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Abstract

This paper proposes a first analysis of the impact of Italian Special Economic Zones (SEZs) on firms in Southern Italy. To do this, we built a panel dataset of Italian businesses and analyzed the impact of being a firm eligible for SEZ benefits located in a zone or a firm adjacent to a zone on its number of employees. Preliminary results suggest that SEZs have been successful, because SEZ businesses and businesses adjacent to a zone have significantly increased their number of employees. Moreover, the SEZ program has induced economic specialization: while businesses in the agricultural sector have not made significant changes to employment, the opposite is true for firms in the industrial and service sectors, where the number of employees has increased significantly.