



## TOURISM IN ODISHA: AN ENGINE OF LONG-RUN GROWTH

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### ABSTRACT

*In this globalized era, travel and tourism has become an indispensable economic activity world over. It has the potential to strengthen the socio-economic foundation of a nation. It has the capability to disseminate the peace message across the globe. It is well-known for job creation, foreign exchange earnings, revenue and income generations, and developing socio-economic infrastructures. Thus, it is critical for unemployment reduction, poverty alleviation, inequality reduction, and bringing up balanced regional development. It is instrumental for achieving inclusive and sustainable growth of a nation like India and her States. It is with this backdrop, this paper is an attempt to assess the role of tourism in Odisha, an eastern State of India, as an engine of long-run economic growth. In recent years, tourism has grown considerably due to the availability of good infrastructure facilities, favorable government policies, improvement of existing tourist locations, development of new tourist destinations and strong growth of hotel and restaurant industry in the State. This is reflected in the growing number of both domestic and foreign tourists to the State. In a multivariate framework, the use of multiple regression model over the period spanning from 1990-91 to 2011-12 provides the evidence of the positive contribution of the tourism sector to the economic growth of Odisha thereby justifying the role of tourism as an engine of long term growth of the State. Hence, the government of Odisha should formulate plans and policies such that tourism activities are promoted to lead a stable and sustainable growth of the State.*

**Keywords:** Tourism, Odisha, Long-run growth, Cointegration, Multivariate analysis.

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### Contribution/ Originality

This is one of very few studies which have investigated the role of tourism as an engine of long-run growth by quantifying tourism sector in terms of domestic tourist arrivals, foreign tourist arrivals and in terms of tourists' expenditure. This paper contributes to the literature the evidence of tourism-led growth in the context of Odisha State of India.

## 1. INTRODUCTION

It has been observed that tourism industry has become an important segment of many economies in the world. It is often considered the largest and rapidly growing sector across the globe. Thus, it has become a significant part of human life. It is well-known as the smokeless industry because of its environment friendly activities, and thus, significant for sustainable development of a region or country. It spreads the peace message across the globe and thus, strengthens the bonds of international and inter-regional relationships. Thus, tourism has attracted the

attentions of researchers and policy makers with respect to time and space. The sector has been well recognized for catering to the global objectives of inclusive and sustainable development. It is identified significant for job creation, income generation, and improving standards of living of masses in less developed economies. This is the reason why tourism is today an important economic activity and feasible alternative for global development. Tourism is increasingly a major, if not the main, source of growth, employment, income and revenue for many of the world's developing countries (Wang and Godbey, 1994). The sector is currently the first or second source of export earnings in 20 of the 48 LDCs and is demonstrating steady growth in at least 10 others. As such, tourism has become one of the main engines of socio-economic progress for many countries and a development priority for a majority of the LDCs. More than half of the world's poorest countries have identified tourism as an effective means to take part in the global economy and reduce poverty.

As per United Nations World Tourism Organizations (UNWTO), tourism promotes sustainable growth for the industry, working with governments and international institutions to create jobs, to drive exports and to generate prosperity. Travel & Tourism accounts for 258 million jobs globally in 2011-12. At US \$6 trillion (9.1% of GDP) the sector is a key driver for investment and economic growth. Benigno S. Aquino III, the President of Philippine, in his speech during the courtesy call of the 7th North American Ambassadors, Consuls General and Tourism Directors Tour (ACGTDT) held at the Rizal Hall in Malacanang on 13 July 2012, accorded tourism as a key driver towards achieving rapid, inclusive, and sustained socio-economic growth for a country, given the multiplier effect on jobs and the amount of money it brings into our country. Juan Manuel Santos, President of Colombia, said that tourism generates quality employment and is a powerful engine for growth and development, also involving other sectors of the economy. He added, tourism can change the image of a country, positively impacting all areas related to its external positioning while promoting infrastructure development, attracting foreign capital and fostering trade. The former Minister of Tourism & Culture of India, Smt. Ambika Soni, aptly remarked "tourism is a major engine of economic growth and a direct multiplier for employment and poverty eradication strategies". Smt. Soni further mentioned that "tourism is a priority sector because, among others, it is able to maximize the productivity of India's natural, human, cultural and technical resources; it is labour-intensive and cottage or small industry based providing employment; it is capable of being primarily focused on rural areas with appropriate and relatively low cost programmes and it has extensive forward and backward economic linkages that build overall income and employment, especially for women and youth".

