Definition

Definition of 'Privatization'

Definition: The transfer of ownership, property or business from the government to the private sector is termed privatization. The government ceases to be the owner of the entity or business.

The process in which a publicly-traded company is taken over by a few people is also called privatization. The stock of the company is no longer traded in the stock market and the general public is barred from holding stake in such a company. The company gives up the name 'limited' and starts using 'private limited' in its last name.

Merit of socialim in business environment
Reduction of inequalities

Socialism attempts to reduce the difference between the rich and the peer. It aims at a classless society and eliminates class struggle by giving equal opportunity to work.

. Social Security

The State provides all social security measures such as unemployment benefit, health insurance. etc.

Controlled production and consumption

Production of essential commodities will be done first. Production is done not for profit, but for social use. Even if there is any profit, it will go to the State. Mass consumption will not be allowed. Each will be given according to his need.