



DIE ERDE

Journal of the
Geographical Society
of Berlin

Special Economic Zones in the Global South: Between integrated spaces and enclaves – a literature review

Carolina Kiesel*, Peter Dannenberg

¹Institute of Geography, University of Cologne, Albertus Magnus Platz, 50923 Cologne, Germany, carolina.kiesel@uni-koeln.de,
p.dannenberg@uni-koeln.de

*corresponding author

Manuscript submitted: 15 February 2022 / Accepted for publication: 02 December 2022 / Published online: 28 February 2023

Abstract

Special Economic Zones (SEZs) have gained massively in popularity worldwide and particularly in the Global South. However, they are also discussed as a controversial economic policy instrument. Some analyses view SEZs as promising spaces with integrative linkages, while other studies see them as enclaves marked by spatial and economic segregation. To shed light on the various and partly contradictory perceptions of SEZs, this paper reviews literature on SEZs in the Global South and suggests a differentiated and more comprehensive view for SEZ analyses in order to understand their different characteristics, interactions, and the related processes between SEZs and their host regions. Our review goes beyond dichotomies of viewing SEZs as enclavistic or integrated spaces. Instead, it systematically outlines how even a single SEZ can integrate into regions in some ways, while remaining disintegrated in other ways. Here, we build on recent studies of SEZs in the Global South, employing the enclave approach as a conceptual basis, and include conceptual works on economic linkages and global production networks.

Zusammenfassung

Sonderwirtschaftszonen (SWZ) sind ein kontrovers diskutiertes, wirtschaftspolitisches Instrument, das oft im Globalen Süden angewendet wird. Während einige Studien SWZ als integrative Wachstumsräume für die Regionen vor Ort beschreiben, sehen andere Studien sie als Enklaven an, die sich durch räumliche und wirtschaftliche Segregation auszeichnen. Um die verschiedenen, teilweise widersprüchlichen Wahrnehmungen von SWZ zu beleuchten, betrachtet dieser Beitrag Literatur zu SWZ und plädiert für eine differenzierte und umfassendere Sichtweise, die verschiedene Charakteristika, Interaktionen und Prozesse zwischen SWZ und den Regionen untersucht. Durch eine solche Perspektive zeigt sich, wie SWZ auf manchen Ebenen in ihre Regionen integriert sein können, während sie in anderer Hinsicht desintegriert und enklavistisch bleiben. Konzeptionell verknüpft der Beitrag dabei neuere Studien zu SWZ aus der Literatur zu Enklaven im Globalen Süden mit Überlegungen zu wirtschaftlichen Vernetzungen und globalen Produktionsnetzwerken.

Keywords Special Economic Zones, enclaves, economic development, linkages, Global South

Carolina Kiesel, Peter Dannenberg 2023: Special Economic Zones in the Global South: Between integrated spaces and enclaves – a literature review. – DIE ERDE 154 (1): xx-xx



DOI:10.12854/erde-2023-606

1. Introduction

The number of Special Economic Zones (SEZs) in the Global South has grown remarkably, reaching a total of 4,772 in 87 countries in 2019 (see Fig. 1, UNCTAD 2019). As *Thomas Farole*, a leading researcher on SEZs for the World Bank, puts it, “Any country that didn’t have [an SEZ] ten years ago either does now or seems to be planning one” (quoted in *The Economist* 2015: 1). SEZs are limited geographical areas with fiscal and infrastructural incentives (e.g., tax breaks, subsidies, infrastructure, services, and land provisions). Structural features include a legal (usually liberalized) space with a specific regulatory regime and a dedicated governance structure (*Farole* 2011). Well-known SEZ initiatives are the export processing zones in Asia’s newly industrialized economies and the Shenzhen SEZ in China. Following the Chinese example, in particular since the late 1990s, more countries of the Global South are increasingly adopting the SEZ idea to attract foreign investments and create employment (*Frick et al.* 2019; *UNCTAD* 2019).

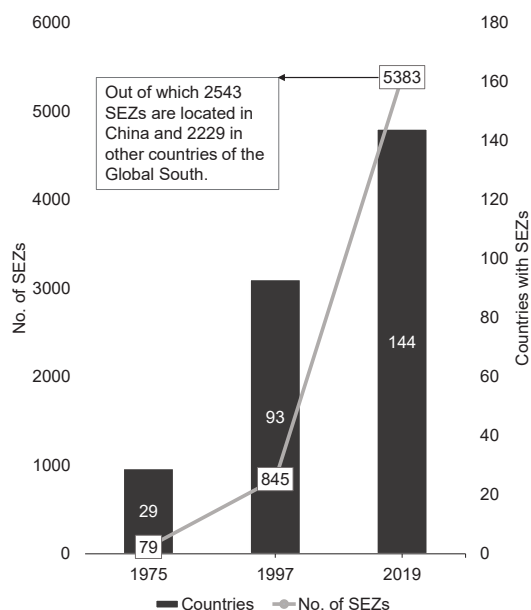


Fig. 1 Development of SEZs: numbers and countries. Source: UNCTAD 2019, authors’ design

SEZs are not only intended to attract direct investment but also to induce trickle-down and spillover effects, for example, through technology transfer and value chain linkages, and to serve as catalytic industrial clusters (*ADB* 2015; *Johansson and Nilsson* 1997). These spillover and catalytic benefits are expected to contribute to regional growth and employment as

well as structural changes and reforms in the wider national economy, an aspiration that led to the adoption of the SEZ concept in many countries of the Global South (*Aggarwal* 2019; *UNCTAD* 2019). Conversely, the integration of SEZs into their host and other surrounding economies, for instance, through linkages, is seen as crucial for the sustainable and long-term economic performance of SEZs and similar industrial spaces (*Chen et al.* 2017; *Easterling* 2012; *Hardaker* 2020).

The adoption of SEZs in many countries of the Global South has not always been accompanied by solely positive impacts. In fact, different studies have often identified the dark sides of SEZs, such as social and environmental issues (*Holden* 2017; *Jauch* 2002; *Lawanson and Agunbiade* 2018; *Levien* 2013). In particular in the Global South, SEZs are increasingly called enclaves with isolating or excluding features as they may lead to clashes with local populations, the establishment of parallel societies, and achieve little embeddedness (*Banerjee-Guha* 2008; *Hardaker* 2020; *Kleibert* 2018). Nevertheless, an isolated enclave SEZ need not necessarily be accompanied by dark sides.

The aim of an integrated SEZ with linkages to the host country, on the one hand, and the potential enclavistic effects of SEZs, on the other, speak to the rather uncertain functionality of SEZs. In fact, diverging views of SEZs not only differ from SEZ to SEZ but also when considering a single SEZ, because, as *Moberg* (2015: 179) points out, “no SEZ case is black or white”. *Gian-necchini and Taylor* (2018), for example, question the intensity of the spillover effects and linkages of the Ethiopian Eastern Industrial Zone on Ethiopia’s economy. *Fei and Liao* (2020), however, show for the same SEZ how Chinese companies are embedded in the Ethiopian context through the many Ethiopian workers employed. In the case of Zambian copper mining, partly operated through a Chinese SEZ, *Carmody and Hampway* (2010) criticize exclusionary features and the creation of a hybrid economy in which informal practices coexist with the formal economy (*Carmody* 2017). However, *Fessehaie and Morris* (2013) question the enclave nature of this SEZ by disclosing value chain linkages with local Zambian suppliers. SEZs in India are, on the one hand, often described as enclaves given their weak domestic links and spillover effects (*Alkon* 2018; *Banerjee-Guha* 2008; *Jenkins et al.* 2014). On the other hand, *Cross* (2010) reveals that their institutional settings and social impact are as precarious as in the rest of the country, so they do not represent an enclavistic exception.

These examples show how the focus on different aspects of SEZs may result in differing findings on and overall evaluations of the same SEZ. Different foci in particular SEZ studies resemble the ‘blind men and the elephant’ challenge, wherein each perspective per se is right but each only describes a part of the whole phenomenon (see e.g. *Brookfield et al. 2019*).

