

Original Article

Tourist and Employment Generation in Bihar: Key Insights

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Abstract

Tourism has emerged as a catalytic force for economic growth and employment generation across developing regions of the world, and Bihar is no exception. Possessing a remarkable cultural, spiritual and archaeological heritage, the state holds immense potential to leverage tourism as a strategic driver of socio-economic progress. Over the past decade, government interventions, policy reforms and infrastructural initiatives have sought to transform Bihar into an attractive tourist destination capable of generating large-scale employment opportunities. This research examines the dynamic relationship between tourism and employment generation in Bihar by analysing direct and indirect avenues of livelihood creation within the hospitality, transport, food and beverage, handicraft and allied service sectors. By evaluating government policies, tourist arrival trends, skill-development measures and bottlenecks affecting the sector, the study highlights both the opportunities and the persistent challenges that constrain tourism's full contribution to labour absorption and poverty reduction. The findings indicate that tourism can serve as a powerful instrument of inclusive and regionally balanced development, provided that infrastructural deficits, seasonality, skill gaps and service-quality issues are addressed through sustained and coordinated action. The study concludes that strengthening tourism infrastructure, professionalising the workforce, promoting diversified tourism circuits, and ensuring wider community participation are crucial for enabling tourism to realise its full potential in employment creation and economic transformation in Bihar.

Keywords: *Tourism, Employment Generation, Bihar Economy, Hospitality Sector, Tourism Policy, Skill Development, Inclusive Growth, Sustainable Tourism.*

Introduction

Tourism has emerged as one of the fastest-growing economic sectors worldwide, contributing significantly to income generation, foreign exchange earnings, infrastructure development and employment. In developing economies, the tourism sector is recognised as a labour-intensive industry that can generate both direct and indirect employment with comparatively low investment. India, with its geographical diversity, cultural richness and historical legacy, has experienced substantial growth in the tourism industry over the last two decades. Within this broader national context, the state of Bihar holds distinctive relevance, owing to its unique historical, spiritual and archaeological significance.

Bihar is home to globally renowned destinations associated with Buddhism, Jainism, Sikhism, Sufism and Hinduism. Cities such as Bodh Gaya, Rajgir, Nalanda, Vaishali, Patna Sahib, and Gaya attract pilgrims and travellers from all over the world. The state also possesses rich cultural heritage, riverine landscapes and unique rural traditions, making it a potential hub for spiritual, cultural and eco-tourism. Despite this rich resource base, the tourism sector in Bihar has historically remained underdeveloped due to limited infrastructure, inadequate hospitality facilities, weak marketing and insufficient policy coordination. However, in recent years, the Government of Bihar has introduced policy reforms to transform tourism into a driver of economic and social development. New initiatives focus on improving physical infrastructure, facilitating private investment, strengthening heritage conservation and promoting thematic tourism circuits. A major rationale behind these initiatives is to utilise tourism as an instrument of large-scale employment generation.



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As agriculture remains highly saturated and industrial investment progresses gradually, tourism offers an opportunity to absorb labour into the service sector while creating entrepreneurship and livelihood opportunities for rural and semi-urban populations. The central purpose of this research is to examine the relationship between tourism and employment generation in Bihar by identifying the ways in which the tourism ecosystem creates direct, indirect and induced employment in the hospitality, transport, food and beverage, handicraft and allied sectors. The study also evaluates government policies, tourism trends, labour market linkages and existing structural challenges inhibiting tourism-led economic transformation.

The present paper addresses the following research questions:

1. What is the existing and potential contribution of tourism to employment generation in Bihar?
2. In which sectors and through which mechanisms does tourism create livelihood opportunities?
3. What are the major policy, infrastructural and skill-based challenges affecting tourism-driven employment?
4. What measures can strengthen tourism's capacity to contribute to economic development and job creation in Bihar?

This study is significant because understanding tourism's role in employment generation can help governments, researchers, and private stakeholders design more effective strategies for sustainable and inclusive development. The scope of the paper includes economic analysis of the tourism sector, assessment of policy interventions, labour trends, and socio-economic implications. However, due to data constraints, the study relies primarily on secondary sources and qualitative analysis.

Review of Literature

Research on tourism and employment shows a strong linkage between the growth of tourism and expansion of service-sector employment. According to Dogan (2019), tourism has a multiplier effect on the economy by generating direct, indirect and induced employment. UNWTO reports consistently highlight that tourism is one of the few industries capable of generating large-scale employment across diverse skill categories, including unskilled, semi-skilled and highly skilled labour.

