

# The Value of Craft Products Development for Pro-Poor Tourism Growth in Bhaktapur, Nepal

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## Abstract

Tourism is a contributor to pro-poor growth, which is growth beneficial to the poor. One of the reasons behind this growth is that craft products, which are in many cases possessed by socially disadvantaged poor, can be the principal tourism assets in many cultural tourism destinations in less developed countries. This implies that linking craft products and tourism has great potential for pro-poor growth. Moreover, economic enhancement for poor craftsmen and the subsequent trickle-down effects to related industries are expected when craft industry conducts craft products development. Yet those who possess the skills to make the crafts (who are the poor in many cases) may not evaluate its development and the subsequent change to more touristy forms due to their anxiety about the loss of original cultural meaning and sustainability of craft products. In consideration of the above, this research aims to value craft products development for pro-poor tourism growth in Bhaktapur, Nepal, which is one of the principal cultural tourism destinations in an isolated, mountainous less developed country. An interview survey of workers in the craft industry (managers and craftsmen) was employed. The research identified the ways that craft products development was to retain some kind of Nepali characteristics (e.g. pottery elephants or puppets of Nepali farmers). This was identified as a valuable method of craft products development. This is because: (1) economic enhancement for the poor was identified; (2) workers in the craft industry were proud of this kind of craft products development; and (3) they could still accept it because they could get extra cash from developed craft products even whilst thinking the developed craft products had already lost their original cultural meaning. However, if they produce secular craft products, such as puppets of Hollywood stars, the value of craft products development for pro-poor tourism growth will decrease. Therefore, this research recommends that the current way of craft products development is the most ideal for pro-poor tourism growth.

**Keywords:** craft products, product development, pro-poor tourism growth, Nepal

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## 1 . Introduction

Tourism has been recognized as an important industry for a nation's development in many countries. Particularly many less developed countries recognize tourism as one of the most principal industries in terms of economic development. This is due to specific characteristics of tourism, which is a diverse industry. It suggests that tourism involves not only directly related industries (i.e. tour operators, hotels) but also indirectly related industries (i.e. agriculture, construction) (IIED, 2001). These create huge job opportunities, strong local linkages and positive socio-cultural impacts on local people if strategies are well organized.

However, tourism in less developed countries is usually dominated by small portion of tourism elites (e.g. hotel owners, tour operator managers, and government officers). It widens the gap between rich and poor within one tourism destination. Such countries suffer from poverty, which is considered as a big threat to peace, security, democracy, human rights and the environment (BBC, 2002). The poor are disadvantaged in terms of social activity, including participation to tourism.

Reconsideration of notorious development strategies and ignorance of the poor in less developed countries brought a new agenda of pro-poor growth in the 1990s. Pro-poor growth is growth that brings net benefits for the poor, including economic gain as well as improved livelihood. Thus the most fundamental tenet is that the poor come first in growth initiatives (Chambers, 1997). Tourism can be a big contributor for pro-poor growth because of its specific characteristics (as mentioned above).

Amongst many industries which are related to tourism, linking craft industry and tourism have big potential for pro-poor tourism growth for the following reasons:

- Craft products are one of the most principal souvenirs in many less developed countries (Shackley, 1999);
- Craft production skills are, in many cases, owned by the poor (Ashley et al., 2001);

Moreover, craft products development and the subsequent product diversification have great possibility to enhance further pro-poor growth in terms of work force enhancement and financial upgrades for the poor (Goodwin, 2005). Yet craft possessors (they are the poor in many cases) may not evaluate its development or the subsequent change to more touristy forms due to their anxiety about a loss of original cultural meaning and the sustainability of craft products. Their disempowerment may occur even if they owe financial gain to craft products development. This suggests that the value of craft products development for pro-poor tourism growth can be assessed as the outcome of the

respondents' trade-off between perceived costs and benefits so as to maximize the results.

Hence this research aims to value craft products development for pro-poor tourism growth in Bhaktapur, Nepal, which is one of the principal cultural tourism destinations in an isolated, mountainous less developed country. Specific objectives are as follows:

- to identify the way of craft products development
- to assess the value of craft products development for pro-poor tourism growth
- to suggest a suitable method of craft products development which will have an effect on pro-poor tourism growth

## **2 . Literature Review: Poverty and Pro-Poor Tourism Growth**

### **2.1. Poverty in Less developed Countries**

The definition of 'poverty' in the dictionary is the state of having very little money -not having enough money for basic needs (Hornby, 2000). In general, the term 'poverty' implies a lack of finance only. However, in academic terms, it includes not only a lack of finance, but also a lack not relating to finance - a lack of livelihood assets, as it were. The elements of livelihood assets are as follows (Goodwin, 2005):

- 1) financial capital (cash at hand, cash which can be borrowed);
- 2) human capital (skills based on particular individuals and groups);
- 3) natural capital (resources of the environment available to individuals and groups: e.g. water resources, forest, arable land, pasture, rivers and lakes, wildlife)
- 4) physical capital (buildings, machinery, equipment)
- 5) social capital (social cohesion of a group and strength of its networks)

Michel Moore, the head of the World Trade Organization, said 'poverty in all its forms is the greatest single threat to peace, security, democracy, human rights and the environment' (BBC, 2002). As he said, poverty provokes diverse negative effects. What makes matters worse, poverty is a multidimensional phenomenon and provokes vicious circles (The Open University, 2002). Figure 1 shows the cause and effects of poverty. The limited access to livelihood assets, low power, social exclusion, discrimination and prejudice are completely fastened on to the social system. The poor cannot escape from the situation by themselves due to the social system.