These apparent contradictions often stem from the varying conceptual views and perspectives on different aspects of SEZ analyses. Hence, comparing studies is difficult, augmenting the controversies surrounding SEZs. Some studies have already identified and framed the often-ambivalent characteristics of spatially limited industrial developments (including SEZs) as enclaves or integrated spaces (*Arias et al. 2014; Fessehaie and Morris 2013; Hardaker 2020; Phelps et al. 2015*). These studies mostly focus on a few aspects and characteristics of enclaves – often centred around the labour market and firm networks. Indeed, systematic comprehensive overviews of the varieties of different characteristics, interactions, and related processes are rare. Visionary SEZ development plans often mention manifold desired outcomes but they are rarely evaluated at a later operational stage, where often only data on exports and employment numbers is collected. Through our literature review, we aim to develop a more unifying analytical framework that brings together current views and can facilitate more differentiated analyses and perspectives for evaluation.

Our literature review was developed through an iterative discussion process in several workshops¹ and conferences² with leading experts in the field of economic geography³. While concepts such as global production networks (*Yeung and Coe 2015*), enclaves with references to economic agglomerations (*Phelps et al. 2015*), and policy transfer (*McCann and Ward 2013*) served as a basis, this iterative discursive process enabled us to identify central strands, perspectives, and key literature on the topic. Ultimately (and based on a much larger literature review), we qualitatively assessed 47 scientific journal articles which analyse one or many SEZs and similar spatial economic agglomerations regarding different economic and socio-economic aspects, mainly using case study methodology. For a framework synthesis (*Booth et al. 2012*), we conducted an inductive analysis of the articles, which was matched to the results of the iterative discussion process.

In *Section 2*, we outline the key perspectives of enclave literature (*Phelps et al. 2015; Singer 1975*) as a conceptual basis and integrate perspectives on economic linkages (*Hirschman 1981; Morris et al. 2012*) and global production networks (*Henderson et al. 2002; Yeung and Coe 2015*). This basis is further elaborated in *Section 3* where we derive different dimensions to assess the enclaving and integrative outcomes of SEZs including different characteristics, interactions, and processes of (non-) integration. Here, we further illustrate the overall framework with empirical examples based on a literature review. The paper closes with a conclusion and outlook (*Section 4*) in which we argue that our derived analytical framework contributes to understanding how SEZs in the Global South (potentially) integrate with local economies in their surroundings. We conclude that such a comprehensive perspective is supportive in informing adequate and holistic scientific and applied case studies and related policy derivations for desired SEZ outcomes (*Oqubay and Lin 2020*).

2. Different approaches to the analysis of SEZs

2.1 SEZs in enclave literature

Economic enclaves are defined as spaces that are heavily influenced by foreign investments which only weakly connect to the economies of the host countries in which they are situated. They foster negative externalities, such as the creation of a dual economy and spatial polarization (*Singer 1975*). More recent studies have elaborated the enclave perspective for contemporary extractive industries in the Global South (*Arias et al. 2014; Enns and Bersaglio 2015; Phelps et al. 2015; Radley 2020*). Even though enclave studies often uncover the negative externalities of such spaces, enclaves do not strictly stand for something detrimental or failed as they can still, at least in the short term, meet certain targets like economic growth within the enclave itself (*Phelps et al. 2015*).

SEZs have not yet been appropriately conceptualized as enclaves (*Phelps et al. 2015*), although they have often been compared with or referred to as enclaves (*Banerjee-Guha 2008; Sidaway 2007*). Current SEZ analyses only make limited use of the traditional enclave concept. Instead, the term ‘enclave’ is mostly used to describe the mere spatial limitations of SEZs or their exclusionary and dispossessing characteristics in urban contexts (*He and Chang 2020; Kleibert 2018; Levien 2013; Wissink et al. 2012*).

The enclave designation fits the nature of SEZs as ‘special’ spaces which, by definition, differ from their surroundings with respect to industrial density, infrastructural characteristics, tax regimes, and other institutional features (Aggarwal 2019; Dannenberg et al. 2013). Several studies dismantle the supposed institutional specialness of SEZs in which cultural norms, social conventions, and labour regimes lead to clashes between different actor groups (Carmody and Hampway 2010; He and Chang 2020; Murray 2017). Foreign (mostly Chinese) involvement in SEZs and other cooperation projects in Africa, for example, show that such clashes range from fruitful (Fei and Liao 2020) to problematic encounters (Adunbi 2019; Lee 2009). SEZs as enclaves can peacefully co-exist with their surroundings but may turn into deregulated ‘spaces of exception’ (Ong 2006), where legal vacuums foster a race to the bottom, exclusion, and dispossession (Carmody 2017; Holden 2017; Jauch 2002; Levien 2013). By contrast, an SEZ can also evolve to integrate: isolated enclave SEZs may only be the preliminary stage of an SEZ that has just started to attract investments. The dynamic and indirect effects, such as local linkages and spillovers, are expected to take some time to develop (ADB 2015; Frick and Rodríguez-Pose 2021). There is, however, little research on SEZ dynamism regarding their local integration. Frick et al. (2019), for example, determine drivers of SEZ dynamism but focus on economic growth and not local integration. Conversely, Frick and Rodríguez-Pose (2019) examine linkages and spillovers but not regarding their development over time. An evolutionary, dynamic perspective (Boschma and Martin 2007) on SEZ integration is still lacking.

Furthermore, urban enclave SEZs, in particular, may increase spatial and socio-economic segregation through “internal frontiers of economic development, status, consumption, and cultural styles” (Kleibert 2015: 887). They can, hence, be compared to other spatial enclaves, such as gated communities or office parks (Murray 2017). This urban-spatial form of enclave SEZ is even more trenchant in younger SEZs: some nearly autarkic SEZs encompass not only industrial spaces but also residential and commercial functions as well as social infrastructure, leading to an even more pronounced enclave characteristic (Wis-sink et al. 2012).

2.2 Adding to the enclave perspective: linkages and global production networks around SEZs

Most SEZ-concerned enclave studies only assess parts of the SEZ phenomenon. They focus on the institutional and spatial features of SEZ enclaves but rarely on absent linkages, such as monetary or knowledge flows (see, e.g., Fessehaie and Morris 2013; Giannecchini and Taylor 2018). Nevertheless, this is an important defining aspect of the original enclave concept as it points to the lack of strong, influential links between foreign investors and local economies (Singer 1975). Perspectives on linkages and connections are also important to understand SEZs as they are central to arguments about the benefits of SEZs (UNDP 2015). To augment this narrow enclave perspective, works on linkages and further network connections between (foreign) investors in the SEZs and their host economies need to be taken into account (Morris et al. 2012; Yeung 2015). Through this perspective, SEZs’ potential and much lauded spillover and catalytic regional effects can be better evaluated and understood (Aggarwal 2019; UNCTAD 2019).

In fact, some recent literature has looked at connections between SEZs and their local contexts by analysing linkages and spillovers (Alkon 2018; Cheru and Fikresilassie 2020; Frick and Rodríguez-Pose 2021; Giannecchini and Taylor 2018; Hardaker 2020; Jenkins and Arce 2016; Kweka and te Velde 2020; Stein 2011). They mostly focus on employment effects, backward linkages to local suppliers, and technology spillovers.

Other approaches, such as Global Value Chains (Gereffi et al. 2005; Gibbon et al. 2008) and Global Production Networks (GPNs, Coe and Yeung 2015; Henderson et al. 2002), offer further valuable insights to understand the regional integration of SEZs through linkages. These studies analyse the material, knowledge, and financial flows and the processes of value creation and capture as well as governance structures in these networks. A special focus of GPNs includes interlinkages of these activities with the embedding regions, their actors, and institutions culminating in different processes of strategic coupling between foreign and local firms. Very few studies have used the GPN lens on SEZs. However, these studies highlight the importance of some SEZs as particular places to initiate or drive strategic coupling (Zheng et al. 2021) and for (uneven) development (Kelly 2013). Our review confirms that many impacts of SEZs are comparable to the general impacts of foreign direct investments by

multinational companies and of participation in global value chains. SEZs are indeed aimed at attracting multinational companies' investment in their outsourcing processes and, thereby, link to global value chains (Rodríguez-Pose et al. 2022). SEZs are agglomeration spaces for foreign investments and, therefore, act as amplifiers of the afore-mentioned impacts. Following the different perspectives from enclave, linkages, and GPN literature, we deep-dive into their different analytical dimensions and combine them to provide a more comprehensive perspective.