Studies on India also reinforce tourism's contribution to economic growth. Singh (2020) notes that tourism contributes to regional development by creating new enterprises and markets in remote areas. Sharma and Sahu (2022) argue that tourism in India has strong backward and forward linkages with transport, handicrafts, food processing and entertainment sectors, significantly enhancing household income and entrepreneurship.

Bihar-specific studies show similar potential. Prasad (2021) highlights that tourism in Bihar is highly labour-intensive and particularly beneficial for rural communities due to its heritage and pilgrimage-based nature. However, Kumar (2022) notes that tourism's contribution to employment in Bihar remains below potential due to inadequate accommodation facilities, fragmented marketing strategies and weak institutional coordination. Pandey (2023) emphasises the need for skill development, tourism-focused vocational training and international-standard hospitality practices to boost employment opportunities.

The literature indicates that although Bihar has significant tourism resources, its ability to convert tourism potential into sustained employment remains constrained by infrastructural bottlenecks and governance gaps. The review also suggests a lack of research focusing on the qualitative relationship between tourism and employment creation in Bihar, which this study aims to address.

Theoretical Framework

To understand tourism-driven employment generation, the study employs the following conceptual foundations:

1. Tourism-Led Economic Development Theory

This theory asserts that tourism acts as a catalyst for economic growth by stimulating investment, expanding markets and increasing labour absorption. Regions with limited industrialisation can substitute tourism as a viable alternative for economic dynamism.

2. Employment Multiplier Theory

According to economic multiplier logic, every job created in tourism generates additional employment in interconnected sectors. For example, one job in a hotel can create multiple jobs in food supply, transport, artisanship and retail.

3. Sustainable Tourism Development Theory

This theory emphasises that tourism should contribute to long-term socio-economic development while protecting heritage and local communities. Employment creation must be inclusive, community-driven and environmentally responsible.

4. Labour-Intensive Sector Perspective

Tourism is characterised as a labour-absorbing sector because it requires human interaction, customer service and cultural engagement, thereby offering diverse roles from low-skilled to high-skilled occupations.

Tourism Landscape in Bihar

Bihar is one of the world's oldest centres of civilisation and a crucible of spiritual and cultural traditions. Its tourism portfolio is diverse, comprising religious pilgrimage, heritage sites, archaeological monuments, eco-tourism,

rural tourism, river tourism and cultural festivals. The Buddhist circuit, centred on Bodh Gaya, Nalanda and Rajgir, attracts a large share of foreign tourists, especially from Southeast Asia. Bodh Gaya, recognised by UNESCO as a World Heritage Site, remains one of the most frequently visited destinations for global travellers interested in Buddhism. The Jain circuit, including Pawapuri and Champapuri, is another important attraction for domestic and global pilgrims.

The Sikh religious circuit holds sacred significance, with Patna Sahib (Takht Sri Harmandir Ji Sahib) positioned as one of the five Takhts of Sikhism. The Sufi tradition also has a deep presence in Bihar, with shrines in Maner, Phulwari Sharif and Patna serving as centres of interfaith cultural interaction. Hindu pilgrimage destinations include Sitamarhi, Vikramshila, Munger, Bhagalpur, Darbhanga and Buxar. Beyond religious tourism, efforts are ongoing to develop eco-tourism around Valmiki Tiger Reserve, Bhimbandh and Ganga river islands.

1 Tourism Policies and State Initiatives

The Government of Bihar has prioritised tourism as a “growth engine” under its economic development agenda. Tourism Policy (2019) and the subsequent amendments (2023–2025) emphasise investment facilitation, public–private partnerships, hospitality infrastructure expansion, heritage conservation and marketing promotion. A special focus is placed on budget hotels, homestays, development of tourist amenities, spiritual and eco-tourism hubs, and digital promotion. These initiatives aim to increase both tourist footfall and tourism-driven job creation across the state.

2 Trends in Tourist Arrivals

Domestic tourism dominates Bihar’s tourism landscape, particularly during festival seasons and religious events. International arrivals fluctuate but have shown long-term growth, especially from Buddhist-majority and East Asian nations. An upward trend in infrastructure development, airport expansion and road connectivity upgrades indicates the state’s commitment to boosting tourist accessibility.

