CHAPTER -I
INTRODUCTION

1.1 OVERVIEW
Travel and tourism are no longer the prerogative of the privileged. The world is shrinking, a process accelerated by the Internet explosion. Timbuctoo is as real and as accessible as Trichinopoly is, and several tourists now venture out into the Tundra's. The trans-continental, trans-country movement of travellers initiates the flow of money and impels governments to preserve tourist attractions and include heritage spots - which would have otherwise been neglected. The flip side is that there is the risk of tourist traffic adversely affecting on ancient buildings and fragile ecosystems. That is why ecosystem has become the buzzword aimed at conducting tourism in a manner most conducive to safeguarding the environment.

Tourism has been identified as one of the key industries which could preserve and promote heritage while facilitating a multiplier effect on the economy through poverty alleviation measures that depend largely on employment generation. Currently, an estimated 2.4 percent of India's total workforce is directly employed in tourism related occupations, excluding the passenger transport sector. Tourism related activity permeates almost every economic function in a destination. That tourism can be a moving force, but only if we create sufficient awareness, and the right environment with a proactive official tourism policy. This suggests for review of tourism policy of the government, and analysis of its problems and perspectives.

1.2 PAST RESEARCH
With the realisation of significant contribution of the tourism industry to the national economy, research into the sector has drawn the attention of academicians, experts, administrators, planners, and policy makers. In Indian context the study conducted by Mishra et. al. (1981), Kaul (1985), Jayal et.al. (1986), Gupta (1987), Negi and Jagmohan (1987), Chopra (1991), Sharma
(1991), Maneet (1992), Kapoor (1997), and Rai (1998) are found to have immense contribution to the literature on tourism industry.

The review of the above literature suggests certain trends in the tourism industry. They are:

i) Tourism has been variedly viewed by the sociologists, economists and others as a cause of development - both material and non-material;

ii) Tourism has been considered an independent variable, being facilitative to development in different sectors including industries, service and transportation etc;

iii) Tourism is being considered as an agent of social change bridging gaps among nations, regions and people and helping them to open for wider consideration of investment throughout the world; and

iv) Tourism may not be a threat to environment, but it provides an impetus to environment conservation in a number of ways. In the light of these observations it may be said that tourism can be seen as a promoter of development, both at macro and micro level.

The present research, in absence of any such study in North-East Region of the country including Nagaland, is based on these premises.

1.3 STATEMENT OF PROBLEM

After independence when the rest of the country was engaged in making peaceful economic transformation through successive five year plans, Nagaland could not avail much of the opportunities for the socio-economic development of the people. For two full decades from 1955-75, there were political unrest, insurgency and social upheavals for which the state could not be able to give considerable attention to the developmental works. The development that took place after 1975 had to suffer from technical incompetence, leakage in financial resources by means of corruption and many other socio-cultural problems. As a result, Nagaland still remains as one of the backward states of the country.

The main reason of the backwardness of the state lies with the poor socio-economic conditions of the state. On agriculture front the state is yet to reach
the point of self-sufficiency of food-grain. The slow technological development in agriculture has caused an increase in the carrying capacity of land at a rate that is far below the rate of increasing pressure on the land due to rapid population growth.

As regards education and employment, the state, with 65 per cent literacy, faces a deep seated problem of urban employment. Agriculture, the traditional occupation of the state which is devoid of modern technology, is not able to attract the educated youth. Thus, the situation of unemployment is alarming. According to Live Registration of employment exchanges in the state, 20797 educated un-employed are in search of salaried employment. While comparison is made with other states in terms of these absolute figures, the problem may not seem to be that serious, but taking into consideration the state's socio-political scenario, the situation of unemployment is quite serious. The government sector, which is the major source of employment, is saturated with the highest ratio of public servants to total population in the country. Further, the income generation capacity is not very encouraging. The per capita Gross Domestic Product of the state is estimated to be only Rs.7448 at current price in the year 1993-94. Over the period from 1980-81 to 1993-94, the per capita GDP at current price has gone up by 4.5 times.