3. SEZs between enclave and integration

In this chapter, we first focus on the apparent characteristics of SEZs, then we demonstrate the interactions SEZs undergo with their surroundings, and, lastly, we outline the resulting processes behind SEZs that also indicate the enclavistic and integrative tendencies of SEZs (see *Table 1* for an overview; Section 4). These dimensions are not necessarily separated from one another but can condition or overlap with each other.

3.1 SEZs' characteristics and interactions

SEZs' characteristics

A first glance already helps to characterize SEZ integration and enclave structures when looking at visible features (fences and roads) and practical dimensions (accessibility and distance to centres). Some SEZs are situated in isolated, out-of-the-way locations, leading to them being regarded as enclave SEZs – higher distances to the largest city negatively affect SEZ growth (Frick et al. 2019). In urban contexts, SEZs can sometimes display strong manifestations of an exclusionary 'enclave urbanism' (Kleibert 2018; Wissink et al. 2012) where SEZs have their own restricted city-like structures. Another visible characteristic is, hence, the physical infrastructure that may only be focused on the SEZ or on export, indicating an enclave SEZ. In addition, soft infrastructure, such as duties and visa requirements, can indicate a more outward connection to the global or other enclaves rather than integration into the local context (Bach 2011). Regarding the apparent business structure of SEZ firms, Frick and Rodríguez-Pose (2021) find that export-oriented firms with decision-making headquarters abroad hinder integration into local trade networks because supply systems often depend on corporate sourcing strategies. Enclaving, export-oriented, and low-

skilled assembly SEZs may remain less connected to the local economy, whereas market-seeking, knowledge-intensive businesses, especially paired with local investments, may lead to integrated SEZs (Frick and Rodríguez-Pose 2021; ILO 2017; Jenkins and Arce 2016). A further characteristic of SEZs is their cultural composition. Literature often finds cultural differences affecting Africa's SEZs with Asian investors and describe cultural encounters in Chinese SEZs in Ethiopia (Fei and Liao 2020), Zambia (Lee 2009), or Nigeria (Adunbi 2019). Moreover, there is urban cultural segregation in Philippine SEZs (Kleibert 2015). These apparent characteristics give a first impression of SEZs but should be completed by a view on the interactions that SEZs can have with their surroundings.

SEZs' spatial interactions

SEZs are often analysed as spatial phenomena. Case studies go beyond the characteristics described above and focus on spatial interactions: SEZs may promote an exclusionary and enclaving divide because they have their own infrastructural and urbanized traits (Easterling 2012; He and Chang 2020). Bach (2011) distinguishes the island-like, mobile 'modular' SEZ from the integrated 'Ex-City' SEZ. The latter can be spatially integrated in and connected with cities, existing business districts, and local communities. Integration may arise from the potential urban spatial effects of SEZs on their surroundings by providing basic physical infrastructure, services, and social facilities or by enabling access to them (Alkon 2018; Goodfellow and Huang 2021; Xu and Wang 2020). Housing regimes – that is, constellations of power relationships and cultural patterns concerning the organisation of housing (Kemeny 1995) – in and around SEZs are also an important indicator to determine spatial interactions (Goodfellow and Huang 2021; He and Chang 2020).

SEZs in the context of pecuniary linkages and factor mobility

A look beyond the spatial dimensions of SEZs reveals further economic dimensions of their enclaving and linking potential: Phelps et al. (2015) identify several enclave features which can be adapted to the context of enclave and integrative SEZs. Following Hirschman (1981), the authors emphasize pecuniary linkages to analyse enclaves, such as production linkages (backwards and forwards), induced consumption linkages, and fiscal linkages. In the case of SEZs, such integrating linkages may exist, for example, if zones foster monetary flows like wages (and income taxes) as well as local trade. Most operating SEZs have pecuniary

linkages through employment creation (Cirera and Lakshman 2017; Ciżkowicz et al. 2017; Giannecchini and Taylor 2018). Fiscal incentives in SEZs, however, may reduce possible tax revenues (Mortimore and Vergara 2004) and especially export-oriented zones maintain many more trade relations outside the country, e.g. Indian SEZs (Tantri 2012), reducing fiscal flows to the host country. Sawkut et al. (2009), for example, analyse that the costs of the Mauritius EPZ and their incentives to investors outweigh the pecuniary benefits gained through foreign currency (FDI and international trade) and initial employment creation. A further analytical perspective is factor mobility (Phelps et al. 2015). While sourcing factor inputs (capital and labour) from the surroundings and within the host country indicates a more integrative SEZ, importing factor inputs (as is often the case with exclusively foreign investments) indicates a more enclavistic SEZ. Several SEZs show that low local investments result in low connections to the overall local economy, whereas partnerships or joint ventures integrate SEZs (Frick and Rodríguez-Pose 2021; Wang 2013). Regarding the mobility of labour, more enclavistic SEZs are often based on temporary migrant labourers and expats which have particularly low potential for localization and urbanization economies (Azme 2014b; Phelps et al. 2015; Staritz et al. 2019). Another aspect of factor/labour mobility is staff turnover, which is high for Ethiopian SEZs, indicating a lack of integration into the local labour market (Mains and Mulat 2021).

SEZs in the context of labour markets

Since employment creation is among the main expectations of SEZs, the dimension of labour has been included in some (often critical) SEZ studies (Cross 2010; Hardaker 2020; He and Chang 2020; ILO 2017; Kleibert 2015). SEZs can create employment inside, but also indirectly outside the SEZs, when creating links with the local economy (Ciżkowicz et al. 2017; UNCTAD 2019). Net employment effects, however, cannot always be identified with certainty (Cirera and Lakshman 2017). The analytic focus further considers employment positions, skill levels, gender issues, turnover rates, and labour and housing conditions. SEZs that are characterised by few and/or only low-skilled, temporary employment possibilities for the local population with little skill transfer often indicate an enclave. Several studies show the precariousness of work and the insufficient wages in SEZs, despite creating jobs and opportunities for the disadvantaged, e.g. in India, Sri Lanka, and Ethiopia (Azme 2014a; Banerjee-Guha 2008; Cirera and Lakshman 2017; Cross 2010; Guna-

wardana 2016; Kelly 2001; Mains and Mulat 2021; Rossi 2020; Singh 2009; Tregenna and İzdeç 2020). Several SEZ studies show how such working conditions are enabled by labour control regimes (Azme 2014a; Kelly 2001; Lohmeyer et al. 2022) which hinder spillovers, such as financial support to households because of low wages (Kelly 2013). On the other hand, a more integrative SEZ can create permanent jobs in all positions, including a trained workforce (Arias et al. 2014).

SEZs in the context of technology and knowledge spillovers

SEZs can also be analysed with respect to their technological and knowledge externalities (Phelps et al. 2015). These externalities start with skills transfer to the local labour force via training (Zheng et al. 2021) and also include technology and knowledge spillovers from foreign SEZ firms to local business partners. The presence of foreign firms alone and also mere linkages to local firms do not automatically lead to technology or knowledge spillovers; for example, such spillovers from apparel SEZs to African firms have been found to be limited (Whitfield and Staritz 2020). This is also the case in other SEZs where knowledge spillovers happen only once at the beginning of a trade relationship (Frick and Rodríguez-Pose 2021). Spillovers can be hindered either by the knowledge-carrying firm itself or by the lack of absorptive capacities at the receptive end of local firms or employees (Morrissey 2012; te Velde 2019). Arias et al. (2014) observe technology flows out of mining clusters as opposed to enclaves in which knowledge is internalized. While both can happen in SEZs (UNIDO 1980), Phelps et al. (2020) suggest that enclave-to-enclave knowledge linkages from one SEZ to another prevail over linkages from SEZs to the local economy.

SEZs in the context of value chain linkages and resource flows

Furthermore, SEZs can be analysed with respect to value chain linkages and resource flows between SEZ firms and the host economy. These include linkages to the suppliers, buyers, and consumers of the host economy, which are integrative characteristics of SEZs as opposed to enclavistic relationships restricted to the 'outside world' (Arias et al. 2014). For extractive enclaves, for example (Fessehaie and Morris 2013; Phelps et al. 2015), chain linkages happen differently from flows to and from manufacturing SEZs which foster local component suppliers or engage with the domestic market (Giannecchini and Taylor 2018). While import and export often prevail in more enclavistic SEZs, as

mainly a given in African SEZs (Azmeah 2014b; Giannecchini and Taylor 2018; Kweka and te Velde 2020), the local value chain linkages of integrated SEZs are more frequent and involve key inputs. Market-seeking businesses with forward linkages may also tend to create backward linkages and foster integrated SEZs (Frick and Rodríguez-Pose 2021; Jenkins and Arce 2016).

