

CHAPTER - I

INTRODUCTION

1.1 COMPETITIVENESS

The concept of competitiveness has its origins in trade theory more than three centuries ago, but today there is no consensus on how to define it, or what are the parameters to quantify it.

The idea of upper hand depends on "efficiency" and the variables that decide it inside an association. Efficiency is the connection between the result created by a framework for delivering labor and products and the assets used to deliver that result. That is, their productive use, for example the proportion between the outcomes acquired and the assets and time spent on their creation accomplish it. The visualization of efficiency was built up during the late nineteenth century with the inescapable reception of serious systems.

Porter (1999) recommends aggressive improvement approach as the worth that a company construct for its clients over its cost. This worth represents how much an individual is eager to shell out and is best represented by how much the asking price is lower than the competitor's asking price. This necessitate folks to receive equal remuneration. The best approach should imitate a rational perceptive of the big business surroundings. A procedure for Examining Ventures & Rivalry (Watchman, 2000) creates models for acquisitive businesses and creating worldwide systems. This form presents his five serious variables that decide the allure of a modern area, their causes, and factors that change after some time and can be modified by technique.

The conception of national competitiveness originated in trade theory several centuries ago, it was Porter (1991) who laid the foundations for national competitiveness in recognition of the changing environment and general strategic instability was. He points to the need for a more dynamic model that reflects a nation's competitive advantage.

Krugman (1994) points out that national competitiveness is meaningless unless major powers compete with each other, and that this is not an external problem, but an internal problem of the country. In this regard, Porter (1991) squabble that a state competitiveness depend on its industry's ability to innovate and improve, and many of the companies are able to do so over and over again and relentlessly for improvement, giving them a competitive edge. He claims that a better source of sex can be found.

Camagni (2005), in his book *Economyaurbana*, highlights the controversy arising from his Krugman (1998, p. 5) position on international competitiveness, stating that a country's prosperity depends on its commercial success. According to him the theory of relative advantage does not apply to analyze the regional and economic competitiveness. The interregional trade theory is based on the concept of comparative costs and price adjusted by lack of movement between production cause, currency deflation and descending rigidity in prices and earnings in situations of subsistence as well as separation. However, when we are concerned about local economies, the factors are not similar as denoted by the comparative advantage theory and so it is better that we follow some basic principle that determine the comparative advantage.

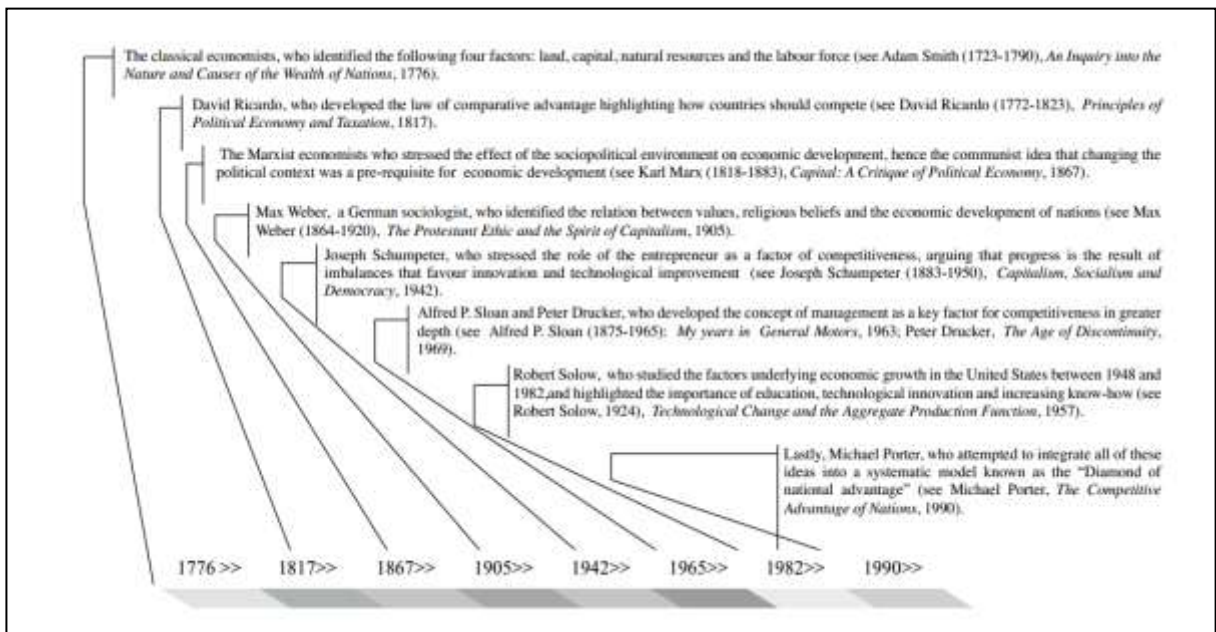
- i. No emphasis on self-sufficiency.
- ii. There exist no relationship between normal efficiency and actual wages.
- iii. Movement of production factors between regions: Regions with no advantage at all commodities create disparity in the labor market due to the movement of factors.
- iv. No existence of local currency. Assuming an equilibrium situation where each region has an absolute advantage in one product, if a region becomes slower in productivity growth than other regions and less competitive in production, the currency as a country cannot be truncated.

Competitiveness is defined by a nation's productivity in using its individual, wealth, and innate resources. The initial point to understand competitiveness is the innate resources possessed by the economy. The standard of living of any economy is calculated by the efficiency of the workforce of any country and what are their capabilities of producing goods and services in form of outputs with the help of inputs. The value of goods and services formed helps to estimate the total value of the nation. The performance and productivity of resources is valued by the demand and supply market forces and depends on the worth of a nation merchandise and intangible and the effectiveness of producing the required outputs, the production efficiency also depends on nation's capability to organize accessible talent.

