles and cultural practices (Cong, 2024). This initiative has not only provided economic advantages but has also empowered local communities by providing them a stake in tourism planning and management (Vallbona, 2017).

### **Challenges to Community Based Tourism in Pakistan**

***Infrastructure development:*** Many of Pakistan's rural areas lack the basic infrastructure that is required to attract tourists, such as roads, electricity, and water supply. These restrictions make it uneasy for international tourists to reach the tourists spot.

***Security Concerns:*** Pakistan's security issues, especially in regions like Baluchistan and some parts of Khyber Pakhtunkhwa, poses barrier to attract foreign tourists. They remain hesitant to visit Pakistan due to their security issues. While it is a good omen, domestic tourism has increased in recent years.

***Lack of Skilled Workforce:*** Lack of training and capacity building to the indigenous people mean that several are not prepared to provide high quality services to foreign tourists. In Vietnam, CBT initiatives often include training programs for local communities in areas such as hospitality, language skills, and tourism management. Pakistan could advantage from similar capacity building initiatives to ensure that local communities are equipped to engage with tourists effectively.

***Cultural and Social Issues:*** While tourism can help preserve local cultures, there is also a risk that it could lead to the commercialization or exploitation of indigenous traditions and cultures. In some regions of Pakistan, cultural sensitivity is a concern, as local populations may not always be receptive to external impacts.

**Geopolitical Issues:** Tensions with India, and Afghanistan could deter international tourists from visiting Pakistan.

### **Suggestions for Boosting Community Based Tourism in Pakistan**

**Revisiting the 18<sup>th</sup> amendment and tourism policy in Pakistan:** It is a reality that tourism industry can upgrade national economy. Media reports indicate that the Pakistan Tourism Development Corporation (PTDC) has made a five-year plan for 2024-2029 to promote both international and domestic tourism. However, after the 18<sup>th</sup> amendment, tourism sector has become a provincial entity. It has also lacked coordination between the center and provinces. Tourism industry lacks coordination which have become a hurdle for the growth of (CBT) tourism in Pakistan

**Ensuring quality and affordable tourism:** Government should focus on basic needs to promote CBT. Major tourist destinations like Swat, Naran, Gilgit, Hunza, and Skardu require strict monitoring by relevant authorities to guarantee that tourists receive quality services at reasonable prices. The government must tackle unethical practices such as overcharging for accommodations and meals. Collaboration between tourist mafias and corrupt officials is an issue that needs immediate attention, as it deprives tourists of the opportunity to fully enjoy their vacations.

**Integrating CBT for long-term economic growth:** Government has made projects that Pakistan will earn Rs.1 trillion from tourism by 2025, it is crucial to focus on fostering local tourism, which can significantly contribute to this goal. Community-Based Tourism (CBT) offers an effective model for encouraging homegrown tourism, especially in underdeveloped regions. Federal and provincial efforts should prioritize safety, hygiene, infrastructure, and accommodation improvements to make both local and international tourists feel welcome and secure.

***National and international awareness campaigns:*** Government should launch awareness campaigns both domestically and globally to highlight Pakistan's (CBT) tourism potential. These campaigns can boost up the country's rich history, natural beauty, cultural diversity, and hospitality, aiming to attract more tourists, both local and international.

***Invest in developing infrastructure:*** It is important to invest in key areas, such as roads, transportation networks, hotels, and airports leading to major tourist destinations. Improved infrastructure will increase accessibility and provide the overall visitor experience, encouraging more foreign tourists to explore lesser-known destinations of Pakistan.

## CONCLUSION

This research paper has looked at the potential of Community Based Tourism (CBT) model in Pakistan. The primary object of this model is to promote economic development, cultural preservation, and sustainable tourism through CBT. The paper has focused on how CBT can enable local communities, especially in rural areas of Gilgit-Baltistan, Swat, Khyber Pakhtunkhwa, Sindh, and Balochistan. This model can provide different sources of income. Similarly, it is also promoting the cultural and natural heritage of these regions. It has explored the advantages of local participation in tourism sector. Additionally, the paper has stressed that with the right infrastructure, government support, and capacity-building measures, CBT has the potential to become a cornerstone of Pakistan's tourism industry. This model could contribute significantly to rural development, poverty reduction, and the broader economic growth of the country.

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