



Stakeholder's views on working of special economic zones in India

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Abstract

Special Economic Zones is an instrument for the economic growth in the country by way of creating employment opportunities, promoting exports, mobilizing investments from both domestic as well as international source and generating additional economic benefits. But the working of Special Economic Zones is not free from various obstacles like inadequate compensation for land acquisition, economic imbalances, worker's issues, rehabilitation issues of Project Affected People, environmental issues and food security. So Special Economic Zones did not essentially convey about any encouraging transformation in Social hierarchies.

Keywords: madras special economic zone, Mahindra World City Chennai special economic zone and stakeholders views

Introduction

"A Special Economic Zone is a geographical region within a nation – State in which a distinct legal framework provides for more liberal economic policies and governance arrangements than that prevail in the country at large, the intent being to stimulate investment, trade and employment" (Rob Jenkins 2007). The key problems associated with Special Economic Zones in India are land purchase which consists of the problem of displacement of public, land worth, outflows for the rehabilitations of shifted people, housing property improvement and land speculation. Agriculturists are not in favor of the compulsory purchase of their lands. The maximum level of resistance has been experimental in West Bengal when land was purchased by the State Government for the Tata Group at Singur and Salim Group of Indonesia at Nandigram. Further the failure of farming land, there is no appropriate schemes for resettlement of scheme distress public, the workers laws relevant to the rest of the nation have been hassle-free for the Special Economic Zones, relax environmental approval is required so environmental problems, loss of Government income by means of present tax benefits and consuming water for Special Economic Zones are the significant problems aroused from various parts of the nation.

Review of earlier studies on special economic zones issues in India

The main issues related Special Economic Zones are land acquisition (Arun Kumar 2007; Jeremy Grasset and Frederic Landy 2007; Manab Majumdar 2007; Shankar Gopalakrishnan 2007; Deepak Shah 2009; Anjali Mody 2010; Michael Levien 2011) [2, 5, 7, 10, 11, 1, 6].

Loss of Government revenue due to the tax concessions is the another main drawbacks of Indian Special Economic Zones (Arun Kumar 2007; Jeremy Grasset and Frederic Landy 2007; ManabMajumdar 2007; Deepak Shah 2009) [2, 5, 7, 11].

Workers employing in Special Economic Zones were not satisfied with the working condition offered by the zones

(Venugopal P N 2005; Arun Kumar 2007; Jeremy Grasset and Frederic Landy 2007; William Milberg 2008) [13, 2, 5, 15].

Special Economic Zones are the instruments to create regional economic imbalance (William Milberg 2008; Deepak Shah 2009) [15, 11].

Food insecurity is another Special Economic Zones issues reported by William Milberg (2008) [15].

Water and electricity has been consumed on a large scale by the industrial units located in Special Economic Zones in India.

Special Economic Zones will spell an ecological disaster (Shankar Gopalakrishnan 2007; Naresh Kumar Sharma 2009) [10, 8].

Objectives of the study

The Primary objective of the study is to understand the stakeholder's views on working of Special Economic Zones in India. For conducting detail study, the following objectives were framed.

1. To analyze the stakeholder's views on working of Madras Special Economic Zone during the period under study.
2. To understand the stakeholder's views on working of Mahindra World City Chennai Special Economic Zone under the study period.

Methodology of the study

A Field Study Method was used for analyzing the stakeholders views on the working of Special Economic Zones in India with reference to Madras and Mahindra World City Chennai Special Economic Zone. Madras Special Economic Zones being one of the oldest Government of India supported Special Economic Zones and Mahindra World City Chennai Special Economic Zones is one of the oldest private supported Special Economic Zones in India. Hence researcher chooses Mahindra World City Chennai and Madras Special Economic Zones are the sample units for understanding the stakeholders views on Special Economic Zones in India.

Experts views on Indian special economic zones

Various issues due to the working of Special Economic Zones in India are one of most discussing topic in the recent period. There are positive as well as negative comments on the functioning of Special Economic Zones in India. While considering that point, researcher made an earnest attempt to know the experts views on the functioning of Special Economic Zones in India. The following paragraphs are explaining the expert's views.

Medha Patkar, a Social Activist communicated that "Special Economic Zones is a part of universal plan with capital and market purchasing more and more decent place on a universal level. A few capitalist are misusing the concept for country land for profits", (<http://www.youtube.com> on Indian Special Economic Zones).

Dalvi, Surekha (Land Right Activist and Lawyer) understood that "the Indian Special Economic Zone Law disobeys all the accurate certain to the civilian by the statute" (<http://www.youtube.com> on Indian Special Economic Zones).

NDTV telecasted that Goa is a mini Nandigram concerning Special Economic Zone land purchase problem and due to economic condense IT and IT enabled Special Economic Zones end their performance in Hariyana State.

Mahajan Ulka (Social reformer) stated that "Special Economic Zones in India are largely situated in the large cities and also near secure to farming land. There is no precision, redirecting farm land into non farming use that will concern the livelihood of the agricultures, exploiting a variety of benefits given to the entity situated in the Special Economic Zones and no space for the underprivileged citizens" (<http://www.youtube.com> on Indian Special Economic Zones).

Janardhan Mukund Mhatre (a Farmer from Raigad, Maharastra State) viewed his understanding "we are attain unfair reward for the purchase of land, which can be gathering the requirements of the current generation and what about the future generation?" (<http://www.youtube.com> on Indian Special Economic Zones).

