

# Foreign-Trade Zones and the Cultural Logic of Frictionless Production

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## Prologue: Frictionless Handling

When a T-shirt is “made in Indonesia,” or in another factory of the Global South, chances are it is sewn in a free trade zone.<sup>1</sup> Most readers of *Radical History Review* likely know of free trade zones, if vaguely, and even hold bird’s-eye mental images of their interiors: Young women lean over electrical boards or microscopes or piles of fabric. Bodies, chairs, tables, and fluorescent lights form perspectival lines that seem to extend for miles and to convey the architectural and economic scale of exploitation. Free trade zones decorate the world as icons of late capitalist enclosure, their gated, windowless sheds and stores of migrant workers not only physically resembling places of enclosure, of control and captivity, but also functionally requiring processes of enclosure, of privatization and dispossession. In fact, they are spotlighted in two of the three quotations featured in a seminal indictment of the “new enclosures,” linked to sweatshops in China and to land clearance in the Philippines.<sup>2</sup> Free trade zones make for bold copy.

The U.S. government hosts its own version of free trade zones, which it calls foreign-trade zones, or FTZs. When a car is “made in the U.S.A.,” whether by Ford in Ohio or Toyota in Alabama, chances are it is assembled in a plant located in an FTZ, outside U.S. customs territory. Translation: If Ford or Toyota imports a car radio from Germany, or, more probably, from a free trade zone in Brazil, the tariff

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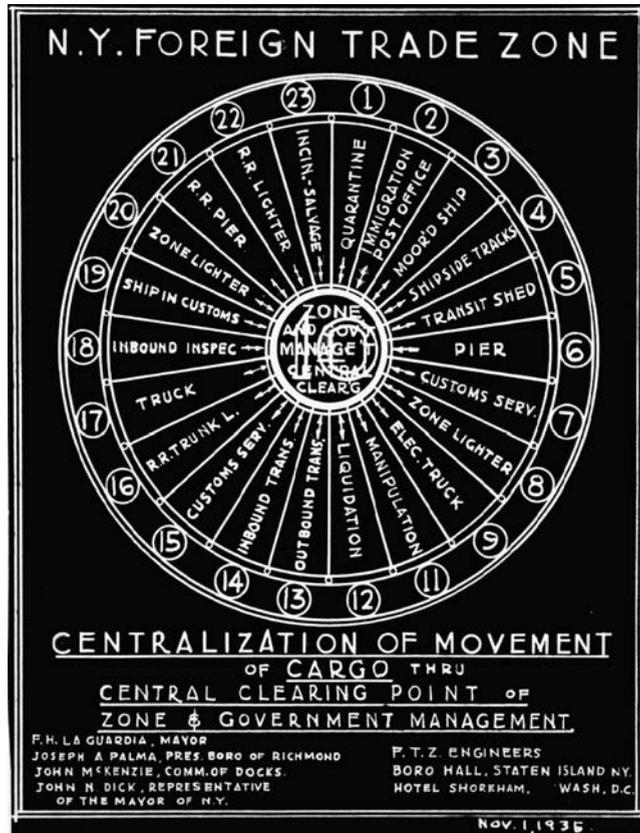
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that normally applies is suspended; if the radio leaves the zone as a radio, the tariff is charged, but if the radio exits the zone in a new form, as part of a car, voilà! The tariff vanishes. A deceptively simple legal fiction, the FTZ and its attendant perks allow state and municipal agencies in places like Ohio and Alabama to attract corporate investment by promising “the benefits of offshore, onshore.”<sup>3</sup> Authorizing this “trade program” for cities is the federal FTZ Board, which is housed in the Commerce Department and has gifted FTZ status to over 750 sites from Anchorage to Miami.<sup>4</sup> The FTZ Board administers the FTZs as “public utilities,” as nodes of an infrastructure for commodity flows, although, in keeping with the spirit of the new enclosures, increasingly it grants them to private corporations rather than public agencies. If the means are Barnumesque, the ends are real: in 2008, shipments into FTZs totaled \$692 billion, or roughly 40 percent of the nation’s manufacturing GDP.<sup>5</sup>