Tourism and Employment Generation

Tourism generates employment across a wide spectrum of sectors and skill categories. In Bihar, where a significant share of the workforce is rural and engaged in low-income occupations, tourism’s labour-absorbing potential is of high socio-economic importance.

1. Direct Employment

Direct employment occurs in occupations immediately linked to tourist services. In Bihar these include:

- Hotels and lodging services
- Restaurants and food service providers
- Tour operators and travel agencies
- Tourist guides and interpreters
- Museum and monastery caretakers
- Taxi, auto and bus drivers for tourist transport

These occupations require varying levels of qualifications, enabling participation by differently skilled individuals.

2. Indirect Employment

Indirect employment results from the supply chains and services supporting tourism. Examples include:

- Handicrafts and souvenir manufacturing
- Local agricultural supply to hotels and restaurants
- Construction and maintenance of tourist facilities
- Photographers, event managers, entertainers
- Local vendors and hawkers in tourist zones

This multiplier creates additional livelihoods, especially for rural families, women and informal workers.

3. Induced Employment

Induced employment arises as tourism increases household income and raises demand for secondary services like housing, retail shops, education, tailoring and healthcare. This ripple effect enables tourism to contribute to larger economic welfare.

4. Rural and Community-Level Impact

Large numbers of tourist destinations in Bihar are located in rural or semi-urban areas. Therefore, tourism acts as a source of diversified income for agricultural households. Homestays, village-based handicrafts, folk music, and hospitality services allow tourism revenue to circulate within rural economies. This reduces dependence on agriculture alone, limits seasonal unemployment and may potentially reduce distress-driven migration.

Policy Intervention and Skill Development

Tourism-led employment cannot flourish without proper policy support, private investment and human resource training. Bihar has taken steps in this direction, but significant effort is still needed.

1 Tourism Policy and Investment Promotion

The state government promotes tourism investments through:

- Capital subsidies and tax incentives
- Single-window clearance for tourism projects
- Relaxation of land norms for hotels and resorts
- Promotion of private sector participation

These measures seek to expand the supply of hospitality infrastructure, thereby creating more employment opportunities.

2 Skill Development Initiatives

Skill development is crucial for service quality, tourist satisfaction and long-term sustainability. Initiatives include:

- Training programmes in hospitality and hotel management
- Language and soft-skills training for guides and service staff
- Entrepreneurship training for homestays and tourism startups
- Collaboration with vocational institutions and NGOs

3 Community Participation Programmes

For sustainable tourism, community involvement is essential. Awareness workshops, financial support for local enterprises and women's self-help groups have helped communities participate in tourism micro-businesses.

Challenges and Barriers

Despite progress, several structural and operational challenges prevent tourism from realising its full employment potential in Bihar.

1 Infrastructure Gaps

Many destinations lack high-quality accommodation, restaurants, tourist information centres, sanitation and safety facilities.

2 Connectivity Constraints

Limited air connectivity, underdeveloped railway links and inadequate local transport reduce tourist mobility.

3 Service Quality and Skill Shortage

A shortage of trained hospitality workers affects tourist satisfaction, global ratings and return visits.

4 Seasonal Tourism and Income Fluctuation

Pilgrimage-based tourism is seasonal, leading to inconsistent revenues and employment insecurity.

5 Marketing and Branding Weaknesses

Bihar's global branding and digital visibility remain limited compared to other heritage-rich states like Rajasthan and Kerala.

SWOT Analysis of Tourism Sector in Bihar

| Strengths | Weaknesses |
|--|---|
| Rich heritage and spiritual tourism (Buddhist, Jain, Sikh, Sufi, Hindu circuits) | Inadequate hospitality infrastructure in many destinations |
| Multiple UNESCO heritage sites including Mahabodhi Temple | Limited professional tourism manpower and training institutes |
| Growing domestic tourist footfall and policy support | Lack of global branding and digital marketing |
| Diverse tourism themes – cultural, eco, river, and rural tourism | Overdependence on seasonal pilgrimage tourism |

| Opportunities | Threats |
|---|---|
| Expansion of Buddhist and eco-tourism circuits | Rising competition from neighbouring states and countries |
| Increasing global preference for heritage and cultural travel | Environmental degradation and overcrowding risk |
| Skill development and entrepreneurship for local communities | Economic fluctuations affecting traveler spending |
| Digital promotion and private sector partnership | Vulnerability to pandemics and geopolitical disruptions |

The SWOT assessment shows that Bihar's tourism sector has strong foundational assets but requires strategic improvements in marketing, skill development and infrastructure to sustain long-term job creation.