It is believed that development contributes to poverty reduction. Actually, poverty reduction strategies between the 1950s and 1980s were preoccupied by this idea (Agyeman et al., 2003). During this time, poverty reduction strategies were based totally in development strategies. Despite complex situations of poverty, achieving full employment, decent incomes, health for all, universal primary education, safe water supplies, demographic transition to stable populations, and fair trade between Western

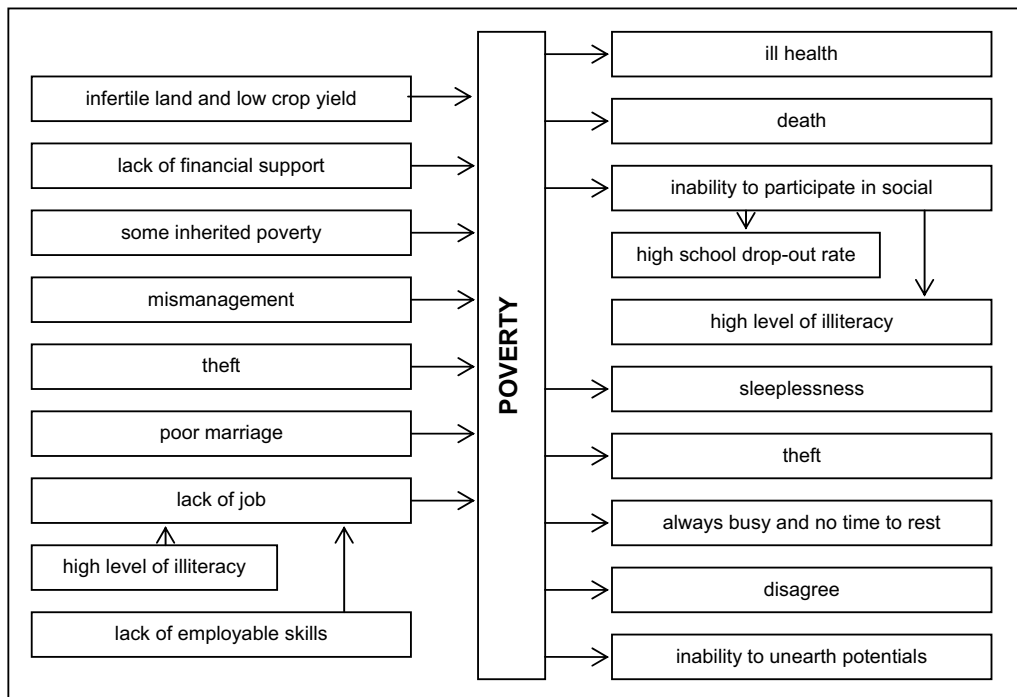


Figure 1. The Causes and Effects of Poverty

Source : The Open University (2002 : 29)

and less developed countries were benefits considered to 'trickle down' to the poor (Chambers, 1997). Furthermore, dependency of less developed countries to Western countries was strengthened to achieve modernization and subsequent poverty reduction (Apter, 1987). Development and modernization were perceived positively rather than critically. The general perception of citizens in less developed countries towards this development and modernization was mostly that of a 'passport to world standard' (this 'world' implies only rich Western countries) and a special kind of hope (Apter, 1987). Foreign investors from Western countries had been welcomed as a tool for modernization.

However, these thoughts were obviously based on Eurocentric thinking and an analysis of Western capitalist economic history. The development strategies during this time brought further uneven relationships between Western and less developed countries. Poor countries did not have any alternative except to be dependent on Western countries. Watts (2000: 171, cited in Scheyvens, 2002) criticizes this situation as a 'crude sense of political economy' because of its wrought capitalist system obliging less developed countries to extremely low empowerment (de Kadt, 1990). These development strategies brought not 'undeveloped' (lack of development) but 'underdeveloped' (low level of

development) conditions to less developed countries. These underdeveloped conditions provoked uneven power relationships within the poor states. Only small portions of local elites received any benefits from underdeveloped conditions (Lipton, 1977). The poor stayed poor and the condition was worsened comparatively.

Reconsideration of notorious development strategies and ignorance of the poor in less developed countries brought a new agenda of pro-poor growth in the 1990s. Pro-poor growth is growth that brings net benefits for the poor, including economic gain as well as improvements to livelihood. Thus the most fundamental tenet is that the poor come first in growth initiatives (Chambers, 1997). Needless to say, deliberate ethically suitable actions and strategies by public, private sector, non-governmental organizations (NGOs) and voluntary organizations are the keys for pro-poor growth. The public sector contributes to policy making, especially formulation of poverty reduction strategy papers (PRSPs) and overall monitoring. The private sector contributes to economical enhancement for the poor, and NGOs and voluntary organizations contribute in that they organize the poor at community level in order to engage effectively. What should be emphasized is that, whilst the scale of growth may appear small, pro-poor growth can be very significant when viewed from the perspective of the poor (Mowforth and Munt, 2003).

## 2.2. Pro-Poor Tourism Growth: Overview

Pro-poor tourism growth is defined as growth derived from 'tourism that generates net benefits for the poor' (Ashley et al., 2001 : 2). This is pro-poor growth reaped by tourism. Tourism can be classified as pro-poor (even if richer people benefit more than the poor) so long as the poor reap net benefits. Legitimate strategy and involvement of a range of stakeholders (e.g. government, private sector, civil society, NGOs and the poor) are key to achieving pro-poor tourism growth. Tourism can be a contributor to pro-poor growth because of its unique characteristics, as follows (Ashley et al., 2001 : 2):

- 1) A diverse industry (tourism increases the scope for wider participation [e.g. agriculture], including the participation of the informal sector).
- 2) Providing considerable opportunities for linkage (it is owing to the specific characteristics of tourism that the customer comes to the product [e.g. linkages with souvenir selling, hotels and so on]).
- 3) Use of assets which the poor own (the assets which the poor own such as ritual festivals, dancing and crafts can be tourism resources).
- 4) Big opportunity for employment (tourism can be more labor intensive than manufacturing [but it is less intensive than agriculture]).
- 5) Empowering women (compared to other modern sectors, a higher proportion of tourism benefits [jobs, petty trade opportunities] go to women.)