In India, tourism industry is considered labour-intensive. According to an estimate by the planning commission, for every million rupees invested in tourism sector, 89 jobs are created against 45 jobs in primary sector and 13 jobs in secondary sector. The ratio of indirect jobs to the direct jobs in the tourism sector is approximately 3:1. In India, the tourism industry helped generate about five million jobs; the foreign tourists buy handicrafts worth around Rs. 10 billion a year; the total income from this smokeless industry is around Rs. 200 billion; and the regions like Aurangabad in Maharashtra, Khajuraho in MP, Jammu & Kashmir, and Raghurajpur in Odisha have emerged with the help of tourism only. Especially, Odisha Tourism has been playing a significant role to showcase the rich cultural and religious heritage through its treasure of classical and folk music and dance. As a consequence, Odisha Tourism has bagged the Best Tourism Festival Destination Award in a prestigious award ceremony of International Tourism Conclave & Travel Award function held at East Bourne Resorts & Spa, Shimla, Himachal Pradesh, on April 7, 2012.

It is with this backdrop, this paper is an attempt to justify tourism in Odisha as an engine of long-run economic growth, both theoretically and empirically. Thus, the rest of the paper has been organized as follows: Section 2 gives the panorama of tourism in Odisha; Section 3 reviews the related studied in the literature; Section 4 outlines the data and methodology of the study; Section 5 discusses the results and findings of the study; Section 6 concludes.

## 2. TOURISM IN ODISHA

Odisha, a state of Bharat Varsa (India) had distinct identity as Kalinga, Odra, Utkal in the past, is located along the eastern coast of peninsula. Odisha is located in the eastern coastal belt of India and spreads over 480 km long coastline. It is surrounded by West Bengal and Jharkhand in the North side, Jharkhand and Chhatisgarh in the West side, and Andhra Pradesh in the Southern part. There are a number of big and small beautiful rivers passing through the State before they meet the Bay of Bengal in the southern side. Pulsating with the spirit of Indian Culture and located in the central part of India, Odisha is like a bridge between the northern and southern halves of the country. The State is the best example of its glorious historical past and integration of the virtues of Buddhist, Jain and Hindu cultures and also Mahima Cult. In the past, the overseas trade of the State was stretched upto Indonesia. The temple-culture of Odisha is quite noteworthy in India. Whether it is the sacred environs of Puri Jagannath temple, or the eroticism of Konark's Sun temple, the wondrous caves of Udayagiri and Khandagiri or the mystical monasteries of Buddhism, the paintings of folklore or the handloom weaver's magic... Odisha presents expressively of a glorious past, enduring present and potential future. The State is truly described as the '*The Soul of India*'. It depicts a nice fusion of its rich past traditions and modernity of the present day world. The State has wonderful monuments, hard working and skillful master craftsmen and artists, beautiful wildlife sanctuaries, and startling natural landscapes. Its history provides the evidence of the presence of great human value and glory for superb intelligence. In recent days, Odisha has become a multi-dimensional, multi-coloured, many splendored, vibrant and boisterous modern state all set on its journey in the present millennium to make its presence and voice felt in the nooks and crannies of the world through the Universal Cult of brotherhood, its unique cultural heritage, luxuriant forests and wild life, sprawling Chilika Lake, bountiful coastline, wide range of tribes and colourful canvass of art and culture.

