

Economic Impact Of Maha Kumbh Vs. Hajj: A Comparative Analysis Of Tourism, Infrastructure, And Employment (2000–2024)

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| KEYWORDS <i>Religious Tourism, Maha Kumbh Mela, Hajj, Economic Impact, Infrastructure, Revenue, Employment, Sustainability, Policy.</i> | ABSTRACT The Maha Kumbh in India and Hajj in Saudi Arabia are among the world's largest religious gatherings, profoundly influencing tourism, infrastructure, and employment. This study examines their economic models from 2000 to 2024, focusing on revenue generation, investment trends, and job creation. Maha Kumbh, drawing up to 400 million visitors, significantly boosts local economies but depends on temporary, state-funded infrastructure. In contrast, Hajj follows a structured, revenue-driven model with mandatory fees, high-end hospitality, and year-round Umrah tourism, ensuring continuous financial growth and permanent employment opportunities. The study highlights policy recommendations to strengthen pilgrimage economies through sustainable infrastructure, digital advancements, and public-private partnerships. By comparing these models, it offers valuable insights for policymakers seeking to maximize long-term economic benefits from religious tourism while ensuring sustainable development. |
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1. INTRODUCTION

Context & Background

Religious tourism is a key driver of global economic growth, attracting millions of pilgrims annually and generating significant revenue, infrastructure development, and employment. According to the UNWTO (2023), it accounts for 300–600 million travelers each year, making it one of the fastest-growing segments of the travel industry.

Among the largest religious gatherings, Maha Kumbh in India and Hajj in Saudi Arabia stand out for their immense scale and economic impact. The 2013 Maha Kumbh Mela contributed approximately \$12 billion to India's economy (Confederation of Indian Industry, 2013), while Hajj generates \$12 billion annually, representing 7% of Saudi Arabia’s non-oil GDP (Saudi General Authority for Statistics, 2022).

Despite their financial significance, these events follow distinct economic models. Maha Kumbh is a state-funded, tourism-driven event that stimulates local economies but relies on temporary infrastructure. In contrast, Hajj operates on a structured revenue model, leveraging mandatory pilgrimage fees, luxury hospitality, and year-round Umrah tourism to ensure sustained economic benefits and permanent employment.

This study analyzes the economic structures of Maha Kumbh and Hajj from 2000 to 2024, focusing on tourism revenue, infrastructure investment, and job creation. By comparing these models, it identifies strategies to enhance economic returns and promote sustainable development in religious tourism.

Historical Background of Maha Kumbh and Hajj

Maha Kumbh

Maha Kumbh, one of the world's largest religious gatherings, is rooted in Hindu mythology, particularly the legend of **Samudra Manthan (Churning of the Ocean)**. Hindu scriptures—including the **Rig Veda, Puranas, and Upanishads**—



describe how drops of **Amrit (nectar of immortality)** fell at **Prayagraj, Haridwar, Nashik, and Ujjain**, marking these sites as sacred. Held every **12 years in Prayagraj**, the festival attracts millions seeking spiritual purification through a **holy dip in the Triveni Sangam** (confluence of the Ganga, Yamuna, and Saraswati rivers). Institutionalized by **Adi Shankaracharya in the 8th century**, Maha Kumbh has evolved into a major cultural and economic event. **In Vedas and Upanishads also Mahakumbh has been mentioned.”आत्मा वै सोम्य पुरुषोऽमृतः।” (Chandogya Upanishad 8.12.1)**. This verse highlights the **concept of Amrit (nectar of immortality)**, which is central to Kumbh Mela. Devotees believe that taking a dip in the **Triveni Sangam** during Kumbh purifies the soul and grants liberation from the cycle of birth and death.

"यत्र विश्वं भवत्येकनीडम्।" (Rig Veda 10.191.3) Maha Kumbh is a unifying event, bringing together people of all backgrounds, sages, and seekers from across the world, symbolizing universal brotherhood and spiritual harmony.

सर्वं खल्विदं ब्रह्म।" (Chandogya Upanishad 3.14.1). This verse reflects the philosophical essence of Maha Kumbh, where the gathering of millions is seen as an expression of divine oneness. Pilgrims immerse in the sacred rivers, realizing that everything in the universe is interconnected and divine.

