

De-escalating the centre: urban futures and special economic zones beyond poststructuralism's neoliberal imaginations

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In his 1977 book on *The Urban Question*, Manuel Castells pointed out that there was no such thing as the 'urban' and the 'urban condition'. This was because the pre-industrial rural–urban divide no longer existed. Thus, to speak about something distinctively urban means to fall victim to ideology and to obfuscate how, under capitalism, the urban is nothing but a concentration of a proletarian labour reserve.¹ Indeed, this analysis can be extended in history as it pre-dates the advent of capitalism.

From a critical theory vantage point, 'the urban' as a comparatively large-scale agglomeration of humans in particular space-times has always captured humanity's imagination. This is because the allure of the urban has generated numerous mythologies, from the Tower of Babel in antiquity, to the medieval German saying '*Stadtluft macht frei*' ('city air makes you free'), and to the seven cities of gold that the Spanish conquistadors hoped to find in the Americas. Such mythologies invoke marvelous multiculturalism, unseen liberty and amazing riches, to name but a few features. However, there is mostly nothing to them. '*Stadtluft macht frei*', for example, was only true for a few decades at the beginning of the second millennium and only in some parts of Europe, when bonded labourers under feudal rule could become free persons if they managed to escape to the cities. Such liberation was an option because the cities lacked labourers. But soon the counts and petty kings controlling the vast spaces around the cities put an end to this loss-causing liberation business.² Similarly, there were no seven cities of gold in the Americas, and

the world-changing bullion that the Spanish and Portuguese recovered from their New World possessions with considerable violence was silver, instead.³ Thus, world historical analysis often leads to other results than the fetishisation of world historical ruptures that informs many theories in the social sciences and humanities. This is especially true for one current articulation of that mythical imagination of the urban as the centre of the human (coming) condition.

That mythology of the urban/centre/future is the special economic zone (SEZ). Such zones are commonly considered to be neoliberal variants of spaces of exception, Agambian '*nomos* of the postmodern', we may say.⁴ One leading poststructuralist thinker concerned with SEZs is Keller Easterling. To her, an SEZ is a rhizome-like structure, constantly breeding its own iteration, especially so since the global spread of zones escalated in the late 1970s, when the People's Republic of China opened four coastal cities to foreign investors and therewith created Shenzhen and other future megacities of the twenty-first century.⁵

Yet Easterling backdates the origins of the zone model to antiquity, more precisely to European antiquity, when the Roman Empire opened an alleged free port in Delos.⁶ The model kept popping up in the late medieval Hanseatic League city ports, and expanded globally during the early days of imperialism, when European powers opened free ports in Hong Kong, Shanghai and elsewhere.⁷ Today, with the zones breeding and being a 'spatial software of extrastatecraft', the whole world is going to be a Shanghai, a Shenzhen, or similar, and Easterling illustrates that claim with numerous virtual excursions to web pages that promote SEZ cities in the planning stage, such as the King Abdullah Economic Zone currently being built by the Saudi monarchy on the shores of the Red Sea.⁸

Certainly, SEZs are particular articulations of capitalism and have had a huge impact on the world system's bifurcation for several decades. However, the origin of today's 4,000 zones can be traced no further back than to the neoliberalisation of development policies in the US dependency Puerto Rico in 1947. I have shown this in detail with a view to the zones' role in the decades of the Cold War and decolonisation, when the rise of socialist and anti-imperialist independence movements rattled the foundations of the geopolitical condition and forced Western former colonial powers and their bourgeoisies to reconsider the organisation of global capitalist exploitation. In this conjuncture, SEZs (back then often labelled free-trade zones or export-processing zones) offered a handy set of standardised features to sustain capitalist exploitation and, at the same time, were advertised as policy measures that would deliver



Figure 16.1 Not Shenzhen: 1970s foundation stone of the Coromandel Industrial Estate with some occupied and some derelict factory buildings in the background, Mauritius Export Processing Zone. 2012. Source: Patrick Neveling.

