

Impact of Turmoil on Tourism of Kashmir

Itoo Mushtaq Ahmad

Institute of Kashmir studies, University of Kashmir.

Email itsmushtaq@gmail.com

Nengroo Aasif Hussain

Post Graduate Department of Economics, University of Kashmir.

Email asifnengroo.ku@gmail.com

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Abstract

In the present study an attempt has been made to analyze the impact of turmoil on tourism of Kashmir and the sectors associated with tourism industry. More emphasis has been laid on combining and comparing the ups and downs of both the issues of turmoil and tourism in Kashmir. Besides secondary data information has been collected from house boat owners, shikhara owners and hotel owners with the help of interview schedules. Our analysis reveals that there has been a negative impact of turmoil on the sectors associated with tourism industry. Turmoil in the State, particularly of last two decades, hindered the smooth growth of the tourism and had discouraged most of the travelers from visiting India's most popular tourist destination. Add to this it also affected not only tourism but also indirectly the economic activities related to tourism.

Key words: Turmoil, tourism, houseboat owners, Kashmir, poverty, unemployment.

1. Introduction

History bears witness to the fact that whenever and wherever militancy or political movement found its roots in any part of the world, the economy of that region became the major casualty. It is true of Kashmir region as well since 1989. Broadly speaking economy of a given place is invariably seen in terms of agriculture, industry etc. In Kashmir there is hardly any industrial sector to the magnitude of one that is found in other Indian states. True that agricultural sector provides employment to a huge chunk of population in the rural areas, but could not provide food security to one and all living in the valley. It is the tourism industry that fulfills this vacuum as large population of Srinagar and the population around the tourist spots of the valley directly or indirectly depend on this sector.

Tourism has been identified as an industry with potential of development next to agriculture and horticulture in J&K. The industry was given special status with a view to generate round the year activity. A special outlay of Rs. 22.06 crores was made available during the 7th Plan Period with which important schemes like Gulmarg cable Car and development of wayside facilities were taken up (Om Hari 1998). The result was that the tourist inflow made considerable upward movement in mid-eighties of the last century. However, with the inception of militancy in the State from 1989 onwards the tourist trade completely collapsed.

In order to have a holistic understanding of the impact of turmoil on Kashmir tourism it is important to give the report of different national and international agencies about repression inflicted on Kashmir. With the eruption of separatist movement according to one estimate more than seventy

thousand people have been killed in Kashmir (Peer 2009). The Inter-Services Intelligence of Pakistan continued to be accused by India of aiding and abetting militancy in Jammu and Kashmir. However International Human Rights Groups have also accused Indian army besides militants of committing grave human rights violations in Indian-Administered Jammu and Kashmir (HRW 1996). Militancy reached its peak in 1994 when the region saw more than 6043 violent incidents, but has since declined. However, Kashmir continues to remain as the most volatile region in the world with an average of 2500 incidents of political violence every year . Because of this disturbance, the condition of the most of the inhabitants here is very critical as they are forced to live in abject poverty, oppression and suppression.

A 1996 Human Rights Watch report accused the Indian military and Indian-government backed paramilitaries of “Committing serious and widespread human rights violations in Kashmir”. One such alleged massacre occurred on 6th January 1993 in the town of Sopore. The Times Magazine described the incident as such: “In retaliation for the killing of one soldier, paramilitary forces rampaged through Sopore’s market setting buildings ablaze and shooting bystanders. The Indian government pronounced the event unfortunate and claimed that an ammunition dumped has been hit by gunfire, setting off fires that killed most of the victims”. In addition to this, there have been claims of disappearances by the police or the army in Kashmir by several human rights organizations. A 1999 Human Rights Watch report also accused the militants of violence against the Kashmir populace. As per this report thousands of Civilian Kashmiris (Hindus, Muslims and Sikhs) have been killed in Kashmir over the past 10 years by militant organizations. Not only tens of thousands of Kashmiri pandits but also thousands of muslims have migrated as a result of the violence.

The Kashmir conflict is one of the most staggering conflicts in international politics and its persistence involving nuclear powers is well known. Though the parties involved in the conflict have their own perspectives regarding the cause and course of conflict, almost all agree that the region is in dire need of peace as well as substantial economic development. The economic cost of the conflict cannot be confined to a particular sector of industry. Besides damaging infrastructure of the region, the violent conflict has discouraged private investment, pushing the economy towards stagnation.

