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# UNIT 9 ROLE OF LOCAL BODIES

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## Structure

- 9.0 Objectives
- 9.1 Introduction
- 9.2 Destination Planning
- 9.3 Marketing Role
- 9.4 Case Study of Dilli Haat
- 9.5 Let Us Sum Up
- 9.6 Answers to Check Your Progress Exercises

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## 9.0 OBJECTIVES

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In the Foundation Course on Tourism (TS-1 Unit 31, Block 8) you have been made aware of the role of local bodies in destination planning and development. After reading this Unit, you would be able to:

- appreciate the significance of local bodies in the development process,
- understand the role of local bodies in tourism marketing,
- appreciate the importance of local bodies in maintaining and promoting the destinations, and
- know about the services that the local bodies should provide in tourism for strengthening the product.

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## 9.1 INTRODUCTION

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In India, there is a great emphasis at the central level on promotion of tourism to help the country to integrate with the global economy. However, the same priority is absent when it comes to integrating the local or state level economies with the national economy. The result is that many regions with tourism potential have remained under-developed. On the other hand our tourism products have not emerged within our culture and needs. This has resulted in a poor take off along with the emergence of antagonisms between the tourist and the local population or between the tourism industry and the local bodies. Generally, in all decision making on tourism, the local bodies and the local population have been ignored. However, if we keep in view the developmental role of marketing, the importance of local bodies in the implementation of tourism projects, maintenance of destinations and facilities, etc. becomes critical to their success. This Unit takes into account the role of local bodies in tourism marketing.

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## 9.2 DESTINATION PLANNING

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The Government of India's **National Action Plan for Tourism** (1992) identified 15 circuits/destinations for concentrated development. Besides, this Plan proposed to notify a few **Special Tourism Areas** for integrated development of tourism facilities. It was mentioned that:

**The proposed Special Tourism Areas will be similar to the scheme of setting up notified Export Processing Zones designed to give a fillip to industries catering to export promotion. The selected Special Tourism Areas would have identifiable boundaries notified by the State Governments where land would be allotted for hotels and tourism related industries at concessional rates to prospective investors according to the Master Plan prepared. A Special Area Development Authority would be constituted by the State Governments to administer the Special Tourism Area with full delegation of powers under different statutes of the State Government. The Special Area Development Authority would provide basic**

infrastructural support such as airports and airline services, railway stations, communications network and post/telegraph/banking services. Both the Central and State Governments would grant exemption from specified Central/State Taxes and freeze rates on water and electric supply for at least 10 years in order to attract investments.

The scheme for setting up of select Special Tourism Areas was approved in a resolution adopted by the Conference of State Tourism Ministers held in New Delhi on 10th December, 1991.

The selection of Special Tourism Areas would be done by the Central Government in consultation with those State Governments who are willing to offer the maximum facilities for the successful functioning of such Special Tourism Areas.

Special Efforts will be made to attract foreign investment in these areas.

A scheme for giving Assistance for Specified Tourism Areas (ASTA) will be started to provide financial assistance for equity and other tourism related activities in such areas as are specified by the Government.

Such a policy statement bypasses the role to be played by local bodies in these areas for tourism development. In fact, the local bodies like municipalities, panchayats etc. have always been ignored in tourism planning and development.

The local bodies reflect the aspirations of the community and are directly accountable to local needs. Hence, it is for the local bodies to ensure that the :

- motivation for tourism development remains people centred, and
- benefits of tourism empower local communities rather than displacing or disinheriting them.

In any destination planning the local bodies have a crucial role. Ignoring them has led to, and if it continues, will again lead to a variety of problems related to guest-host relationships, destination life cycle, destination maintenance and so on. Infrastructural support like electricity, water, roads, street lighting, public parks, sewage, sanitation etc. is provided by the local body. This has a direct relationship with destination development and promotion. But this fact is often not taken note of by the tourism industry as well as the central or state governments.

For example, in the Master Plan, for tourism development in Maharashtra, which has been prepared by the State Government, the entire range of factors which determine tourism development, have been addressed, like the administrative machinery, transfer of land, transportation, tax exemptions, ecology, etc. An entire 84 km. stretch of the coastline from Vijaydurg to Sindhudurg Fort has been declared as a special tourism area. The state has identified 9 district level special tourism areas of its own. Under the Central and State Schemes, the following issues have been raised by national and international experts :

- 1) Exemption from electricity duty, luxury tax, sales tax and octroi.
- 2) Freezing of electricity and water charges. These concessions have been given by the State to private investors for 5 years and by the Centre for 10 years.
- 3) Land belonging to MTDC and the Government can be leased to investors for a 30-year period, at 25% of the market value in urban areas and 2 1/2 % of administrative costs as a lump sum payment. The remaining 75% will be recovered at the rate of 15% (annual lease charge) or 5% of turnover, whichever is higher. In rural areas land at market value, plus 10% administrative charges will be taken as lump sum and nominal lease charges of Re.1/- per year will be charged.

