

**Tourism Industry and Economic Development of the Communities in Hai District
Lessons from Nkweshoo Village in Machame Ward**

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The study focused at analysing the contribution of tourism industry on economic development of communities in Nkweshoo village Machame Ward. Specifically, the study examined the type of activities undertaken by tourism industry in the study area, assess the contribution of tourism activities on economic development of communities in Nkweshoo village and lastly the study examined the relationship between tourism industry and economic development of communities in Nkweshoo village. The study adopted cross section research design, were data were collected once. A sampling size of 198 respondents was adopted through a simple random technique and purposive sampling technique was used to get the required sampling population, which included the communities and village leaders in Nkweshoo village. Data collection techniques involved household survey, key informant interview, and documentary review. Data were analysed through descriptive statistics, inferential statistics, and regression analysis and t- test. Moreover, qualitative analysis was also used. The study found that the main tourism activities under Nkweshoo village were tour guiding, transportation, hotels and accommodation, food and beverage, entertainment, culture, sports and recreation. The study also found that the industry contributes to economic development of local communities mainly in the following ways namely; employment creation, increased households' income, increased asset ownership, improved infrastructure and transportation, conservation education and community support. The study concludes that there is significant contribution by the tourism industry on economic development of communities in Nkweshoo village. The study recommends that there is a need to establish a strong linkage between communities and key players in tourism in order to promote economic development of communities.