CHAPTER 6

SUMMARY AND CONCLUSION
CHAPTER 6
SUMMARY AND CONCLUSION

Rajasthan has attained the status of one of the country's most interesting tourist sites on the world tourist map. Because of its rich historical, cultural and environmental heritage, coupled with various fairs and festivals it has become a favorite destination for tourists from all over the world. Statistics of tourist arrival reveals that one out of every three tourists in India visits Rajasthan.

Western Rajasthan is a part of the Thar desert (60% of the area is the desert) and is characterized by the occurrence of frequent droughts, scarcity of water and lack of industries. The economy of this area is considered as underdeveloped and backward. But since the past two decades tourist arrival and development of tourist industry in this area has become a major source of income for the native population. The attraction of the vast stretches of sand dunes in the desert and reminiscences of the glorious past attracts visitors from all over the world.

6.1 Summary of the research

Various researches in the tourism studies are mainly concerned with the economic impacts of the tourism industry. It is a well accepted norm that tourism contributes immensely to the economy of the country in terms of GDP and employment generation. Although, the same statement cannot be given for the tourism's contribution to the economy of the destinations visited by the tourists due to unavailability of the data. The prosperity that the tourists bring to a destination largely depends upon the amount of expenditure done by the
tourists at that destination. The government of India does not support the data collection at the local level as to determine the expenditure done by the tourist's during their stay at a particular destination. However a few recent researches have tried to calculate the direct impact on the employment generation due to the arrival of the tourists. It has been calculated that one man-year of employment is created for about every three foreign tourist arrivals. Similarly, one man-year of employment is created for about every thirty eight domestic tourist arrivals in India. Although the amount of revenue and employment generated due to the arrival of the foreign tourists to India has been studied by various researchers (Jasim Pais, Working Papers ILO Geneva) at the national level, such studies at the state level are negligible.

To understand the economic impact of the tourism as well as the interrelationship between the handicraft industry and the growth of tourism in the western Rajasthan an extensive survey was conducted at the three districts of Jaisalmer, Jodhpur and Bikaner. The tourists arriving to visit the desert triangle, not only generate demand for the infrastructural facilities but for the local products like the handicrafts as well. The demand for such indigenous products creates employment opportunities in the rural areas. Although there is a huge debate taking place on the nature of jobs generated by the tourism industry for the indigenous population, still there is no doubt about its ability to create employment even in the remote areas. Hence the research was undertaken to capture the tourism industry and its impact on the local population especially the handicraft sector of the western Rajasthan.

The first chapter gives a brief introduction of the concept of tourism and discusses in detail the various researches that have taken place in the area of the study. The data base and the methodology applied for the research has been
discussed in detail and finally there is a short discussion on the problems conducting this research.

In the second chapter an attempt has been made to capture the economic impact of the tourism industry in India in general and the study area in particular. The growing importance of the share of tertiary sector in the Gross Domestic Product and employment generation capacity has been described in detail. The declining share of agriculture in the employment generation has been compensated by the tertiary sector as the growth of the share of manufacturing sector in employment generation has been stagnant since the last three decades. Tourism is one of the most important segments of the tertiary sector. It has a very positive capital - labour ratio. According to a study by United Nations, an investment of 1 million rupees in India creates 89 jobs in the hotel and manufacturing industries. The average for entire tourism industry is 47.5 jobs for an investment of 1 million rupees. However the ratio is only 12.6 jobs in manufacturing and 44.5 jobs in agriculture. The foreign tourists coming to India also bring foreign exchange along with them. Studying the trend of the foreign tourist arrivals and the earnings through foreign exchange since the last twenty years, the fluctuations in the exchange earnings and the tourist arrivals indicate a positive relationship between the two. After discussing the impact of tourism at the national level, the role of the tertiary sector at the state level (Rajasthan) has been discussed in detail. The state also shows more or less similar trend in terms of the increasing importance of the tertiary sector in the GDP and the employment generation capacity. The data generated by the primary survey is the major source of information to understand the scenario of employment generation capacity of the industry at the local level. Cross tabulations between the income of the artisans and the shopkeepers of the curio
shops, clearly indicate the impact of tourist arrivals on their earnings and sales. The problem of seasonality is one of the core issues for the people involved with the tourism industry. The sales of the handicrafts steeply increase during the peak tourist arrival season. Thus the chapter concludes discussing the various problems arising due to the pressure on the local products especially the infrastructure like accommodation, power and water during the particular season of the tourist arrivals.