The problems have been further aggravated with the failure of public sectors in the state. According to the Comptroller and Auditor General (CAG) report for the year ending March 1998, the cumulative loss incurred by five out of six Nagaland Government undertaking companies is estimated at Rs.7.52 crore against the public investment of Rs.45.85 crore. The internal borrowings increased from Rs.76.54 crore in 1996-97 to Rs.448.78 crore in 1997-98, registering a phenomenal hike in borrowings over the year. Hence, more than 71 per cent of the borrowed funds was utilised for repayment of loans from various agencies. This state of affairs calls for strengthening the economy of the state by mobilising resources through various possible alternatives including tourism which would help solving the unemployment problem.
1.4 NEED FOR AND IMPORTANCE OF THE STUDY

Need for making indepth study of Nagaland arises from certain broader and specific objectives. The Department of Tourism, Government of Nagaland is responsible for developing tourism potential in the state. Tourism, in turn, is the most lucrative sector for the beautiful state like Nagaland in the absence and non-feasibility of other sectors which can contribute to the state’s economy. As a matter of fact, there are no other influential private agencies to take care of tourism industry in the state. So the working of Tourism Department directly influences Tourism Industry. Available literature on the subject shows unexplored and un-exploited areas, where the Tourism Department can expand its area of action. Tracing other areas is the need of the hour. Tourism Department has already completed 18 years since its inception in 1981. And now it needs feedback, which at first place needs thorough scrutiny of its achievements and lapses, success and failures, land-marks and short comings. Also, it is important to investigate if there is any gap between the proposed goals and objectives set by Tourism Department and its actual performance.

Yet another important need of the study arises from the fact that tourism has not only the economic dimension but social, political, cultural and environmental dimensions also. All these aspects are directly or indirectly connected with the performance of the Tourism Department. They influence and in turn are influenced by the workings of the Tourism Department.

1.5 SCOPE OF THE STUDY

Various definitions, concepts and descriptions of tourism arise from the multidisciplinary nature of the topic. As a relatively new subject area, it has drawn on other disciplines in order to develop theoretical and empirical roots applied to tourism as a phenomenon. This has led to a body of knowledge and domain of study which have been formed from the melting-pot of Geography, Economics, Sociology, Psychology, Business Science and Anthropology. Within these disciplines, some tourism theorists work from the perspective of
believing that either supply (those interested in the technical or economic aspects of measurement) or demand (those utilizing social action or a behavioural approach of understanding) is the more fruitful basis for academic activity. Tourism broadens one's consciousness. An individual, instead of nearly boasting about his national heritage, begins to think in terms of a common human heritage, which promotes goodwill and amity among nations. Cultural exchange is also a vital component of tourism. Unique culture of Nagaland is one of the important attractions for the tourists. Now the scope for the cultural tourism is growing rapidly. Tourism has been one of the important areas to come under the purview of Centre and State Governments, bureaucrats and other private agencies. The scope of the study has further been realised from the document on “Industrial Policy of Nagaland, 1995” which gives the priority to the tourism industry in the state.

1.6 OBJECTIVES OF THE STUDY

The broader aim of the research is to have an indepth analysis of the problems and prospects of Tourism Industry in Nagaland. The specific objectives defined are:

1. to discuss the place, people and propensities and analyse the infrastructural facilities available for tourism industry;
2. to review the government policy on Tourism development in the state;
3. to diagnose the major problem areas faced by the tourism industry;
4. to offer appropriate suggestions for the sustainable growth and development of tourism industry in the state.

1.7 METHODOLOGY

1.7.1 Data Collection

Data for the evaluation were collected from both primary and secondary sources. The data from primary sources included information collected directly from the sample respondents belonging to various groups viz: Tourists, Villagers, Official and Entrepreneurs in hotel sector through a semi-structured
questionnaire especially designed for the evaluation. These were canvassed through interview of selected respondents individually.

