

Name: _____ Date: _____

Law and Social Justice

Q1. What are the advantages to foreign companies in setting up production in India?

Ans. _____

Q2. In what ways was the government responsible for the Bhopal tragedy?

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Q1. What are the advantages to foreign companies in setting up production in India?

Ans. Advantages to foreign companies in setting up production in India are:
Cheap Labour - India provides cheap labour compare to some other countries. Wages that the companies pay to workers, say in the U.S.A., are far higher than what they have to pay to workers in poorer countries like India. For lower pay, companies can get longer hours of work. Additional expenses such as for housing facilities for workers are also fewer. Thus, companies can save costs and earn higher profits.
Cost Cutting - Cost cutting can also be done by other more dangerous means. Lower working conditions including lower safety measures are used as ways of cutting costs.

Q2. In what ways was the government responsible for the Bhopal tragedy?

Ans. First, the safety laws were lax in India. Second, even these weak safety laws were not enforced. Government officials refused to recognise the plant as hazardous and allowed it to come up in a populated locality. When some municipal officials in Bhopal objected that the installation of an MIC production unit in 1978 was a safety violation, the position of the government was that the state needs the continued investment of the Bhopal plant, which provides jobs. Government inspectors continued to approve the procedures in the plant, even when repeated incidents of leaks from the plant made it obvious to everybody that things were seriously wrong.