SEZs in the context of firm-related and institutional embeddedness

The integrative or enclave relationship of SEZ firms with the local economy can also be assessed through the lens of embeddedness (Hardaker 2020). The socio-cultural, network, and territorial embeddedness of firms (Hess 2004) indicate the possible integrative strength of SEZ firms, namely, through the connections of SEZ firms (e.g., economic relationships, cultural inclusion) to the local context. Enclave SEZs are usually characterized by absent local embeddedness, for example, based on cultural differences that can lead to unstable relationships and clashes, e.g. among foreign SEZ developers and investors, on the one hand, and the local population and firms, on the other hand. These disembedded relationships are often described in the case of Chinese SEZ actors in Africa (Adunbi 2019; Carmody and Hampwaye 2010; Fessehaie and Morris 2013). These clashes can also reflect the lack of acceptance of SEZs by the local population who criticise negative environmental externalities. Moreover, SEZ firms can be institutionally embedded (or not) – namely, through their compliance with country-wide institutions in the SEZs (Holden 2017). Some studies deal, on the one hand, with the non-compliance of SEZ enclaves with national institutions and laws which can be fostered both by deregulation (SEZs as spaces of exception) or by lacking policy enforcement (Carmody and Hampwaye 2010; Easterling 2012; Jauch 2002; Neveling 2017; Ong 2006). On the other hand, as institutional enclaves, SEZs and their firms can favour the socio-economic conditions and business climate. In SEZs, private and public governance may introduce and experiment with stable structures, specific regulatory frames, or transnational institutions which are (still) lacking beyond the confined area (Dannenberget al. 2013; Grant et al. 2020). These experimental institutions can contribute to economic reforms in the whole country, e.g. in China (Chen 2019). Such spillovers from these institutions to the host economy (but also vice versa) indicate an integrated SEZ.

3.2 Processes in and around SEZs

We have so far considered the characteristics of and interactions with SEZs. These dimensions are accompanied by processes that further reveal the enclave or integrative developments of SEZs. Especially young SEZs in the Global South are only weakly integrated into the region (Farole 2011). Studies on the regional dynamics on clusters and industrial districts (Park 1996; Zucchella 2006) indicate that such regional entanglement can take a long time and regional embeddedness might, therefore, grow in the future. These dynamics can be observed for the processes in and around SEZs.

Coupling and decoupling processes

The degree and ways that foreign SEZ firms interact with and are embedded into the local context result in different forms of coupling. These coupling processes are based on complementarity between SEZ firms' strategic needs and the available regional assets, such as local firms, technology, and labour (Yeung 2015). Zheng et al. (2021) reveal that SEZs act as territorial intermediaries, fostering and going beyond a market-based coupling. In this way, SEZs may be strategically coupled based on particular local assets (such as technology, labour, or territory) and integrated into the region. Nevertheless, the typical enclave SEZs as assembly platforms, especially in low-income countries, risk merely developing weak structural coupling in which they are loosely connected to and depend on global production networks with external actors (Coe and Yeung 2015). Fiscal SEZ incentives, footloose industries, and multinational firms with an already established, international supplier network are usually the only basis for this coupling (Coe and Yeung 2015; UNCTAD 2019; UNIDO 1980). This structural coupling in more enclavistic SEZs often goes hand in hand with higher decoupling risks, since international firms may "exploit cost advantages or cheap resources without holding any interest in the longer-term sustainability of the coupling and regional growth trajectory" (Coe and Yeung 2015: 189). In many SEZs, this tendency may be aggravated because of the institutional context set by the state, including deregulatory governance or the active promotion of cheap resources as location factor (e.g. in the case of Ethiopian SEZs, see Mains and Mulat 2021).

Spatial externalities: Ruptures, frictions, and relocation effects of SEZs on the host region

Decoupling through disinvestment and exploitation of resources, such as labour, are among the ruptures and frictions that may occur among foreign firms and the host region as well as within regions (Yeung 2015). Other ruptures and frictions include, for example, uneven value capture, external path dependencies, culture clashes, reduction or removal of local linkages, exclusion, social and class conflicts, and environmental damage. Enclave studies look in detail at these risks and processes of non-integration by investigating (economic and social) exclusion, (spatial and cultural) segregation, the (institutional, social, and environmental) race to the bottom phenomenon, and displacement (Banerjee-Guha 2008; Holden 2017; Kleibert 2018; Sidaway 2007). Examples include labour disputes concerning a Chinese SEZ in Zambia (Leslie 2016) and dispossession in India (Levien 2012). SEZs and their foreign firms can also pull labour and capital to the detriment of a region within the host country, side-lining local economies (Werner 2016). Kono (2020) advises taking this into account as the possible SEZ 'relocation effect' of firms and workers. Static and lax SEZ policies may promote further disintegrative processes by attracting and maintaining inadequate investor firms (Phelps et al. 2020). In the long run, this process can lead to a lock-in (Coe and Hess 2011; Coe and Yeung 2015), whereby an enclavistic SEZ remains disconnected or trapped in an inadequate coupling situation with its attendant externalities (Alcorta and Tesfachew 2020; UNIDO 1980). Relocation effects or ruptures and frictions indicate greater regional disparities which point to enclave SEZs that leave their local contexts behind. While the discussion around ruptures and frictions arose in the context of international (lead) firms, it is also valid for SEZs as agglomerations of such firms with their "enclave risk" (UNCTAD 2019: 146) or "enclave effect" (ibid.: 171). However, not every enclave SEZ is necessarily characterized by ruptures of and frictions with the surroundings.

The absence of negative externalities or, conversely, a fruitful inclusive urbanization processes may indicate an integrated SEZ. Xu and Wang (2020) show that SEZs can change the speed, direction, and spatial structure of urban expansion, influencing urbanization processes. Moreover, studies do not find that SEZs crowd out foreign or domestic investments in other Chinese regions (Wang 2013). The migration of young females from rural areas to SEZs is common in

Ethiopia and the Philippines (Kelly 2013; Mains and Mulat 2021), but these latter studies do not look at the possibly resultant backwash effects of migration. From a dynamic perspective, SEZ enclaves may integrate as SEZs evolve and linkages and catalytic effects arise (ADB 2015). This is also highlighted by UNCTAD (2019) which encourages policy makers to actively reorganize existing SEZs and create new SEZs, taking into account the aforementioned pitfalls and instead fostering linkages and further benefits.

Value creation and upgrading in and around SEZs

For young SEZs, their enclavistic nature is often determined by an initial focus on creating low-skilled employment with low value creation and few local linkages. At a later stage, however, most SEZs are expected to evolve – avoiding a lock-in – into integrated spaces (ADB 2015; Alcorta and Tesfachew 2020). The case of SEZs in Egypt and Jordan show that, through SEZs, host countries can restructure their position in global production networks and create and capture value (Azmeah 2014b). Mexican SEZs have evolved from cheap labour assembly sites to highly productive manufacturing centres (Barrientos et al. 2011). In Thailand, a Chinese zone and its local suppliers benefit from value creation and upgrading but with little local value capture (Zheng et al. 2021). These studies, however, barely include a view beyond the borders of SEZs: value creation through economic upgrading and strategic coupling as well as social upgrading can be limited to the enclave SEZs, whereas an integrative SEZ can enable the surroundings and host economy to participate in these processes. These processes can expand from the integrated SEZ to the local economy in combination with flows and interactions (e.g., labour mobility or local participation through resource flows). A strategic de- and recoupling can also be a policy option to help an SEZ to better integrate by adjusting it to regional assets and improving value capture (Horner 2013). While these processes happen in any value chain, they are usually intensified in SEZs, when industries are clustered or different segments of a value chain meet spatially (ADB 2015).