As discussed in the previous section, the poor suffer from multidimensional needs which consist not only of the narrow focus of economic poverty, but also non-economic (livelihood) needs. What is important for pro-poor tourism growth is that tourism stakeholders should focus on unlocking opportunities for the poor, rather than expanding the overall size of the tourism sector. The IIED (2001 : 6) summarizes the key points to approaching pro-poor tourism growth as follows:

- Economic aspects
  - 1) Expanding business opportunities for the poor (small enterprises, particularly in the informal sector, often provide the greatest opportunities for the poor).
  - 2) Expanding employment opportunities for the poor (unskilled jobs may be limited and low-paid by international standards, but are much sought after by the poor).
  - 3) Enhancing collective benefits (collective community income from tourism can be a new source of income. Benefits can spread well beyond the direct earners).
- Non-economic aspects
  - 1) Capacity building, training and empowerment (the poor often lack the skills and knowledge to take advantage of opportunities in tourism).
  - 2) Mitigating the environmental impact of tourism on the poor (tourism can lead to displacement of the poor from their land and/or degradation of natural resources on which the poor depend).
  - 3) Addressing social and cultural impacts of tourism (tourists' behavior, such as photography and Western habits, is often regarded as cultural intrusion. Sex tourism exploits women. Tourism can affect many other social issues, such as health care).
- Strategies focused on policy/process reform
  - 1) Building a more supportive policy and planning framework (governments see tourism as a means to generate foreign exchange rather than to address poverty. The policy framework can inhibit progress in pro-poor tourism; reform is often needed).
  - 2) Promoting participation (the poor are often excluded from decision-making processes and institutions, making it very unlikely that their priorities will be reflected in decisions).
  - 3) Bringing the private sector into pro-poor partnerships (locally-driven tourism enterprises may require input to develop skills, marketing links, and commercial expertise).

### 2.3. Linkage of Craft Products Development with Pro-Poor Tourism Growth

Craft is defined as an object which has been made by hand using special skills, mostly the craftsman's (Hornby, 2000). Textile, carpet, pottery, paper products and woodcarving are some examples of crafts. Most of them have their own long history, tradition and specific religious or ritualistic meaning. It is clear that local culture and craft products are the principal assets of tourism. Local crafts are important elements of culture and culture is critically important in being a competitive tourism destination (Greg, 1999). The rich culture and its crafts products can help to differentiate a place's tourism products from competing destinations. However, cultural products need to be understandable for tourists to be satisfied by them. This means that craft products need to match with the needs and wants of the customers-tourists (Greg, 1999). In this context, a change of craft products to a more touristy taste is to some extent inevitable.

As already mentioned, local crafts are important elements for both tourism and local residents, especially the poor. Moreover, the concept of pro-poor tourism suggests that market and product development stimulate pro-poor growth because they strengthen local linkages (e.g. more local employment and materials). Therefore successful craft products development is a big opportunity to attract tourists' purchases and the subsequent pro-poor growth at cultural tourism destinations in less developed countries.

According to Ansoff's product-market scope matrix (Figure 2), product development is to introduce new products, which are aimed at the same target market (Ansoff, 1987). Product development, as well as market development, is ranked as a middle-level risk and benefit strategy, which is higher than market penetration, but lower than diversification. Hence product development and market development are the most common ways of strategic marketing (Adcock et al., 1998). In the context of pro-poor tourism, tourism product development is considered as the most effective method for achieving pro-poor growth. This is because adding new products to the existing markets is ideal for livelihood diversification and supplementary household income strategy. In the case of market penetration, there are limitations being pro-poor. The market development and diversification is not suitable for pro-poor tourism growth due to the reasons shown in Figure 2 (Goodwin, 2005).

Commercialization of craft products for touristy purposes is a fairly prevalent phenomenon in many less developed countries (Cohen, 1988). It is stimulated by contact with foreign people, education, literacy, travel and modern media. Touristy forms of craft products are in many cases different from the original size, and become simplified, standardized, naturalized, grotesque, novelty, and archaic (Graburn, 1976, cited in Revilla and Dodd, 2003). Moreover, the performance of craft industries is dependent on tourism in terms of characteristics of tourism, tourist arrivals, expenditure, length of stay and so

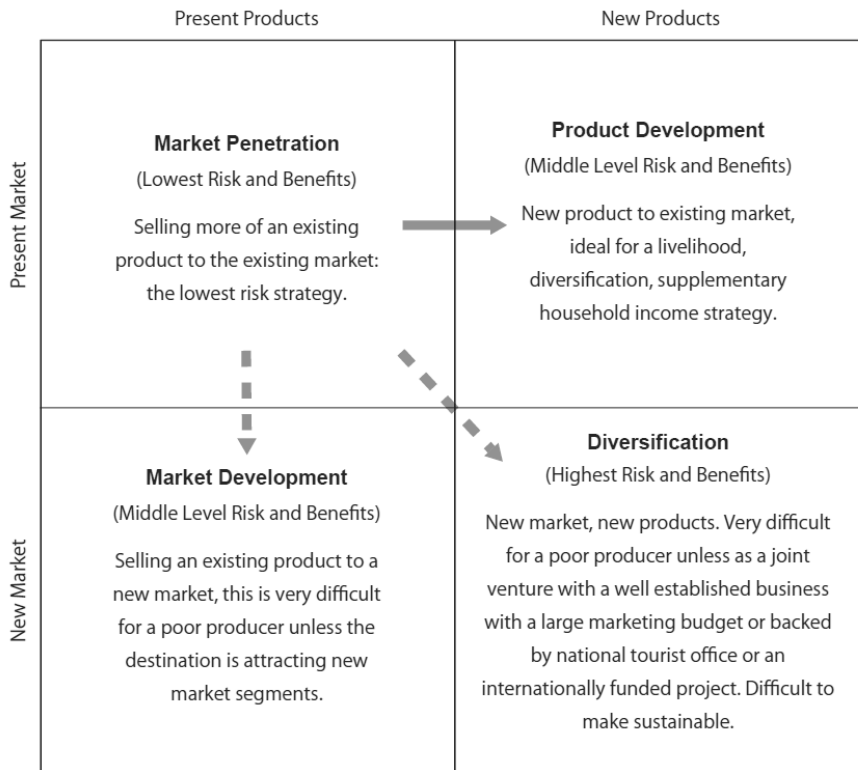


Figure 2. Ansoff's Product-Market Scope Matrix for Pro-Poor Tourism Action

Source : Goodwin (2005)