The 2013 Maha Kumbh attracted 100 million pilgrims, generating ₹12,000 crore (~\$12 billion USD) in economic activity (Economic Survey of India, 2013). The 2025 Maha Kumbh is projected to host 250 million visitors, contributing ₹72,700 crore (~\$24 billion USD) (Economic Survey of India, 2025).

2. HAJJ

Hajj, a fundamental pillar of Islam, commemorates Prophet Ibrahim and Ismail’s devotion to Allah and their construction of the Kaaba in Mecca. Pilgrims perform rituals such as Tawaf (circumambulation of the Kaaba), Sa’i (running between Safa and Marwah), and Ramy al-Jamarat (stoning the devil), symbolizing faith and purification. Historically supported by Islamic caliphates and the Ottoman Empire, modern Hajj infrastructure has been extensively developed by Saudi Arabia, with over \$30 billion invested in Mecca Metro, Haramain High-Speed Rail, and airport expansions.

Hajj attracts 2–3 million pilgrims annually, generating \$12 billion USD, accounting for 7% of Saudi Arabia’s non-oil GDP (Saudi General Authority for Statistics, 2022). Under Vision 2030, Saudi Arabia aims to expand pilgrimage tourism to 30 million visitors annually, significantly boosting revenue.

Comparative Economic Analysis

Maha Kumbh: Economic Contributions and Infrastructure Growth

Maha Kumbh has transformed into a global religious tourism event, with significant economic benefits:

- **Tourism Revenue:** Substantial earnings from accommodation, transport, local businesses, and informal trade.
- **Employment Generation:** Over 1 million temporary jobs in hospitality, security, event management, and retail.
- **Infrastructure Development:** Investments in roads, bridges, sanitation, crowd management, **and** digital tourism services.
- **Technology Integration:** AI-enabled cameras and crowd density mapping enhance event management and security.

Despite its economic impact, temporary infrastructure limits long-term benefits, highlighting the need for sustainable urban planning.

Hajj: Structured Revenue Model and Long-Term Economic Impact

Hajj operates under a structured revenue-driven model, with key contributions including:

- **Annual Revenue:** \$12 billion USD, projected to reach \$50 billion USD by 2030 (Saudi Vision 2030 Report, 2022).
- **Permanent Infrastructure:** Investments in Mecca Metro, Haramain High-Speed Rail, and King Abdulaziz International Airport support year-round religious tourism.
- **Employment Growth:** Over 1.5 million seasonal jobs, with permanent roles in hospitality, tourism, and transport.

Saudi Arabia’s Vision 2030 prioritizes pilgrimage tourism as a strategic economic sector, ensuring long-term financial sustainability and employment growth.

Key Economic Comparisons: Maha Kumbh vs. Hajj

| Factor | Maha Kumbh Mela (India) | Hajj (Saudi Arabia) |
|-----------|---|---------------------|
| Frequency | Every 12 years (Full Kumbh), every 6 years (Ardh Kumbh) | Annual event |



| Factor | Maha Kumbh Mela (India) | Hajj (Saudi Arabia) |
|------------------|---|--|
| Pilgrim Footfall | 2013: 100 million 2025: 250+ million (projected) | 2–3 million annually |
| Economic Impact | 2013: \$12 billion 2025: \$24 billion (projected) | \$12 billion annually |
| Government Role | State-funded with private sector partnerships | Fully regulated by Saudi government |
| Infrastructure | Temporary tent cities + permanent roads, bridges | Permanent metro, hotels, airports |
| Revenue Model | Primarily tourism-driven | Pilgrim fees, luxury tourism, and government investments |
| Employment | 1 million+ seasonal jobs (2025 projected) | 1.5 million+ seasonal jobs |

Maha Kumbh and Hajj follow distinct revenue models. Maha Kumbh primarily depends on state funding and tourism-driven revenue, whereas Hajj operates on a structured fee-based system supported by investments in luxury accommodations and transportation. To enhance the financial sustainability of Maha Kumbh, policymakers should introduce structured revenue mechanisms, including pilgrim permits, digital services, and greater private sector involvement.