Institutional and structural change

SEZs policies may or may not align with national development strategies. Aggarwal (2019) differentiates between a complementary, enclave approach and other more integrated approaches through which national development is reinforced or driven. The latter approaches integrate SEZ plans into existing developments. In the enclave approach, however, SEZ strate-

gies are (in this case intentionally) detached from the current economic system and institutions and serve as laboratories to rectify institutional gaps, test reforms, and ultimately provoke structural change and economic transformation (Dannenberg et al. 2013; Moberg 2015). In the long run, this goes hand in hand with a dynamic process of integration based on alignments of strategies and spillovers to the rest of the economy (see for the case of China, Meng and Zeng 2019).

3.3 Synthesis: an analytical framework for SEZs

We have extended the enclave concept by incorporating views on linkages and global production networks to create a comprehensive framework for the analysis of various dimensions of local SEZ integration or enclave tendencies, shown in *Table 1*. As we outlined above, SEZs can be analysed with respect to their characteristics – for example, spatial integration, business structure – that can indicate enclave or integrative trends. Further key dimensions for the analysis of SEZs include interactions, such as the linkages of SEZs to their surroundings and the host country in general. While the enclave approach focuses on the lack of linkages to the spatial context and local economy, the analysis of existing linking interactions helps us to better understand SEZ integration. This includes both the spatially-centred perspectives of current SEZ enclave studies, as well as linkage-oriented perspectives on foreign direct investments in the Global South generally, and the idea of SEZs in particular, e.g. pecuniary linkages, embeddedness, and urban-spatial effects. Furthermore, SEZs can undergo processes of integration, such as beneficial and long-term strategic coupling, value creation, and upgrading, which are accompanied by integrative interactions. In enclave SEZs, these processes do not surpass the SEZ borders and processes of non-integration prevail. The enclave concept especially enriches the analysis around the risks and processes of non-integration, specifically, concerning relocation effects as well as ruptures and frictions.

4. Conclusion and outlook

We have used the combination of conceptual works on enclaves, linkages, and global production networks to develop a more comprehensive and systematic ana-

lytical approach to different dimensions of SEZs and their integrative and enclavistic developments. We have shown that it matters which perspective is chosen when analysing SEZs. They can appear as enclaves with respect to one or a few particular dimensions, e.g. spatial integration, while they simultaneously bear integrative elements and possibilities in other respects, e.g. pecuniary linkages and knowledge spillovers.

An in-depth and differentiated look at SEZs can help to deepen the understanding of ambiguous and contradictory findings. Following our synthesized literature review, we have distinguished between different characteristics, interactions, and processes of SEZs (see *Table 1*) which can be used by both scientists and practical decision makers by pointing out the distinctive dimensions that characterize competing SEZ tendencies.

Many of the dimensions have already been touched on in visionary development plans for SEZs, but they are rarely analysed at a later operational stage. While we are aware of the limits of applying such a broad framework for an overall assessment of SEZs, such as poor data availability for the wide range of indicators, we suggest that a broader perspective like this – even if only partly considered – is useful to evaluate and understand SEZ developments, ultimately helping to adjust certain integrative measures. Future research may contribute to extending this framework to derive further explanations that encompass the underlying mechanisms and contexts of enclave and integrated SEZs. Analysing coupling processes helps to understand the resulting characteristics and interactions. Therefore, a view on actors, such as lead firms and the state, might be helpful. This also helps to further explore the policy transfer and related transformations and mutations of the original SEZ policy approaches on the ground (McCann and Ward 2013).

Table 1: Dimensions for analysing SEZ enclave and integrative trends. Source: authors' own compilation based on references in the right-hand Column

Analytical dimension ← more enclavistic ————— more integrative → Examples of case studies (references) dimension

Characteristics			
Spatial integration	Remote, disconnected from economic activity, closed	Integrated in local environment, open	Various SEZs in developing countries (Frick et al. 2019), in the Philippines (Kleibert 2018), and China (Wissink et al. 2012)
Infrastructure	Focused on sole SEZ or on export	Integrated in a local infrastructure system	Iran's SEZs (Bach 2011)
Business structure	E.g. labour-intensive and export-based	E.g. local market-oriented, knowledge-based	Various SEZs in developing countries (Frick and Rodríguez-Pose 2021)
Cultural differences	High between foreign and local actors	Manageable	African SEZs (Adunbi 2019; Fei and Liao 2020; Lee 2009), SEZs in the Philippines (Kleibert 2015)
Interactions			
Urban spatial effects	Low or only in the SEZ and not accessible	High, accessible, integrative (residential, commercial, social facilities)	Indian SEZs (Alkon 2018), African SEZs (Goodfellow and Huang 2021; Xu and Wang 2020), Chinese SEZs (Douglass et al. 2012; He and Chang 2020)
Pecuniary linkages (direct/indirect)	E.g. outflow of profits and wages, no trade and fiscal contribution to the region	E.g. fiscal linkages, wages, regional trade	SEZs in Poland (Człkowitz et al. 2017), Ethiopia (Giannecchini and Taylor 2018), Mauritius (Sawkut et al. 2009), Central America (Mortimore and Vergara 2004), India (Tantri 2012)
Factor mobility	FDIs, fly-in-fly-out / expatriates	Local investments, staff mobility	Various SEZs in developing countries (Frick and Rodríguez-Pose 2021); China (Wang 2013), Ethiopia (Mains and Mulat 2021; Starritz et al. 2019), Jordan (Azmeah 2014a)
Labour market effects (direct/indirect)	Few local employees, low positions for domestic employees	High on the local and regional scale, also through suppliers/services	SEZs in India (Banerjee-Guha 2008; Cross 2010; Singh 2009), Sri Lanka (Gunawardana 2016), Bangladesh (Lohmeyer et al. 2022) Ethiopia (Mains and Mulat 2021), Philippines (Kelly 2001, 2013; Kleibert 2015), Jordan and Egypt (Azmeah 2014a)
Technology/ knowledge spillovers	Low or stays within the SEZ	High flows, e.g. through R&D cooperation with local firms, training	Various SEZs in developing countries (Frick and Rodríguez-Pose 2021), Thailand (Zheng et al. 2021), Ethiopia (Whitfield and Starritz 2020)
Value chain linkages, resource flows	Few/only temporary contracts with local services and suppliers, import-export prevails	Many/long-term contracts with local suppliers, distributors, services	Various SEZs in developing countries (Frick and Rodríguez-Pose 2021), Africa (Azmeah 2014b; Fessehale and Morris 2013; Giannecchini and Taylor 2018; Kweka and te Velde 2020), Costa Rica (Jenkins and Arce 2016)
Embeddedness (firm-related and institutional)	Low in the region, high to outside the country or only within the SEZ	High in the region, focus on regional integration	SEZs in Myanmar (Hardaker 2020), Mauritius (Morris and Starritz 2014), Zambia (Carmody and Hampwaye 2010), South Africa (Grant et al. 2020), Asia (Aggarwal 2012; Ong 2006)
Processes of (Non) Integration			
Coupling, Recoupling	Loose in the region, or only within the SEZ	Manifold, a fit with and longstanding in the region	SEZs in Thailand (Zheng et al. 2021)
Ruptures and Frictions	High between the (firms in the) SEZ and the region	Low between the (firms in the) SEZ and the region	SEZs in India (Jenkins et al. 2014; Levien 2012), Mexico (Bernadt 2013), Africa (Adunbi 2019; Cowalboosur 2014; Lawanson and Agunbiade 2018; Leslie 2016)
Relocation effect	Labour and firm migration to the SEZ, public investments in SEZs to the detriment of other regions such as backwashing	Low	Chinese SEZs (Wang 2013)
Value creation, Upgrading	Limited to the SEZ	Many possibilities for value creation and upgrading in the region	SEZs in Thailand (Zheng et al. 2021)
Institutional and Structural change	Detached from national economic pathway and institutions, isolated laboratories	Integrated in national development plans and institutions	SEZs in Africa (Hager et al. 2019; Harry 2016; Stein 2011), in China (Meng and Zeng 2019) and in developing countries in general (Aggarwal 2019)

Notes

¹ Including two workshops within the DFG Network “Spaces of Global Production” (2018 and 2019)

² Such as presentations and discussions at the 5th Global Conference on Economic Geography (2018)

³ See acknowledgements

Acknowledgements

We would like to thank Jana Kleibert (Universität Hamburg, Germany), Martín Arias-Loyola (Universidad Católica del Norte, Chile), Enock Sakala (University of Zambia, Zambia), Padraig Carmody (Trinity College Dublin, Ireland), and Nicholas Phelps (University of Melbourne, Australia) for interesting discussions and their feedback on our research and this paper. We would also like to thank (anonymous) reviewers for their suggestions on how to improve this paper. This research was supported by the German Research Foundation, Deutsche Forschungsgemeinschaft [DA 1128/9-1].