Odisha is well known for its arts and crafts world over. The works of Appliqué, Metal Crafts, Silver Filigree, PattaChitra from the State has won special appreciations from places in and around the world. Because of its amazing landscape, exciting culture, and enchanting festivities, Odisha has become a tourist paradise over years. Tourists from all parts of India and the Globe visit the State. The history of Odisha witnessed several foot prints of religious clerics and social reformers especially because of the most popular and living cult of Jagannath. So many saints and savants have been visiting the State and strengthening its religious confidences. Tourists visit Odisha for several reasons including for worships and holy dips, enjoying art and architectures of temples. Besides there are there are several other spots of charming splendor that attract tourists from far and near. Puri, Bhubaneswar and Konark have been attracting hundreds of thousands of tourists from different parts of the country and the abroad. Festivals like RathYatra attract millions of tourists from different parts of the world while Snanayatra, JhulanYatra, KartikaBrata and ChandanYatra of Lord Jagannath at Puri and AshokastamiRathYatra of Lord Lingaraj at Bhubaneswar attract millions of Hindus. The black pagoda, Konark, attracts tourists from different parts of the globe for its artistic excellence. The people interested in relics visit the State to have a glimpse of Dhauligiri and Khandagiri in the neighbourhood of Bhubaneswar as well as Pushpagiri Buddha Vihar at Lalitagiri in the district of Jajpur. Health seekers come to golden beach at Konark, Puri or Gopalpur to spend some leisure time. The Asia's largest salty water lake, Chilka, is well known for migratory birds and Dolphins, also is a great tourist's attraction in the State. The tourists interested in nature and its beauty make a visit to Nandankanan near Bhubaneswar, Similipal National Park and Tiger Project in Mayurbhanj, Saptasajya and Kapilas Hills in Dhenkanal, Bhitarkanika wildlife sanctuary in Kendrapara as well as beautiful waterfalls of Duduma, Ghagra and Khandadhar.

Thus, the government of Odisha has given quality time and resources to develop the tourist destinations and the allied infrastructure facilities in the State. As a consequence, tourism in the State has grown considerably in recent years owing to good infrastructure facilities, favorable tourism policies, development of tourist locations, and strong growth of hotel and restaurant industry in the State. All these have resulted in notable growth in both

domestic and foreign tourist arrivals and consequential increase in forex earnings, job creation and expansion of local business.

Fig.1 shows that the domestic tourist arrival in the State has continuously been increased since 2002. Not only domestic tourist arrival, but also foreign tourist arrival in the state has shown an increasing trend (see fig.2). However, Odisha's share in national tourist arrival has been showing a fluctuating trend. In spite of such trend, the inflow of money through tourist expenses in the state has been showing an increasing trend since the FY 2002-03 to 2011-12 (see fig.4). All these cast the significance of tourism in the state of Odisha. Keeping in view all these facts, the Department of Tourism, Odisha, during last couple of years had taken up various developmental programmes to boost up tourism activities in the state. As such the total tourist arrival to the state increased to 85,35,024 during 2011-12 against 78,23,953 in 2010-11. Thus, the state government has started recognizing tourism infrastructure as the vital one in augmenting activities in tourism sector. Very recently, Govt. has declared the Airport of Bhubaneswar as the International Airport. This shall definitely augment foreign tourist arrival to the state in coming years.