While free trade zones outside the United States are familiar archetypes, foreign-trade zones are more foreign territory. FTZs earn a huge number of pixels and column inches in business and legal journals, and sporadically in local media, but rarely do they arouse enough debate to become headline news; as is often said of units of infrastructure, they attract notice just in those rare moments when they break.<sup>6</sup> Nor are FTZs the topics of books or articles by historians or historical geographers, radical or otherwise.<sup>7</sup> Indeed, they are almost entirely untouched by scholars in the humanities, not even earning an entry in Kenneth Jackson’s definitive *Encyclopedia of New York City* on the much-heralded debut of Staten Island’s Zone 1 during the Great Depression. No less than the Library of Congress slights them, cataloguing them under the general subject category of “free ports and zones,” a category it introduced in 1959 to encompass both “free ports” and “free trade zones,” but not to reference FTZs, the U.S. variety, specifically.<sup>8</sup> This void is both capacious and curious, not only because FTZs are far older than other free trade zones but also because in the United States they are without precedent. When Congress passed the Foreign-Trade Zones Act of 1934, at the dawn of the New Deal, it inaugurated a profoundly new spatial practice.<sup>9</sup> Never before had the U.S. government partially denationalized U.S. soil.

Now, in the age of the new enclosures, of “failed states” resurrected by “structural adjustment programs,” the partial denationalization of sovereign territory is the default mode of economic development in the International Monetary Fund (IMF) playbook, and thus a catchphrase of scholarship on globalization.<sup>10</sup> In 1934, though, the birth of this practice in the United States went unremarked, aside from the occasional quip by a bemused journalist. Why did politicians remain mum about it? Seemingly because they could talk of nothing other than the type of property they hoped it would license: a “halfway house of commerce,” a refuge of “frictionless handling.”<sup>11</sup> Officially, “friction” referred to paperwork and storage fees, or to what a continental observer once dubbed the “*faux frais* of production,” the incidental but unavoidable costs of moving cotton from Texas to Indonesia and T-shirts from

Figure 1. FTZ Engineers, "Centralization of Movement," November 1, 1935. The FTZ engineers worked for the WPA.



Indonesia to Texas.<sup>12</sup> Meanwhile, unofficially and often unconsciously, “friction” also referred to workers. The fewer, the better, suggested FTZ engineers. Their initial diagram of how the FTZ promised to choreograph the scientific management of commodity circulation referenced no workers whatsoever (figure 1).

How might this old, overlooked blueprint of a hands-free depot relate to the modern, generic image of a massive shed crowded with rows of “nimble fingers”?<sup>13</sup> Tracing how the history of FTZs in the United States connects to the present reality of free trade zones across the globe, and thereby to the new enclosures, involves looking at three discrete aspects of the invention of the FTZ: first, when and why it was proposed; second, how it was constructed, both on Staten Island and in the national imagination; and third, what exactly, legally and economically speaking, it was designed to promote. While fragmentary answers to these questions are to be found in the fine print of the *Congressional Record*, a comprehensive understanding of the FTZ also requires the decoding of a variety of visual artifacts. Despite its apparent invisibility, the FTZ does claim its own distinct iconography, but of the sort that is so ordinary as to be hidden in plain view.

### The Warehouse of the World

It is widely accepted that the FTZ grew out of an older spatial form, the free port. But precisely how so is far from established, because the free port's lineage is shrouded in myth. FTZ boosters, for their part, have long proclaimed the free port to be purebred European. Citing a direct line of descent to a legendary network of merchant enclaves, the Hanseatic League of the late Middle Ages, politicians and business leaders have successfully peddled this fable to popular media.<sup>14</sup> As a reporter for the *Wall Street Journal* vouched in a profile of FTZs in 1945, "The free port is a thousand years old. It found its most romantic expression in the Hanseatic League, which reached the zenith of its power in the fourteenth century, when its membership extended from towns in Italy through central Europe to Scandinavia and beyond to the ancient Russian principality of Novgorod."<sup>15</sup> Other scattered sources, however, reveal a more splintered family tree, riven by the so-called colonial free ports that later fueled the circuits of slavery and imperialism. Typified by eighteenth- and nineteenth-century British outposts in China and the Caribbean such as Guangzhou and Kingston, sites of sizeable free trade zones today, these ports served as laboratories for the practice of extraterritoriality, and arguably it is they, not the cities of the Hanseatic League, that made free ports modern.<sup>16</sup>