"Private party for all time rate too low their land to save the Stamp Duties, so the Government are not significant the authentic worth of the property, that is why the cultivator are not receiving the fair return for their property" (Gopal Pillai, Ministry of Commerce and Industry, <http://www.youtube.com> on Indian Special Economic Zones).

Shiva Vandana, (Environmentalist) prescribed that "the thought of Special Economic Zone is nothing but pillaging of property, an enormous monetary cheat, new style of disorder and major land seize in Indian history" (<http://www.youtube.com> on Indian Special Economic Zones).

Rambhav Haribhav Mhatre (a Fisher man from Raigad, Maharastra State) he expressed that "we are all time depends fishing for source of revenue but Special Economic Zone come end our customary life" (<http://www.youtube.com> on Indian Special Economic Zones).

UTV stated that Gujarat High Court prepared an order to grip all construction actions of Mundra Port on ecological floor with effect from May 2011.

Professor Dhanamanjiri Sathe, (Pune University) view his

opinion about the working of Indian Special Economic Zone to recovered from "the Special Economic Zone is a fresh thought, if it can offer sufficient reward to the project affected persons and it is recognized in the backward region of the nation" (<http://www.youtube.com> on Indian Special Economic Zones).

Stakeholders views on Madras special economic zone

During the field study researcher found a middle age women looking sad and cleaning Special Economic Zone premises. Researcher had inter acted her and she said her name is Sredevi, last 9 years she has been working here as a daily wagger and the money saved is hardly to meet her day today family expenditures. In the words of Muthamizh (daily worker) working conditions offered by the industrial units (Garments and Textiles) located in Zone was not satisfactory. Tamilselvi and Kanagamma both are working in tailoring units said that we should work hard to get the target. Tamilvannan daily worker in Chemical unit expressed that my health adversely affected due to chemicals used by entity. Muthulakshmi, Soundarya, Vally etc are said that we are not availing any benefits which are availed by the regular workers. A group of regular workers informed to the researcher our job is giving more mental stress to us. Vigneswari expressed us we are working over time, but double rate is not offering for the extra hours.

Singaravel, he is staying near to Madras Special Economic Zone, said that because of zone operation water, air and soil are getting polluted. Zone functioning was not improve the standard of living of the local people and traditional job had negatively affected, said by Sankaran (local person).

Stakeholders views on Mahindra World City special economic zone

Saravanan (former land owner of Mahindra World City Special Economic Zone) is told to the researcher "I was happy to receive lump sum money as consideration for the sale of land and we had never seen more money in our lives from agriculture". Murugan (farmer) viewed us here more than 60% working force are engaged agriculture activities but we were force to sell the land because of the income from agriculture activities is less than the cost incurred. According to Selvam former land owner of Mahindra World City Special Economic Zone said that brokers and local politician are benefited more than us from the land acquisition process and their promised still in papers. Palanichamy project affected person told us we sold our land because of risk associated with agriculture but the Special Economic Zone developers had little effort to shown us alternative livelihood. A former farmer (Tamilvannan) expressed his view, "We should give wages at least 7 ladies and 5 men per acre per day during the harvest time and the result is amount of investment is higher than the income generated. That is the reason we sell our lands to the Special Economic Zone." At present we are working as Auto rickshaws driver, in hotel and daily wagger of industrial units located in Mahindra World City Special Economic Zone, but we are not pleasant with the present jobs (group of young man). Another former landowner (Theepak Kumar) of Mahindra World City Special Economic Zone said that "I was received less price as a consideration from the sale of land

when compared to others and now I engaged the informal economy to support my family” A former landowner (Natarajan) of Mahindra World City Special Economic Zone told us “Special Economic Zone developers and local politician are exploiting us and he continued, once we had quality and poison free food but at present that was the dream.”

During the field study researcher met the daily wage workers (sweeping of streets, the watering of plants and trash pickup) and their collective experience was that their daily wages are not sufficient to meet their day today expenditures and they are living in huts and doesn't have toilet facilities. They continued we are not availing any benefits (both monetary and skill development) which are received by the permanent workers in the Special Economic Zone”. Shyam prakash and his friends are regular workers informed to the researcher our job is giving mental stress to us. Sarasu expressed us, we are compelled to work over time, but the employer is not giving additional wages. Chithra told to the researcher I worked here and my health was badly affected, but the management was not supporting her to meet her daily requirements.

The most projected people are landless agriculture workers (they are belonging to low caste) we met a group of people and asked their issues due to the working of Mahindra World City Special Economic Zone. Their collective response is that “we were meet our daily expenditure by worked in the agriculture field, growing goat, cow, and buffalo, had sufficient water to meet the domestic purpose. But now our water is got polluted, we don't have the place to feed the animals and more over the Special Economic Zones Authority is not included us under the heads of project affected people”. Zone functioning was not improve the standard of living of the local people and traditional job had negatively affected told by a local person namely Senthamil.

Palannivel one of the community leader viewed that “Mahindra World City Special Economic Zone developers and Governments should do collectively something for resolving various issues faced by the Project Affected People”. Mathiazhagan a community leader told us that “we were acting as middle man for the development of the community. But the local people are misunderstanding us”.

(Names have been changed to protect individuals who shared their thoughts)

Conclusion

Main issues of Special Economic Zones are unfair reward for former land owner, government revenue lost due the countless benefits, exploitation of workers, regional economic imbalance, heavily consumption of water and electricity and environmental issues. There is an unfair mechanism for the settlement of Special Economic Zones issues. The various opportunities availed in the Special Economic Zone are not scattered equitably. Hence the researcher concluded that Special Economic Zones did not essentially convey about any encouraging transformation in Social hierarchies.

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