Accurate competitive strength is therefore calculated by efficiency. Highly productive countries can support elevated take-home pay, lucrative returns on investment, sturdy currency, and elevated standards of living. Even a merely restricted industry is part of its competitiveness, as its productivity not only determines wages, but also greatly affects the cost of doing business and living in the country.

In short, the development of a premise of competitiveness begins with the basic assumptions. The conventional and contemporary economic theory. Both of these theories can be explained with the help of prominent postulates, the first one given by Smith, 1776 in the International Trade Model and the other one given by Porter, 1991 as the Competitive Advantage Model which is also popular as the diamond of national interest and based on the theoretical model, the national Two of the world's most famous studies measuring the competitiveness of these studies are illustrated below in subsections.

The development of the thought of competitiveness can be explained by the various steps as shown in the Figure 1. The diagram traces its evolution as a process of consolidation by thinkers over the past three centuries, culminating in Michael Porter's current proposal.



Source: S. Garelli, "The competitiveness of nations: the fundamentals", *IMD World Competitiveness Yearbook 2006*

Fig 1.1: Development of the competitiveness theory

1.2 COMPETITIVENESS INDICES

The various studies that measure the components of competitiveness of different economies are expressed in the World Economic Forum's and Global Competitiveness Report. Both are distributed yearly and are based on data from factual information and studies conducted in each taking an interest nation. The accomplice teach are dependable for collecting the information and conducting the overview. The two thinks about utilize comparable competitive components drawn from the writing and observational investigation. The IMD classifies the information based on four components: (i) financial execution; (ii) government productivity; (iii) trade proficiency; (iv) framework; separated in 5 sub-factors. The information is further classified into 12 variables. It ought to be famous that the WEF classification compares to the earlier version of the GCR, as the three past versions made noteworthy methodological changes that driven to contrasts within the variables utilized to degree competitiveness.

The World Competitiveness Yearbook, published since 1989 by the IMD is a flagship document to provide the information regarding status and main trends in the competitiveness to the ruling government and business leaders to assist them in making strategic moves.

The Competitive report is is a collection of various information received from varied sources:

- i. Information based on statistical indicators which is compiled in hard form by international organizations for particular purposes, including the United Nations, IBRD, OECD, WTO, IDB, and others; and
- ii. Soft data gathered from yearly surveys of global entrepreneurs is available. The Yearbook is composed of three parts: two thirds statistical data, and one third views and opinions derived from business research.

Table 2 summarizes the characteristics that influence regional competitiveness based on a sample of Latin American regional competitiveness indices. It demonstrates that certain constant factors persist regardless of the theoretical framework that is applied

1.2.1 Global competitiveness

Since 1979, the GCR has been released by the WEF in Geneva. It presents the relative advantages and disadvantages of nations and generates two all-inclusive competitiveness indicators from several specialized indices.

The comparison between countries at international level comprises of over a hundred countries, a number that has been rising over time. These nations account for more than 97% of the global GDP. An executive opinion survey was created especially to release the findings related to publicly available data and a strong theoretical framework that support the GCR's underlying methodology. This survey records the evaluation and findings.

1.2.2 Understanding Competitiveness

The famous management guru, Michael Porter was one of the first author to write in his initial works on national competitive advantage. The research exposed that a country's achievement in a meticulous business is dependent on the below parameters:

- **Availability of Resources Factor conditions-** The availability of skilled labor and infrastructure greatly facilitates the development of an industry. It is because of cheap skilled labor that India is becoming a major software power.
- **Demand conditions-** The nature of the home demand for the industry's product or service is an important factor. Sophisticated, demanding customers put pressure on companies to become more efficient. The high quality of most Japanese products is to a great extent due to pressure from demanding customers at home.
- **Related & supporting industries-** The presence in the nation of suppliers and related industries that are internationally competitive can give a major impetus to the industry. The computer hardware and software industries have complemented each other well in shaping the evolution of the US as the leading nation in the world for information technology. A cluster of related industries has made Silicon Valley the IT hub of the world.
- **Firm strategy, structure and rivalry-** Conditions in the country relating to how companies are created, organized and managed and the nature of domestic rivalry play an important role in shaping the competitiveness of an industry. Intense

competition motivates companies to become more innovative and efficient. The Japanese automobile industry has come a long way since the 1940s, thanks to the competition among Toyota, Nissan, Honda, Suzuki, Mitsubishi, and Mazda.

- **As Porter has summarised:** “Firms gain competitive advantage where their home base allows and supports the most rapid accumulation of specialized assets and skills”. Firms gain competitive advantage in industries when their home base affords better ongoing information and insight into product and process needs. Firms gain competitive advantage when the goals of owners, managers and employees support intense commitment and sustained investment.

In the end, a country's ability to thrive in a certain industry can be attributed to the fact that its domestic environment is the most dynamic and demanding, encouraging businesses to continuously improve and expand their advantages.

Porter has also come to the conclusion that clusters connected by both vertical and horizontal links are where nations ultimately prosper rather than individual industries.

An economy is usually composed of clusters that show the stage of the economy's development by their composition and sources of competitive advantage.