5000 acres has been earmarked for tourism and 3000 acres is being accessed by MTDC. Whilst this scheme benefits the private investor, local opposition to special tourism areas, golf, theme parks etc. by agriculturists, fisher folk and artisans, is likely to create a new set of problems. This indicates that local bodies like municipalities, panchayats and Tourism Boards are not involved at the planning stage. Foreign investors and international tie-ups for 7 beach resorts will take control over development and its impact will be that the initiative goes out of the hands of local communities and residents. In much the same fashion, the State

Government is also a poor second to the Centre, yet it is burdened with the task of infrastructural development and coordination of sectoral activity.

In urban areas, land ceiling regulations will access "surplus" lands for hotel projects whilst residents will be squeezed into smaller and smaller areas, as seen in the Bombay Chawls. MTDC properties will be privatised, with an impact on employment of the existing work force, which has been deemed "inefficient" and "unprofessional".

The plan stresses consumer protection laws, which again indicate that in the global economy, the consumers' rights are more important than the rights of the local people.

The local bodies and communities are not treated as equal players in tourism development. It should not be forgotten that apart from the mainstream services the role of local bodies is essential in:

- ensuring the safety and security of the tourist at the site, and
- controlling, regulating and standardizing the informal sector touts.

The tourism industry regularly keeps complaining about the failure of local bodies to do what they ought to be doing but fails to come forward for joining hands or sharing even one percent of its profits with the local bodies or population for destination development and maintenance.

Similarly the local bodies lack initiative and resources in developing, maintaining or promoting their destinations. It is time that the examples of the role of local bodies in many other countries be analysed regarding their interventions in tourism development by the planners. With emphasis on **Panchayati Raj** it is expected that the local bodies will have a better say in their affairs. At the same time, their functionaries would require more knowledge and information about tourism. This is because in most of the cases the elected representatives on the local bodies as well as the bureaucracy are not sensitised to the needs of tourism and the demands it is likely to make on the resources of the area. The awareness about tourism is also very low.

**Check Your Progress-1**

1) Why should the local bodies have a say in tourism development ?

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2) What do you understand by Special Development Area?

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## 9.3 MARKETING ROLE

In tourism the customer (tourist) experiences the product and the total environment surrounding that product is integral to that experience. Take for example Agra as a destination. The attractions there include the famous Taj Mahal, Fort Sikandra and Fatehpur Sikri, etc. The tourists come to see these attractions but they also experience the condition of roads, pollution, garbage, beggars, touts and shopping malpractices. On the other hand, those in the informal and small scale sector often have negative perceptions about tourists. The result is that an excellent tourism attraction becomes a bad experience. Thus, in the marketing terminology the tourism product has to be designed, developed and maintained taking into account all the factors.

In all countries the primary role of local bodies in facilitating tourism, recreation and leisure is well documented. For example in England individual towns, cities and districts have established their local tourism offices for promoting tourism to their areas and this has the backing of the local body and authority. They organise special events, undertake promotional activities, and establish Tourist Information Centres. These information centres provide tourists with information like bus or flight timings, accommodation, eating joints, festivities, entertainment, sightseeing etc. They play a dual role:

- On the one hand they facilitate and serve the tourists, and
- On the other, help the local guest houses, lodges, paying guest houses, transporters and other informal sector services in getting business.
- These local bodies not only have a say in tourism development and marketing but they provide the linkages between the tourism industry and the host population.