forth (Markwick, 2001). De Kadt (1984 : 71) insists that 'the satisfaction of having made a "good" - that is, an appropriate - cult object can be replaced by pride in having matched or surpassed certain standards of workmanship or creativity and in sharing a craft tradition with others'. According to Cohen (1988) and Markwick (2001), the process of craft products development follows the following three steps:

- First step: sacred craft products  
This type of craft product retains its original characteristics and meanings. As craft products for tourists, their lack of understandings of the original use constrains their purchase (Greg, 1999). Hence craft products development is necessary to accelerate tourists' purchases.
- Second step: touristy craft products  
Tourists favor this type of craft product. The sacred craft product has changed its size (to small) so that it can be carried easily. Moreover, craftsmen may invent new models of craft products (e.g. potteries of elephant in Thailand, where is



famous for elephants). In this case, the product retains some kinds of characteristics which are relevant to tourism destinations.

- Third step: secular craft products

This type of craft product conforms to more touristy tastes than craft products in the previous two steps. Markwick (2001 : 32) defines them as 'entirely "new" craft that is not specifically related to the culture of local producers, but is developed in response to tourist market opportunities'. For example, many nutcracker dolls in Russia have been diversified to grotesque and novelty forms (e.g. Hollywood stars, successive United States [US] or Russian presidents). They emphasize more the novelty aspects and less of the original meanings. However, they are often discussed as destroyers of original culture.

Craft products development means to diversify craft products. Sacred craft products do not disappear in most cases, regardless of the degree of craft products development. Craft stalls in Russia sell sacred (traditional) nutcracker dolls as well as touristy and secular ones at the same place.

The effects of craft products development on pro-poor growth are expected to be significant. Thinking positively, craft industry offers more opportunities for the poor than other industries in terms of several aspects. Yet, as can be seen towards the end of the following list, there are several negative points as well:

- More involvement of the poor
  - The materials of craft products are mostly from local area. It implies that craft products bring more linkage with local material suppliers and producers (they are often poor) if craft products development is conducted.
  - The skills of craft production are, in many cases, possessed by the poor as well as other socially disadvantaged groups (e.g. ladies and disabled people). It implies that the craft industry can provide more job opportunities for them if they conduct craft products development.
  - Micro-scale informal industries, including craft product industry, provide big employment opportunities, especially for the poor. The informal sector provides 4-10 times more employment opportunities than the formal sector (Ashley et al., 2001).
- More financial upgrades (more economic empowerment)
  - Craft products are one of the most principal souvenirs at many tourism destinations in less developed countries (Greg, 1999). It implies that craft products development and the subsequent product diversification have large potential for financial upgrades for the poor.
- More pride and confidence for the poor (more psychological empowerment)

- Crafts play an important role in the daily life of the poor. Hence one thought is that selling crafts, and tourists' admiration for craft products, can be a big opportunity for the poor to gain confidence and pride for their original culture. Craft products development and its diversification may stimulate this opportunity.
- Reduction of original meaning of craft products
  - As already mentioned, craft products development and commoditization change craft products to touristy forms in varying degrees. This phenomenon may be taken negatively by local people, especially craftsmen (Shackley, 1999).
- Low pride and confidence for the poor (low psychological empowerment)
  - Craft products development is an important trigger for the poor to gain pride and confidence. However, excessive craft products development and the following dissatisfaction with products may reduce their pride and confidence.

### 3. The Research Field: Bhaktapur, Nepal

Bhaktapur is a historic city in Kathmandu Valley; it is located 11km west of Kathmandu, the capital of Nepal (Figure 3). Its historical origins date back to the 14th century when Bhaktapur became capital city of the whole of Kathmandu Valley (which lasted until the 16th century). The city spreads over an area of 6.882km and its population is over 80,000 (UNESCO, 2000). The majority of economically active residents engage in agriculture (65.8%), followed by handicrafts (8.2%), and finally trade and service (8.5%) (Byanju, 2002). Bhaktapur is the principal food supplier to Kathmandu. Over half of the population has access to electricity. More than 70% of the population has access to safe water (District Development Committee, Bhaktapur, 2010). The Human Development Index of districts in Nepal ranked Bhaktapur second out of 75 districts in 2001. The index, which is the summary composite index that measures a country's or district's average achievements in three basic dimensions of human development (life expectancy at birth, adult literacy rate, and GDP per capita), revealed 0.595 in Bhaktapur, compared to 0.652 in Kathmandu and 0.471 in Nepal average. By Nepali standards, Bhaktapur is one of the most developed areas. However, the Human Development Index in Bhaktapur is still lower than the average of less developed countries (0.663) and the world average (0.729) (UNDP, 2004 ; UNDP Nepal, 2004).