Nevertheless, the role of colonial free ports has remained uninterrogated in FTZ circles because FTZ boosters have all along presented the fable of the Hanseatic League mainly for spin control, to naturalize free ports as ancient relics of Western civilization. Whether as wholesalers of the 1930s or manufacturers of the 1980s, FTZ boosters have shown little interest in parsing the FTZ's actual historical nuances, focusing instead on selling its unmistakable commercial virtues. "Free ports go naturally with high tariffs like those of the United States," the *Wall Street Journal* reporter thus framed his article, after his requisite nod to the Hanseatic League. "Low-duty nations like Holland and pre-1918 England don't need them."<sup>17</sup> And no one has challenged this Ricardian accounting of free port economics. If the free port's origin story has been Eurocentric, and too tangled to unravel here, its perceived value has been universal. On the Baltic Sea and on the Pearl River Delta, in the thirteenth century and in the nineteenth century, respectively, free ports have been said to hold the same basic appeal: to enhance the allure and hence the wealth of the nations hosting them. So to understand why in 1934 the foreign-trade zone was embraced as a remedy for friction, it helps to consider how ports worked before the age of the container ship and the general shift from the free port to the free trade zone.

The thought of old ports conjures up bustling harbors crowded with clipper ships and schooners. But the true anchor of mercantilism was fixed firmly on land. From metropolitan Hamburg to colonial Hong Kong, ports revolved around waterfront warehouses, in which commodities were temporarily stored and often sampled or repackaged prior to purchase or reshipment — and from which national coffers

were replenished. The problem was that these multistory brick warehouses were nearly as costly to use as to build, thanks to the customs clerks who administered them. “All morning at the custom-house, plagued with red tape,” a Boston poet grumbled in his diary in 1869, expressing the displeasure of merchants the world around. “If I went in a Protectionist, I came out a Free-trader.”<sup>18</sup>

Yet, logistically, there was no escaping these warehouses and their overseers. After all, merchants needed to house their wares to move them; as a contemporary of the Boston poet observed, “without the commodity stock, no circulation.”<sup>19</sup> Under merchants’ control was one significant variable: the choice of which particular seaports to patronize. So fortunes rose and fell on ports’ strengths and weaknesses, on their perceived openings and barriers. At stake were the fortunes of many types of workers—bankers and lawyers as much as seamen and stevedores—and of entire cities and empires. Eighteenth-century New York trumped Philadelphia with the might of its port, just as seventeenth-century Amsterdam catapulted the Dutch over the Spanish. For port cities, many believed, power lay in becoming not the “workshop of the world” but, like London, the “warehouse of the world.”<sup>20</sup>

Free ports thus enhanced this competition among port cities by cutting red tape and well-nigh erasing customs fees from merchants’ ledgers. In areas designated as free ports, commodities could sit in warehouses indefinitely and unceremoniously, beyond the scrutiny of this or that Bureau of Animal Industry or Division of Seed Inspection, demanding neither the payment of tariffs nor the employment of guards and clerks. Off the grid, so to speak, merchants could likewise enjoy the luxury of time to coordinate shipments and to await optimal market conditions; free ports inoculated merchants from risk. But still, why cabin off and partially denationalize whole parcels of territory? Why not simply designate discrete warehouses as customs havens?