1.2.3 Stages of Competitiveness

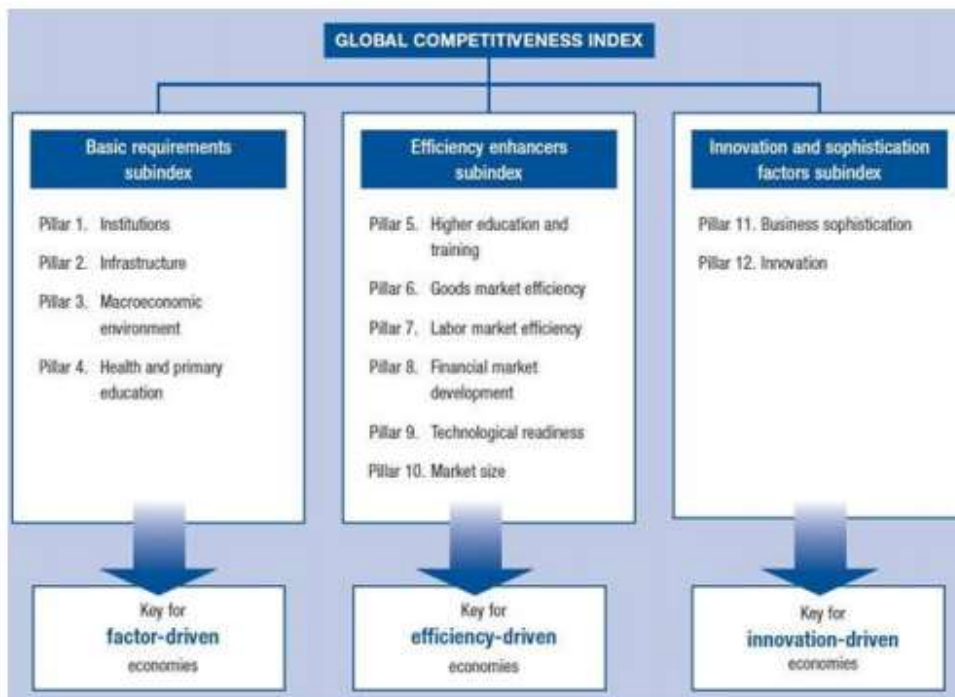


Figure 1.2: Stages of Competitiveness

1.2.4 Structural Support of Competitiveness

Porter realized in his first book on competition that there was no universally accepted method for Competitive Development Process. However, the accomplishment of the Competition strategy largely is dependent on the level of economic growth of any country. The various stages of expansion also form basis of the hypothesis of competition given by World Economic Forum.

1. Factor-focused phase: Focus on low developing countries where it is important to support the factors of production (land, primary products, and labor) which play a significant role in the macroeconomic growth. The main role of the government is to ensure political and macroeconomic stability and providing an adequate free market to allow local businesses to optimally use resources and refurbish poor economic performance by attracting foreign capital. Price is still the first tool of international competition for such countries while the driving force of the progress is the use of technology through import and export of products with mobilizing foreign direct investment and promoting foreign expansion and growth of mutual trade among developing countries.
2. The "investment-oriented phase" includes middle-income economies which focus on growth and investment, and it is driven by competitive advantage" local production using international technology "Foreign direct investment, joint ventures and outsourcing arrangements to support domestic enterprises and adoption of international production processes. The government should focus more on improving physical infrastructure (ports, communications, roads) and administrative management (customs, taxes, company law) and allow increase in integration and cooperation in international trade".
3. The "innovation-driven phase" apprehension high-income countries that are transitioning from technology-importing economies to technology-generating economies. Effective working capital formation and management to promote high-tech business and innovation-based development is required with a direct role of government in encouraging a high rate of innovation through enhanced capital markets, legal frameworks that assist the establishment of high-tech enterprises, and public and personal investment in investigation and development in the areas of education and other sectors

4. 1.2.5 Determinants of Global Competitiveness

<p>Domestic Economy</p> <p>Productivity</p> <p>Capital Formation</p> <p>Competition</p>	<p>Infrastructure</p> <p>Railways ,telecommunication, energy and power, sea ports and airports roads and transportation</p>
<p>Internationalization</p> <p>Success in global business</p> <p>Generation of open economies which are converting the direction and composition of foreign trade and direct investment</p>	<p>Administration</p> <p>Competitive pricing</p> <p>Efficiency in organizing activities</p> <p>Entrepreneurship</p>
<p>Government</p> <p>Extent of state intervention</p> <p>Managing changes and restructuring due to the dynamic business environment</p> <p>Capacity to promote societal restructuring</p>	<p>Science & Technology</p> <p>Investments in basic research</p> <p>Aptitude to develop new forms of knowledge</p>
<p>Financial Market</p> <p>Expansion of primary and secondary as well as capital and money market</p> <p>Integrating the national and international financial market regime</p>	<p>People</p> <p>Labour force skills</p> <p>Labour force attitudes</p> <p>Labour force expectations</p>

1.3 DEFINITION OF REGIONAL COMPETITIVENESS

Investigation of past writing appears that competition can be seen from two viewpoints: first, as a prepare that decides the level of efficiency; and besides, as a determinant of the development of human health. According to these speculations, territorial competitiveness can be characterized as the administration of assets and the ability to achieve sustain able growth within the generation of goods and population for health in the locale.

The expression “regional” alludes to the ecological separation of countries due to different geographical conditions and it results in diversity in different variables,

counting in the terms of population characteristics, historical and cultural differences demographical and financial matters.

This prove is based on markers of economic development in the nation such as per capita net household item (GDP), add up to figure efficiency (TFP), or the Human Advancement File (UNDP, 2006) and Global Competitiveness Index published by IMD and WEF utilizing certain constraints.

A moment degree of competitiveness is gotten by comparing the World Economic Forum Growth Competitiveness Index (2005a, the final year the list was distributed) with per capita GDP development. The examination proves the concept like nations with high GCI too have high per capita growth in GDP; therefore, increased competition is related with financial development.

The third degree of competitiveness is derived by connecting the GCI to the yearly normal development rate of productivity. It is evident that a positive connection recommends forward moving competitiveness is additionally related to TFP development. And it indicates a positive relationship between competitiveness, growth and overall productivity.