The number of employees in the tourism industry is 1,160, which accounts for 2.9% of the total labor force in the city (UNESCO, 2000). The city centre registered as a UNESCO World Heritage Site in 1979 and retains its world-class reputation. Most of the

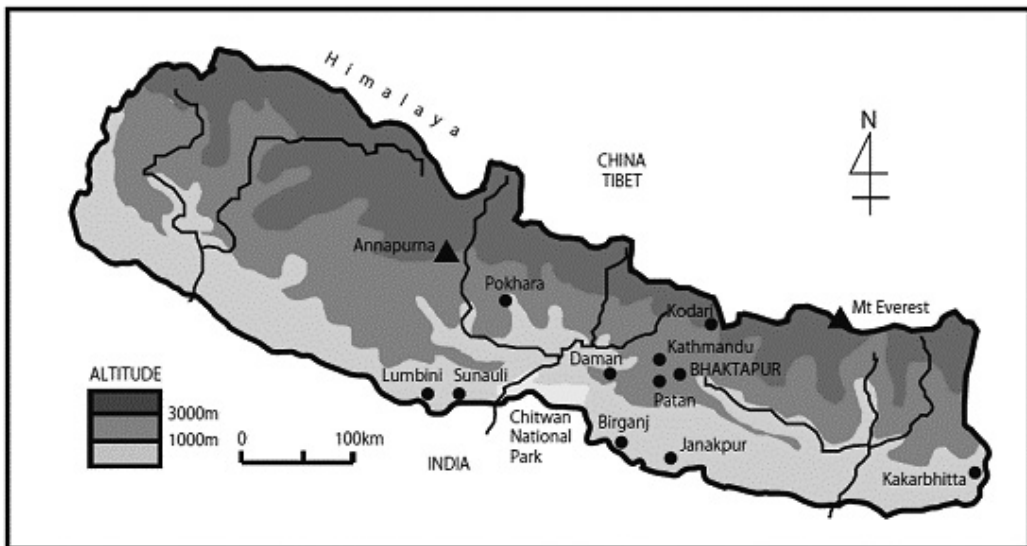


Figure 3. Map of Nepal

Source : author

tourists in Bhaktapur are day trippers from Kathmandu. Data show that 77% of foreign tourists spend only a couple of hours in the city (Byanju, 2002). Therefore there are only 11 hotels and guesthouses (total bed number : 231) and none of them is a starred hotel (UNESCO, 2000).

The craft industry in Bhaktapur is the second biggest industry in the city. Types of crafts include hand-made paper, pottery, puppets and woodcarving. Particularly the pottery in Bhaktapur has a good reputation in the whole of Nepal. Much of the pottery consists of traditional pots for use in Nepali households, but an increasing number of items cater to tourists' tastes, such as attractive elephants and dragon potteries (Mayhew et al., 2003). Other crafts have also been changing to more touristy forms. The development of craft products saved a few crafts in Bhaktapur which were on the verge of extinction (UNESCO, 2000). According to one survey, there are 225 craft souvenir shops in Bhaktapur. Almost all of the craft shop owners and craftsmen are locals (UNESCO, 2000). In spite of such rich craft productions and an abundance of souvenir shops, the small proportion of craft purchasers compared to the number of tourists is identified as a serious problem. This is because most tourists purchase craft products at Thamel, Kathmandu, which is the tourist base in Nepal. Actually, nearly half of all tourists' spending in Nepal is in Kathmandu (Sattaur, 1996).

## 4. Research Method

A semi-structured interview survey was employed to value craft products development for pro-poor tourism growth in Bhaktapur, Nepal, during the last week in June 2005. The sensitive and people-oriented nature of semi-structured interviews allow interviewees to construct their accounts of experiences by describing and explaining their lives in their own words (Flowerdew and Martin, 2005). According to the definition of semi-structured interviews, though questions may not follow on exactly in the way outlined on the schedule, the researcher needs a list of questions to cover the topic (Bryman, 2004). In this research the total number of respondents was 18, which included managers of the paper, pottery and puppet craft industries (three respondents for each) and their craftsmen (three respondents for each).

Paper, pottery and puppet crafts are the principal crafts in Bhaktapur and many shops can be observed in many places in the downtown. A snowballing technique, in which the respondents who have finished interviewing introduce new respondents, was introduced.

Two research assistants were employed for easy and reliable research. One was a formal translator (normally a trekking guide) who was dispatched from Kathmandu. The other was an informal city guide (junior high school student in Bhaktapur) who was a guesthouse owner's son where the researcher stayed. Both assistants played important roles: the formal translator translated between English and Nepali when interviewing with non-English speaking respondents. The informal city guide assisted with directions and negotiations of interviewing, since he was familiar with the managers of the craft industry and the geography of Bhaktapur.

## 5. Research Findings

### 5.1. Current Craft Products Development

Questions about situations of current craft products development were asked only to managers of each craft industry (nine respondents in total). This was because the managers know much more about current developments than their craftsmen. Moreover, the researcher did not think it necessary to ask both managers (boss) and craftsmen (follower).

All the craft managers have conducted craft products development. Many respondents think it is the way to better improve their life. Moreover, it is enjoyable and enhances employees' motivation. Most of the respondents developed their craft products

in the latter half of 1990s. A manager of a puppet shop said that the developed puppets appeared in the early 1990s, but he does not know who invented them first. Then many craftsmen followed the trend. Now we can find the same products at many puppet shops in Nepal, even though they are made by different craftsmen. Furthermore, a manager of a paper craft shop said there was an interesting relationship between the origin of developed craft products and tourism, as follows: 'tourist numbers increased in the 1990s. Many Western backpacker tourists came to Bhaktapur in every winter season, so we thought this is a big business chance'. The following are types of traditional and developed craft products in Bhaktapur:

- Sacred craft products

Overall, sacred craft products include ritualistic and traditional meaning. For example, the historical origin of the notebook (traditional paper craft) can be traced to governmental use by officers of the Greater Malla Kingdom which had its capital at Bhaktapur in 15th century (information given by one paper craft shop manager). Moreover, another manager of the paper industry had been offering his paper products to the Nepali royal family (kingship in Nepal was abolished in May 2008) and government for more than 100 years, for three generations.

In terms of pottery crafts, traditional products are for Nepali daily life (i.e. vase, water pot). Especially the water pot, vase and the traditional small Hindi dish have a history dating back more than 1,000 years (information given by one pottery shop manager). All the sacred puppets are models of Hindu gods (Figure 4). Each god has a different meaning. For example, the puppet of the lady god 'Durga' plays a significantly important role during the Nepali principal festival 'Dashain' in September and October. Hence traditional puppets are ritually important.