Turmoil and disturbance in Kashmir laid a terrible impact on the tourist places of the valley. All the hotspots of Tourism in valley like Gulmarg, Pahalgam, Sonamarg, Dal Lake and Mughal gardens, which used to witness thousands of tourists, all of a sudden turned into not less than any ghost places. The previous two years, before the turmoil started in 1989 had respectively recorded an overwhelming number of 721,650 and 722,031 tourists (Directorate of Tourism J&K Govt. 1988). This number came down to 557,980 in 1989; and in the year 1990, it substantially came down to a dismal figure of 10,720 and that it continued to remain below 10,000 till the year 1996. Hundreds of hotel owners, about 1500 boat owners and thousands of tradesmen at the Kashmiri’s tourist destination were left twiddling their thumbs as the tourism business freaked off. Such had been the impact of turmoil that a number of western countries issued travel advisories for their citizens and advised them not to visit Kashmir. A few of them are yet to ease their restrictions though the tourism inflow had again picked up in Kashmir. The big screens in all the cinema halls across the Kashmir valley had to see the curtain rolling over them with militants placing a blanket ban on this business. Also the Academy of Art Culture and Languages, which used to organize cultural programmes in the valley under the given condition, had to cease its operations. The bomb explosion in 1990 at Tagore hall sent shivers down the spine of artists.

Turmoil in the State, particularly of last two decades, hindered the smooth growth of the tourism and had discouraged most of the travellers from visiting India’s most popular tourist destination. Add to this it also affected not only tourism but also indirectly the economic activities related to tourism.

2. Deteriorating Condition of Tourist Resorts

The tourism sector, in view of militancy, suffered huge losses. The health resorts of the valley give shabby and shoddy outlook. The charming and scenic beauty of the resorts is no more seen in a manner of the days of its glory. Neither those engaged with the maintenance and beautification of these resorts discharge their duties nor has it been the priority with the government to look after these spots. The paramount consideration with government has/had been the maintenance of law and order rather than taking care of resorts. In the past i.e. before militancy, a separate budget was kept for the development of infrastructure and beautification of these resorts which later on had been diverted and invested on such ventures to curtailing the impact and influence of the militancy in the valley. As a result of which once beautifully maintained gardens of health resorts had been turned into bushes, thorns and other kind of weed that engulfed the garden. In certain cases these health resorts had become the hideouts and safe heaven of the militants. History bears witness to the fact that some militants had been killed in an encounter with the security forces on these resorts. Some of the tourist huts or tourist bungalows were gutted to ashes. The Jungles very closed to some tourist resorts continued to face the brent of militancy as these have been denuded recklessly by timber smugglers and other deceitful persons. This state of disorder also allowed land grabbers and squatters to further and further encroach their houses into the tourist resorts. If we look at the Dal lake its water is stagnant and full of trash, sewage and weeds. Also laying of the cowdung along the periphery of the lake has enriched its water with nitrates and phosphates. The fate of Manasbal lake is no different. Today the lake is fighting a loosing battle on many fronts, viz, illegal encroachment on the periphery on Ganderbal and Qazibagh sides in the form of vegetable gardens, toilets, residential structures, garbage dumping sites etc. Wrappers, plastic bags, rags, vegetable peelings, empty cigarette cases and other constituents of garbage are seen floating in its water effecting the look of the lake.

The owners of hotels who in earlier times earned and spent a substantial portion of their earnings on the development of infrastructure of the hotels around the health resorts, henceforth lost that alacrity thus paved way for deteriorating conditions of their hotels. In view of less earnings, the owners only spent for their day to day meals rather than for developmental purposes. Those working in hotels for their livelihood however in view of militancy, lost their jobs and resulted in creating tension and crises in their families and social life. Some, no doubt, moved to different parts of India particularly, Delhi for seeking employment and a few in a state of confusion and bewilderment also took to armed struggle for economic purposes rather than actively participating in the so called jihad call of the leaders of the militant organizations.

3. Substantial decrease in Foreign Exchange

Looking at the contribution of tourism to the foreign exchange earnings at an international scale, it is seen that tourism has now emerged as a substantial contributor. Over the years, foreign exchange earnings from tourism in the State of Jammu and Kashmir had increased year by year up to 1989, as shown in table 1 The foreign exchange earnings have increased from ` 1.31 crores in 1970 to ` 4.47 crores in 1980, and 10.59 crores in 1983. Then in 1984 foreign exchange earnings decreased to 9.39 crores on account of decrease in the number of foreign tourists. Militancy at its peak in the neighboring state of Punjab was the reason for the decrease in the number of foreign tourists. However in the aftermath of 1984, the foreign exchange earnings again began showing signs of increasing trend and touched the maximum of ` 30.56 crores in 1989.