Chapter three mainly focuses on the study of the trends of the tourist arrivals in the desert triangle i.e. at the three destinations. It also gives a brief description of the history and geographical information regarding Jaisalmer Jodhpur and Bikaner and the attraction sites of these places. While in the year 1973 the total arrival of tourists to Rajasthan was about 2 million, the number has increased to 19 million by the year 2005, of which domestic tourists were 18 million, international tourist were 1.1 million. At present, state receives 29 per cent of the foreign tourists who visit India annually. This year registered an increase of 16 % in the foreign tourist arrival in comparison to the tourist arrival in 2004.

In Jaisalmer also the trend is similar to that of Rajasthan, showing a decline in the arrivals during the years of turmoil in the country or the world. The average rate of growth of foreign tourist arrival in Jaisalmer district has been 6.11 % since 1985. The rate of growth of arrivals has been fluctuating but not as striking as in the domestic tourist arrivals. Major volume of the foreign tourists i.e. 46% comes to Jaisalmer from the European countries. This is followed by North America (15 %) and then UK. In Bikaner also the trend is similar, however the number of tourist arrivals is less in comparison to Jaisalmer. There has been a tremendous increase in the rate of growth of tourist arrivals during the time period 1987-1998. During these eleven years, Bikaner has registered a
growth rate of 9 per cent in the domestic tourist arrivals. This increasing trend was wrecked by the severe bomb blasts at the twin towers in America. Since the last six years i.e. 1999 to 2005, there has been a decline of 2.9% in the rate of growth of tourist arrivals. However within these last three years the foreign tourist arrivals has been increasing at the rate of 34 percent. The number of tourists coming to Bikaner is also the highest from European nations (55 per cent).

Jodhpur outnumbers both Jaisalmer and Bikaner in terms of the tourist arrivals. After discussing the trends of the tourist arrivals in these three districts an attempt has been done to evaluate the infrastructural facilities at these destinations. Here also the European nations contribute maximum number (50%) of the total foreign tourists coming to Jodhpur. After discussing the trends of arrival of tourists in the study area and the attraction of the destination for the tourists, the next chapter dealt with the detailed description of the pattern of expenditure of the tourists at these destinations.

The chapter, ‘Patterns of Expenditure of the Tourist’ deals with the various factors playing important role in attracting the tourists at these destinations. While discussing the length of stay of the tourists at these destinations it was found that maximum tourists prefer staying longer at Jaisalmer and least at Bikaner. Media, books and literature and travel agencies play an important role in attracting the foreign tourists and in case of the domestic tourists the words from friends and literature plays an important role.

An attempt was made to understand the role of the trip organizers in the purchase of handicrafts. With the help of cross tabulation it was analysed that maximum foreign tourists who were coming to these destinations through a travel agency were among the ones who purchased the handicrafts. Later a
A detailed discussion regarding the purchase of handicrafts was done. It was found that 72% of the interviewed tourists purchase handicrafts, or it can also be said that these tourists create demand for the local handicrafts. However, when inquired about the place of purchase of handicrafts, they acquired the handicrafts mainly from the local shopkeepers in the market or from particular shops their guides show them. The guides who take tourists or 'Party' as they are generally called to definite shops get paid good amount in form of commission. This trend is similar for all the three destinations. This highlights an important problem of the handicraft industry i.e. no direct contact between the producers and the customers.