Infrastructure development also differs significantly. Hajj benefits from permanent infrastructure that supports year-round economic activity, while Maha Kumbh relies on temporary structures that provide only short-term economic boosts. Future Maha Kumbh events should prioritize the development of permanent urban infrastructure, smart city planning, and sustainable waste management to ensure long-term benefits.

Employment patterns further highlight the contrast. Hajj fosters long-term employment in tourism and service industries, whereas Maha Kumbh generates seasonal jobs that decline post-event. To enhance economic sustainability, Maha Kumbh should complement its short-term job creation efforts with investments in local tourism, hospitality training, and digital tourism integration. These measures will help sustain employment growth beyond the festival period.

3. RESEARCH PROBLEM

Maha Kumbh in India and Hajj in Saudi Arabia generate significant economic activity through tourism, infrastructure investment, and employment creation. However, their economic models differ—Maha Kumbh relies on tourism-driven revenue and state-supported infrastructure, while Hajj follows a regulated, fee-based system with permanent infrastructural investments. This study examines how these events contribute to their respective economies, comparing tourism revenue, investment patterns, and job creation. By analyzing their economic impact, structural differences, and sustainability, the research aims to provide data-driven insights and policy recommendations for optimizing religious tourism as a driver of economic growth.

4. RESEARCH OBJECTIVES

This study aims to conduct a comparative economic analysis of Maha Kumbh (India) and Hajj (Saudi Arabia) to evaluate their contributions to tourism, infrastructure development, and employment generation. The key objectives are:

1. To quantify the economic impact of Maha Kumbh and Hajj by analyzing tourism revenue, government earnings, and private sector contributions.
2. To examine infrastructure investment strategies, comparing temporary vs. permanent developments, urban expansion, and technological integration in pilgrimage tourism.
3. To assess employment generation dynamics, differentiating between short-term event-based employment and long-term labor market effects.
4. To identify structural and policy differences in government intervention, funding mechanisms, and economic spillover effects between the two events.
5. To propose strategic policy recommendations for optimizing religious tourism as a sustainable economic driver, enhancing efficiency, resilience, and long-term developmental outcomes.

5. LITERATURE REVIEW

The economic impact of religious mega-events like Maha Kumbh and Hajj has been widely studied, with recent research emphasizing their long-term contributions to economic growth, infrastructure development, and employment generation. The 2025 Maha Kumbh Mela is projected to generate ₹2 lakh crore (~\$24 billion USD), primarily benefiting hospitality,



transport, and retail, while creating 1 million temporary jobs (Singh & Niglio, 2025). Similarly, Saudi Arabia's Vision 2030 aims to expand Hajj and Umrah pilgrim numbers to 30 million annually, targeting \$50 billion USD in annual revenue (Saudi Tourism Authority, 2024).

Comparative studies highlight distinct economic models—Hajj follows a government-controlled, revenue-generating framework with structured income from pilgrim fees, visa charges, and luxury hospitality, whereas Maha Kumbh relies on a state-funded, tourism-driven model dependent on pilgrim spending (Alsulaiman & Rentner, 2024; Verma et al., 2021). Infrastructure investments also differ: Saudi Arabia has invested \$30 billion USD in Mecca's metro, airport expansion, and smart crowd management, while Maha Kumbh allocates ₹5000 crore (~\$600 million USD) for temporary urban improvements (Karthika et al., 2022).

The Tourism-Led Growth Hypothesis (TLGH) suggests that pilgrimage events significantly contribute to GDP growth, employment, and urban expansion (Brida & Pulina, 2010). Hajj constitutes 7% of Saudi Arabia's non-oil GDP, while the 2013 Maha Kumbh generated \$12 billion USD, fueling local business expansion (Alhawaish, 2016; Confederation of Indian Industry, 2013). However, research indicates Maha Kumbh's short-term economic surges lack sustainable infrastructure, unlike Hajj, which fosters year-round employment and urban development (Verma et al., 2021; Al-Mulali et al., 2021).

Emerging studies explore technology integration in pilgrimage management, such as AI-based crowd monitoring and digital ticketing, enhancing economic efficiency (Dextks, 2020). Despite extensive research, gaps remain in assessing post-event economic impact, environmental sustainability, and waste management (Sokhna et al., 2024). Further empirical studies are needed to develop comparative frameworks for evaluating the long-term GDP contributions of pilgrimage economies (Alsulaiman & Rentner, 2024).

