

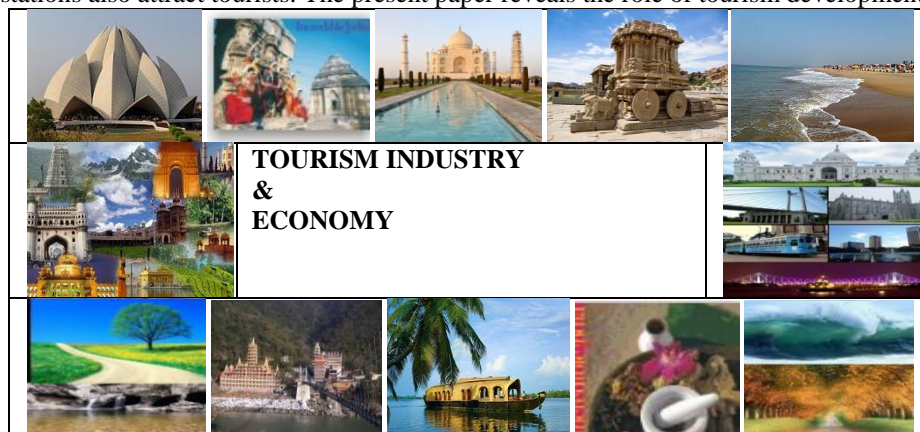
THE ROLE OF TOURISM DEVELOPMENT IN PROSPERITY OF THE NATION

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INTRODUCTION

Travel and Tourism is an important economic activity in most countries around the world. As well as its direct economic impact, the industry has significant indirect and induced impacts. The tourism industry of India is economically important and grows rapidly. Tourism provides jobs for the local residents, further benefiting the destination. India has realized the profits available from this sector. Today tourism is the largest service industry in India, with a contribution of 6.23% to the national GDP and providing 8.78% of the total employment. India witnesses more than 5 million annual foreign tourist arrivals and 562 million domestic tourism visits. The tourism industry in India generated about US\$100 billion in 2008 and that is expected to increase to US\$275.5 billion by 2018 at a 9.4% annual growth rate. The attractions include beautiful beaches, forests and wild life and landscapes for eco tourism. Snow, river and mountain peaks for adventure tourism. More over technological parks and Science museums are said to be science tourism. Similarly Centre's of pilgrimage for spiritual tourism. Transport system, heritage and hotels for heritage tourism. Yoga, ayurveda and natural health resorts and hill stations also attract tourists. The present paper reveals the role of tourism development in prosperity of the Nation.



OBJECTIVES:

1. To study the importance of tourism in India.
2. To know the role of tourism in generating income and employment.
3. To study the positive impact on economy and society.
4. to raising environmental awareness.

IMPACTS OF TOURISM: Tourism industry in India has several positive and negative impacts on the economy and society. These impacts are highlighted below;



POSITIVE IMPACTS:

- 1. Generating Income and Employment:** Tourism in India has emerged as an instrument of income and employment generation, poverty alleviation and sustainable human development. It contributes 6.23% to the national GDP and 8.78% of the total employment in India. Almost 20 million people are now working in the India's tourism industry.
- 2. Direct Financial Contributions:** Tourism can contribute directly to the conservation of sensitive areas and habitat. Revenue from park entrance fees and similar sources can be allocated specifically to pay for the protection and management of environmentally sensitive areas. Special fees for park operations or conservation activities can be collected from tourists or tour operators.
- 3. Preservation of National Heritage and Environment:** Tourism helps preserve several places which are of historical importance by declaring them as heritage sites. For instance, the Taj Mahal, the Qutab Minar, Ajanta and Ellora temples, etc, would have been decayed and destroyed had it not been for the efforts taken by Tourism Department to preserve them. Likewise, tourism also helps in conserving the natural habitats of many endangered species.
- 4. Source of Foreign Exchange Earnings:** Tourism is an important source of foreign exchange earnings in India. This has favorable impact on the balance of payment of the country. The tourism industry in India generated about US\$100 billion in 2008 and that is expected to increase to US\$275.5 billion by 2018 at a 9.4% annual growth rate. The following table shows the nature of earnings in different years.

FOREIGN TOURIST ARRIVALS AND FOREIGN EXCHANGE EARNINGS

Year	Amount (US\$ million)	% change	Amount (crores)	% change
1997	2,889	2.0	10,511	4.6
1998	2,948	2.0	12,150	15.6
1999	3,009	2.1	12,951	6.6
2000	3,460	15	15,626	20.7
2001	3,198	-7.6	15,083	-3.5
2002	3,103	-3.0	15,064	-0.1
2003	4,463	43.8	20,729	37.6
2004	6,170	38.2	27,944	34.8
2005	7,493	21.4	33,123	18.5
2006	8,634	15.2	39,025	17.8
2007	10,729	24.3	44,360	13.7
2008	11,832	10.3	51,294	15.6
2009	11,136	-5.9	53,700	4.7
2010	14,193	27.5	64,889	20.8
2011	16,564	16.7	77,591	19.6
2012	17,737	7.1	94,487	21.8
2013	18,445	4.0	1,07,671	14
2014	20,236	9.7	1,23,320	14.5
2015	21,071	4.1	1,35,193	8.8
2016	22,923	9.8	1,54,146	14.0

