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Covid -19 exceptional impact on Tourism sector in Andaman and Nicobar Islands

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Abstract

The "Tourism sector" is also known as the travel industry. It is the world's largest sector and economy of many nations for the tourist trade. But due to the "Covid19, it has been affected worldwide where the tourism sector dropped by US\$ 1.2 trillion estimated international tourist of about 78% loss in revenue export and represents in decline of tourism jobs cuts (UNWTO) "Andaman & Nicobar Islands, which is small Island known as the tourism sector which is one of the sources of income and it contributed to the GDP share and per capita income 56% followed by agricultural sector. But due to the covid pandemic which results the decline of the tourism 25% which results in \$ 7.4 billion fallen GDP 2020 tourism in the islands which has also affected the GDP growth rate. The main objective of the study is to highlight the problems faced by native peoples in Andaman and Nicobar Islands, to understand the socio- economic impact of covid 19, analyze the impact of covid19 on small Islands Nations Tourism in GDP and per capita income, providing the solution and suggestion for overcoming the problems of Islanders.

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Introduction

The tourism industry is also known as the "travel industry" it may be either domestically or internationally for leisure, social or business purposes. It is one of the world's largest industries and economies of many nations for the tourist trade, but due to Covid -19 tourism Industry got affected worldwide, which declined the arrival of tourism worldwide and countries. Andaman and Nicobar Islands, the small isles in India known as one of the tourism sectors, which is the main source of income, contributed to the GDP share. But as, pandemics resulted in decreasing tourism arrival, it gave a decline in GDP and per capita income of the Islands. The Covid – 19 outbreak caused the loss of economic activities, jobs, psychological mental health, and livelihood of the Islands.

Statement of the problem

The Global industry, such as the tourism and travel industry, is the main contributor to the service industry worldwide. But due to the hit of covid- 19 tourism industries went decline to amounting US\$1.2 trillion which quantified 78% loss in revenue. Tourism receipts worldwide are not expected to recover to 2019 levels until 2023. In the first half of this year, the arrivals fell more than 65% (according to IMF research on tourism in the post-pandemic world). Small island nations shifted labour and capital to other alternative sectors.

On the other hand, Andaman & Nicobar Islands have the burden of poor expenditure, leading to vulnerable circumstances in the covid outbreak. This outbreak has led to the loss of jobs, disturbance in economic activities, livelihood effects, etc., though the islands' livelihood depends on the tourism sector.

Here is to outlook the impact of covid -19 in the tourism sector in the islands and their contribution of GDP and per capita income in all island nations, and the problems faced by livelihood people and the government policies which should be the outlook for the benefit of the islanders in the tourism industry.

Past Reviews

Christian M. Rogerson et.al., (2020) has overview on impact of Covid 19 tourism in South Africa which focused upon the industry and Govt. crises in the tourism industry which found that industry mostly impacted in small and micro enterprises has conflicted the stakeholders cause frustration about chaotic and changing policy towards the sector as well the weakness on government support.

Peter Jones, Daphne Comfort (2020) this paper outlines the contradiction between the tourism and the sustainable development which draws a view on perseverance within the industry. This study is based on empirical paper which suggests the radical challenges for the tourist industry which has signal environmental changes that may be more sustainable for the future stabilization.

Sanjita Jaipuria et.al., (2021) has aimed to highlight the foreign tourist's arrival in India and Foreign Exchange Earning (FEE) utilizing the artificial networks. It has analyzed the covid 19 in the terms with pre-post lockdown in gain and loss hence, it suggests to help the policymakers with necessary strategic to overcome the operational decisions.

Significance of the study

The study will help us to find out the impact of covid- 19 in this island which has an effect on the GDP and per capita income of

the islands nation during the pandemic outbreak as if affected the tourism and economic activities in small islands developing state (SIDS), which became more vulnerable due to which mainly the islanders of this island mostly depend on tourism activities which is the source of income for their livelihood which became difficult to manage small economies.

The objectives of the study

1. To understand the socio-economic impact of covid -19 on islands.
2. To analyze the impact of covid -19 on Small Islands Nations tourism in GDP and per capita income.
3. To highlight the problems faced by native people of Andaman & Nicobar Islands.
4. To provide solutions and suggestions for overcoming the problem of islands people due to pandemics.