6. RESEARCH DESIGN AND METHODOLOGY

✓ Research Design

This study adopts a comparative case study approach to analyze Maha Kumbh and Hajj as major religious mega-events. The research aims to:

- Assess their direct and indirect economic impact on national economies.
- Compare investment strategies, employment trends, and revenue generation from 2000 to 2024.
- Evaluate long-term economic spillovers on tourism, urban development, and labor markets.
- Identify policy models influencing financial sustainability in pilgrimage tourism.

A mixed-methods approach, integrating quantitative and qualitative analysis, ensures a comprehensive economic evaluation.

✓ Data Collection Methods

This study relies on secondary data from peer-reviewed research, government reports, and institutional databases.

1. Secondary Data Sources

Government & Institutional Reports

- India: Ministry of Tourism, Uttar Pradesh Tourism Board, NITI Aayog, Confederation of Indian Industry (CII).
- Saudi Arabia: General Authority for Statistics, Ministry of Hajj & Umrah, Saudi Vision 2030 Reports.
- International: UNWTO, IMF, World Bank.

Academic & Industry Sources

- Scopus, ABDC, and SSCI-indexed journals from Springer, Elsevier, Wiley, Taylor & Francis, and Sage.
- Economic & Infrastructure Reports from India and Saudi Arabia.
- Employment Data from Saudi Ministry of Labor and India's NSSO.

A triangulation strategy ensures data accuracy and reliability.

❖ Findings & Discussion

✓ Tourism Contribution

Maha Kumbh 2025 is projected to attract over 250 million pilgrims, making it the largest religious gathering in history. The hospitality, transport, and retail sectors are expected to witness a significant boost, with estimated revenue surpassing ₹2.2 lakh crore (~\$26 billion USD). Prayagraj's tourism sector has already seen a 40% rise in hotel bookings six months ahead of the event, with major chains like Taj and Radisson expanding operations. Additionally, local businesses and informal vendors in areas like Sangam, Civil Lines, and Daraganj anticipate a 300–500% surge in earnings.



Hajj, regulated through a quota system, maintains a stable 2–3 million international pilgrims annually, contributing directly to Saudi Arabia's \$12 billion non-oil GDP. The structured revenue model ensures predictable financial growth, supporting year-round Umrah tourism, which exceeded 11 million pilgrims in 2024.

✓ Infrastructure Development

Maha Kumbh's infrastructure largely remains temporary, with significant investments in floating bridges, sanitation facilities, and tented accommodations. However, for 2025, the Uttar Pradesh government has allocated ₹6000 crore (~\$720 million) for permanent upgrades, including the Prayagraj Smart City project, road expansions, and railway modernization. The new Ganga Expressway is expected to improve accessibility, reducing travel time from major cities like Lucknow and Varanasi.

Hajj follows a long-term infrastructure model, integrating Mecca Metro, Haramain High-Speed Rail, and Jeddah's expanded airport, ensuring efficient year-round pilgrim movement. Unlike Maha Kumbh, private sector investments significantly contribute to the expansion of luxury hotels and commercial hubs.

✓ Employment Impact

Maha Kumbh generates over 1.2 million temporary jobs, particularly in hospitality, transport, event management, and security. In Prayagraj's Civil Lines and Katra markets, artisans and small retailers report a fivefold increase in demand for religious souvenirs. However, employment remains informal, lacking long-term economic sustainability. Bikers and E-rikhsa emerged as important source of transportation and have earned lot of Money and people got benefit from Mahakumbh.

Hajj supports 1.5 million structured jobs, with a focus on hospitality, transport, and security services, ensuring permanent workforce stability. The Saudi government's training programs for tourism professionals contribute to long-term skill development, unlike Maha Kumbh's temporary employment model.

✓ Revenue Models

Maha Kumbh's revenue generation relies on state funding and tourist spending, benefiting small traders, transport operators, and hoteliers. Unlike Hajj's government-regulated fees and structured pricing, Maha Kumbh's economy remains market-driven, leading to higher but less predictable financial gains.