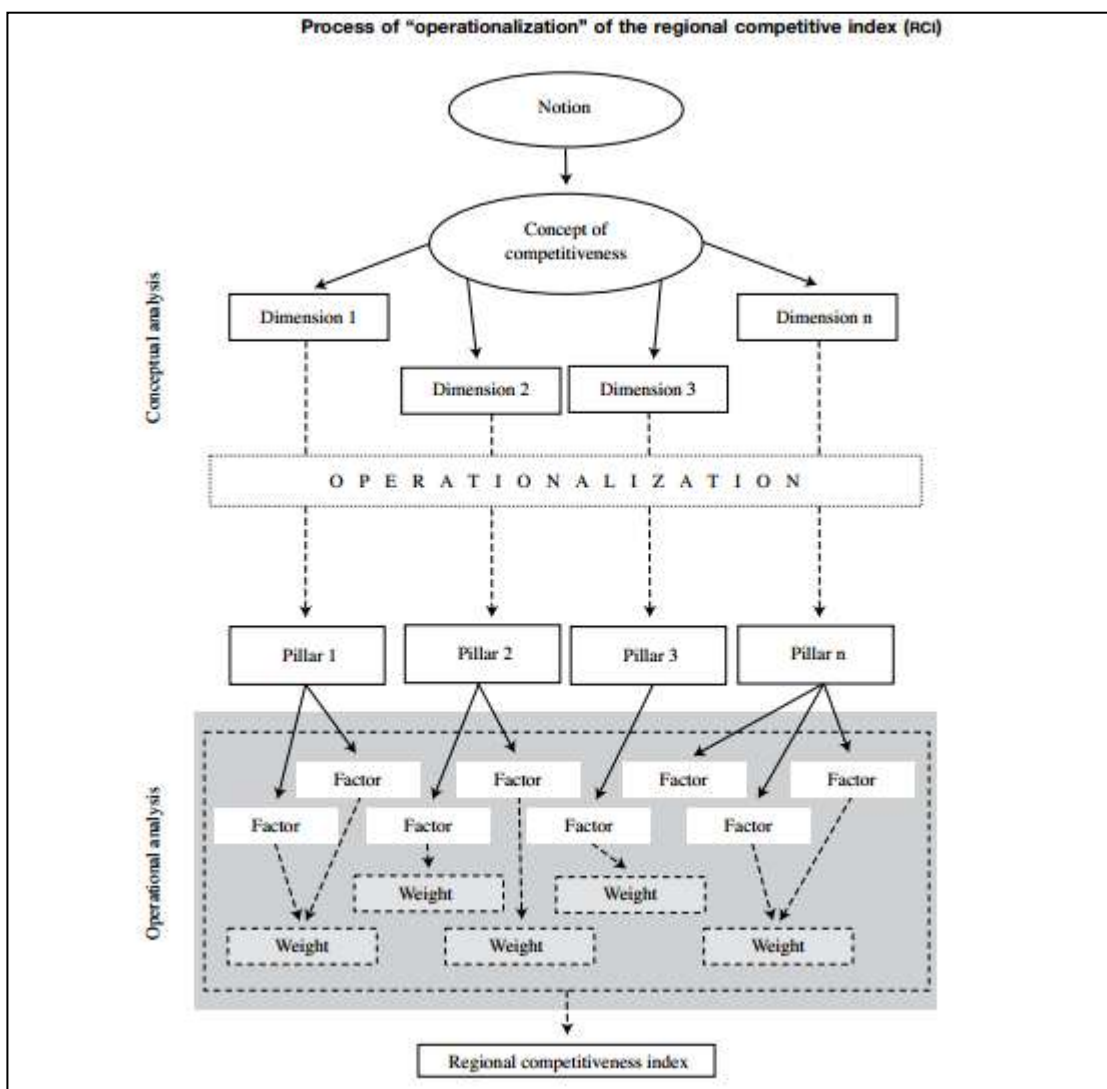
1.4 FACTORS OF REGIONAL COMPETITIVENESS

The various factors of competitiveness are enlisted as columns in this ponder, were defined based on past writing and examination worldwide encounter. There's no explicit consensus to decide competitiveness. It may transmit to accessibility, recurrence and coinciding with the premise of three things as recognized by Tello, 2004

- (i) compliance with the definition and concept system;
- (ii) factual bolster to that impact the calculate is measurably related to the economy execution markers;
- (iii) the reality that it may be degree in a few shape (subjective or quantitative), and be effortlessly discernable from other variables

This column choice prepare is common as the denominator of competitiveness lists or territorial determinants. Diverse techniques are utilized to identify territorial columns and design competitiveness for the establishments of territorial competitive preferences.

The conception of territorial competitive quality is linked with establishments and attempt to capture the idea that in spite of the fact that in each criteria there are competitive and non-competitive firms and there are common components within the locale which influence the competitiveness of all companies. The assets that are outside to the business can be utilized specifically or in a roundabout way to form an impacts on its effectiveness, advancement, adaptability and elements. The method utilized in this considerate to decide columns of territorial competitiveness is based on regional competitive focal points which include two stages: generalization definitions of six bases (see table) and an examination of their ease of use, comparison of essentials with existing worldwide and territorial competitiveness records (see Table).



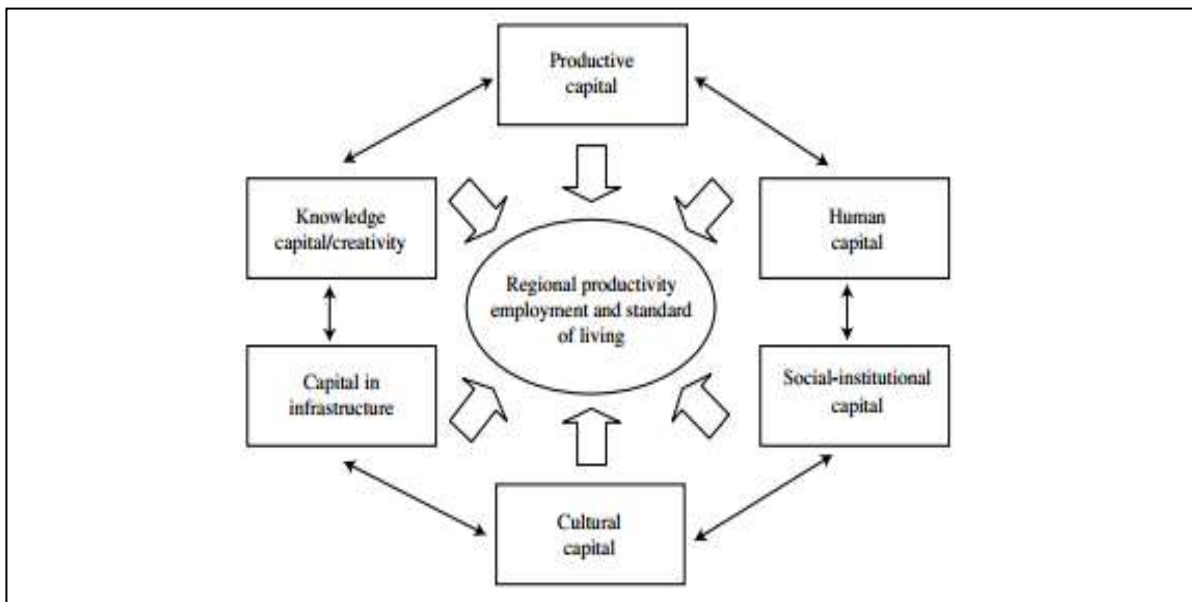
Source: "Evidence and inference in social research", AAAS