Study Area

Discussion and interpretation

Table: 1: Impact of covid – 19 on Small Island Nations Tourism, GDP and per capita income

Name of the islands	Tourism % to GDP	External debt (%)	Major economic activity	Agri. Share (GDP %)	Services sector share (GDP %)	Per capita income (\$)	Falls due to Covid - 19	
							GDP (%)	Per capita income (\$)
Andaman & Nicobar Islands	18	3.8	Tourism, Services,	36.1	48.9	945.8	25	709.35
Antique & Barbuda	45	34	Tourism, Agriculture	3.8	74.3	18300	11	16287
Bahamas	40	194	Tourism, sugar	6	58.4	18900	10	17010
Grenada	56	59	Tourism, Agriculture	5.4	62	3900	14	3354
Jamaica	35	108	Service, tourism, remittances and bauxite	5	61	4800	9	4368
Maldives	66	48	Tourism,	16	77	4600	17	3818

The research has been conducted on Port Blair taluk in Andaman and Nicobar Islands capital where the study readdresses the impact of covid -19 in the tourism industry in 2020. The main motive is to highlight the impact of Islands Nations tourism in contribution in GDP and per capita income and to know the circumstances that individual livelihood and the tourism industry underwent during this pandemic.

Materials and Methods

The research article has been reviewed from various articles, newspapers, UNCTAD based data from UCTAD, SIDS, directorate of economics and statistics administration (A&N), FAO, IMF national statistics, etc. It has analyzed the fall in GDP and per capita income through a simple percentage method using statistical tools mean, median, mode to know the fall of GDP (in regards to tourism, external debt, agricultural share).

			Fisheries					
Mauritius	24	72	tourism, Financial services, retail and wholesale trade	45	68.5	23699	6	0
Seychelles	66	198	Tourism	2.1	69.6	16600	16	13944
St. Lucia	43	35	Tourism, industries, offshore banking	5	53.6	4800	11	4272
St. Vincent and grenadines	46	38	Agricultural and tourism	10	64	9800	12	8624

*SOURCE: UNCTAD. Note: * indicate the external debt % to GDP in India*

In the above table1: shows that tourism contribution in the GDP is highest on Maldives and Seychelles with 66 percentile and the least is Andaman and Nicobar Islands with 18 percentiles. On the other hand, the external debt is more in Seychelles Islands with 198 percentile and the least with Andaman and Nicobar Islands with 3.8 percentile. It relates to economic activity every island has the same tourism sector as contributed in GDP, agricultural share where Mauritius has given more involvement with 45 percentile and with the least St. Lucia and Jamaica with 5 percentiles. Andaman and Nicobar Islands have been placed with 36.1 percentile in agricultural share. Regarding with the service sector the share of GDP is highest in Antique and Barbuda islands nations which is 74.3 percentile with the least followed by Andaman and Nicobar Islands with 48.9 percentile. But covid 19 the per capita which was 945.8 which falls to 709.35 and GDP effect the highest with 25 percentiles in Andaman and Nicobar Islands and least is with the Mauritius with 6 percentiles.

Covid -19 has mostly affected the small-scale industries like fisheries, handicrafts industries. Tourism is one of the basic sectors where the economic and livelihood depends on the public services. Corona led to the downturn to the financial crises in the economy. Airlines, tour operators, agents, hotels got highly impacted. All the cultural activities like festivals and gatherings keep them busy and healthy now; these tribals youth faced psychological disorders and mental imbalances, which was they're earning through activities. Pandemic devastated the livelihood of agricultural people. Traditional economic farming like coconut cultivation and fisheries activities experience major crises like vegetable supplies. Farmers who are large in numbers in these islands and hotels and restaurants owners and employees became

unemployed. Social events like beach festivals, island tourism festivals, and annual sports are the main sources of income in rural livelihood. All festivals were cancelled due to the covid-19 pandemic throughout the islands. The immigrants of different states got stuck due to the lack of flights.

Conclusion and Suggestions

The tourism industry has been highly got affected due to the covid outbreak, which caused a severe impact on the business sector and livelihood. The product price increased due to the unavailability of ships and flights where the daily wage labour got highly affected. Due to the loss of the jobs, they could not afford to buy the basic risk.

The tourism sector faced the most challenges for the future, which mostly got adversely affected. The government must support, and endowments like intercession can only revive the sector. There should be the advancement of ICT and the functioning of high technologies so that perishable goods can be preserved. The food price inflation for the necessary goods should be brought down so that every individual can escape from malnutrition and starvation. Hence, last but not least tourism sector has been going more challenges not only in India but all around the world. The traditional activities like coconut farming, fisheries, and vegetable cultivation got major crises due to the unavailability of tourism and flights since human resources mostly got affected where there is a need for economic reforms. The lost revenue in the tourism sector can be brought back through policy inventions. The government has to take on new challenges for sustainability for the future.

Limitations

The paper is based on the various reports and data collected from various agencies. It is fully based on the secondary aspect. Since it may have some bias as pandemics have not been stopped too far, it would be an early stage to predict the real impact of Covid – 19.

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