References

- ADB 2015: Asian Economic Integration Report: How Can Special Economic Zones Catalyze Economic Development? – Online available at: <https://www.adb.org/sites/default/files/publication/177205/asian-economic-integration-report-2015.pdf>, accessed 23/01/2023
- Adunbi, O. 2019: (Re)inventing development: China, infrastructure, sustainability and special economic zones in Nigeria. – *Africa* **89** (4): 662-679, doi:10.1017/S0001972019000846
- Aggarwal, A. 2012: SEZ-led Growth in Taiwan, Korea, and India: implementing a successful strategy. – *Asian Survey* **52** (5): 872-899, doi:10.1525/as.2012.52.5.872
- Aggarwal, A. 2019: SEZs and economic transformation: towards a developmental approach. – *Transnational Corporations* **26** (2): 27-47, doi:10.18356/d5636c42-en
- Alcorta, L. and T. Tesfachew 2020: Special Economic Zones and Export-led Growth: An Industrial Policy Imperative. – In: A. Oqubay and J.Y. Lin (eds.): *The Oxford Handbook of Industrial Hubs and Economic Development*. – Oxford: 323-345
- Alkon, M. 2018: Do special economic zones induce developmental spillovers? Evidence from India's states. – *World Development* **107**: 396-409, doi:10.1016/j.worlddev.2018.02.028
- Arias, M., M. Atienza and J. Cademartori 2014: Large mining enterprises and regional development in Chile: between the enclave and cluster. – *Journal of Economic Geography* **14** (1): 73-95, doi:10.1093/jeg/lbt007
- Azmeh, S. 2014a: Labour in global production networks: workers in the qualifying industrial zones (QIZs) of Egypt and Jordan. – *Global Networks* **14** (4): 495-513, doi:10.1111/glob.12047
- Azmeh, S. 2014b: Trade regimes and global production networks: the case of the qualifying industrial zones (QIZs) in Egypt and Jordan. – *Geoforum* **57**: 57-66, doi:10.1016/j.geoforum.2014.08.012
- Bach, J. 2011: Modernity and the Urban Imagination in Economic Zones. – *Theory, Culture & Society* **28** (5): 98-122, doi:10.1177/0263276411411495
- Banerjee-Guha, S. 2008: Space Relations of Capital and Significance of New Economic Enclaves: SEZs in India. – *Economic and Political Weekly* **43** (47): 51-59, doi:10.2307/40278211
- Barrientos, S., G. Gereffi and A. Rossi 2011: Economic and social upgrading in global production networks: A new paradigm for a changing world. – *International Labour Review* **150** (3-4): 319-340, doi:10.1111/j.1564-913X.2011.00119.x
- Berndt, C. 2013: Assembling Market B/Orders: Violence, Dispossession, and Economic Development in Ciudad Juárez, Mexico. – *Environment and Planning A: Economy and Space* **45** (11): 2646-2662, doi:10.1068/a45690
- Booth, A., A. Sutton and D. Papaioannou 2012: Systematic Approaches to a Successful Literature Review. – Los Angeles et al.
- Boschma, R. and R. Martin 2007: Editorial: Constructing an evolutionary economic geography. – *Journal of Economic Geography* **7** (5): 537-548, doi:10.1093/jeg/lbm021
- Brookfield, S., L. Fitzgerald, L. Selvey and L. Maher 2019: The Blind Men and the Elephant: Meta-Ethnography 30 Years On. – *Qualitative Health Research* **29** (11): 1674-1681, doi:10.1177/1049732319826061
- Carmody, P. 2017: The Geopolitics and Economics of BRICS' Resource and Market Access in Southern Africa: Aiding Development or Creating Dependency? – *Journal of Southern African Studies* **43** (5): 863-877, doi:10.1080/03057070.2017.1337359
- Carmody, P. and G. Hampwaye 2010: Inclusive or Exclusive Globalization? Zambia's Economy and Asian Investment. – *Africa Today* **56** (3): 84-102, doi:10.2979/aft.2010.56.3.84
- Chen, X. 2019: Change and continuity in special economic zones: a reassessment and lessons from China. – *Transnational Corporations Journal* **26** (2): 49-74, doi:10.18356/22df74e1-en
- Chen, Z., S. Poncet and R. Xiong 2017: Inter-industry relatedness and industrial-policy efficiency: Evidence from China's export processing zones. – *Journal of Com-*

- parative Economics **45** (4): 809-826, doi:10.1016/j.jce.2016.01.003.
- Cheru, F.* and *A. Fikresilassie* 2020: An Urban Planning Perspective on Industrial Hubs and Economic Development. – In: *A. Oqubay* and *J.Y. Lin* (eds.): The Oxford Handbook of Industrial Hubs and Economic Development. – Oxford: 301-322
- Cirera, X.* and *R.W.D. Lakshman* 2017: The impact of export processing zones on employment, wages and labour conditions in developing countries: systematic review. – Journal of Development Effectiveness **9** (3): 344-360, doi:10.1080/19439342.2017.1309448
- Ciżkowicz, P., M. Ciżkowicz-Pękała, P. Pękała* and *A. Rzońca* 2017: The effects of special economic zones on employment and investment: a spatial panel modeling perspective. – Journal of Economic Geography **17** (3): 571-605, doi:10.1093/jeg/lbw028
- Coe, N.M.* and *M. Hess* 2011: Local and regional development. A global production network approach. – In: *Pike, A., A. Rodríguez-Pose* and *J. Tomaney* (eds.): Handbook of local and regional development. – London: 128-138
- Coe, N.M.* and *H.W.-c. Yeung* 2015: Global production networks: Theorizing economic development in an interconnected world. – Oxford
- Cowaloosur, H.* 2014: Land grab in new garb: Chinese special economic zones in Africa. – African Identities **12** (1): 94-109, doi:10.1080/14725843.2013.868674
- Cross, J.* 2010: Neoliberalism as unexceptional: Economic zones and the everyday precariousness of working life in South India. – Critique of Anthropology **30** (4): 355-373, doi:10.1177/0308275X10372467
- Dannenberg, P., K. Yejoo* and *D. Schiller* 2013: Chinese Special Economic Zones in Africa: a new species of globalisation? – African East-Asian Affairs **2**: 4-14, doi:10.7552/0-2-103
- Douglass, M., B. Wissink* and *R. van Kempen* 2012: Enclave Urbanism in China: Consequences and Interpretations. – Urban Geography **33** (2): 167-182, doi:10.2747/0272-3638.33.2.167
- Easterling, K.* 2012: Zone: The Spatial Softwares of Extrastatecraft. – Places Journal **June 2012**: 1, doi:10.22269/120610
- Enns, C.* and *B. Bersaglio* 2015: Enclave oil development and the rearticulation of citizenship in Turkana, Kenya: Exploring 'crude citizenship'. – Geoforum **67**: 78-88, doi:10.1016/j.geoforum.2015.10.010
- Farole, T.* 2011: Special economic zones in Africa: comparing performance and learning from global experiences. – Washington
- Fei, D.* and *C. Liao* 2020: Chinese Eastern Industrial Zone in Ethiopia: unpacking the enclave. – Third World Quarterly **41** (4): 623-644, doi:10.1080/01436597.2019.1694844
- Fessehaie, J.* and *M. Morris* 2013: Value chain dynamics of Chinese copper mining in Zambia: enclave or linkage development? – The European Journal of Development Research **25** (4): 537-556, doi:10.1057/ejdr.2013.21
- Frick, S.A.* and *A. Rodríguez-Pose* 2019: Are special economic zones in emerging countries a catalyst for the growth of surrounding areas? – Transnational Corporations **26** (2): 75-95, doi:10.18356/0554caef-en
- Frick, S.A., A. Rodríguez-Pose* and *M.D. Wong* 2019: Toward Economically Dynamic Special Economic Zones in Emerging Countries. – Economic Geography **95** (1): 30-64, doi:10.1080/00130095.2018.1467732
- Frick, S.A.* and *A. Rodríguez-Pose* 2021: Special Economic Zones and Sourcing Linkages with the Local Economy: Reality or Pipedream? – The European Journal of Development Research **34**: 655-676, doi:10.1057/s41287-021-00374-4
- Gereffi, G., J. Humphrey* and *T. Sturgeon* 2005: The governance of global value chains. – Review of International Political Economy **12** (1): 78-104, doi:10.1080/09692290500049805
- Giannecchini, P.* and *I. Taylor* 2018: The eastern industrial zone in Ethiopia: Catalyst for development? – Geoforum **88**: 28-35, doi:10.1016/j.geoforum.2017.11.003
- Gibbon, P., J. Bair* and *S. Ponte* 2008: Governing global value chains: an introduction. – Economy and Society **37** (3): 315-338, doi:10.1080/03085140802172656
- Goodfellow, T.* and *Z. Huang* 2021: Manufacturing urbanism: Improvising the urban-industrial nexus through Chinese economic zones in Africa. – Urban Studies **59** (7): 1459-1480, doi:10.1177/00420980211007800
- Grant, R., P. Carmody* and *J.T. Murphy* 2020: A green transition in South Africa? Sociotechnical experimentation in the Atlantis Special Economic Zone. – The Journal of Modern African Studies **58** (2): 189-211, doi:10.1017/S0022278X20000208
- Gunawardana, S.J.* 2016: 'To Finish, We Must Finish': Everyday Practices of Depletion in Sri Lankan Export-Processing Zones. – Globalizations **13** (6): 861-875, doi:10.1080/14747731.2016.1155341
- Hager, S., J. Lin* and *J. Xu* 2019: Special Economic Zones and Structural Transformation in Ethiopia: A New Structural Economics Perspective. – In: *Cheru, F., C. Cramer, A. Oqubay, S. Hager, J. Lin* and *J. Xu* (eds.): The Oxford Handbook of the Ethiopian Economy. – Oxford: 807-823
- Hardaker, S.* 2020: Embedded Enclaves? Initial Implications of Development of Special Economic Zones in Myanmar. – The European Journal of Development Research **32**: 404-430, doi:10.1057/s41287-020-00271-2
- Harry, D.M.* 2016: Export processing zones and economic diversification in Nigeria, 2001-2013. – Journal of Political Science and Leadership Research **2** (2): 24-34
- He, S.* and *Y. Chang* 2020: A zone of exception? Interrogating