Source: wikipedia.org

- 5. Protection and Preservation of Environment:** Tourism can significantly contribute to environmental protection, conservation and restoration of biological diversity and sustainable use of natural resources. Because of their attractiveness, pristine sites and natural areas are identified as valuable and the need to keep the attraction alive can lead to creation of national parks and wildlife parks.
- 6. Raising Environmental Awareness:** Tourism has the potential to increase public appreciation of the environment and to spread awareness of environmental problems when it brings people into closer contact with nature and the environment. This confrontation heightens awareness of the value of nature among the community and lead to environmentally conscious behavior and activities to preserve the environment.
- 7. Improved Environmental Management and Planning:** Sound environmental management of tourism facilities and especially hotels can increase the benefits to natural environment. By planning early for tourism development, damaging and expensive mistakes can be prevented, avoiding the gradual deterioration of environmental assets significant to tourism.
- 8. Developing Infrastructure:** Tourism tends to encourage the development of multiple use infrastructures that benefits the host community, including various means of transports, health care facilities, and sports centers, in addition to the hotels and high end restaurants that cater to foreign visitors. The development of infrastructure has in turn induced the development of other directly productive activities. The following table indicates foreign tourist arrivals in different years in India.

Year	Number (millions)	% change
1997	2.37	3.8
1998	2.36	-0.7

1999	2.48	5.2
2000	2.65	6.7
2001	2.54	-4.2
2002	2.38	-6.0
2003	2.73	14.3
2004	3.46	26.8
2005	3.92	13.3
2006	4.45	13.5
2007	5.08	14.3
2008	5.28	4.0
2009	5.17	-2.2
2010	5.78	11.8
2011	6.31	9.2
2012	6.58	4.3
2013	6.97	5.9
2014	7.68	10.2
2015	8.03	4.5
2016	8.80	9.7

9. **Promoting Peace and Stability:** The tourism industry can also help promote peace and stability in developing country like India by providing jobs, generating income, diversifying the economy, protecting the environment, and promoting cross cultural awareness.

NEGATIVE IMPACTS: The tourism industry in India may have some negative impacts as discussed below.

1. **Increase Tension and Hostility:** Tourism can increase tension, hostility, and suspicion between the tourists and the local communities when there is no respect and understanding for each other's culture and way of life. This may further lead to violence and other crimes committed against the tourists.
2. **Creating a Sense of Antipathy:** Tourism brought little benefit to the local community. In most all inclusive package tours more than 80% of travelers' fees go to the airlines, hotels and other international companies, not to local businessmen and workers.
3. **Adverse Effects on Environment and Ecology:** One of the most important adverse effects of tourism on the environment is increased pressure on the carrying capacity of the ecosystem in each tourist locality. Increased transport and construction activities led to large scale deforestation and destabilization of natural landforms, while increased tourist flow led to increase in solid waste dumping as well as depletion of water and fuel resources.
4. **Undesirable Social and Cultural Change:** Tourism sometimes led to the destruction of the social fabric of a community. A good example is Goa. From the late 60's to the early 80's when the Hippy culture was at its height, Goa was a haven for such hippies. Here they came in thousands and changed the whole culture of the state leading to a rise in the use of drugs, prostitution and human trafficking. This had a ripple effect on the country.

EMPLOYMENT OPPORTUNITIES IN TOURISM:

Even though some negative effects involved in the tourism sector as explained in above lines, Tourism in India has vast employment potential, much of which still awaits exploitation. At present about 20.44 million persons are directly employed by hospitality services. This is about 5.6 per cent of the total work force of the country. By 2015, it would provide 25 million jobs. In addition, the industry provides indirect employment to about 40 million persons. Further, it is interesting to note that the employment generation in proportion to investment is very high in tourist industry. According to one estimate, an investment of Rs.10 lakh creates 89 jobs in hotel and restaurant sector as against 44.7 jobs in agriculture and 12.6 in manufacturing industries. The ratio further increases if one takes into account the ancillary services associated with hotels and restaurants. Another important aspect of employment in tourism is that it employs a large number of women, educated and uneducated, as well as skilled and unskilled. In fact, women are greater in number than men in hotels, airline services, travel agencies, handicraft making and cultural activities, etc. the following figure indicates the growth rate of employment opportunities.



TOURISM AND PROSPERITY:

Each society is faced with the decision of how best to provide for the well-being and quality of life of its citizens. The choices involved span complex economic, socio-cultural, political, and environmental considerations. In particular, the economic base that a society chooses for itself has wide ranging ramifications. Increasingly, cities, states, and nations are turning to tourism as an important element in their economic portfolio as they recognize the potentially significant economic rewards at stake. Much of tourism development entails community development. If handled appropriately, tourism can become an important engine for achieving broader social goals. Whereas societies may aspire to achieve these goals, com-

munities are struggling to manage tourism development effectively. Unfortunately, no integrative framework exists for managing all facets of tourism development.

CONCLUSION

Tourism is one of the key sectors of the Indian economy leading the international trade in services and representing the leading income activity for many regions. Tourism industry in India is growing and it has vast potential for generating employment and earning large amount of foreign exchange too besides giving a support to the country's overall economic and social development. Tourism in India should be developed in such a way that it accommodates and entertains visitors in a way that is minimally intrusive or destructive to the environment. Moreover, since tourism is a multi-dimensional activity, and basically a service industry, it would be necessary that all wings of the Central and State governments, private sector and voluntary organizations become active partners in the endeavor to attain sustainable growth in tourism if India is to become a world player in the tourism industry. The events like Commonwealth Games and Cricket World Cup have contributed a lot to promote tourism in India. A policy implication which may be drawn from this study is that India can improve its economic growth performance by strategically harnessing the contribution of the tourism industry and improving their governance performance. Since tourism is an important engine of local development, it is necessary to increase domestic tourism too in order to have more decentralization of local development caused by such activity. So we can say that the tourism development leads to prosperity of the Nation either by directly or indirectly in respect of large economic activity.

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