Table 1: Foreign Exchange Earnings through Tourism in the State (1970- 2000)

Year	Earnings in crores	Year	Earnings in crores
1970	1.31	1986	20.81
1971	1.27	1987	23.81
1972	1.49	1988	26.96
1973	1.69	1989	30.56

1974	1.61	1990	02.29
1975	2.16	1991	02.42
1976	3.70	1992	05.05
1977	5.27	1993	04.66
1978	5.77	1994	05.66
1979	5.41	1995	05.21
1980	4.47	1996	4.32
1981	11.27	1997	4.10
1982	11.04	1998	7.68
1983	10.59	1999	12.84
1984	9.39	2000	5.68
1985	9.79		

Source: 1. Tantaray, M.Y, “Tourism Potential and Declining Tourism Industry in Kashmir Valley” an Unpublished thesis in the Centre of Central Asian Studies, University of Kashmir, Srinagar, Dec-2004 **2.** Mirza, N.A, “Management of Tourism in Jammu and Kashmir” Dilpreet Publishing House, New Delhi, 2000, P. 97

As is evident from table 1 that after 1989 onwards, there was Substantial decrease of foreign exchange earnings. As these were the years when militancy in the valley was at its peak and tourism industry received a setback resulting in the decrease in the number of tourists, domestic as well as foreign, which in turn affected foreign exchange. As evident from the table (1) the foreign exchange earnings reduced from ` 30.56 crores in 1989 to just 2.29 crores in 1990, thus there was a decrease of 28 crores in 1990. During nineties the figure of foreign exchange almost came to a standstill thereby giving the economy of Kashmir valley a great jolt.

4. Poverty

Among other reasons poverty and underdevelopment are also underlying causes of violence. Violence had affected the development scenario in the state of Jammu and Kashmir, there by not only discouraging private investment, but also creating obstacles in the effective implementation of the developmental policies initiated by public authorities. The state of Jammu and Kashmir has been lagging behind most of the states of the union of India in regard to the growth of Net State Domestic Product (NSDP) at current prices. The average annual growth of Net State Domestic Product at current prices during 1980-81 to 1999-2000 was 12.45% for J&K against 15.01%, 14.28%, 13.83% and 14.3% for Andhra Pradesh, Gujarat, West Bengal and Kerala respectively (Planning commission of India 2006). According to the survey conducted by the Finance and Planning Commission, in 2007, the per capita income of the state at ` 17174 is only two-thirds of national average of ` 25907 in India. Also the State achieved 5.5% annual economic growth as against 7% at the national level during the first four years of the tenth five year plan.

The reason for the slow growth of the State of J&K can be attributed to the climate of armed struggle in Kashmir during the nineties. The already facing slow industrial growth along with poor investments further aggravated due to turmoil that enveloped the whole valley. Moreover lack of good governance and sound fiscal management also led to the poor economic growth of the State. According to Reuters report, “Kashmir has lost over 1500 working days (more than four years) to separatists’ shutdown calls in the past 20 years, inflicting a major blow to its ailing economy. According to the Kashmir Chamber of Commerce and Industry, the region loses 100 million rupees for every day of shutdown”.

As large section of the population of the Kashmir valley directly or indirectly are dependent on the Tourism industry e.g., houseboat owners, shikhara owners artisans and craftsman etc. they suddenly found themselves without an occupation and no means of livelihood when the massive tourist industry got setback in 1989 (Soundarajan 2006). If we look at the years 1987, 1988 and 1989 the total expenditure by tourists was ` 15252, 15322 and 12399 lacs which fell down to ` 324, 247 and 435 lacs because of low tourist inflow during the years 1990, 1991 and 1992 respectively. Thus there was a decrease of 97.66% in the expenditure by tourists during the years when turmoil was at its peak. In view of the little flow of money, the people of Kashmir suffered heavily, due to which there was increase in poverty. Also shopping malls, recreational and transport facilities time and again became the victim of turmoil; some hotels are either occupied by security forces or had been blazed by militant organizations.

5. Increasing Unemployment

When the massive tourist industry of Kashmir got setback in 1989, it directly led to increasing unemployment. As our State being essentially a nonindustrial economy and deficient in natural resources and thus lean heavily on tourism industry. Nearly 1094 houseboats in Dal Lake, Nigeen Lake and river Jhelum and all those dependent on tourism were rendered almost idle . The fate of 2000 “Shikarawallas” in these and other lakes was no better. Hotels and guest houses which used to do rosy business now were without tourists and the business of this sector reached the lowest ebb to the extent of bankruptcy .This also led to unemployment and the unemployed youth to a great extent were forced to absorb to gun culture for a number of reasons apart from the call of jihad by the protagonists of the movement. Young people often took to the streets, block roads and throw stones at police and paramilitary personnel, causing chaos and unrest in the valley. They did it to give vent to their frustration against the government. In other words, agitation had become a tool for them to show their anger against the government. The approximate employment provided by the tourism related units in times of normalcy is shown in table 2.