Figure 1.3: Regional Competitiveness index

1. Institutional framework and Government organisations

The primary column of territorial competitiveness relates to the institutions and government back framework. The government ought to proactively identify its fundamental capacities because it is critical to position the establishments of the mechanism with regard to its competitiveness.

León, 2003 propounded the role of state which can be examined on three aspects of economic structure viz microeconomics, macroeconomics and organization. The government and supporting institutions are the vital column on the micro perspective and their obligation in a free showcase makes it conceivable to accomplish equilibrium. The instability of the situation comes about in advertise disappointments or twists which anticipate it from working in a circumstance of effectiveness. The foremost common of these advertise disappointments is the subsistence of community products that have to be administered with financial and societal criterion, taking into consideration the externalities, or macroeconomic viewpoint. It is in these cases that the hypothetical establishments for State mediation emerge and, subsequently, the establishment for government activity through its teach, based on Keynes (1936), who imagined the part of the State bases of territorial competitive preferences.



Source: M. Kitson, R. Martin and P. Tyler, "Regional competitiveness: an elusive yet key concept?", Regional Studies, vol. 38, No. 9, London, Taylor & Francis, 2004.

Figure 1.4: Regional productivity

2. Economic Expansion (P2)

The moment column of territorial competitiveness incorporates, to begin with, the execution of the local economy; besides, the internationalization prepare; and third, the capacity to make jobs. Economical advancement column is based on the hypothesis of financial development; whose most agent show in a advanced development economy is Solow (1956), who clarified development in terms of capital collection, labor drive extension, and specialized alter. Be that as it may, not at all like Solow's (1956) development book keeping system and with the point of depicting it, the column of financial improvement centers on measuring the impact of financial development, which must too meet the criteria of maintainability, social duty and natural care. Agreeing to Sachs and Larrain (1994), financial development is vital to move forward the level the life of a developing populace. Malthus (1798), on the other hand, contended that populace development would restrict by the sum of assets the Soil might give. He contended that populace development surpassed the ability of the planet (assets) to supply food for man; and passing within the shape of wars or broad starvation would unavoidably tip the relationship.

3. Productivity of infrastructure (P3)

Framework is considered to be the essential mediation of social creatures on a domain foe development and its improvement potential. The level of a regional framework is directly linked to its review advancement and seriously limits the plausibility to realize noteworthy advance within the social welfare of the inhabitants. One of the most important mandatory special lists is the common framework ranking of America Economia (2008). This investment strategy is based on a viable infrastructure pillar and is considered the current ability of each location to maintain business efficiency and competitiveness. Thus, it can be said that the effects of the foundation can be seen in the creation of jobs and in the improvement of the competitiveness of the place and the quality of life of the inhabitants.

4. Human capital (P4)

The most efficient pillar is the workforce capital and it has high esteem due to the potential gain of people. In spite of the fact that it features a common asset component, it generally comes from venture in instruction, aptitudes improvement and wellbeing. These venture increments the efficiency of human capital.

Financial discipline started with the mindset to appreciate the analytical acumen working force taking after the commitments of Schultz (1961) who to begin with contended that aptitudes and information are a shape of capital. Few a long time afterward, Becker (1964) considered human capital as the essential financial factor in his ponder of information.

In any case, the foremost noteworthy contribution, namely the presentation of human aptitudes into the generation work

5. Business effectiveness (P5)

National prosperity is made, not acquired; and depends on the ability of that industry to develop and progress (Watchman, 2001). In other words, competitiveness is synonymous with efficiency; and this is usually achieved by promoting development based on the four characteristics of a country, which in turn depend on the ability of its enterprises to improve and progress.

Despite the fact that the starting point of industry, company and efficiency can be the strength of the company's suitability column, there is also the competitive framework approach (Esser et al), which, without denying the Porterian viewpoint (2001), strengthens part the role of the company. At a small level, a systems approach is specifically related to business progress and acceleration. This approach suggests that to effectively negotiate modern demands, companies must reorganize both internally and in their wider surroundings.

Classification of the pillars of global competitiveness indices according to the bases of regional competitive advantage		
Basis of regional competitive advantage	World Competitiveness Yearbook 2008	Global Competitiveness Index 2008-2009
1. Productive capital	— Economic Development	— Macroeconomic stability — Financial market sophistication — Market size
2. Human capital	— Economic Development	— Labour market efficiency
3. Cultural capital		
4. Social-institutional capital	— Government efficiency	— Institutions
5. Capital in infrastructure	— Infrastructure	— Infrastructure — Health and primary education — Higher education and training
6. Knowledge capital/ creativity	— Business efficiency	— Innovation — Goods market efficiency — Technological readiness — Business sophistication

Figure 1.5: Pillars of Global Competitiveness

1.5 TOURISM AS A REGIONAL DEVELOPMENT FACTOR

Territorial improvement comes about from the incorporation of a spatial parameter into the question of improvement, so it appears to be connected with particular local references. The tourism industry has lamented due to the precise neglect of its financial and social significance by the government and the common populace. Be that as it may, in long time these 'grievances' have been resolved and policy makers have progressively documented the financial significance of tourism. Nowadays, it is rising to an astounding cause of esteem formation and business.