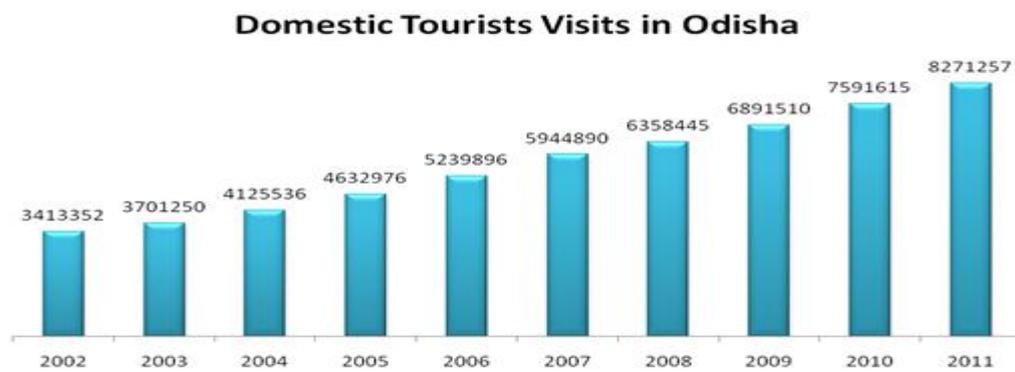


Fig-1. Domestic Tourist Arrivals in Odisha

Source: Department of Tourism, Odisha

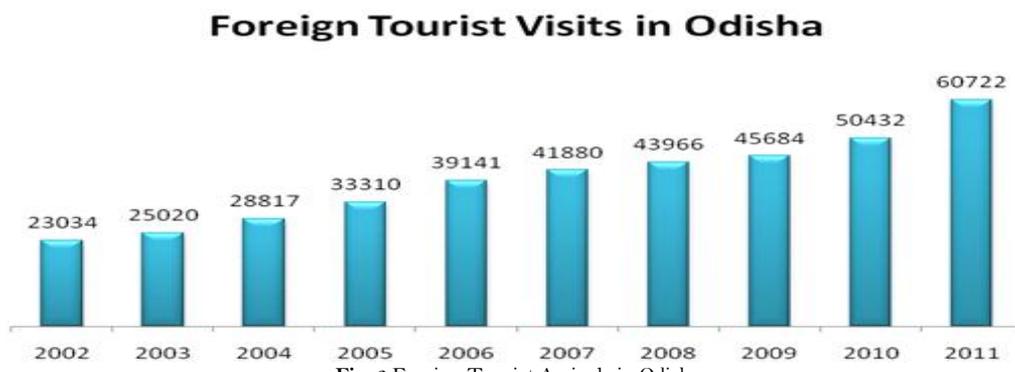


Fig-2. Foreign Tourist Arrivals in Odisha

Source: Department of Tourism, Odisha



Fig-3. Odisha's Share in National Tourist Arrival

Source: Department of Tourism, Odisha

### Inflow of Money through Tourist Expenditure(Rs. in Cr.)

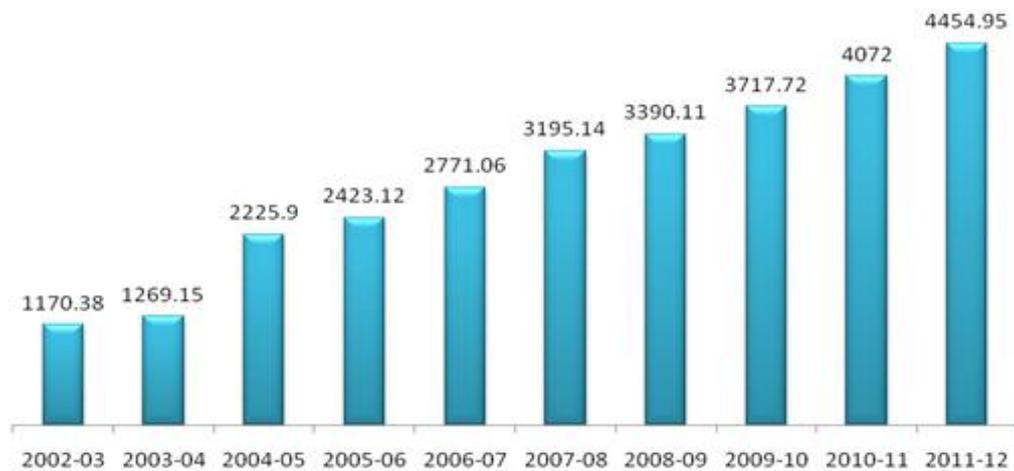


Fig-4. Inflow of Money through Tourist Expenditure in Odisha

Source: Department of Tourism, Odisha

### 3. LITERATURE REVIEW

There exists plethora of literature about the impact of tourism sector expansion on the host country, but the literature on whether it actually produces any significant economic growth outcomes is limited, and that too for emerging countries like India and her States, the empirical researches and evidences are only a few. The tourism literature recognized this sector as an engine of long-run economic growth of the destination economy. Such an important role has been assigned to tourism because of its notable contributions in the form of foreign exchange earnings, generating job opportunities, and augmenting domestic consumption demand (Modeste, 1995; Durberry, 2002; Steiner, 2006). The extant literature provides the evidence of statistically significant positive relationship between tourism sector development and real economic growth of developing economies (Shan and Wilson, 2001; Durberry, 2002; Croes and Vanegas, 2008). It has been contended by the researchers that tourism sector development leads to increase in State revenues, and household incomes through multiplier effects, and also leads to the favorable balance of payments positions thereby positively contributing to the overall growth of an economy (Khan *et al.* 1995; Lee and Kwon, 1995; Lim, 1997; Oh, 2005).