Table 2: List of Tourism related units of Kashmir valley registered with Tourism Department and the approximate Employment provided by these Units.

Name of unit	Total no. of registered units in the valley	No. of Employees attached per unit	Total no. of Persons
Houseboats	1094	5	5470
Hotel A category	59	25	1475
Hotel B category	71	15	1065
Hotel C category	113	10	1130
Hotel D category	29	6	174
Travel Agent	202	5	1010
Guest Houses	154	8	1232
Restaurant Dhaba	306	8	2448
Tourist Guides	94	1	94
Photographers	341	1	341
Hawkers	2500	2	5000
Bathing Boats	81	1	81
Motor boats	113	1	113
Tour Operators	5276	1	5276
Pony Keepers	209	8	1672
Boat Shops	11	1	11
Ski Shops	650	1	650
Golf Professional	1	2	2
Total	11304	101	27289

Source: - Directorate of Tourism, Jammu and Kashmir—2003.

The survey shown in table 2 had been conducted by the Directorate of Tourism in the year 2003 i.e., when the tourism industry in Kashmir showed signs of revival. However, during the period of turmoil this industry also stopped providing employment to the people and those who were dependent on this industry found themselves without an occupation.

6. Relationship between Turmoil - Tourism and Employment

To study the relationship between turmoil, tourism and employment, data has been collected from sampled hotel owners, houseboat owners and shikhara owners with the help of interview schedules. The responses from these respondents is presented in table 3.

Table 3: Relationship between Turmoil - Tourism and Employment.

Impact of turmoil on Tourism	Houseboat owners (percentage)	Hotel owners	Shikhara owners (percentage)
Change in occupation during turmoil	70	50	40
Average level of occupancy by tourists before turmoil	80	70	70
Average level of occupancy by tourists during turmoil	5	5	10

Source: Field survey

Owing to unemployment, chronic poverty and economic problems about 70% of Houseboat owners changed their occupation during turmoil. Similarly 50% Hotel owners and 40% Shikhara owners also changed their occupation. It is also clear from the above table that the average level of occupancy before turmoil was 80%, 70% and 70% of Houseboat owners, Hotel owners and Shikhara owners respectively which decreased to 5%, 5% and 10% of the Houseboat owners, Hotel owners and Shikhara owners. This fall in occupancy rate level contributed to some extent to the unemployment in the state.

7. Indirect effect on Economy of Kashmir

The tourism industry was playing a positive role and indeed one of the mainstay in the economy of the Kashmir valley but from 1989 onwards because of erosion of tax base, increase in expenditure, depletion of infrastructure and various other factors related to law and order, the State income did not grow. It should be noted that the economic cost of the conflict cannot be confined to a particular sector of industry or investment prospects. But it had affected the important sources of livelihood of local people such as tourism, horticulture and handicraft industries also. Moreover due to turmoil almost all the traders of Kashmir had to shift their trading centres from Srinagar to other places of India.

The relationship between conflict and development is strong and is a two way process i.e., conflict retards development, and equally, failures in development substantially increases conflict. The Organization for Economic Co-operation and Development (OECD), in its policy statement and guidelines on conflict, peace and development in 1997, also argues that sustainable development cannot be achieved without peace and stability, and peace and security are not possible without meeting the basic needs of the people.

8. Conclusion

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 survey indicated that the State has shown 5.27% annual growth during first three years of the tenth five year plan against the national average of 6.6% (Finance and Planning Commission 2007). The State has also felt the direct impact of conflict in terms of huge damage caused by violent incidents taking its toll on both public as well as private properties. From 1989 to 2002, over 1151 government buildings, 643 educational institutions, 11 hospitals, 337 bridges, 10729

private houses and 1953 shops have been gutted. The forests of the State, which once covered about eight thousand square miles, have also been among the principal casualties of the violent deforestation. 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 can be gauged by the fact that the estimates of damage till December 1996 were approximately 4 billion INR (Strategic Foresight Group 2005). At the same time human resources too have suffered enormously in Kashmir due to large scale displacement of Pandits, Sikhs and Muslims from the valley. The progressive bent of mind that plays a crucial role in the progress of society has diminished in the state. The lack of opportunities and overall dismal scenario has led to significant migration from Kashmir valley. Many educated youth from Kashmir valley have started migrating to other parts of India in search of greener pastures, thereby further depriving the State of the human resources.

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