Tourism is an greatly imperative financial action that can play a definitive part in certain improvement regions where some of the time there are no other options to attain this objective, and it can even fortify the characteristic and potential of the foremost discouraged districts. Its course of actions is invariably characterized by tremendous conceivable outcomes that must have coordinated within the economy, either through work or through the elements of set up companies.

Campos et al. (2006) includes that tourism could be a division of exercises with expanded expression and esteem for the national and territorial economy and is essentially created through the provision of services that are associated either with the requirements, desires, requests and wishes of traveler clients, or with exercises that create at the goal. For numerous a long time, the tourism industry has deplored the efficient neglect of its financial and social significance by the government and the common populace.

Nowadays, tourism has developed as an astounding source of esteem creation and business and is an amazingly imperative financial action that can play an equivocal part in certain improvement ranges where some of the time there are no other options to realize this objective, and it can indeed reinforce the growth of most depressed regions. Campos et al. (2006) includes that tourism could be a segment of exercises with expanded expression and esteem for the national and territorial economy and is fundamentally created through the provision of administrations that are associated either with the wants, desires, requests and wishes of tourist customers, or with exercises that create at the goal. The neighborhood government ought to distinguish tourism as a conceivable way to realize financial advancement due to the need of jobs in conventional segments of the economy and it should be able to form an coordinates goal zone

(scenario, environment) able of drawing in and supporting the stack that the same fascination may draw within the future. It implies creating the human and social abilities in addition to the aptitudes of the characteristic assets and buildings themselves, can make an environment for the wave of guests, so that they feel comfortable getting a charge out of a distinctive situation than regular.

Most of the actions and services that make up the tourism product are more often than not related with a normal or social fascination. This set of exercises empowers the recognition of a tourism item through the productive activity of the stakeholders. Normal resources hence ended up specifically beneficial and take an interest in the general process of financial extension.

It also create multiple impact on financial action, which reflect as the creation of critical added value and the capacity to spur the advancement of other financial exercises through extension wherein geographical vicinity plays an imperative part in the discernment of the organizational performance with respect to sustainability and endurance of such business that can contribute in increasing the competitive advantage of the tourism industry.

The debate on quasi-competitiveness in the tourism industry has become wider today as it is one of the main concerns of all national governments and industries. In a globally growing and competitive world, it is important for companies to create key management that monitors environmental complexity, patterns and market competitiveness and finds competitive points of interest. The concept of competitiveness may seem simple to understand, but the complexity of this concept becomes apparent when it has to be characterized and analyzed based on different literature sources.

Porter (1990) argues that its uncertainty stems from the huge variety of definitions and perspectives of competitiveness, making it difficult to provide a comprehensive and conflict-free definition. He agrees that companies, not countries, compete in the global market, but the economic environment, education and government policies can explain how companies win. This means that the competitiveness of a country or region is based on the success that the companies achieve in advertising worldwide. I agree with Watchman (1990), research should focus on specific firms or industry fragments rather than the economy as a whole because it is inconceivable that all firms in all industries have a competitive advantage. The most competitive indicator is productivity, because it

is the biggest determinant of a country's standard of living in the long term, which is net national income per capita. A nation's competitiveness in a given industry is the result of four expressions. These determinants are:

- i. The share of an economy to the creation of parameters, such as technical expertise or infrastructural support, that are essential requisite for the aggressive operation of a growing industry;
- ii. Strategic approach, competition and the circumstances governing the establishment, association and managing the business in a country and the temperament of in house rivals;
- iii. Demand circumstances: nature and effectiveness of domestic demand in terms of definite goods and services for the demand of the well informed and aware end users;
- iv. Survival of connected and sustaining industries: existence or non-existence of supplier industry as well as ancillary industries that are ready for action in worldwide markets. This factor has an inclusion of conglomerate of economies and their impact on competitiveness. Porter (1990) also emphasizes on action oriented approach and changes that can assure companies attributes for involvement of competitive strategy.

Tourism sector competitive strategy can be explained as a framework of integrated strategies and corporate partnerships, connecting everyone, who directly or indirectly contribute to the creation of a global product.

Dwyer and Kim (2003) explained that tourism competitiveness is very important and complex concept that combines several elements that may or may not be observable, namely in many cases it is not easy to measure. Furthermore, it is a relative term whose the range may vary depending on the time period and the country taken as a reference. To compete in the tourism field, a destination not only must have comparative advantages but also competitive advantages, in other words, is required not only to have a more or less broad variety of products and tourism resources, but also they must be managed efficiently to medium and long term.

1.6 FACTORS OF COMPETITIVENESS AT REGIONAL LEVEL

All the factors correspond to the elements that make up pillars. Largely, a certain importance is attached to the pillars according to the relevant variables and weights are gaining importance to calculate regional advantage. Determination of factors as the variable reflect on each country needs to establish by performance the criteria which is used to attain the collection of variables in accordance with the characteristics of the economy. The variables of regional competitiveness index are determined with the help of factors that can be stated as following points

- The factors of the competitive variables are to be collected from genuine source. The initial information should be generated from various data sources or institutions through technical process or by fieldwork or crafting computation from the necessary information base, and the second group which collects information and secures it in systematic manner and issue statistical publications.
- It should have a permanent ongoing chronological proof for a period of all least three years. This decisive factor ensures incessant information is computed to satisfy an exacting requirement which makes it unavailable for future
- It should be divided by regions and the methodology used should be authentic and stable over time to not influence the prospective for benchmarking.

The various explained criterion is executed in the selection procedure of cause and variables with official data sources and quantitative information is taken into account in the form of support system

The administrative and institutional framework of support is formed by reasons that enumerate the capability of the regional stakeholders to fulfill their function to provide essential services to the inhabitants and thereby support sustainable development in their region.