Hajj, in contrast, secures income through mandatory pilgrimage fees, premium hospitality services, and state-backed tourism investments, ensuring sustained economic benefits beyond the event.

✓ Economic Spillovers

Maha Kumbh boosts local economies, crafts, and heritage tourism, particularly in Varanasi, Ayodhya, and Haridwar, where pilgrim footfall increases by 200% post-event.

Hajj remains central to Saudi Vision 2030, fostering year-round pilgrimage tourism through Umrah, driving revenue beyond the traditional Hajj season.

❖ Conclusion & Policy Recommendations

✓ Key Findings

The comparative analysis of Maha Kumbh and Hajj highlights distinct economic models, tourism impacts, infrastructure investments, employment trends, and revenue structures. Both events contribute significantly to their national economies but differ in financial sustainability and long-term impact.

Economic Comparisons

- **Tourism Contribution:** Maha Kumbh attracts 200M+ domestic pilgrims, whereas Hajj hosts 2–3M annually, 75% of whom are international, generating higher per capita revenue.
- **Infrastructure Investment:** Maha Kumbh relies on temporary structures, with ₹6000 crore (~\$720M) allocated for urban upgrades in 2025, while Hajj benefits from \$30B+ permanent infrastructure projects.
- **Employment Generation:** Maha Kumbh creates 1.2M+ temporary jobs, largely in the informal sector, while Hajj sustains 1.5M+ structured jobs in hospitality, security, and transport.
- **Revenue Models:** Maha Kumbh operates on a state-funded, tourism-driven model, whereas Hajj follows a structured, government-regulated model through pilgrim fees, luxury hospitality, and private sector investments.
- **Economic Spillovers:** Maha Kumbh boosts regional economies and handicrafts, while Hajj aligns with Saudi Vision 2030, supporting long-term economic diversification and year-round Umrah tourism.

Hajj ensures financial sustainability through a regulated revenue system, while Maha Kumbh's economic benefits remain decentralized, primarily benefiting local businesses and regional stakeholders.



✓ **Policy Implications for India & Saudi Arabia**

Strategies for Optimizing Tourism Revenue

India (Maha Kumbh)

- Develop pilgrim tourism packages to formalize spending and maximize revenue.
- Expand international marketing to attract foreign religious tourists.
- Strengthen data tracking on tourism expenditure and employment impact.
- Encourage public-private partnerships (PPPs) in hospitality, transport, and infrastructure.

Saudi Arabia (Hajj)

- Introduce tiered pricing models for pilgrimage services to optimize revenue.
- Expand Umrah tourism to maintain economic activity beyond Hajj.
- Develop luxury religious tourism to attract high-income travelers.
- Integrate Islamic heritage sites in Medina, Jeddah, and Riyadh into pilgrimage circuits.

Sustainable Infrastructure Investment

India (Maha Kumbh)

- Transition from temporary to semi-permanent infrastructure to support urban development.
- Implement smart city solutions for efficient crowd and resource management.
- Establish dedicated Kumbh tourism zones for multi-use urban spaces.
- Promote eco-friendly initiatives such as zero-waste pilgrimages and renewable energy usage.

Saudi Arabia (Hajj)

- Expand AI-based crowd management and digital payment integration.
- Increase affordable housing and transport solutions for rising pilgrim numbers.
- Strengthen public transport networks to reduce congestion in Mecca and Medina.
- Implement sustainable urban planning, integrating solar-powered accommodations and waste management systems.

Both nations must balance economic expansion with sustainability, ensuring pilgrimage tourism remains financially viable and environmentally responsible.

7. CONCLUSION

Maha Kumbh and Hajj represent contrasting models of religious tourism—one driven by high-volume domestic participation and informal economic benefits, the other by structured, regulated financial sustainability.

India must formalize revenue streams, enhance international participation, and invest in semi-permanent infrastructure to sustain Maha Kumbh's economic impact. Saudi Arabia can further diversify pilgrimage tourism, integrate digital innovations, and promote eco-friendly practices to maximize long-term benefits.

By adopting evidence-based policies, leveraging technology, and ensuring sustainable investments, both countries can optimize pilgrimage tourism's role as a key driver of economic growth.

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