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The word 'development' underscores many things. Nevertheless, people view 'development' like a magic wand which would transform their life, region and the country drastically. The Prime Minister Modi used 'development' more frequently in the recent Lok Sabha elections by promising the electorate that his government committed ushering total development and thus bring about progress and prosperity to all. Hence, the term 'development' is one of the most important key words for the Government at the Centre. Having won the parliamentary elections with thumping majority, the new Government at the Centre headed by the Prime Minister Modi presented its first budget. The excitement of different layers of Indian populace waited eagerly as if a life-altering event would occur when Arun Jaitley, the finance minister opened his bag of tricks and made some announcements.

Indians by and large do not understand budget technicalities. Still given the hype, many eagerly awaited and wanted to see two things happening—in what ways the budget would help to develop their village, district, state and nation and how the budget take them beyond their current economic difficulties? For the government, the budget is a chance to score political points. It is an opportunity to tell people how serious the government is committed in translating the election promises, and how concerned the government is about the welfare of the less fortunate. Of course, it is the people's money in the first place that the government collects and spends. However, it does sound wonderful to translate its promises such as, "We will spend thousands of crores for development initiatives and projects".

The budget is a blueprint of how the government will earn, how and to who it is going to spend its money. Promises are easy, but translating those promises into reality is difficult. The pro-development, pro-business, pro-youth, pro-growth government presented its first budget which was more status quoits than revolutionary. It raises some existential questions: Is it so difficult for a government in absolute majority to change the face of India for negative political fallout? As Indian citizens should we continue to repose our confidence on the government that cannot make swift changes as promised? Is the budget just a handout, and not the one to fix certain wrongs? The current budget failed to answer some of the questions that were raised. The current budget did not answer all these and could justify by saying that it was forced to present the first budget within two months of its formation of the government. However, BJP government has failed to make a "structural" shift and offer economic direction of a new type.

At the same time the economic scenario of India is rather staggering and this makes many more anxious. India might be among the world's largest and one of the fastest growing economies, but it has a lot of catching up to reach the level of advanced economies. World Bank's *World Development Report-2014* shows that during 2001-10, people with regular wage and salaries were only 17% of India's total employed population. It is clear that the high growth years following the 90s liberalization have failed to create jobs. It should be noted that World Bank does not count casual labourers as salaried employees. The most important factor that causes panic to the government at the Centre is FDI inflows. Foreign Direct Investment is something all countries seek. In 2013 USA topped 187,528 ($M), followed by China 123, 911($M) Russia, Hong Kong, Brazil, Singapore, Canada, Australia, Spain, Mexico, UK, Ireland, Luxembourg and India respectively. The order clearly shows that India is lagging far behind than other countries that are smaller but stronger in terms of inviting FDI. What are the means and methods to attract FDI?

China's economy is growing at a faster rate. China ranks second to the United States in attracting FDI. As part of boosting foreign capital China too went all out establishing Special Economic Zones (SEZs). But India was an early mover in trying to boost exports by setting up enclaves with special facilities. By the mid-1960s India went ahead in establishing FTZ in Kandla, Gujarat, was functional. Quite a number of SEZs across the country mushroomed. As the concept evolved over time India moved to creating a legal framework for SEZs about a decade ago. But the record of SEZs has hardly been impressive. However, the present government wants to go further by expanding SEZs' ambit with a hope that they would eventually have a positive impact on the rest of country. The moves of the current government at the Centre show that all these initiatives in return could improve the general economic environment across the country and thus yield good returns.

SEZs are supposed to be characterized by minimum bureaucracy, tax incentives and superior infrastructure. The aim is to create a bubble in which firms would operate in conditions similar to developed countries. It is with this hope the present government is serious enough to give a face-lift to SEZs, so that foreign private corporate capital would flow to the country. It is also assumed that more the FDI inflows more economic progress and prosperity. Attracting foreign capital via FDI in one way is a welcome step and also competing with China a good move. But the economic systems and the mechanisms both the countries follow are entirely different. India has opened its economy for foreign capital and its regulatory mechanisms are different. Over and above, the government believes in 'trickle-down' theory with an assumption that FDI inflows inflate GDP and GNP in return furthering development, progress and prosperity.

The Government at the Centre intends to treat SEZs as special case as it foresees substantial investments, increase in exports and more employment possibilities. There are other important factors such as slow-down in global trade, uncertainties in tax policies and liberal enhancement of export incentives in non-SEZ areas being added for its slow-down and poor functioning. Almost two-thirds of SEZ exports are from IT and petroleum sectors. Manufacturing continues to be a herculean task. The current economic order depicts corporate or casino capitalism premised on speculative and service industries, and not core industries. So the government is contemplating to re-haul of the regulatory systems, including labour laws in SEZs. However, there are some serious deficiencies in the labour laws that fall outside the purview of section 49 of the SEZ Act, which makes states unable to modify laws to suit exporter needs.

