



**AN EXPLORATORY STUDY ON GROWTH OF TOURISM: A CASE STUDY OF  
JAMMU AND KASHMIR**

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**ABSTRACT**

*Jammu and Kashmir came into being as a single political entity after the treaty of Amritsar signed between Gulab Singh and British Indian rulers, on March 16 1846. The Dogra's after this treaty' adopted such methods of governance which kept the majority of Kashmiris in constant fear so that none could muster the courage to raise even a whimper. To perpetuate their rule without any resistance the Dogra's bruised the psyche of people and reduced them to a state of utter helplessness. People in Jammu and Kashmir began their struggle against Dogra Regime under the flags of Muslim conference and national conference which ultimately resulted in end of 1947 after the passage of the famous June 3<sup>rd</sup> plan by British parliament. Like other princely states of British India, Jammu and Kashmir too was to be given right to decide its political future by either acceding to dominion of India or newly carved Pakistan. But Maharaja Hari Singh of Jammu and Kashmir signed accession with government of India in 1947. This paper includes the historical background of Kashmir clashes and its economic repercussions. This study analyses the disturbances of Jammu and*



*Kashmir and impact on tourism and economy of state. When we look into the circumstances of J&K, it is not only the precious lives that have been lost but other segments of state have also received a considerable set back. Lack of faith shown by the businessmen to setup business and decline in the number of tourists that come to state has very drastically affected the J&K economy. Because of the clash, the economic potential of the state has been rendered less effective. Due to the malfunctioning of state govt, the potential revenue generating sectors in the valley are not being used fully. Disturbance in the region, particularly, the tussle between India and Pakistan over Kashmir has become a big hurdle in the economic growth and development of the state. Disturbance has expunged millions of dollars, destroyed infrastructure and kept the investment opportunities very low. One of most adverse effect of this conflict has been on the human resources of the state who are of vital importance in growth of economy of any nation. Hence this paper attempts to study growth of tourism in Jammu and Kashmir. The paper will also put forth some suggestions in improving the social and economic scenario of J&K.*

**Keywords:** Tourism, growth, Industry, Jammu & Kashmir, Economy, suggestions

## INTRODUCTION

J&K is the northern most state of India, sharing its international boundaries with Pakistan and china. J&K is endowed with boundless beauty of green mountains, large grasslands, snow-clad mountains, lakes and rivers. It has a total area of 2, 22,236 square km's and thus is bigger than 87 independent member countries of the United States. Total population of the state is 1.25 crore (census 2011). The state of Jammu and Kashmir has its own distinct and peculiar history. Historically the State of Jammu and Kashmir mostly had been single political entity. Britisher's sold it on 16 March 1846, through Treaty of Amritsar to a Hindu Maharaja Gulab Singh who started a tyrannous rule in State. In 1931, People in Jammu and Kashmir began their struggle against Dogra Regime under the flags of Muslim conference and national conference which ultimately resulted in end of 1947 after the passage of the famous June 3<sup>rd</sup> plan by British parliament. Like other princely states of British India, Jammu and Kashmir too was to be given right to decide its political future by either acceding to dominion of India or newly carved Pakistan. But Maharaja Hari Singh of Jammu and



Kashmir signed instrument of accession with government of India in 1947. since then Jammu and Kashmir being a part of India

## ECONOMIC CONDITION OF J&K

J&K contributes approximately 0.76% to national GDP and ranks 20<sup>th</sup> in the list of contributing state. GDP growth rate has shown some improvement from 5.78% in 2005-06 to 6.78% in 2011-12. It was all because of decrease in National GDP number which declined from 9.48% in 2005-06 to 6.88% in 2011-12. J&K has somehow managed to catch up with national aggregates. In addition to GSDP one of the concerning indicators of J&K state economy is fiscal deficit. J&K is among the states with highest fiscal deficit in the country measuring 4.62% for financial year (FY) 2012 ranking 3<sup>rd</sup> in the list of worst deficits after Manipur and Pondicherry. The irony is that Jammu and Kashmir is 2<sup>nd</sup> ranked in the list of highest grant receiving state from central government. Another socio-economic indicator of state is per capita income which in case of J&K is 24,214 which is quite low as compared to national average of 33,283. Jammu and Kashmir ranks 21<sup>st</sup> in terms of per capita income among all the Indian states. All these figures show how backward J&K has remained economically as compared to rest of the country. The state which is very rich in natural resources is lagging in terms of economic prosperity.

## REVIEW OF LITERATURE

A comprehensive investigation was carried out into the material about tourism that was accessible from numerous research papers, journals, and other sources of literature.