post-colonial economic growth. The extended sales pitch was that zones attracted the relocation of advanced capitalist manufacturing industries from Western capitalist heartlands to newly independent states in the Third World.⁹

On the surface, this looked like a win for newly independent nations now taking a higher share of global manufacturing output and hoping for technology transfers from this. Yet it turned out to be – in the great majority of cases – sweatshop labour in garments and electronics factories that would relocate to the next zone as soon as wages increased, taking all their knowledge and market share with them. In fact, tax and customs waivers for investors, universal across SEZs, and lack of controls by national governments and local publics turned SEZs into epiphenomena of the neoliberal era.¹⁰

Easterling, instead, shows little concern for the historical fixes in global capitalism and previous modes of production. Her history of SEZ origins in Greco-Roman antiquity has a striking resemblance to Eurocentric notions of ancient Greece and Rome as the cradles of

democracy, reason and advanced civilisation. What is more, this history overlaps with the mythologies that leading institutions in global SEZ promotion, from the World Bank to the World Economic Processing Zones Association (WEPZA), have proposed. The latter is a self-proclaimed 'association of leading practitioners, government officials, consultants, and academics engaged in evaluating, developing, promoting, and improving special economic zones ... globally'.¹¹ This statement is no exaggeration, for indeed several of WEPZA's officers and board members hold influential positions in international organisations.¹² One member of the advisory board, Thomas Farole, is, at the time of writing, a leading World Bank economist for East Africa. More important is his authorship and editorship of various recent publications by the World Bank, more precisely the International Finance Corporation (IFC), which is a subsection of the World Bank.¹³

Founded in the 1950s, the IFC was supposed to act as a lender guarantor for private-sector investment in the Global South. As research by two journalist fellows of the Centre for Investigative Journalism shows, the IFC has since moved into the pole position as regards capital turnover of the World Bank, with a good share of its securities and loans going not where they are supposed to, to the much-fetishised small and medium-sized enterprises that will save the world, but to shadowy families owning corporations, such as the Schwarz family, the owners of the German discount supermarket chain Lidl.¹⁴ In his earlier capacity as Senior Economist at the IFC Farole published a now widely cited book on special economic zones in Africa, which also has a thirty-page world history of SEZs. The historical origin of special economic zones offered there is the same one that Easterling published a year later – the Roman 'free' port in Delos.¹⁵ How do we explain this unconventional convergence of neoliberal pseudo-academic writing from the World Bank with supposedly critical poststructuralist theory?

In my view, Easterling here uncritically embraces a neoliberal myth that wrongly backdates a contemporary capitalist practice to Greco-Roman antiquity, and the fact that she does so is a symptom of a world-historical turn in the social sciences and humanities. Whereas for several decades all master narratives of world history were rejected, now social scientists are suddenly supposed to think in *longue durée* categories such as the Anthropocene. This way, academics with little or no expertise in *longue durée* hook up on enticing narratives that the International Finance Corporation/World Bank serves to them and are attracted to a 2,500-year genealogy of a central articulation of capitalist exploitation in the present.

Yet it is of central importance to the social sciences and humanities how the history of SEZs is assessed, especially if we wish to end the exploitation of around 100 million workers producing the world's garments and light consumer electronics in more than 4,000 zones across more than 130 nations. Billions are made in zone enterprises, and it is surely no wonder that a World Bank institution such as the IFC has an interest in making us believe that ever since human history began in earnest – and where else would it begin but in Greek and Roman antiquity, the cradle of Western civilisation? – we have been setting up special economic zones. However, while backdating today's manifestations of inequality in world history may be central to the neoliberal project, to embrace such narratives from a supposedly critical, emancipatory, post-structuralist angle is a different ballgame, and it is important to uncover this as a shortcoming of academic research and theorising.