Factors constituting financially viable progress support embrace the growth of invention, service and many more which focus on not only the past results but the future corresponding years that show the different stages of the business cycle. Equally the factorial variables are articulated as not only in present value, but also in real conditions to evade distortion due to price fluctuations.

Trade in foreign market is a summation of the direction and composition of trade which transforms the process to be of diverse nature and make it a complicated phenomenon of internationalization.

The pillar of productive infrastructure, as a refer to the notion of substantial base (Joy Way, 2004), which imply the competitiveness of a region depends upon a set of substantial factors that make it more structured and worthwhile. The physical and socio economic structural factors include communication and transport networks, fuel and energy sources telecommunication and logistics which are indirectly associated with the travel and tourism sector and are essential for the development of a region in an organized manner.

The most important creature of this regional pillar is the individuals or the people with its skills, abilities and capabilities to design innovation, create inventions and focus on the dynamic external and internal environment factors that help to attain sustainable solution for the challenges and threats that can hamper the growth of a particular destination. Training, development, education and knowledge system have existence of private and public sector and differences between them and how the human capital is trained for and finally consciousness towards health is counted for healthy workforce.

Finally, the commerce and industry creates efficiency that ensures creation of employment, job positions and intrinsic as well as extrinsic abilities to perform innovative business functions that help to adjust with the changing business environment.

All these factors have synergistic effect on the various parameters that define collection the aggregate of factors which is used as indicator. Everybody from indicators are associated with a pointer, either simple indicator or relative. A undemanding indicator is the reflection of absolute value while the relative variables are determined on the basis of other intervening variables that are dependent on some uncontrollable issues.

1.7 RAJASTHAN TOURISM

Rajasthan is popularly known as "Land of Kings". It has become known as one of the prominent destination for the travelers from across the country and the world. The magnificent glory of the state is due to its diverse landscapes, rich artistic and cultural heritage, historical and archaeological wonders and nature reserves. Huge palaces and magnificent forts, traditional fairs and lively festivals, ancient artistic knowledge, arts

and crafts etc. have been extraordinary selling points for visitors, and the unparalleled beauty of local traditions, food habits and ways of life fascinate them. The historical state is situated in the northwestern part of the country and it consists of multiple geographical landscapes with border with Pakistan at international map and borders five other Indian states.

The desolate tract location of some part of west region has a great magnetic effect on visitors, especially foreign tourists, and other parts of the state are rich in the splendor of natural beauty or historical stories. Tourism activities are almost spread throughout the state of Rajasthan, but these activities mostly take place in the six capitals that are the center of Rajasthan All visitors will want to visit at least one or more of these heritage cities. The mewar district is famous for its historical and cultural past and Udaipur in the Mewar district is the main tourist center of South Rajasthan and a popular destination for domestic and foreign tourists

1.7.1 RAJASTHAN TOURIST ATTRACTIONS

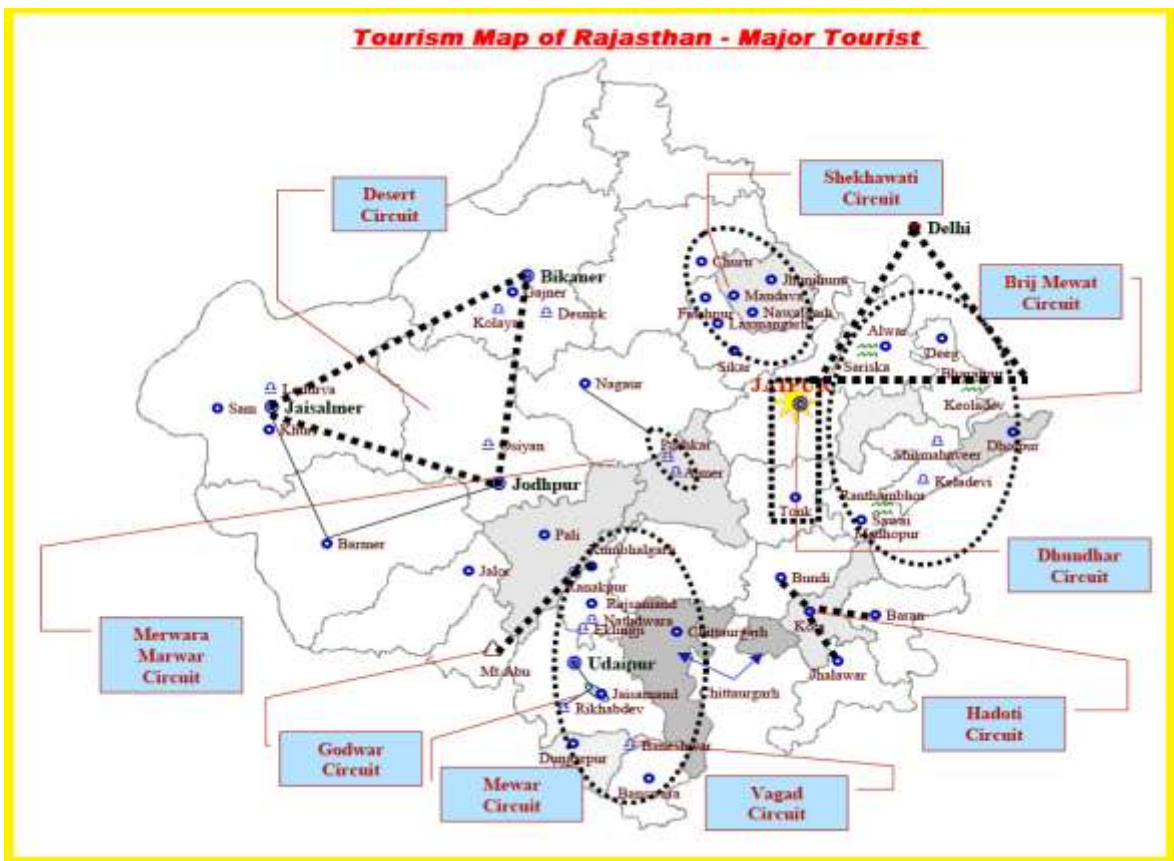


Figure 1.6: Tourist destinations of Rajasthan

Source: Rajasthan Department of Tourism, Government of India

1.7.2 Mewar Region

The Mewar is in the south-central part of Rajasthan and this region is comprising of districts of Bhilwara, Chittorgarh, Pratapgarh, Rajsamand, Udaipur, and for centuries, the section was under the ruling of Rajputs. The august province of Udaipur arose as an authoritative unit during the time of English East India Organization administration in India and stayed for the rest of the English Raj period.