In view of such positive impacts of tourism on economic growth, many researchers have investigated the relationship between tourism sector development and economic growth. In the context of Spain, Balaguer and Cantavella-Jorda (2002) found the evidence of the tourism-led economic growth. Similar empirical finding is also concluded by Tosun (1999); Gunduz and Hatemi (2005) and Zortuk (2009) in the context of Turkey. Durberry (2002) provided the support for tourism-led economic growth hypothesis in the context of the economy of Mauritius. Dritsakis (2004) provided the empirical support for the positive effect of tourism on economic growth of Greece in the long-run. In similar studies, Oh (2005) for Korea; Kim *et al.* (2006) for Taiwan; Khalil *et al.* (2007) for Pakistan; Wickremasinghe and Ihalanayake (2006) for Sri Lanka; Kreishan (2010) for Jordan, and Razaq and Masarwah (2006) for Jordan concluded about the strong causal relationship between tourism and economic growth.

In cross-country studies, Eugenio-Martin *et al.* (2004) for Latin American countries, Lee and Chang (2008) for OECD countries, and Skerritt and Huybers (2005) for 37 selected developing countries, found the evidence of the positive relationship between tourism and real economic growth. Eugenio-Martin *et al.* (2004) concluded that such relationship is not clear in case of developed economies. Certain studies such as Brau *et al.* (2003) and Lee and Chang (2008) documented that tourism based nations grow more rapidly than all other nations. Since tourism has the potential to add to the financial resources and employment opportunities in an economy, many tourism-based developing nations have started capitalizing this sector for their long-run economic growth (Sinclair, 1998; Dieke and Peter, 2004). Fayissa. *et al.* (2007) in a panel of 42 Sub-Saharan African nations, and Fayissa *et al.* (2009) in a

panel of 17 Latin American nations found the empirical evidence for the significant contribution of tourism industry on overall economic growth. Aliqah and Al-rfou (2010) for Jordan concluded that the tourism sector witnessed a significant growth in tourism services, infrastructure, legalizations, institutional framework, and the number of tourist arrivals over years. The study also revealed that the contributions of the tourism sector to GDP for the years 1990-2008 have seen variations ranging between 12.3 to 14.6 per cent and increase in the contributions of tourism sector, in the field of employment to become 2.5% of the total manpower recruitment.

There are certain studies such as Vanegas and Croes, (2003) and Croes and Vanegas (2008) concluded about the role of tourism sector in economic expansion and also in poverty reduction. However, in the context of Kenya, Manyara and Jones, (2007) found that tourism sector is not very significant in poverty reduction. Lanza and Pigliaru, (2000) argued that small economies have been observed to grow more rapidly when they emphasize on tourism. Western, 2008; Honey and Gilpin, (2009) emphasized that development of tourism sector causes initiation of new business houses and also non-governmental organizations.

The studies concerning the empirical relationship between tourism sector expansion and economic growth in Indian states are only a few. Pani (2008) assessed the role of tourism in the economy of Odisha and outlined the reasons for backward state of tourism sector and also suggested certain measures in improving the scenario. Parida (2011) made a strategic approach of tourism development in Arunachal Pradesh and suggests that tourism infrastructure like accommodation, transportation and air connectivity is vital in tourism industry and important issue to be addressed while formulating strategies to exploit opportunities and potential of tourism in the state. Similarly, Das (2012) attempted to evaluate the contribution of tourism industry in eight states of North-East Regions of India, and found that both domestic and foreign tourist inflows significantly contributed to the Net State Domestic Product.

It is at least inferred from the above stated literature review that developing countries and the states of these nations like Odisha in India have started considering tourism as an important and integral part of their economic growth and development strategies. It is in this context worthwhile to mention that the literature is almost silent about a cointegration study between tourism sector development and economic growth in case of Indian states like Odisha. The current study is an attempt to bridge this research gap.

#### 4. DATA AND METHODOLOGY

The objective of this study is to examine the role of tourism in Odisha as an engine of long-run economic growth for the state. The study is completely based on the secondary data collected from different sources such as RBI database on Indian economy, Ministry of Tourism, Government of India, Department of Tourism, Government of Odisha, and Odisha Tourism Development Corporation. The sample period of the study is from 1990-91 to 2011-12. The major variables of the study are Net State Domestic Product at Constant prices, the proxy for economic growth of Odisha; Domestic and Foreign Tourist Inflow to the state, the proxy for growth of tourism industry in Odisha; and Gross Inflow of Money through Tourist expenditure in the state, the proxy for increase in living standard of the vulnerable groups of Odisha. The study uses the econometric technique of cointegration to test the long-run relation between variables under consideration. It also estimates the following multiple regression model to specify the variables significantly determining the long-term growth of the state. The following model has been estimated:

$$NSDP_t = \alpha_0 + \alpha_1 DTV_t + \alpha_2 FTV_t + \alpha_3 TE_t + \varepsilon_t \quad (1)$$

In this model,  $\alpha$ 's are the coefficients of the variables under study and  $\varepsilon$  is the random disturbance term that represents the effect of all those variables other than the model specified variables on the real Net State Domestic Product.