Certainly, Shenzhen turbo-morphed from a sparsely populated rural region on the Iron Curtain border with British Hong Kong in the 1970s to a world-leading and future-making megacity of the twenty-first century – and it certainly did so because it was one of the PRC's first SEZs. Yet to assume that Shenzhen is a current variant of Delos port policies under Roman rule around 167 BCE, as Easterling does, means to embrace a line of argument that equates the glamour of such zones with the 'ordinary' operations of capitalism. This is most evident in the portrayal of the zones as an exception, something that lies outside the normal and the centre and may yet tell us what the shape of the future will be. When Easterling labels the zones as 'extrastatecraft' in the title of her book – as something outside the masterful management of state affairs – she denies the very fact that states and their leadership create and manage the zones and have a vested interest in attributing their turbo-capitalist operations to an outside, to fictional market forces and the necessities they create. Easterling thus aligns poststructuralist reflexes with Carl Schmitt's misleading depictions of sovereignty and states of exception.

Exceptionalisers such as Easterling study and theorise special economic zones exactly the way that capital wants us to look at them, as 'special' and 'different', while they are as much the bread and butter of capitalism as the political economies that surround the zones. Thus, there is no need to follow Easterling's sensationalist assumptions that all urban futures are made in such megaprojects as the King Abdullah Economic Zone. Instead, it is important to keep in mind that it is a fairly trivial undertaking to plan a city and that most new cities or zones of the past decades never came anywhere near the rapid development of Shenzhen.



Figure 16.2 Shenzhen: view of civic centre from Lianhuashan Park, 2013. Source: Patrick Neveling.

Now, how does this impact on academic reflections on centrality and centres? If an understanding of the formation of centres in history also considers them as projects that were central to world-historical futures at the moment of their formation, then I suggest we move beyond research on past and present urban geographies and geopolitical hierarchies and towards an analysis of the productions, manifestations and articulations of such hierarchies. Cities rise and fall, centres come and go. What defines a centre, and whether it could hold in a given era of world history, lies in the capacity of a ruling class to collect tributes from humanity's production of wealth and to control how this is shared out. Centres and centrality are thus defined by the particular historical organisation and regulation of labour power/production *and* by the circulation of humans, goods and money in a given era. A critical world history considers the specificity of such organisation and regulation; in recent centuries this requires attention to how capital is accumulated, how means of production are appropriated, and how labour is exploited. My plea is thus for a return of focus to the continuities and differentiations of the obvious.

In the above I have argued one example for such a focus and discussed one of the most pronounced phenomena in late-modern capitalism:

the global spread of special economic zones. Such zones emerged when the geopolitical economy changed after 1945, and now their number stands at 4,000, with more than 100 million zone workers. Few nations do not have zone programmes, and many dream of zones that would trigger rapid, large-scale, industry-driven urbanisation, and create new centres like Shenzhen. Yet Shenzhen is exceptional not because it is an SEZ, but because it is a rare case of rapid development among thousands of SEZs that never delivered this and never will. Along with this mundane exceptionality comes a mythical exceptionality that goes all the way from zone origin-stories to allegedly foolproof development-policy toolkits for the creation of successful zones that never succeed. Social scientists and humanities scholars such as Keller Easterling are not immune to the allure of those myths. Instead, and here we go back to Castell's insights on the urban as a concentration of proletarian labour reserves, when Easterling delivers the poststructuralist equivalent of an World Bank-sponsored Eurocentric myth of SEZ origins, she also delivers a possible poststructuralist ideological backing that might help populate the King Abdullah SEZ and other such high-flying urbanisation projects with the precarious, proletarian labour reserve for the twenty-first century.

Notes

1. Castells, 1977.
2. Mitteis, 1952.
3. Frank, 1998.
4. Ong, 2006.
5. Easterling, 2012.
6. For details of why the port was anything but free, see Neveling, 2015b.
7. Easterling, 2012.
8. Easterling, 2014.
9. Neveling, 2015a.
10. Neveling, 2017.
11. See <http://www.wepza.org> (accessed 26 May 2017).
12. See <http://www.wepza.org/officers/> (accessed 26 May 2017).
13. Farole, 2011.
14. Kennard and Provost, 2015. Also Kennard and Provost, 2016.
15. Farole, 2011.

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