Overall, sacred craft products which contain ritual and traditional meanings are popular for Nepali and Indian tourists. For example, traditional pottery products (vase, water pot and traditional Hindi dish) are popular. One pottery shop manager said 'Bhaktapur is the most famous place for pottery in whole of Nepal. So many Nepali tourists buy vases and water pots here ... Nepali tourists are good targets for traditional products ... [But] they don't buy new pottery [e.g. pottery animals], because they are expensive for them'.

In terms of puppet products, sacred puppets (models of Hindu gods) are popular for Nepali and Indian tourists. This popularity is due to the fact that they share the same culture and they can understand more about the meaning of the sacred craft products than Western tourists can. Many respondents described



Figure 4. Puppet of Hindu God (Bhairab)

Source : author

sales increases during Bhaktapur Hindu festivals.

- Developed craft products.

Developed craft products are added for tourist-favored tastes. For example, developed paper products include beautifully colored wrapping paper (some of it contains original flowers), greeting cards and photo albums and so on. One respondent described an advantage of the development of paper craft as follows: 'producing new paper products is easier than other kind of crafts. I can apply it to many kinds of products (e.g. calendar, box, photo book, name card). But other crafts can't. Puppets always must be in the form of a doll'. Furthermore, one manager of the paper industry produced dolls that are made from a paper material called lokta (Figure 5). He insisted that '... maybe my shop is the only shop in Bhaktapur producing dolls from lokta. Lokta is really strong paper material and is difficult to tear, so the dolls are also difficult to be broken'.

In terms of pottery products, developed products include models of animals (Figure 6), sugar pots and snake candle stands. All the developed puppet crafts are focused on Nepali life (e.g. farmer, traditional uniformed lady, model wearing Hindu ritual clothes) (Figure 7).

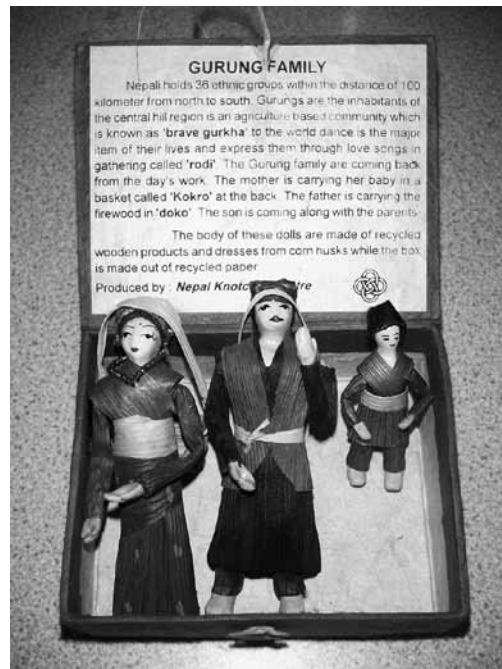


Figure 5. Dolls of Nepali Traditional Village Family (made from Lokta)  
Source : author



Figure 6. Potteries of Animals

Source : author



Figure 7. Puppet of Nepali Farmers

Source : author

Overall, developed craft products are popular for Western tourists. For example, wrapping paper, greeting cards and photo albums are popular paper products. Developed puppets (e.g. farmer, traditional uniformed lady) are more popular for Western tourists than Nepali/Indian tourists. One manager of the paper industry, who sells Christmas cards (Figure 8) targeted for Western tourists, told one interesting story as follows: 'This Christmas card is really popular for Western tourists. I produced this about five years ago. The target is European tourists. It is because before Christmas is high tourism season from European countries. So I thought Christmas cards would contribute to our sales'.

A few managers pay attention to the quality of their developed craft products. One manager said, 'European and Japanese tourists care about the product quality much more than Nepali and Indian tourists. A Nepali tourist doesn't care whatever poor quality the product is, ha-ha ... [But of course] I improved my product quality of original products as well. Original products are also better quality than before'. Moreover, two pottery managers and one puppet shop manager pointed out that their developed craft products are smaller in size than





Figure 8. Christmas Card

Source : author

traditional ones. A pottery shop manager insisted that small-sized pottery products are easier to carry; therefore they are popular for Western tourists. Developed puppet products are also much smaller than traditional ones (traditional ones are about 35cm, developed ones about 20cm).

## 5.2. Impacts of Craft Products Development on Economic Enhancement for the Poor

Overall, craft products development has enhanced economic opportunities for relatively poor craftsmen, material suppliers and material producers. The impacts were never significant ones, but at least product development brought trickle-down effects for them. If workers in the craft industry implement further craft products development, further trickle-down effects are expected. Hence craft products development is valuable for pro-poor tourism growth in terms of its economic enhancement for the poor.

In terms of impacts on craftsmen, it is valuable in terms of the following three points. First, craft products development brought further employment opportunities for relatively poor farmers. Whilst the majority is employed as seasonal workers during the busy period, supplemental income from craft production is expected to contribute to their livelihood, more or less. For example, high demands of human resources in the pottery industry in winter compensate farmers' low income in this season. One manager of the pottery

industry said 'pottery crafts are made in the sunny dry winter season. So, more craftsmen are employed in winter'. He normally employed 10 seasonal workers in winter. At least five craftsmen are employed every winter to produce potteries which are used for Nepali daily life (e.g. vase, water pot). However, another five depends on the demand of developed pottery crafts which correlates with tourist numbers in Nepal. Normally they make a living as farmers.

Many ladies, who are relatively low empowered in Nepali agricultural society, are employed actively as part-time or seasonal workers. One paper industry, which actively employed poor ladies with the cooperation of NGOs, contributes to reduce the number of poor ladies and their participation to economic activities (Figure 9).