Exports play an important role in accelerating foreign exchange and thus boost the foreign exchange reserves. But India's export markets is erratic and not doing well. Economic growth to a large extent is dependent on exports. In a competitive economic global order entrenched on "survival of the fittest" and "laws of the jungle" what we're witnessing is 'cut-throat' competition where the oligopolies and mega-corporations that controls almost all the production and distribution of the world. The fundamental principles on which corporate capitalism operate is by way of labour, nature and raw material exploitation. Transnational corporations (TNCs) keep shifting and re-locating their manufacturing facilities from one place to another wherever there are no stringent labour laws, environmental regulations and more possibilities for raw material extraction.

India became part of the global economic order and thus integrated with the Liberalization, Privatization and Globalization (LPG). This vividly portrays that NDA is totally committed to push the reforms so that Indian's economy continues to grow. UPA went all out for reforms despite some hurdles and the present NDA government led by BJP follows suit and is of the view that SEZs would become the vehicles boosting the staggering economy by inviting global affiliates with its facilities. However, it is interesting to note that Atal Bihari Vajpayee—led NDA government had originally proposed to exempt SEZs and units in these zones from the country's labour laws, arguing that they were technically outside Indian jurisdiction. Whereas the UPA government succumbed to pressure from the labour ministry to merely treat these zones to be considered as entities outside India for customs purposes.

With the change of UPA1 and UPA2, the commerce department of the present government at the Centre is sensing fresh opportunity in pushing through a new labour regime for SEZs. But there are a few who opine that these are preliminary discussions and there is no decision on the issue. Thereafter a series of consultations with the development commissioners of the zones will be taken up before initiating a large debate involving other ministries. And then there will be a final political decision will be made. So even the Finance Minister Arun Jaitley and his deputy Nirmala Sitharaman had publicly stated that the policy is being reviewed. However, the commerce department views SEZs as one of the key elements of the government's manufacturing strategy to boost exports and also increase the sector's share in overall economic activity. The department is keen to develop SEZs and make life simpler in SEZs and ties with the government's overall push to boost the economic scenario. .

Top government officials of the commerce department keep pushing for a revival of the zones and are going ahead making a fresh pitch for doing away with minimum alternate tax and dividend distribution tax. A senior tax department said to the TOI reporter that "It could not be included in the Budget since the government is working on a package of sorts for SEZs. We will take up the issue with the finance ministry". Further the commerce department officials said that "they are discussing various possibilities with the revenue department to ensure that some of the unused infrastructure, such as schools and hospitals could perhaps be used even by those who are not part of the zones so that the investment in the facilities isn't wasted.

“The customs authorities had some concerns over the duty benefits flowing out of the zone and we have suggested two-three options. Hopefully it will be done by the time we present the Foreign Trade Policy” said a senior commerce department officer. In addition, the department has sought benefits of several schemes used by other exporters flow to those shipping goods from units in SEZs. “After all they are also exporting from India. So why should we discriminate against them” an officer said.

With the change of guard, the central government shows keen interest in the zones to be returned and revived. Prime Minister Modi has shown interest and wanted to discuss various options with the revenue and commerce secretaries. However, several international investors who had invested in SEZs during its heydays are now facing difficulties with the tax authorities. For instance, Nokia has been served a transfer pricing notice, while Brandix, which supplier lingerie to global players had its own set of problems. Officials and investors often complain that despite a law only for zones, getting approvals remains a problem. SEZs, which have emerged as major export hubs, account for around a third of the country’s merchandise exports and provide employment to around 15 lakh persons. Of the 566 formally approved SEZs, only 185 are in operation.

The government and its machinery affirm that to boost the growth as envisaged the only saviour is SEZs which could serve as a good laboratory. But the irony is with millions of people involved in informal sector and outside the market reforms how can LPG help which is politically difficult. With all the jargons and slogans, BJP’s first budget towed the previous government’s policy and position. There has no radical departure from that of the previous government, rather it is status quoits. It is assumed that a successful outcome from the liberalization of rules in SEZs would provide a major fillip to the extension of reforms to the rest of the country, once it is demonstrated that SEZs are the major vehicles for growth and development.

The proponents and adherents of SEZs argue that separate rules for SEZs serve no purpose and so it is time to roll out a flexible labour regime for all manufacturing activity nationally is unrealistic. They continue to argue that it is impossible to roll out great infrastructure across the country at once. So the government requires funds to allocate for promotion of SEZs. The state governments are required to cooperate in helping the Centre to set-up more SEZs, so that there could be comprehensive development taking across the country. More importantly the government regards SEZs as vital and therefore should be treated as exclusive enclaves and thus provide all the necessary paraphernalia with infractural facilities that parallels the developed world.