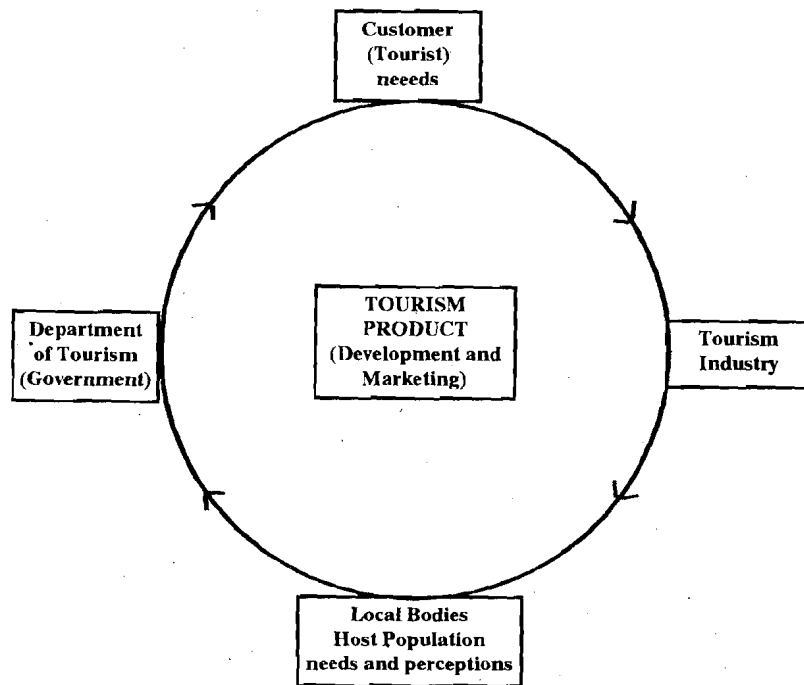


Fig. 1: Equal Partners in Tourism Development

In India, the state and elected bodies have a greater role in the developmental process (the private sector has by and large kept itself aloof from sharing social responsibilities). But we are often functioning in a highly centralised and rigid model where higher authorities tend to monopolise the decision making and implementation role in all economic areas. For example even a district level Tourist Information Centre is a part of the State Tourism Department with little or no linkages with the Zilla Parishad or any other district body. Tourism, in fact, demands that the initiative be localised for a wide distribution of benefits. But this localised initiative has to have wider linkages from the point of view of destination marketing. If the two do not act in harmony, the following problems are envisaged:

- 2) This strains their resources often diverting them from more immediate concerns.
- 3) In such a situation, a destination may never take off.
- 4) There might emerge a hostility to the project among the local population, etc.

Once the local bodies become equal players in tourism they can take care of a variety of things such as:

- assess local responses,
- give technical advise to the locals,
- create tourism awareness in the area,
- organise special events,
- patronise artisans and artists,
- help in forming cooperatives of the providers of tourism services at the destination,
- provide the tourists as well as the outside intermediaries information about the available accommodation, etc. and
- provide assistance for market research through compiling or making available the data related to the destination and visitors, etc.

The local bodies have to take care of the resource attraction problem also which is often a major hurdle in their work. They need people, volunteers, audiences and funds. Their funding is largely through tax collection and government grants. They must go for fund raising campaigns among the local beneficiaries of tourism, tourism industry and also the tourists. However, this needs a planned and organised approach.

The local bodies should also research the people's feelings and reactions towards the tourism projects they undertake and simultaneously go for motivation drive, publicity, retention of public interest and sensitising their own employees. Tourism education and training is another area which the local bodies can look into.

The local bodies must also **evaluate the infrastructure and determine the carrying capacity of the destination.**

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## 9.4 CASE STUDY OF DILLI HAAT

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An alternative form of development is the Dilli Haat, a Food and Craft Bazaar, opposite the INA Market, New Delhi. The Dilli Haat is not just another tourism attraction, dominated by bureaucratic regulation and lack of expertise. It is a joint venture of the Delhi Tourism Corporation and New Delhi Municipal Corpn. as well as the D.C. (Handicrafts) and D.C. (Handlooms) of the Central Ministry of Textiles as well as the Central Department of Tourism. It is a novel project in many ways. It took just 6 years from the submission of the project to its implementation. This success was due to two factors:

- 1) That the Central and State Governments had a social responsibility to the rural people to open direct marketing outlets for them, even as they were opening markets to the world to enter India, and
- 2) The promoters, Ms Jaya Jaitly and the **Dastakari Haat Samiti** had nothing to gain personally from the project.

Perhaps the key to the success of the idea was the concept that Tourism should not ride piggy back on handicrafts, with some urban person dressed in a "pagri" acting as a rural artisan, but that the need of the craftsman, integrated with local, regional and national food and culture would automatically attract the residents of Delhi as well as the tourists, both domestic and international. How did it all begin ?

The personal vision and commitment of Ms Jaya Jaitly, who had learned from her experience with **Gurjari** that the Government can play an important interventionist role, as well as her

involvement in the organisation of the **Dastakari Haat Samiti** as a union of craftspersons, led to the concept of a Craft Market Place in Delhi.

The Prime Minister then called local Delhi bodies like the Chief Secretary, the DDA, the DTDC and the NDMC to see who would offer to take up the project. Delhi Tourism took up the task of implementing the project. As the State Tourism body, it felt that the role of prime developer was within its scope, experience and expertise. It also contributed the largest chunk of the funding, amounting to Rs. 1.50 crores. The Ministry of Textiles, under its **Urban Haat Scheme**, formulated in the 8th Plan, contributed Rs.50 lakhs, since its brief included such a project. The Central Department of Tourism contributed Rs.40 lakhs, marking out publicity and promotion as its special role.