Second, the wage of craftsman is improved by about 20-30% after craft products development. A few craftsmen feel that their livelihood is much better than before, when they suffered financially. Third, in terms of training, whilst training is not directly connected with economic enhancement, qualification achieved by both formal and informal training possibly leads to quality products and subsequent increase of sales. Particularly pottery craftsmen receive formal training at an NGO facility called the Ceramic Office. This facility offers two to six months training for young pottery craftsmen



Figure 9. Paper Craftswoman who is supported by NGO

Source : author

and monitors the quality of pottery products. One manager of the pottery industry said the Ceramic Office offers effective training. This is because acquiring adequate skills of pottery production takes quite a long time and can be very demanding. Moreover, a certificate from the office is proof of a craftsman's good skills.

In terms of the impacts on material suppliers and producers, all the craft industry managers purchased more material (about 30 to 40% more) after they conducted craft products development. Hence, if the distribution of wage is spread in a rational way, the wage of the material producer (e.g. farmers) who, in many cases, suffers from poverty, receives financial benefits, more or less; for example, especially the impact of craft products developments on farmers of paper material (lokta) who live in a poor peripheral mountainous area (2600-4400m), which is suffering from a safety problem (Maoist attack), are huge. This is because small economic improvement means big benefits for people who are suffering in a situation of severe. Furthermore, benefits are expected to trickle down to related industries of the craft industry (e.g. repairmen of machines or transporters).

Lastly, most of the managers use local or domestic materials, workforce and production tools. This suggests that the craft product industry retains strong linkages within Nepal. One manager of the pottery industry gets his materials from a local Hindu temple. He can get pottery material (clay) free from the temple, but donates a portion of his income regularly (two to three times per month at worship time). Whilst the exact price of donation was not asked due to ethical reasons, he suggested that the market price of the material and the amount of donation was not so different. However, there is an exception. One manager of the puppet industry, who owns a comprehensive souvenir shop in Kathmandu, said '... nearly all materials and tools are from somewhere in Nepal ... [But] material of metalwork is imported from Malaysia and Singapore. There are several importing cooperating societies in Patan [south of Kathmandu and centre of metalwork]'. Several machines are imported from India.

### 5.3. Psychological Empowerment of Craft Products Development

Psychological empowerment includes pride and satisfaction of respondents to craft products development. The assumption in this subsection is that low pride and dissatisfaction of respondents to craft product development devalue pro-poor tourism growth. Assessment was conducted from three evolutionary stages of craft products, which were explained in section 2.3.

- Sacred craft products

How respondents were empowered if they sell only sacred craft products.

- Touristy craft products (developed craft products but retaining some kind of

Nepali characteristics; e.g. pottery elephants)

This is currently how respondents are empowered under the situation of selling both sacred and touristy craft products.

- Secular craft products (e.g. puppets of Hollywood stars)

How respondents will be empowered if respondents sell sacred, touristy (current developed products) and secular craft products at the same place.

In comparison with psychological empowerment to sacred craft products (this is the assumption that respondents have not conducted craft product development and are selling/making only sacred craft products), the touristy craft products (this is the current developed craft product, selling both traditional and touristy forms of developed craft products) empowers workers of the craft industry in Bhaktapur. Whilst all the respondents were strongly proud of their sacred craft products which are ritually and historically important in Nepal, the majority of them identified possible financial problems if they had not conducted craft products development (market penetration at Figure 2). In fact, the majority of craftsman experienced financial improvement after craft products development in the late 1990s. A few of them, including paper craftswomen who are supported by NGOs, feel their situation of poverty significantly improved. Moreover, respondents think tourists will be dissatisfied with the limited choice of craft products if they sell only sacred craft products. A puppet shop manager said 'Nepali tourists buy traditional puppets because a Nepali knows the true meaning of the puppets ... So a Nepali may be satisfied. But most sales are from Western tourists buying the new type of puppets. So I think [the majority of Western tourists] can't be satisfied'.

Comparing respondents' psychological empowerment to the touristy craft products with secular craft products (this is the assumption that if respondents sell and produce such craft products as well as secular, touristy forms of developed craft products), the former empowers them more than the latter. Many of them hesitate to produce strange craft products. Moreover, several of them hate such products. The possible dissatisfaction is despite the fact that they predict further financial gains if they produce such craft products. One puppet shop manager said he abandoned producing a model of an actor (puppet of Keanu Reeves) from the movie 'Little Buddha' (1993) which was filmed at Bhaktapur. He said '... I thought that is not the real Nepali tradition. Bhaktapur is a city of traditional culture ... After that movie, Western backpackers say "I watched Little Buddha"'. .

This subsection concludes that the developed craft products which include some kind of Nepali characteristics (e.g. pottery elephants or puppets of Nepali farmers) empower the respondents psychologically. Nearly all the respondents, regardless of whether they were managers or craftsmen, agreed their interests lay in further

development of their craft products. However, nobody mentioned the way of further development in the form of secular craft products. In most cases, they want to conduct further development whilst retaining some kind of Nepali characteristics, which they already produce. Pottery models of traditional farmers (puppets of traditional farmers have already been in the market) and puppets of Nepali festival clothes are the examples to follow.

#### **5.4. Perceived Sustainability of Craft Products**

This subsection aims to assess the value of craft products development for pro-poor tourism growth from the aspect of respondents' perceptions of the sustainability of craft products. The assumption is that the negative perception of respondents towards the sustainability of developed craft products devaluates pro-poor tourism growth.

It seems that the current methods of craft products development in which products retain some kind of Nepali characteristics is a more sustainable manner than secular form of craft products development. This is because craftsmen can accept some loss of original cultural value in greater or lesser degrees (respondents think craft products development provokes loss of original cultural value, more or less) as long as they continue with the current way of craft products development. However, they will not be able to accept the loss of original cultural value provoked by the latter form of craft products development because they think this kind of development destroys local culture. They do not feel happy even if income increases. Moreover, they perceive that craft products development is not an inevitable way to save craft products from extinction. They confided that sacred craft products (notebook, vase or Hindu god puppets) will be around forever because they have played an important role in Nepali life so far. Many respondents in the pottery industry said the assistance of the NGO (Ceramic Office) has been significant in contributing to pottery products retaining their original meaning. Hence excessive craft products development (sacred forms of development) can be a threat to the sustainability of craft products.