In order to revive the falling economy and the current economic crisis, Indian think-tank, bureaucrats, politicians and those involved in development initiatives tended to address by way of attracting foreign direct investment (FDI). For them the core of development revolves around ‘growth’ which constitutes increase of GDP, GNP and per capita income. Modernization or Growth-oriented development paradigm once again finds its centrality amidst wide-ranging shades of development paradigms. Walt Rostow's 'take-off' development theory that 'promises' mass-consumption society seem to be an accepted paradigm for countries like India.

'Growth' or 'modernization' paradigm in theory and practice is synonymous with westernisation. Its basic tenet revolves around what is good for the West ought to be good for the two-thirds world and thus be applied. Thus the countries like India is expected to follow stringently the modes and processes the West underwent and undergoes. The bottom-line of its claim is perceived in this that by ushering-in a homogenized amorphous mass of consumers and it is in this way integrating those who are at the bottom of the social and economic pyramid in particular be brought into the 'mainstream'. What it actually promotes is the 'value of free market' dominated by fierce competition amongst nations and between communities.

On similar vein the Earth Summit Report of 1992 echoes" Humanity stands at a defining moment in history. We are confronted with a perpetuation of disparities between and within nations, a worsening of poverty, hunger, ill health and illiteracy, and the continuing deterioration of the ecosystems on which we depend for our well –being". Likewise the Human Development Report of 1994 candidly states that the "The North has roughly one-fifth of the world's population and four-fifths of the income, and it consumes 70 per cent of the world's energy, 75 per cent of lits metals and 85 per cent of its wood. Replicating the patterns of the North in the South would require ten the present amount of fossil fuels and roughly 200 times as much mineral wealth. And in another 40 years, these requirements would double again as the world population doubles".

The usage of the term 'development' for many vulnerable and hapless people has led to a number of aberrations. They are confused and it is no more a word that could take them to 'prosperous and sustainable future'. People ought to be the core and essence of development. Concrete houses, infrastructural facilities, increase in per capita income, GNP and GDP, and other technical and technological explosions are tools of development. . Development is not synonymous with progress. Economic development and its material benefits are often mistaken for progress. An increase in the food production, GDP, GDP and per capita income could be considered as indicators of development, only if the benefits are channelled to those who live on the margins and excluded. An increase in food production can be regarded as development, if it leads to increased caloric in-take for people. The growth in trade and commerce is development, only if the benefits of trade are used to improve the health, habitat, environment and livelihood of the people.

Development per se cannot and will not be a category because of the fact that it is propelled by the market-ushered crony capitalism. The growth-oriented conception of development is faceless and inhumane. It falls within the premise of Globalisation, which is being translated through mega corporations and international financial agencies and other instruments of control. For example, aid, development packages, bi and multi-lateral tie-ups 'claiming' to bring about 'progress', 'prosperity' whereas in actual reality, it has escalated lopsided equations, inequalities and divisions within and between nations. The growth-oriented development developed a tiny percentage of people at the cost of majority. Therefore,

- ⇒ SEZs are treated as enclaves enjoying all sorts of sops from the government. In the name of 'development' they are protected from others especially from labour laws such as wage policies, hours of work and unionisation and host of others. They are categorised as non-Indian enterprises and so enjoys extra-juridical authority. Further a number of tax concessions is given to them and so the bulk of the profits is repatriated to its head quarters and not re-invested.
- ⇒ Maximisation of profits is the be-all and the end-all of SEZs.
- ⇒ SEZs generate and perpetuate economic inequalities even as rapid growth occurs.
- ⇒ SEZs are destructive enclaves at all levels vis-à-vis in the areas of economy, ecology, sustainability, self-reliance, self-sufficiency and participatory.
- ⇒ Development via SEZs is non-viable and feasible--pushing for mega-projects thus uprooting and destroying communities bringing social exclusion.
- ⇒ Development from top-down, centralized, hierarchical and non-participatory is antithetical to human development and total development matrix.
- ⇒ Development backed by corporate-casino capitalism is speculative and service -intensive and not people-oriented; market-regulated and want-triggered and not sustenance, subsistence and need-geared. SEZS fosters its interests towards profit maximization and keep expanding its market potentials to accrue more and more profits at the expense of human and nature.

If development is to increase people's freedom, participation, sustainability, self-reliance and self-sufficiency then it ought to emerge from people. It should be borne in mind that development per se is ideologically conceived and politically driven. It has history, value-orientation, and therefore, a project of crony capitalism. The foreign affiliates that set up its facilities in SEZs are not going to be permanent and are likely to migrate to within as well as outside wherever there are tax sops and other incentives. This could lead to a net negative effect for India as inequality within the country is exacerbated. This is what happened in China and other few countries that have moved from the radical egalitarianism to a situation where it is more unequal than India, giving rise to social tensions.

Trickle-down theory has failed and thus furthered socio-economic inequalities within and between communities. Instead of hoping for trickle-down from SEZ enclaves, NDA government should focus on improving the economic environment across the country. NDA government should focus on improving the economic environment across the country. Minimum bureaucracy, a stable and transparent tax regime and better infrastructure are a national need.

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