## 5. RESULTS AND DISCUSSION

The main objective of this paper is to evaluate the role of tourism in Odisha as an engine of long-run economic growth of the state. For the purpose, we have selected four variables, viz., Net State Domestic Product at Constant Prices (NSDP), Number of Domestic Tourist Visits in one financial year (DTV), Number of Foreign Tourist Visits in one financial year (FTV), and Inflow of Money through Tourist Expenditure in one financial year (TE). It is customary in time series analysis to check for the stationarity of the variables specified in the regression model (1). The Augmented Dickey-Fuller (ADF) Unit Root Test (Dickey and Fuller, 1979;1981) has been used for this purpose and the results of such test are reported in Table-1.

Table-1. Results of Augmented Dickey-Fuller Unit Root Test

Variables in their First Differences with trend and intercept	ADF Statistic	Critical Values	Decision
NSDP	-4.4922	At 1% : -4.498 At 5% : -3.658 At 10% : -3.268	Reject Null hypothesis of no unit root at 5% level
DTV	-4.1609	At 1% : -4.498 At 5% : -3.658 At 10% : -3.268	Reject Null hypothesis of no unit root at 5% level
FTV	-3.3789	At 1% : -4.498 At 5% : -3.658 At 10% : -3.268	Reject Null hypothesis of no unit root at 5% level
TE	-5.7782	At 1% : -4.498 At 5% : -3.658 At 10% : -3.268	Reject Null hypothesis of no unit root at 1% level

It is evident from the results of the unit root test that the null hypothesis of no unit roots for the time series NSDP, DTV, FTV and TE are rejected at the first difference levels as the test statistic values lags behind the critical values at the 1 and 5 percent levels of significance. This means that these variables are all stationary and integrated of order one.

Table-2. Results of Johansen's Cointegration Test

Hypothesized Number of Cointegrating Equations	Eigen Value	Trace Statistics	Critical Value at 5% (p-value)	Maximum Eigen statistics	Critical Value at 5% (p-value)
None*	0.8179	72.580	47.856(0.0001)	34.072	27.584(0.006)
At Most 1*	0.6819	38.508	29.797(0.003)	22.907	21.131(0.027)
At Most 2*	0.5383	15.600	15.494(0.0482)	15.460	14.264(0.032)
At Most 3	0.0069	0.139	3.841(0.709)	0.139	3.841(0.709)

\* denotes rejection of the hypothesis at the 0.05 level

The next step is to test for the long-run equilibrium relationship between the model specified variables, called cointegration in time series analysis. Thus, we have used the Johansen's Trace and Maximum Eigenvalue tests of cointegration (Johansen, 1988;1989;1991;1995; Johansen and Jusellius, 1990) and the results are summarized in Table-2. The results relating to the Trace test conclude the presence of 3 cointegrating equations at the 5 percent level of significance, and this is also found with the maximum eigen value test. Thus, our variables NSDP, DTV, FTV and TE are in a long-run equilibrium relationship among themselves.

Table-3. Results of Multivariate Regression Model

	Coefficient	Std. Error	t-Statistic	Prob.
$\alpha_0$	1651843.	365383.4	4.520848	0.0003
$\alpha_1$	-0.078216	0.187373	-0.417436	0.6813
$\alpha_2$	38.71775	12.39966	3.122484	0.0059
$\alpha_3$	1842.240	317.6108	5.800305	0.0000
R-squared	0.989300	Mean dependent var		5465510.
Adjusted R-squared	0.987517	S.D. dependent var		2919941.
S.E. of regression	326241.5	Akaike info criterion		28.39163
Sum squared resid	1.92E+12	Schwarz criterion		28.59000
Log likelihood	-308.3079	Durbin-Watson stat		1.586178

Then, in order to judge the impact of tourism in Odisha on economic growth of the state, we have estimated the multivariate regression model where NSDP is the only dependent variable and others are the independent variables. The results of this regression estimation are summarized in Table-3.