- the hybrid housing regime and nested enclaves in China-Singapore Suzhou-Industrial-Park. – *Housing Studies* **36** (4): 592-616, doi:10.1080/02673037.2020.1814208
- Henderson, J., P. Dicken, M. Hess, N. Coe and H.W.-c. Yeung 2002: Global production networks and the analysis of economic development. – *Review of International Political Economy* **9** (3): 436-464, doi:10.1080/09692290210150842
- Hess, M. 2004: 'Spatial' relationships? Towards a reconceptualization of embeddedness. – *Progress in Human Geography* **28** (2): 165-186, doi:10.1191/0309132504ph479oa
- Hirschman, A.O. 1981: *Essays in trespassing: Economics to politics and beyond*. – Cambridge
- Holden, C. 2017: Graduated sovereignty and global governance gaps: Special economic zones and the illicit trade in tobacco products. – *Political Geography* **59**: 72-81, doi:10.1016/j.polgeo.2017.03.002
- Horner, R. 2013: Strategic decoupling, recoupling and global production networks: India's pharmaceutical industry. – *Journal of Economic Geography* **14** (6): 1117-1140, doi:10.1093/jeg/lbt022
- ILO 2017: Promoting decent work and protecting fundamental principles and rights at work in export processing zones. Report for discussion at the Meeting of Experts to promote Decent Work and Protection of Fundamental Principles and Rights at Work for Workers in Export Processing Zones. International Labour Office (Geneva, 21-23 November 2017). – Geneva. – Online available at: https://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_ent/---ifp_seed/documents/publication/wcms_584474.pdf, accessed 23/01/2023
- Jauch, H. 2002: Export processing zones and the quest for sustainable development: a Southern African perspective. – *Environment and Urbanization* **14** (1): 101-113, doi:10.1177/095624780201400109
- Jenkins, M. and R. Arce 2016: Do backward linkages in export processing zones increase dynamically? Firm-level evidence from Costa Rica. – *Journal of Business Research* **69** (2): 400-409, doi:10.1016/j.jbusres.2015.06.045.
- Jenkins, R., L. Kennedy and P. Mukhopadhyay 2014: *Power, policy, and protest: the politics of India's special economic zones*. – Oxford
- Johansson, H. and L. Nilsson 1997: Export processing zones as catalysts. – *World Development* **25** (12): 2115-2128, doi:10.1016/S0305-750X(97)00103-4
- Kelly, P.F. 2001: The Political Economy of Local Labor Control in the Philippines. – *Economic Geography* **77** (1): 1-22, doi:10.1111/j.1944-8287.2001.tb00153.x
- Kelly, P.F. 2013: Production networks, place and development: Thinking through Global Production Networks in Cavite, Philippines. – *Geoforum* **44**: 82-92, doi:10.1016/j.geoforum.2011.10.003
- Kemeny, J. 1995: From public housing to the social market: rental policy strategies in comparative perspective. – London/New York
- Kleibert, J.M. 2015: Islands of globalisation: Offshore Services and the Changing Spatial Divisions of Labour. – *Environment and Planning A: Economy and Space* **47** (4): 884-902, doi:10.1068/a140119p
- Kleibert, J.M. 2018: Exclusive Development(s): Special Economic Zones and Enclave Urbanism in the Philippines. – *Critical Sociology* **44** (3): 471-485, doi:10.1177/0896920517698538
- Kono, H. 2020: Industrial Hubs: The Viewpoints of Economic Geography and Empirical Economics. – In: Oqubay, A. and J.Y. Lin (eds.): *The Oxford Handbook of Industrial Hubs and Economic Development*. – Oxford: 114-130
- Kweka, J. and D.W. te Velde 2020: Industrialization and Industrial Hubs. – In: A. Oqubay and J. Y. Lin (eds.): *The Oxford Handbook of Industrial Hubs and Economic Development*. – Oxford: 985-1009
- Lawanson, T. and M. Agunbiade 2018: Land governance and megacity projects in Lagos, Nigeria: the case of Lekki Free Trade Zone. – *Area Development and Policy* **3** (1): 114-131, doi:10.1080/23792949.2017.1399804
- Lee, C.K. 2009: Raw Encounters: Chinese Managers, African Workers and the Politics of Casualization in Africa's Chinese Enclaves. – *The China Quarterly* **199**: 647-666, doi:10.1017/S0305741009990142
- Leslie, A.N. 2016: Zambia and China: Workers' Protest, Civil Society and the Role of Opposition Politics in Elevating State Engagement. – *African Studies Quarterly* **16** (3-4): 89-106
- Levien, M. 2012: The land question: special economic zones and the political economy of dispossession in India. – *The Journal of Peasant Studies* **39** (3-4): 933-969, doi:10.1080/03066150.2012.656268
- Levien, M. 2013: Regimes of Dispossession: From Steel Towns to Special Economic Zones. – *Development and Change* **44** (2): 381-407, doi:10.1111/dech.12012
- Lohmeyer, N., E. Schüßler and N. Kabeer 2022: Social Upgrading in the Bangladeshi Garment Sector Since Rana Plaza: Why Some Governance Matters More Than Others. – In: Teipen, C., P. Dünhaupt, H. Herr and F. Mehl (eds.): *Economic and Social Upgrading in Global Value Chains: Comparative Analyses, Macroeconomic Effects, the Role of Institutions and Strategies for the Global South*. – Cham: 385-411
- Mains, D. and R. Mulat 2021: The Ethiopian developmental state and struggles over the reproduction of young migrant women's labor at the Hawassa Industrial Park. – *Journal of Eastern African Studies* **15** (3): 359-377, doi:10.1080/17531055.2021.1949118
- McCann, E. and K. Ward 2013: A multi-disciplinary approach to policy transfer research: geographies, assemblages,

