

## **Relocating capitalism: Export processing zones and special economic zones since 1947**

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The global spread of export processing zones (EPZs) is one of the most significant developments in the global trading system since the Second World War. In 2007 there were 3500 zones employing nearly 70 million workers in more than 130 countries. Numerous countries continue to establish such zones. Although these now tend to be called 'special economic zones', they usually incorporate the dominant features of EPZs, i.e., tax and customs incentives, significant state contributions to fixed capital investments, a high fluctuation of the labour force, often stemming from problematic employment conditions, and a high degree of mobility of production outlets among the zones.

This project traces how EPZs, intended as a temporary export-led industrialisation tool, came to make up more than 10 per cent of formal employment in the global manufacturing sector. Particularly striking from a historical sociological perspective is that EPZ operations have always been intensely debated among corporations, nation-states, international organisations, trade unions, workers and the general public. Taking this into account, I will write the first ever, concise monograph analysing the importance of EPZs for the changing historical geography of capitalism since 1947.

The historical narrative, in brief, is that EPZs were first promoted in the late 1940s as part of the US Cold War development agenda. The Puerto Rican EPZ served as a best practice showcase. Later US-administrations (e.g. Kennedy) supported EPZ establishments in Latin America and Asia collaborating with the Tokyo based Asian Productivity Organisation, for example. From the late 1960s to the 1990s, several international organisations took up these policies. Central was the United Nations Industrial Development Organisation (UNIDO) where one Export Promotion Division worked with consultants from the EPZ in Shannon, Ireland. Interestingly, this contradicted UNIDO's overall agenda. The organisation followed the Non-Aligned Movement policies of 77 postcolonial nation-states trying to establish sovereignty over resources, contractual obligations for multinational corporations regarding labour regulations and so on. Although EPZs stood for the opposite, UNIDO hosted training workshops in Shannon and elsewhere for state officials since the 1970s (later Chinese president Jiang Zemin attended in 1980, the same year Chinese economic reforms were established via EPZs). The 1980s saw the rise of private sector umbrella organisations of EPZs like the World Export Processing Zones Association (WEPZA). Headed by former UNIDO consultants these orchestrated EPZ establishments in Eastern Europe and Africa, and have since 2010 regained influence in the international development discourse after successful trade union and labour rights campaigns had somewhat limited the global spread of EPZs. In short, the global spread of EPZs offers a unique global, multi-actor perspective on the changing historical geography of capitalism.

In other words, this project fills empirical and theoretical gaps in the study of twentieth and twenty-first century capitalism that exist because analytical concepts of present-day social sciences and humanities rely on periodisations of world history (e.g. Fordism, neoliberalism) that take developments in industrially advanced countries as paradigmatic for global trends. My work, instead, focuses on regions commonly regarded as peripheral and on institutions rarely considered as drivers of global change.

Based on worldwide archival and ethnographic research that also considers places like the Shannon Free Trade Zone/Ireland, small-islands like Puerto Rico and Mauritius, and international organisations like the United Nations Industrial Development Organisation I show that these have been hotspots for structural changes in the global system. For this I combine structural historical materialism and postcolonial theories to reveal how global divisions of labour and related class-formations have been upheld, contested and altered over time.