**Ahmad and Hussain (2011)** The paper *impact of turmoil on tourism of Kashmir* reveals that turmoil anywhere in the world affects economy directly and Kashmir is not a special case to it. The State lags far behind in annual economic growth as compared to national level. The turmoil has not only taken the precious lives but public buildings, bridges, hospitals, private institutions and shops have been gutted. Atmosphere of fear and disturbance everywhere in the state resulted into decline of tourist's arrival in the state. During the same period, it is estimated that the State lost 27 million tourists leading to tourism revenue loss of 3.6 billion dollars. The enormity of economic damage due to turmoil and at the same time human



resources too has suffered enormously. The lack of opportunities and overall dismal scenario has led to significant migrating from one place to another.

**Shah et.al (2013)** The paper *impact of armed conflict on Kashmir tourism and socio-economic profile of the people of J&k* analysis reveals that the Tourism sector in J&K suffered a sudden downfall due to the massive political disturbance which struck the state in late 1980s. Prosperity was hit on all indices and development took a back seat. This led to a creation of a deep economic downturn which will take enormous time to reverse. The need of the hour is to work towards planning sustainable tourism which will be the first step towards improving the dilapidated scenario

**Rath and Gupta (2017)** The Paper titled *environmental impact of tourism* shows that there is vast potentiality of tourism industry in various parts of the world because it is one of the fastest growing industries when it is compared with other industries which are generating employment and earning large amount of foreign exchange besides giving a fillip to the country's overall economic and social development. More emphasis should be given on the concept Eco-tourism. Ecotourism needed to be implemented in different parts of the world and if it would happen then it would help immensely in conserving, preserving and sustaining world's natural and cultural environments.

**Narmadha and Anuradha (2021)** The paper *socioeconomic, cultural and environmental impact of covid-19 on tourism in india* shows that there is no significant impact of the COVID 19 outcomes on the tourism industry. GDP or the economic activities show a significant impact on tourism sector during the pandemic or has a detrimental effect on the tourism market

## OBJECTIVES OF THE PAPER

- To study the growth of tourism and the related activities in Jammu and Kashmir
- To provide some possible suggestions that may coming development of tourism and related activities in Jammu and Kashmir



## DATA SOURCE

The data for the study has been mainly collected from the secondary sources. There are various secondary sources published locally which i have used to study the issue. Therefore, a bit of primary data also comes into use. The economic condition is represented by gross state domestic product (GSDP). The data for GSDP has been collected from RBI website, which provides state wise data. The data for tourism is collected from state tourism ministry. A good number of daily newspapers both local and national, magazines, scholarly published articles, and internet and so on have been used for data interpretation. Moreover, many NGOs and other agencies have provided information regarding the economic condition of the state. Some of these are, central statistics office (CSO), national sample survey organisation (NSSO)

## EFFECT ON TOURISM AND RELATED ACTIVITIES

Tourism is not merely an activity for entertainment. It is an enriching and energizing activity. For growth, tourism is the right vehicle. Tourism is an important industry in state and is considered as multi segmented industry, therefore provides different types of jobs like hotel managers, receptionists, guides, tour operators, travel agents, photographers and many other jobs which are required to strengthen the tourism. Kashmir is an area with great tourism potential and provides immense business opportunity for Kashmir region. Tourism is considered as engine of growth and development in J&K economy. The expansion of tourism industry can have significant impact on the overall growth of the state because this sector has ability to produce employment both directly and indirectly in allied activities as well. It will enhance the growth of secondary sectors such as handicrafts which have been always benefitted from visitors coming to state. Kashmir being the most important tourist destinations in India has witnessed downfall because of the increasing violence in the state. The disturbance has greatly altered the flow of tourists, resulting in the drastic decrease in number of tourists who visit the valley. This has caused grave problems for many people who earn their livelihood from tourist activities. When we look from the psychological point of view of the traveller, the first priority is always self-safety. The disturbance in J&K has a severe impact on state tourism and its relative sectors. Looking at the statistics, it can be clearly seen that how badly it affected the tourism sector.



## TOURIST FLOW

Table: Tourists coming to Kashmir valley (000 Nos.)