Discussion and Findings

1 Tourism as a Labour-Absorbing Sector

Evidence suggests that tourism is one of the most labour-intensive sectors in Bihar. Employment is generated not only in formal institutions like hotels and travel agencies but also through informal service networks such as street vendors, drivers and handicraft producers. This inclusivity makes tourism an effective tool for poverty reduction.

2 Forward and Backward Linkages

Tourism drives a chain of economic activities that create substantial indirect employment. Hotels depend on local agricultural produce, restaurants support fisheries and horticulture, and souvenir markets strengthen local artisanship. These linkages integrate rural producers into tourism markets, thereby strengthening household income stability.

3 Employment for Marginalised Groups

Tourism has notable potential to support women, youth and economically weaker households. Many women in pilgrimage areas engage in handicraft production, food service and home-stay management. Youth benefit through tour guiding, hospitality training and digital tourism roles. Thus, tourism positively contributes to inclusive development.

4 Government-Private Sector Coordination

Policy reforms and infrastructure projects have expanded tourism potential, but private sector participation remains below desirable levels. The absence of international-standard hotels in many locations limits high-value tourism. Large-scale employment generation is possible only when public investment is accompanied by private capital and skill-based human resource development.

5 Persistent Structural Barriers

The findings also reveal persisting constraints:

- Shortage of skilled professionals reduces service quality
- Inconsistent connectivity discourages repeat tourism
- Unstable income during off-peak seasons discourages long-term career planning
- Heritage preservation projects require stronger regulation and monitoring

To transform Bihar into a global tourism hub, holistic and coordinated action is essential.

Conclusion

Tourism is a powerful instrument of economic transformation and employment generation for Bihar. With its exceptional heritage, spiritual legacy, biodiversity and cultural richness, the state holds enormous potential to become a major centre of global tourism. The tourism sector in Bihar has already demonstrated its capacity to generate direct, indirect and induced livelihoods across multiple sectors — hospitality, transport, food and beverages, handicrafts and cultural services — thereby creating opportunities for both skilled and unskilled labour. However, the potential remains underutilised due to infrastructural gaps, skill shortages, branding limitations and seasonal dependency. A tourism-driven development model must therefore focus on professionalising hospitality services, strengthening rural and heritage infrastructure, promoting entrepreneurship, and ensuring sustained investment from both public and private actors. A more knowledge-driven, digitally enabled and community-inclusive tourism strategy will not only increase tourist footfall but will also maximise employment opportunities and improve income security for local populations. The study concludes that tourism can be a dominant pillar of Bihar's economic future if supported by coordinated policy, capacity-building initiatives and marketing strategies that prioritise sustainable and inclusive growth.

Suggestions / Recommendations

To realise tourism's full employment potential in Bihar, the following recommendations are proposed:

1. Expand Infrastructure and Connectivity

Improve last-mile connectivity to major tourist spots. Increase budget and mid-segment hotel capacity.

Upgrade sanitation and safety facilities in rural destinations

2. Strengthen Skill Development and Professional Training

- Establish hospitality and tourism training institutes across districts.
- Introduce multilingual guide certification programmes.
- Promote entrepreneurship and digital tourism skills.

3. Promote Community-Based Tourism

- Encourage homestays and village tourism enterprises.
- Provide micro-finance support for rural tourism businesses.
- Expand women-led tourism cooperatives and SHG-based tourism services.

4. Enhance Branding and Digital Promotion

- Launch global digital campaigns targeting East Asia and Southeast Asia.
- Develop virtual tours and influencer-based destination marketing.
- Strengthen Bihar's brand identity as the "Land of Enlightenment".

5. Encourage Sustainable Tourism Practices

- Limit overcrowding in ecologically fragile zones.
- Promote eco-friendly transportation and waste management.

- Ensure heritage conservation with community participation.

Implementing these measures will build a resilient tourism ecosystem capable of supporting large-scale and long-term employment generation across Bihar.

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18. Broader national-level study showing tourism’s role in economic growth and employment generation across India (including service-sector linkage) — helpful to situate Bihar case in larger context.
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