Figure 7: Mewar Map

Rajasthan's Mewar locale envelops sensational slopes, shining lakes, profound valleys and significantly more lovely scenes as it has a celebrated past and is a land wealthy in regal legacy, with heartfelt water castles, memorable peak fortresses and wonderful nurseries. It is encircled by regular view and has various pleasant places of interest which talks about the appeal of special Mewar. This area incorporates lovely natural views, slopes and profound valleys. it is particularly famous among homegrown sightseers due to blended historical and cultural fame. It incorporates urban communities like Udaipur, Chittaurgarh and Nathdwara.

Udaipur the captivating city is overwhelmed by its lakes, its marble castles, and its delightful nurseries. The organizer, Maharana Udai Singh, was overwhelmed by the hardships that his old capital of Chittaurgarh needed to confront. Exhausted of the rehashed assaults that he needed to confront, Udai Singh looked for the assistance of a sacred man and requested that he recommend a protected spot for his new capital. It was suggested to Udai Singh that he relocate his capital to the shores of Lake Pichola. The sacred man guaranteed him that his new capital could never be prevailed. The city of Udaipur was consequently established and developed around the lakes.

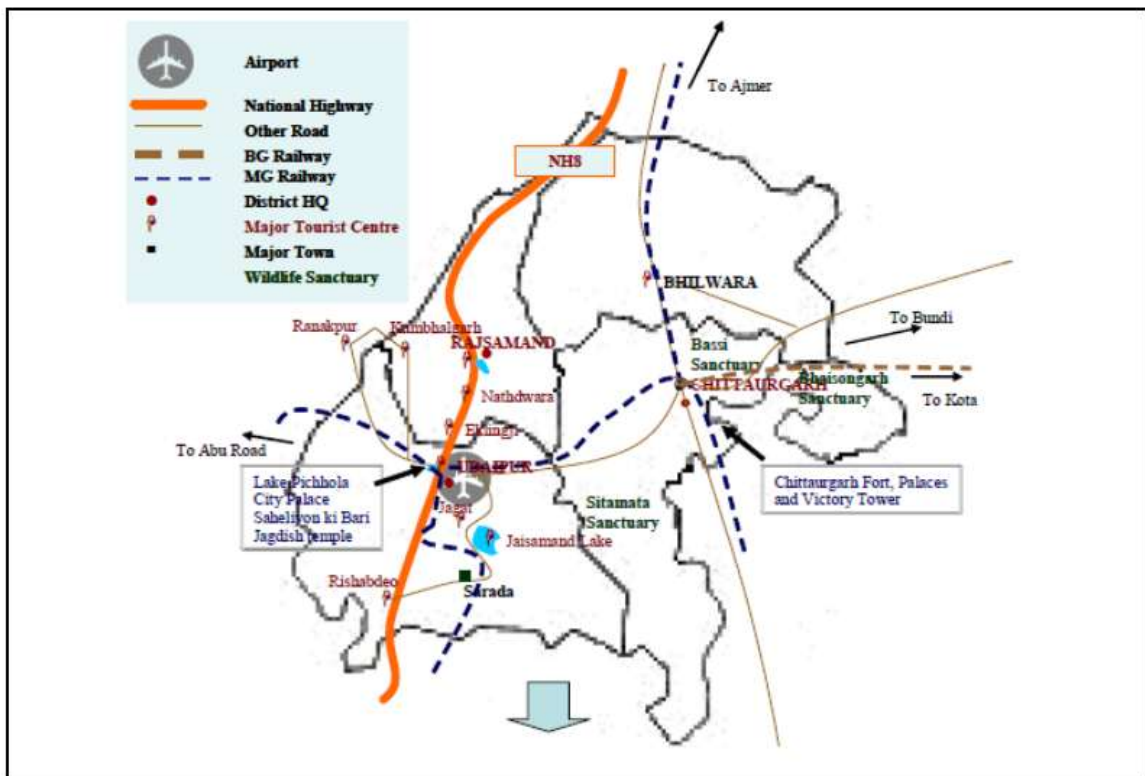


Figure 1.8: Mewar circuit

Udaipur: The Mewar region's most popular tourist destination is Udaipur. This city has various lakes and royal residences. CityPalace, Pichola Lake, Fateh Sager Lake, temples of lord krishna, Jag Niwas Castle and many more attractuions that are principal fascination of this city. Different attractions are found nearby from the city is the Sajjangarh Post and the encompassing little woodland and nature hold.



Figure 1.9: City palace of Udaipur city



In the north lies Nathdwarathe world fame Krishna shrine, a place of worship, Nagda, Eklingji, Haldighati (Battlefield) which are mostly visited by all types of domestic tourists for spiritual and rich past glory of the area. Further in the north lies Rajsamand Lake and Kankroli. The city of Chittaurgarh is about 120 km eastside of the city of lakes.

The town is very well-liked as a place of historical attraction. Chittaurgarh Fort is also gaining popularity among those who have interest in the history of mewar region. Kumbhalgarh is around 84 Kms west of Udaipur. The Kumbhalgarh fort is predominantly admired by large number of foreign and local tourists and is famous for camping sites and jungle rides and safaris. It is a popular destination and speaks about the bravery and majesty of the kings of the land

Haldhighati battle



Figure 1.10: Kumbhalgarh fort