- mobilities and mutations. – *Policy Studies* **34** (1): 2-18, doi:10.1080/01442872.2012.748563
- Meng, G. and D.Z. Zeng 2019: Structural Transformation Through Free Trade Zones: The Case of Shanghai. – *Transnational Corporations Journal* **26** (2): 95-117, doi:10.18356/70a11ff7-en
- Moberg, L. 2015: The political economy of special economic zones. – *Journal of Institutional Economics* **11** (1): 167-190, doi:10.1017/S1744137414000241
- Morris, M., R. Kaplinsky and D. Kaplan 2012: "One thing leads to another" – Commodities, linkages and industrial development. – *Resources Policy* **37** (4): 408-416, doi:10.1016/j.resourpol.2012.06.008
- Morris, M. and C. Staritz 2014: Industrialization Trajectories in Madagascar's Export Apparel Industry: Ownership, Embeddedness, Markets, and Upgrading. – *World Development* **56**: 243-257, doi:10.1016/j.worlddev.2013.10.030
- Morrissey, O. 2012: FDI in Sub-Saharan Africa: Few Linkages, Fewer Spillovers. – *The European Journal of Development Research* **24** (1): 26-31, doi:10.1057/ejdr.2011.49
- Mortimore, M. and S. Vergara 2004: Targeting Winners: Can Foreign Direct Investment Policy Help Developing Countries Industrialise? – *The European Journal of Development Research* **16** (3): 499-530, doi:10.1080/0957881042000266606
- Murray, M.J. 2017: *The Urbanism of Exception: The Dynamics of Global City Building in the Twenty-First Century.* – Cambridge
- Neveling, P. 2017: Capital over Labor: Health and Safety in Export Processing Zone Garment Production since 1947. – In: Rebecca, P. and N. Geert De (eds.): *Unmaking the Global Sweatshop: Health and Safety of the World's Garment Workers.* – Philadelphia: 123-146
- Ong, A. 2006: *Neoliberalism as exception: Mutations in citizenship and sovereignty.* – Durham
- Oqubay, A. and J. Lin 2020: *Industrial Hubs and Economic Development: Conclusions and Pathways to the Future.* – In: Oqubay, A. and J. Lin (eds.): *The Oxford Handbook of Industrial Hubs and Economic Development.* – Oxford: 1121-1135
- Park, S.O. 1996: Networks and embeddedness in the dynamic types of new industrial districts. – *Progress in Human Geography* **20** (4): 476-493, doi:10.1177/030913259602000403
- Phelps, N.A., M. Atienza and M. Arias 2015: Encore for the Enclave: The Changing Nature of the Industry Enclave with Illustrations from the Mining Industry in Chile. – *Economic Geography* **91** (2): 119-146, doi:10.1111/ecge.12086
- Phelps, N.A., J.T. Miao and X. Zhang 2023: Polycentric urbanization as enclave urbanization: a research agenda with illustrations from the Yangtze River Delta Region (YRDR), China. – *Territory, Politics, Governance* **11** (2): 261-280, doi:10.1080/21622671.2020.1851750
- Radley, B. 2020: The End of the African Mining Enclave? Domestic Marginalization and Labour Fragmentation in the Democratic Republic of Congo. – *Development and Change* **51** (3): 794-816, doi:10.1111/dech.12515
- Rossi, A. 2020: Women, Working Conditions, and Industrial Hubs. – In: Oqubay, A. and J.Y. Lin (eds.): *The Oxford Handbook of Industrial Hubs and Economic Development.* – Oxford: 425-438
- Sawkut, R., S. Vinesh and F. Sooraj 2009: The net contribution of the Mauritian export processing zone using benefit-cost analysis. – *Journal of International Development* **21** (3): 379-392, doi:10.1002/jid.1489
- Sidaway, J.D. 2007: Enclave space: a new metageography of development? – *Area* **39** (3): 331-339, doi:10.1111/j.1475-4762.2007.00757.x
- Singer, H.W. 1975: The distribution of gains from trade and investment-revisited. – *The Journal of Development Studies* **11** (4): 376-382, doi:10.1080/00220387508421554
- Singh, J. 2009: *Labour law and special economic zones in India.* – New Delhi
- Staritz, C., L. Plank and M. Morris 2019: A different path of industrial development? Ethiopia's apparel export sector. – In: Scholvin, S., A. Black, J.R. Diez and I. Turok (eds.): *Value Chains in Sub-Saharan Africa.* – Cham: 79-93
- Stein, H. 2011: Africa, industrial policy, and export processing zones: Lessons from Asia. – In: Noman, A., K. Botchwey, H. Stein and J.E. Stiglitz (eds.): *Good growth and governance in Africa: Rethinking development strategies.* – Oxford: 322-344
- Tantri, M.L. 2012: Effectiveness of the Special Economic Zone policy over the Export Processing Zone structure in India: trade performance at the aggregate level. – *Journal of Asian Public Policy* **5** (1): 23-40, doi:10.1080/17516234.2012.661948
- te Velde, D.W. 2019: *Enhancing spillovers from foreign direct investment. Supporting Economic Transformation Report.* – London
- The Economist* 2015: Special economic zones. Political priority, economic gamble. – Online available at: <https://www.economist.com/finance-and-economics/2015/04/04/political-priority-economic-gamble>, accessed 23/01/2023
- Tregenna, F. and Ö. İzdeş 2020: Gender, Industrialization, and Industrial Hubs. – In: Oqubay, A. and J.Y. Lin (eds.): *The Oxford Handbook of Industrial Hubs and Economic Development.* – Oxford: 401-426
- UNCTAD 2019: *World Investment Report 2019. Special Economic Zones.* – Online available at: <https://unctad.org/webflyer/world-investment-report-2019>, accessed 23/01/2023

Special Economic Zones in the Global South: Between integrated spaces and enclaves – a literature review

- UNDP 2015: Comparative Study on Special Economic Zones in Africa and China. – Working Paper Series **6**. – Online available at: <https://www.undp.org/china/publications/if-africa-builds-nests-will-birds-come#>, accessed 30/01/2023
- UNIDO 1980: Export Processing Zones in Developing Countries. UNIDO Working Papers on Structural Changes. – Online available at: <https://open.unido.org/api/documents/4788113/download/UNIDO-Publication-1980-4788113>, accessed 30/01/2023
- Wang, J. 2013: The economic impact of Special Economic Zones: Evidence from Chinese municipalities. – *Journal of Development Economics* **101**: 133-147, doi:10.1016/j.jdeveco.2012.10.009
- Werner, M. 2016: Global production networks and uneven development: Exploring geographies of devaluation, disinvestment, and exclusion. – *Geography Compass* **10** (11): 457-469, doi:10.1111/gec3.12295
- Whitfield, L. and C. Staritz 2020: Industrial hubs and technology transfer in Africa's apparel export sector. – In: Oqubay, A. and J.Y. Lin (eds.): *The Oxford Handbook of Industrial Hubs and Economic Development*. – Oxford: 931-952
- Wissink, B., R. van Kempen, Y. Fang and S.-M. Li 2012: Introduction – Living in Chinese Enclave Cities. – *Urban Geography* **33** (2): 161-166, doi:10.2747/0272-3638.33.2.161
- Xu, J. and X. Wang 2020: Reversing Uncontrolled and Unprofitable Urban Expansion in Africa through Special Economic Zones: An Evaluation of Ethiopian and Zambian Cases. – *Sustainability* **12** (21): 9246, doi:10.3390/su12219246
- Yeung, H.W.-c. 2015: Regional development in the global economy: A dynamic perspective of strategic coupling in global production networks. – *Regional Science Policy & Practice* **7** (1): 1-23, doi:10.1111/rsp3.12055
- Yeung, H.W.-c. and N. Coe 2015: Toward a Dynamic Theory of Global Production Networks. – *Economic Geography* **91** (1): 29-58, doi:10.1111/ecge.12063
- Zheng, Z., W. Liu and T. Song 2022: Strategic coupling in global production networks through international cooperation zones: the Thai-Chinese Rayong Industrial Zone. – *Regional Studies* **56** (5): 782-793, doi:10.1080/00343404.2021.1934434
- Zucchella, A. 2006: Local cluster dynamics: trajectories of mature industrial districts between decline and multiple embeddedness. – *Journal of Institutional Economics* **2** (1): 21-44, doi:10.1017/S174413740500024X