With the funds in place, the search for land began. The two agencies, DDA and the Ministry of Urban Development, which control most of the land in use in the Capital, offered a site behind the Purana Quila. However, the project required greater visibility. It stepped the NDMC. They referred to an Act which gave them the land rights over drains. They suggested that the drain at Kidwai Nagar, New Delhi, could be covered and such land, which then belonged to them, could be used to house any light structure. The area thus reclaimed measured 7 acres, and 12% of the area was given to DTDC to set up the **Dilli Haat** project at the cost of a rental value of Rs.1 lakh per year plus 30% of the profits. The original idea of laying a garden over this area had been shelved due to a fear of encroachment, and the idea of a **Craft Bazaar**, a cluster of brick huts reflecting genuine rural architecture, which would encourage the artisans and be a sustainable developmental scheme, was an attractive alternative. The design of the complex was based on the multiple needs of a traditional rural **haat** and contemporary culture. 62 stalls, open places and stages and 25 food stalls were constructed as well as a special playground for children. The complex situated in the heart of the commercial area of South Delhi combined the recreational, cultural and shopping needs of the local population and the Dilli Haat has become a centre of activity for all.

The Central Ministry of Culture was roped into sponsoring cultural events. It was followed by State and local cultural bodies who sponsored their own events in the complex. State Food and Craft festivals, theatre and music shows and Rock concerts have entertained people from all walks of life.

The rural, semi-urban and urban artists from the whole country can now access the capital's shoppers through the Dilli Haat. A small corner rents for Rs.10/- per day; an open platform goes for Rs.25/- per day and a covered stall for Rs.50/- per day. For Rs.1500/- per month, a craftsperson can find a place to accommodate, work and sell products, without paying "pagri", high rents or being harassed by the other officials for kickbacks.

Perhaps the most innovative role is being played by the DTDC Staff, who are totally committed to the role of the Haat in the life of the artisan. Their attitude has transformed. They do not behave like bossy bureaucrats and the constant interaction with craftspersons from far and wide has resulted in internal and external changes in their attitudes. Their homes are decorated with crafts; they wear modern clothes; they enquire about the heritage and tradition of the products and the people who make them as well as their cultures and life-styles.

The pioneering role of the **Dastakari Haat Samiti**, the union that represents the craftspersons today continues. They are the watchdog body that ensures that commercialisation does not undermine the objective of the project. The Samiti, therefore, does not ask for special privileges for itself and its members. The **Haat** is open to all genuine and bonafide craftspersons. When individual craftspersons apply to DTDC, they inform them of the role of the union and many of the people become members after their experience at the Haat. Thus the complex plays a dual role - it unites and organises the artisans and craft-workers and offers them direct marketing opportunities. Such a free interaction with the customer improves the quality and design of the product and ensures that the rich, living heritage of the hand worker gains a permanent status and value in contemporary society. The removal of the middleman also ensures not only better prices, materials and profitability but also better integration and authenticity in the application of traditional goods and techniques to modern usage.

**Check Your Progress-2**

1) What role can the local bodies play in tourism marketing?

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2) What in your view should be the relationship between the local bodies and the tourism industry?

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3) Discuss the Dilli Haat project.

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## 9.5 LET US SUM UP

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The importance of local bodies and their role in implementing tourism projects, becomes apparent only when we view the developmental role of marketing. This is because in a country like India, we have certain social objectives to be realised, alongwith economic and political goals.

The case of the Dilli Haat identifies a local body which has generally been ignored by Planners and Policy makers and the union. Recently, in Goa, the hotel workers have also shown a similar sense of involvement in the functioning of tourism enterprises, by indicating that the cost of the tourism product should be determined by those who provide the services and not the consumer alone.

The destination is central to any marketing approach in tourism alongwith the customer's needs. The host population and the local bodies have an equal role and status as that of the customer in tourism and they must be accounted for in the product design, development and marketing.

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## 9.6 ANSWERS TO CHECK YOUR PROGRESS EXERCISES

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**Check Your Progress-1**

- 1) Take into account the reasons given in favour of local bodies. See Sec. 9.2.
- 2) These areas have been selected by the Department of Tourism for tourism development See Sec. 9.2.

**Check Your Progress-2**

- 1) Base your answer on Sec. 9.3.
- 2) Both should take care of each others interests and work in harmony. See Sec. 9.3.
- 3) See Sec. 9.4.