

ATOMIC ENERGY CENTRAL SCHOOLS
Revision Notes
Economics (Class-X)
Chapter-4 Globalization and the Indian Economy
(Module 5/5)

Special Economic Zones (SEZs)

1. These have been set up by the central and state governments in India to attract foreign companies to invest in India.
2. SEZs have world class facilities like electricity, water, roads, transport, and storage, recreational and educational facilities.
3. Companies which set up production units in the SEZs do not have to pay taxes for an initial period of five years.
4. Government has also allowed flexibility in the labour laws to attract foreign investment.

The struggle for a Fair Globalisation

Fair globalization means everyone should have equal share in the profits brought by the globalization.

Not everyone has been benefited from globalization. People with wealth, skilled workers and large producers have been benefited. On the other hand small producers, unskilled workers and poor people have not shared these benefits.

How to make globalization fair?

Government's policies must protect the interests, not only of the rich and powerful, but all the people in the country. Government can ensure that-

1. Labour laws are properly implemented and the workers get their rights.
2. Government should support small producers by providing easy loans or in other ways till the time they become strong enough to compete with the big companies.
3. The government can also use trade and investment barriers to protect small producers.
4. It can negotiate at the WTO for fairer rules.
5. It can also align with other developing countries to fight against the domination of developed countries in the WTO.
6. People through their campaigns and representation can also influence important decisions relating to trade and investment at WTO.