YEAR	INDIAN	NON-INDIAN	TOTAL
1951	9.33	1.24	10.57
1955	48.19	2.83	51.02
1960	63.37	11.18	74.55
1965	35.70	7.44	43.14
1969	129.75	19.95	149.70
1974	148.32	19.31	167.63
1978	443.34	59.33	502.67
1980	548.59	46.03	594.52
1985	465.61	38.01	503.62
1995	0.32	8.21	8.53
1996	0.36	9.59	9.95
1997	7.02	9.12	16.14
1998	99.63	10.26	109.89
1999	199.91	16.00	215.81
2000	104.33	7.57	111.92
2001	66.77	5.86	72.55
2002	24.66	2.69	27.35



2003	182.21	8.97	191.18
2004	358.10	18.62	376.72
2005	585.71	19.68	605.39
2006	412.81	20.01	432.82
2007	417.26	24.57	441.83
2008	551.03	21.54	572.67
2009	577.31	23.91	601.22
2010	710.52	25.99	736.52

(Data source: digest of statistics 2011-12)

No doubt that during the last decade the tourist arrivals has increased but Taking a view of disturbance in mind and its bearing on tourism sector. The tourist arrivals have fallen considerably from 1200 to 250 per day and booking in the hotels is all time low with an occupancy of about 3%. Hence the conflict that erupted in Kashmir has resulted in the loss of tastes and preferences of tourists for this part of country. Tourism which had played a significant role in J&K economy was extremely affected by various terrorism activities and other reasons created out of the unsettled environment. Kashmir has become a risky place for tourists and unrest became synonymous.

### **TOURIST GROWTH RATE IN KASHMIR VALLEY**

The growth rate in the tourist arrivals from 1995 to 2010 has recorded a highly fluctuated erratic trend. In the year 2000, 2001, 2002 there was a negative growth rate of (-) 92.37, (-) 54.16, (-) 165.35% respectively & thereafter there was significant increase in domestic as well as foreign tourists' arrivals in Kashmir. During 2006, the increase trend went down to a negative growth i.e (-) 40.13%.The reason was disturbance in Kashmir valley, and again this trend is on increase



The flow of foreign tourists is on increase but there is one important aspect to be understood. Most of tourists who visit valley in the peak season are from Indian states that usually form middle class in India. Their capita income is not that much large, and their visit to Kashmir is not that much beneficial to Kashmir. Kashmir being mostly a disturbed area fails to attract the elite Indian, European and west Asian tourists who form the rich class in their own nations, because of this menace even though the trend of touring Kashmir is on rise it still isn't beneficial neither residents of valley nor government of state.

## RESULTS AND DISCUSSIONS

Since a long disturbance, significant effects on both social and economic aspects of life and same have happened in case of Jammu and Kashmir. The trend of growth and development is neither encouraging nor appreciable. Disturbance causes growth to decline, harm infrastructure, devastation of human capital, decline in employment opportunities and encouragement to capital flight are some outcomes. As we have already mentioned that it has hit many sectors of the economy, it has led to decline in employment and income generations. A study conducted by Jawahar Lal Nehru University Delhi reveals that 66% of houseboat owners in valley have changed their occupation during the chaos in state. J&K provides rare employment opportunities. The J&K faces huge unemployment problems, reasons are simple employment generation has not kept pace with the increasing population. Minimal industrial development has been unable to absorb a large number of college pass outs, there is stoppage on state govt recruitments in some departments as the govt jobs in these departments have reached saturation point. In other departments where there is some capacity to create job opportunities state govt is inefficient to take necessary steps.

## SUGGESTIONS

1. There is a strong tie between state development and peace. Therefore, there is much to be done to compete with other states of the country
2. Development of solid bonding between government and public agencies working for common people, which would work towards the redevelopment of J&K economy on a modern basis





3. Tourism related infrastructure – transportation, travel services, restaurants, recreation and entertainment activities, emergency services etc. should be made safe and security based.
4. Awareness through electronic media, advertisements, use of social networking sites like Facebook, twitter, Instagram etc.
5. A website can be developed where people who visit valley could share their experience with those who like to come here.
6. Both state and central governments should take necessary steps and work jointly to improve the security measures and install confidence in the tourists.
7. The government should also provide different insurance policies to tourists travelling to different parts of Jammu and Kashmir.
8. Government should formulate strategies to attract rich and elite section to visit Kashmir. For this purpose, embassies should be brought into use and international media should be brought into use as well

All these suggestions will help in boosting the economy and help in making J&K state increasingly attractive for tourist and business activities.

## CONCLUSION

History bears testimony to the fact that whenever and wherever any major conflict exists the economy of that region becomes a major causality. This is true in case Kashmir as well. The above analysis reveals that economy of J&K has suffered a sudden downfall due massive political disturbance. This led to deep economic downturn. As this disturbance, has affected the development of state, it has also discouraged the private enterprises to invest and created many hindrances in the way of economic prosperity.

The state has already suffered massive losses due to disturbance from last three decades. A better mutual solution should come out so that Jammu and Kashmir could flourish in near future and this is possible when all parties are involved for participation. This will bring peace and prosperity in state, anticipated by common people of the state from a long period.



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