In addition to the primary data, a good bit of information was collected from secondary sources viz. the published reports of both Central and State Government, publications of World Tourism Organisation, and also from trade organisations.

1.7.2 Sample Design
The sample size of the study comprised of 150 number of domestic tourists and 60 foreign tourists selected at random from three Government recognised tourist centres viz. Kohima, Dimapur, and Mokokchung. Dimapur and Mokokchung are both district head quarters. Kohima is both capital as well as the district head quarters. In this survey, the totality of all foreign and domestic tourists in the three tourist centres of the state constitute the population from which information was obtained.

A sample size of 78 hotels were taken at random to analyse the various aspects of hotel industry in the state. The survey covered a period of one year from 1st April 1997 to 31st March 1998 which included the busy as well as the slack season. The researcher attempted to collect samples from each quarter of the year. The specimen questionnaire is annexed in the appendix.

1.7.3 Data Analysis
The data so collected were tabulated and analysed by using some statistical techniques like, frequency distribution, percentage, mean, range, standard deviation and regression analysis. For this purpose “Statistical Packages for Social Sciences (SPSS)” and Microsoft Excel Software were used.

1.8 LIMITATIONS OF THE STUDY
Research is a never ending process. In true sense, research in any field of knowledge makes ground for more researches and this process goes on. That is how new disciplines come into being, flourish over the time, and ultimately
develop into more disciplines. Obviously, all studies and researches have their own limitations. Needless to say, the researcher while working on this project had many limitations, some situational and a few self-imposed. The study does not claim to cover fully all the aspects of tourism industry in Nagaland. In the process of collection of primary data through sample survey, though efforts were made to be very objective in taking the sample, it was not possible to remain thoroughly objective. For example, the enquiry was partly biased in favour of the English-speaking foreign nationals, though non-English speaking foreign nationals had responded to our enquiry as most of them possessed elementary knowledge of English required for completing the questionnaire.

It is observed that some tourists were not frank enough to comment upon certain difficulties they faced, though attempt was made to obtain objective response from the tourists on various questions. As for example, majority of the tourists had reservations in reporting the amount of their average annual incomes. On account of such unwillingness to respond to questions regarding incomes, the computation of relationship between income of tourists and with other variables were abandoned. Some tourists had reservations in commenting upon the services by Government agencies and therefore, allowance has been made for their natural restraint in analysing their opinions. Again, the interview could not be made with the very important person (VIP) domestic tourists because of top security arrangement at different tourist centres in Nagaland. It was also observed that most of the tourists (foreign and domestic) do not stay for longer period at the different tourist centres in Nagaland. It was difficult, in a short span, to take interview with more domestic tourists in various tourist centres in Nagaland. Therefore, the original idea of selecting more samples on domestic tourist was abandoned.

In spite of the limitations noted above, the responses from the foreign nationals were satisfactory. On the other hand, the co-operation from tourist guides accompanying the foreign tourists was encouraging. The present study relates to the survey of domestic and foreign tourists visiting Nagaland. Therefore, it does not claim to represent all the characteristics of tourists in India.
Nevertheless, some of the observations are indicative of broad characteristics of all tourists in India.

1.9 ORGANISATION OF THE STUDY
The present study is divided into six chapters. The First Chapter introduces the subject and deals with objectives, scope, methodology and significance of the study.

The growth and development of tourism industry across the globe is discussed in the Second Chapter.

The Third Chapter presents the profile of tourism industry in Nagaland. It discusses the place, people and propensities and analyses the infrastructural facilities available for tourism in the State.

The Fourth Chapter discusses the role of the Government authorities connected with tourism in the state together with an analysis of its activities, the structure, performances and perspective plan recommended for the development of tourism in the state.

The findings of the survey of the tourists both domestic and foreign are presented in Chapter Five. This chapter brings out the characteristics of sample tourists and identifies major problem areas faced by the tourism industry in the state.

The Last Chapter, ‘Conclusion’ summarises the main points of the study. It also enlists the major findings and suggestions which emerged during the course of the investigation.