It is revealed that the coefficients  $\alpha_0$ ,  $\alpha_2$  and  $\alpha_3$  are significant in this multiple regression model. The coefficient  $\alpha_1$  is not significant. It means the impact of domestic tourist arrivals in Odisha on economic growth is not significant. The results indicate the statistically significant impacts of the foreign tourist arrivals and their expenditure on the real economic growth of Odisha in the long-run. It is clear that 1% increase in foreign tourist arrivals in the state leads to about 38.71 % increase in NSDP. Similarly, Rs.1 increase in money spending by tourists in the state leads to about Rs.1842.24 increase in NSDP. Furthermore, R-squared value is 0.989 which is very close to 1. It means the aforesaid relationships are very strong over the sample period. The value of Adjusted R-squared is 0.987 or 98.7 percent which may be interpreted as the degree of variability in real NSDP as explained by foreign tourist arrivals and their expenditure in Odisha.

On the basis of the above econometric analysis, it can be said that tourism can be considered as the engine of long-run economic growth of Odisha. Furthermore, the variables such as foreign tourist arrivals and their money spending by tourists in the State are significantly responsible for long-run growth of Odisha. But it does not mean that the case of domestic tourist arrivals to Odisha shall entirely be ignored. However, it means that the greater degrees of emphasis shall be accorded to the facilities that attract more and more foreign tourist to the State, because tourism has the potential to encourage the economic activities in other sectors of the economy including agriculture and allied activities, handicrafts, hotel and accommodation, construction, transport and communications through the generation of backward and forward linkages with these sectors.

In addition, larger care should be given to facilitate fair money spending by tourist during their visit to Odisha. This money spending shall stimulate a sequence of market transactions of goods and services in related sectors. This would augment the consumption demand in the economy thereby necessitating the employment of more labour power and ultimately contributing to the State income. These additional employment and income are the outcomes of the forward and backward linkages created by the money expenditure by foreign tourists in the local economy. Thus, the expansion of the tourism sector can lead to large scale employment generation and poverty alleviation in the long-run. Finally it may be said that the economic benefits that flow in the form of increased government revenues, household incomes, business receipts, wages and salaries, etc. have the power to drive the socio-economic growth and development of Odisha.

## 6. CONCLUSION

In Odisha, tourism is an important service sector activity. Tourism is being a labour-intensive activity, it has the capacity to generate employment on a large scale through a mix of activities of hotels, transport, shopping, food, entertainment and other areas. Thus, this sector has the potential of generating income, reducing poverty, and increasing the living standard of the poor masses. In fact, tourism in Odisha can be viewed as an engine for sustainable growth of the state. It is with this objective, we investigated the role of tourism in Odisha as an engine for long-term growth of the state. The use of cointegration test revealed that the variables of the study have long-run equilibrium relationship between them. And, the estimation of multivariate regression model led to the finding that long-run economic growth of Odisha is significantly determined by the foreign tourist arrival and gross inflow of money through tourist expenditure over the sample period of the study. However, it does not ignore the importance of domestic tourist arrivals to the state. Thus, the government should take necessary steps to attract both domestic and foreign tourist to explore the potential of tourism in Odisha. Because of the cultural activities, the State has a name at the global level. Several festivals including the RathYatra, Konark Festival, National Crafts Mela, Mukteswar Dance Festival and other festivities can be made more colourful in attracting tourists. The district-level festivals like the Parab in Koraput and Mahotsava in Sambalpur, and beach festivals at Puri, Gopalpur and Chandipur can also be geared towards attracting tourists. Recently, the state government has undertaken Shamuka Beach Project at Puri targeting towards high-end tourists. This project shall spread over 2,000 acres of land, and for its electrification, the State Government has already released Rs.3.30 crore during 2010-11 to CESU and OPTCL. The Govt. has also taken a golden step in declaring the Airport at Bhubaneswar as International which shall be instrumental in increasing foreign tourist arrivals to the state in years to come. The steps of the government are visible from the fact that Rs.38.45 crore has been spent from the public funds during 10<sup>th</sup> five year plan for the development and promotion of tourism. Such spending has been increased to Rs.89.94 crore during 2007-2011. Therefore, tourism in Odisha can be explored as an engine of long-term growth of the state.

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