Last chapter tries to establish the relation ship with the handicraft industry and the arrival of the tourist. The handicrafts produced in the areas have got a boost because of the demand generated by the arrival of the tourists. However, the scenario is not same for all the handicrafts. There are certain crafts which due to the lack of patronage and they being too expensive to produce as well as no marketing outlets and demand these have lost their identity in the market. Arts like Palan (Popular art in Suthar community) making and the gold emboss painting (Usta Art of Bikaner) are on the verge of dying. At the same time the handicrafts like mirror work, tie and dye, carpet weaving, pottery, Embroidery/Mirror work, Appliqué Work, Lac/Kundan jewelry, Mojari/Leather goods, Puppet making, tone/Wood carving, Terracotta work and Weaving have got a boost because of the needs demands generated in the national as well as the international markets. While discussing the marketing strategy of the artisans it was found that in the rural areas artisans lack the presence of their own marketing outlet. Thus, they produce for the shopkeepers or the NGOs and get paid on piece rate basis. In the urban areas the artisans can
come in direct contact with the customers and thus their share in the profit is higher than those in rural areas. Generally three marketing channels were analysed in the study area i.e. sales to the local population, shopkeepers & wholesalers from other cities tourists. In this entire structure artisans lie at the lowest order and hence are squeezed maximum. With regard to the technological changes applied in the handicraft produced by the artisans, it was found that the artisans working for NGOs and small scale industries are more exposed to the newer technologies. Besides this, the location of the household unit and artisan’s contact with the tourists also contributes in the dissemination of the use of new technology. Usually artisans follow old, outdated and obsolete technology. Innovation in terms of use of new machinery, raw material and introduction of new products vary from handicraft to handicraft. The Chi Square test has shown a close association between the producers (artisans) of the handicrafts and the sale of handicrafts (shopkeepers). For the better understanding of the intricacies of the system a correlation was run between the increase in sale due to the tourist arrivals and the order placed to the artisans for the production of the handicrafts. A strong correlation was observed between the handicraft industry and the tourist arrivals (.349**). To understand the dependency of the handicraft industry on the tourist arrivals a logit regression was conducted. The impact of each predictor was analysed individually such as the education and registration status of the artisan, location of the unit and increase in the income levels of the artisan during the last five years and the marketing strategy of the artisans on the chosen conditions. The importance of tourism industry for the handicraft sector was determined by the location of the unit (urban location of the unit being the reference category), and the units that are seasonal in nature as well as the purchase of the
handicrafts by the customers themselves from the handicraft units. In the end while discussing the major problems faced by the artisans it was found that illiteracy and poverty were the main problems. These even prohibit them from availing the important facilities like the training and information regarding the technological developments. They are being exploited by the merchants and mediators because of their unawareness and incompetence to reach the market with their finished products themselves. However, better guidance and financial assistance to the artisans can help them develop and grow as an international brand. Finance, Prices & Availability of Raw Material, Access to New Machinery and Trained Personnel, Inadequate Information about the Market and Bureaucratic Indifference are also the issues which hinder the development of handicraft industry in the study area.

6.2 Conclusion

Within the last few decades there has been great increase in the arrival of the tourists both domestic and foreign, to Rajasthan. They play an important role in generating the employment at the destination visited as well as contribute to the State Gross Domestic Product and the national economy. Not much study has been done to capture the domestic market's contribution to the economy of the country. This field still needs to be deciphered and thus the actual contribution of the tourism industry to the economy of the country is undervalued.

In Rajasthan, history and geography both equally play an important role in attracting the visitors to the state. Geographical conditions have contributed to the ethnic, religious and cultural solidarity of the people of Rajasthan. During the medieval age, in the reign of the Akbar there was an amalgamation of the
mughal and the Rajput art which led to the historical evolution of the new art in the state. The best part of the Rajput Mughal alliance was the development of various art schools, cultural enrichment and the political stability. Being an area cut off from the rest of the world due to the several geographical reasons, the people of this area developed their artistic skills to give gifts to their daughters as dowry as well as fill colours to their lives. These skills of yesterday have become one of the most important economic activities of today. Thus, the arrival of the tourists also creates demand for the local handicrafts. This demand is fulfilled by the increased production of the goods in the rural areas, hence leading to the rural development of the area.

The tourist arrivals show more or less similar trend at the state as well as the national level. Especially when the trends of arrivals of the tourists is discussed at the three destinations i.e. Jaisalmer, Jodhpur and Bikaner it was found that the political stability and the peaceful atmosphere is must for the development of this industry. The turmoil of the nineties and then attack at the world Trade Towers by the terrorists affected the arrivals adversely at all the three destinations. While discussing the tourist arrivals at all the three destinations it is Jodhpur which outnumbers the other two destinations both in terms of domestic as well as foreign tourists. This is mainly due to its better connectivity by all the three means of communication (roadways, railways and airways) with rest of the country. Jaisalmer and Bikaner being border area do not have facility of traveling through airways thus restricting the movement of tourists. The more the expenditure of the tourists coming to a destination more is its economic importance. But the availability of the facilities for the tourists are not at par with the international standards. The chi square test also reveals that there is no association between the level of satisfaction of the tourists and the
services available at a destination. This clearly shows the increasing pressure on the services available for the tourists especially the infrastructural facilities and their inability to cope with the increased pressure. Thus while concluding we can say that government should emphasize more on the development of basic infrastructural facilities instead of stressing on inviting more and more tourists at these destinations.