In the wake of the financial crisis of the late 1830s, this very question inspired U.S. merchants to push successfully for “bonded warehouses” akin to those found in Great Britain, wherein goods could be temporarily stored duty free.<sup>21</sup> Authorized in the Warehousing Act of 1846, bonded warehouses soon became familiar fixtures of seaports such as New York and Charleston, as well as essential components of the distribution of domestic goods subject to excise taxes such as liquor and tobacco. But bonded warehouses failed to eliminate bureaucratic oversight, presenting merchants with numerous constraints: they required strict protection by customs guards, at merchants’ expense; they accepted deposits for finite periods, typically of no more than three years; and they prescribed inflexible procedures for the handling of merchandise.<sup>22</sup> These rules highlighted a distinction between free ports and bonded warehouses that was of both practical and symbolic import: unlike free ports, bonded warehouses sat squarely on U.S. customs territory, shielding commodities from tariffs by administrative fiat, not by jurisdiction. Thus, although in the early 1920s Congress finally relaxed many of the regulations governing their use, most

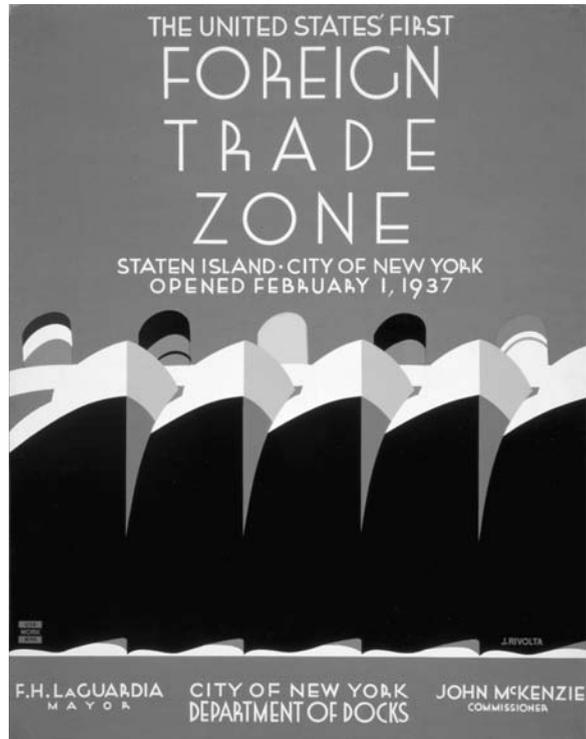
members of merchants' associations still chafed at their restrictiveness — because most had caught the free port bug.

Although free ports dotted all of Europe by the beginning of World War I, merchants in the United States admired them as “a peculiarly German institution.”<sup>23</sup> Hamburg’s was deemed the ur-free port or free trade zone, a model of efficiency wherein cargo moved “with as great freedom as though customs officials were an unknown species to commerce.”<sup>24</sup> Talk of Hamburg’s free port first made headlines in 1894, when a railroad magnate initiated hearings in Congress to create a free port at Montauk, the eastern tip of Long Island.<sup>25</sup> In 1909, Hamburg was once again invoked when a prominent grocer organized a group of Brooklyn politicians to crusade for a free port at Jamaica Bay, the future site of New York City’s John F. Kennedy Airport and FTZ No. 111.<sup>26</sup> Although neither proposal came to pass, by 1918 the idea that the East Coast needed a free port to propel the United States into the twentieth century was axiomatic among merchants, particularly amid the ruins — and opportunities — of war. The Philadelphia Chamber of Commerce expressed this sentiment bluntly when it passed a resolution calling for Congress to allow free ports: “In our opinion it is prudent in time of war to prepare for peace conditions after war.”<sup>27</sup>

