# Göttingen East Asia Research Salon 哥廷根東亞學者沙龍

# **Special Economic Zones and the WTO**

Legal Implications for China's Unitary State and the International Trade

### **Madeleine Martinek**



UNIVERSITY OF GÖTTINGEN Centre for Modern East Asian Studies

# **The 3rd East Asia Research Salon**

## **Centre for Modern East Asian Studies**

#### Time, Place

January 22, 2014, 5.30pm - 7.30pm KWZ, Conference Room 0.701, Heinrich - Düker - Weg 14, 37073 Göttingen

#### Commentators

Britta Büermann / Department of East Asian Studies Alper Tasdelen/ Department of Law

#### Moderator

Katja Pessl, CeMEAS Coordinator

#### Program

Presentation of research project (max. 20 minutes) Comments (max. 15 minutes) Discussion

Young researchers • Intellectual exchange

# **Special Economic Zones and the WTO**

# Legal Implications for China's Unitary State and the International Trade

#### **Madeleine Martinek**

Madeleine Martinek is a Ph.D. Candidate in Chinese Law and WTO Law at the University of Göttingen since April 2013. She studied Law at the University of Heidelberg where she passed the first state examination.



#### Abstract:

The age of globalization seems to compel most nations to perform economically at its best. One of the instruments of strengthening the welfare of a country and of enhancing its international economic integration is the establishment of Special Economic Zones (SEZs). These SEZs are constituted when a country delimits a designated geographical area of its territory and formulates a variety of preferential conditions for companies and firms operating under a "special" and favorite legal regime different from the rest of the country. Thus foreign investors feel attracted to a special privileged treatment enabling them to profit from exemptions from payment of import duties, charges or taxes. Vice versa the country aims to enhance employment, to earn foreign exchange, to promote the growth of the export industry and to accelerate the introduction of technology and management expertise.

Since 1980 the People's Republic of China (PRC) has established SEZs in Shenzhen, Zhuhai and Shantou (Guangdong Province) and Xiamen (Fujian Province). In 1988, the entire island province of Hainan was designated a SEZ. The SEZs in China illustrate very clearly two dimensions of SEZs: On the one side, they serve as a kind of model project and laboratory for market-oriented policies and experimental regulations, thus achieving an impact on China's state structure (domestic dimension). On the other side, SEZs contributed immensely to the accumulation of foreign capital and China's integration into the world economy (international dimension). The thesis focuses on these two dimensions, elaborating on the questions: In how far is China's unitary state structure affected by the extensive legislative power enjoyed by the zones? Can we speak of "Chinese style" federalism? With regard to foreign trade: Are the SEZs still something special considering China's accession to the WTO? Are they compliable with WTO-law?

### Spirited debate • The Salon

### Present your research project

Presenting your PhD and/or research efforts to your peers and faculty members will give you valuable feedback and support your research with additional ideas. It introduces you to a network that can be very helpful with your career and future research projects.

## Contact

The East Asia Research Salon welcomes new participants and the opportunity to initiate and develop mutual research projects. Please feel free to contact us!

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