It has been proved aptly that these incoming visitors create demand for the infrastructural facilities, consumable goods as well as the local handicrafts. A high degree of association was observed between the purchase of handicrafts by the tourists and the availability of desired products at the three destinations. Proving, the products are manufactured keeping in view the demands and the needs of the tourists. This shows the direct influence of the tourist arrivals on the handicraft production. Thus the demand of the products by these tourists creates opportunities for the rural population which in turn empowers them. They have played a crucial role in transforming the status of these artifacts from that of items of household to the international markets and the artisans are also producing the goods that are desired by the tourists. Within the past few years the handicrafts have become one of the major exportable items of the country. Due to the development of the tourism industry and awareness of the importance of hand made products the demand of the handicrafts has greatly increased. There is a significant level of correlation between the handicraft exports and the foreign tourist arrivals. However to understand the dependency of the handicraft industry on the tourist arrivals a logit regression was conducted. It was possible to analyse the impact of each predictors individually like the education and registration status of the artisan, location of the unit and increase in the income levels of the artisan during the last five years and the
marketing strategy of the artisans on the chosen conditions. However both the illiteracy and unawareness of the artisans become the major hurdles in their development. They do not get the market value for their products because of their incompetence to reach the markets themselves. The artisans depend upon the mediators for their products to reach the market and thus are paid less than the market price of the products. There is usually a very wide differential between the manufacturer's price, export price and retail price for all handmade products. Thus in the end we can conclude saying that the tourists coming to the desert triangle bring hope of employment for the native population as well as the demand for the handicrafts of the area. They have a positive impact on the handicraft industry in the study area that is to say, more the arrival of the tourists better will be the status of the industry in the rural areas.

6.3 Policy Perspective
Although many arguments have been given in terms of increase in employment generated by the tourism, there are many aspects which need to be taken into consideration from the point of view of the local people. No doubt the employment is being generated in the study area due to the incoming visitors but the major problems of seasonality and underpayment of the workforce needs to be dealt with. Most of the jobs created in tourism are seasonal in nature. As a result the employees recruit locals temporarily or they import labour during the tourist season. Besides, generally the locals are assigned minor jobs whereas the managerial jobs are given to the outsiders.

Although the tourist arrivals number is increasing, still the Government needs to take more initiative to develop infrastructural facilities. Location-specific
examples need to be developed to illustrate the problems of and approaches to the management of tourism, taking into account such factors as the carrying capacity of the area; intervention programs for human resource development; environmental development and creation of gainful income and employment opportunities, in general, and for the disadvantaged in particular; and the development of catalytic institutions at local level to improve the capacity of communities to take advantage of the opportunities opened up by tourism. The upgrading of tourism infrastructure should be one of the highest priorities of the Ministry of Tourism, chiefly for its potential in generating hard currency and revenues. Chief objective of the planners should be the encouragement of cultural tourism emphasizing the State’s history and heritage. Privatization of state-owned facilities should be prioritized, together with plans to modernize, refurbish and renovate facilities to enable them to be used throughout the year. Major emphasis should be placed on the introduction of more efficient management systems, better pricing strategies and advertising methods. The national and regional transportation infrastructures are inadequate and act as the main obstacle to the development of the tourism sector here. Particularly noticeable are the low quality of airline services (operational only in tourist season between Jaipur and Jodhpur) and the poor condition of the roads across the country/state. Marketing need to be upgraded, especially with international tour operators, and consulting services need to be consistent with the international standards.

Thus in the end we can conclude that in spite of governments efforts to attract private investments for the development of the infrastructure facilities tourists visiting these destinations face several problems. One of the major problems
faced by them was the availability of the hotels in the peak season. There is a
great stress on the accommodation availability. The basic facilities like good
drinking water, local transportation, sanitation and above all comfortable and
accountable accommodation should be available for all the tourists coming to
these destinations. Large number of the tourists has complained of
unavailability of desired hotels and also their price seemed to them to be quiet
high. Infrastructural development in terms of accommodation and
transportation is must for rural development through tourism.

Special skill development programs should be initiated by the Government in
the rural areas. Finance being major constraint the credit facilities should be
made easily available to the artisans. There should be better interlinking
between the producers and the customers. The long chain in between the
shopkeepers and the NGO’s and mediators (travel agencies, tourist guides)
cause the loss of the major part of the profits. Better marketing facilities
ensuring rural artisan’s participation and an ensured market for the artisans are
needed.