In addition, many respondents think young generations' interest in craft products significantly impacts on its sustainability. Many respondents said the younger generation is not so motivated to sustain craft products in spite of their importance in the long term. At the moment, they think craft products have been around forever because of their importance in daily Nepali life. However, passing on craft production skills to the younger generation is one of the keys to sustain craft products in the long term. They think formal education is more important for contemporary children, and more and more children prefer Western culture. What should be insisted on here is that some children, especially those going to craft school in the evening every day (especially Thanka School), are still

interested in sacred crafts.

## **6 . Discussion and Conclusion: Valuation of Craft Products Development for Pro-Poor Tourism Growth in Bhaktapur, Nepal**

Pro-poor tourism growth is defined as growth derived from 'tourism that generates net benefits for the poor' (Ashley et al., 2001 : 2). Tourism can be classified as pro-poor (even if richer people benefit more than the poor) so long as the poor reap net benefits. What should be emphasized here is that the best condition for being pro-poor is when the poor are empowered financially, socially and psychologically, with maximized net benefits and minimized negative impacts. The balanced (financially, socially and psychologically) benefits of craft products development for pro-poor tourism growth are more preferable than unbalanced benefits (e.g. some are extremely good but some are bad).

First of all, craft products development, which was conducted in the latter half of the 1990s, had brought economic enhancement for the poor (including poor craftsmen and material suppliers/producers) in terms of more job opportunities, increase of income and so on. Further economic enhancement will be expected if workers in the craft industry develop their products more (either to touristy or secular craft products). Hence the best value of craft products development for pro-poor tourism growth in terms of economic enhancement for the poor is in further craft products development.

Second, craft products development in the form of retaining some kinds of Nepali characteristics (as with the current form of development) is more valuable than development which is secular. If craft products are developed to secular forms, respondents' pride and satisfaction decrease.

Third, the valuable manner of craft products development for pro-poor tourism growth in terms of the perception of respondents regarding sustainability is also the development of products retaining some kind of Nepali characteristics (as with the current form of development). If craft products are developed into secular forms, cultural destruction will be more severe. Respondents cannot accept this; they devalue this style of development.

To sum up, craft products development that retains some kind of Nepali characteristics, as is currently implemented, is the most valuable for pro-poor tourism growth. This is because economic enhancement and respondents' psychological empowerment are accepted and they achieve good balance (Figure 10). In addition, respondents accept craft products development and subsequent loss of original cultural value because they can get more money. There are many expected new craft products, since Nepal has many rich cultural and environmental assets. The recommendations for

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new products which are valuable for pro-poor tourism growth are, for example, pottery of more Nepali animals, like yaks, the Himalayan tahr (goat), and the monkey, or puppets of traditional Nepali-clothed ladies or those wearing masked-dance clothes.

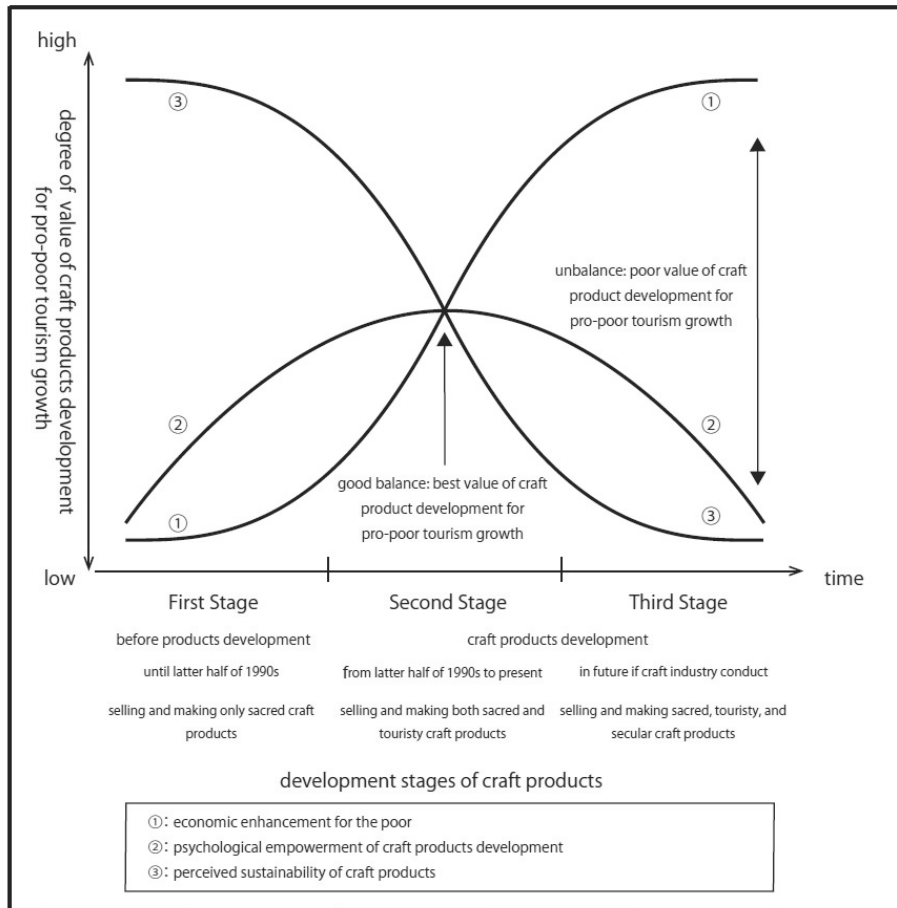


Figure 10. Value of Craft Products Development for Por -Poor Tourism Growth

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