Both the House and the Senate held hearings in 1919, but postwar retooling was not sufficient enticement. Numerous bills for “free ports or foreign-trade zones” drifted through Congress after World War I, none surviving the constant onslaught of social and economic nativism that yielded the Johnson-Reed Immigration Act of 1924 and the Smoot-Hawley Tariff Act of 1930. Then, in May of 1934, during the first phase of the New Deal, the prospects for a little Germany in Jamaica Bay or a Hamburg on the Hudson suddenly brightened. Brushing aside knee-jerk protests from protectionists who feared a beachhead for foreign commodities made possible by lower wages abroad, and disregarding scholars who cautioned that the United States was too isolated on international shipping lanes to facilitate transshipment and re-export, free port advocates hammered away at the premise that the United States should depose Britain and position itself as the world’s marketplace, no matter who was doing the producing or consuming. On the House floor, a representative from Brooklyn put the matter as a question of simple math. “Half of the goods bought by the United States from England are not produced there at all,” he railed. “Cotton from Egypt we buy in London. Tin from Bolivia we buy in London. Wool from Australia and hemp from the Philippines we buy in London. We buy East Indian spirits in English ports. This should all be reversed.”<sup>28</sup> Or, as a city councilman quipped indignantly in a speech five years later, “We buy and use all these commodities while other people make profits on us by trading in them.”<sup>29</sup>

The Foreign-Trade Zones Act became law on June 18, 1934, six days after the passage of the Reciprocal Trade Agreements Act.<sup>30</sup> Three years later, artists employed by the New York City poster division of the Works Project Administration

**Figure 2.** Jack Rivolta, “United States’ First Foreign Trade Zone,” December 8, 1937. Rivolta worked for the WPA.



(WPA) crafted the first of three different silk screens for the FTZ Board to mail around the world to promote the new FTZ (figure 2).<sup>31</sup> The poster’s aesthetic encapsulated the commercial cosmopolitanism that imbued the FTZ, as it deliberately quoted the style of recently released ads for French ocean liners by a pioneer of modernist poster art, who happened to design ads that same year for the Container Corporation of America.<sup>32</sup> Combining art moderne simplicity and cubist flare, its typography was contemporary and bold, with a perfectly round *O* and an *R* angled confidently forward like the bow of a ship. Its message was clear: geared-up and stripped of red tape, the United States was open for business.

### **An Isolated, Enclosed, and Policed Area**

The ships in the WPA poster were styled so starkly that they barely registered as ships, let alone as geographically embedded. Aesthetically, the poster lacked any connotation of place, much like the FTZ itself. While Zone 1 was located in the Stapleton section of Staten Island, having landed there in early 1936 after years of campaigning from local politicians and merchants, nothing about it was unique to the area. To the contrary, in legal terms, each zone was a portable fiction, a space mapped and moved at will: during World War II, the federal government designated the Stapleton piers the U.S. army port of embarkation and temporarily shifted most

FTZ business to the west side of Manhattan.<sup>33</sup> FTZs were designed to be serialized, constructed as spatial products suitable for any U.S. seaport.<sup>34</sup> This article excavates the visual record from Zone 1 in Staten Island, but it could just as well mine Zone 2 in New Orleans or Zone 3 in San Francisco.

That said, on the ground, of course, each zone was very much a physical place, an expanse of dirt in a specific seaport where a legal fiction was materialized into brick and mortar. Zone 1 sat opposite the Red Hook section of Brooklyn and Manhattan's Wall Street, on the Staten Island waterfront next to the city's quarantine station. Officially described as spanning ninety-two acres, it was equal in size to about forty-six soccer fields.<sup>35</sup> It contained five finger piers, four of them covered so as to double as warehouses. Planning for it, the *New York Times* reported, yielded "forty-five pounds of maps and detailed drawings and documents."<sup>36</sup> Much of this ink was spent on the zone's most politically prominent, and perplexing, feature: its fence.

By law, the FTZ was "an isolated, enclosed, and policed area," and its boundary was to be built to exact specifications. FTZ regulations required a fence of "not less than no. 6 gage wire, with a mesh not exceeding 2 inches, and an overall height of at least 10 feet above the concrete base in which the posts are set," "topped by at least three strands of galvanized barbed wire, four-point type, each stand consisting of two strands of no. 12.5 gauge wire," and so on. No stone was to be left unturned for "the proper protection of the revenue."<sup>37</sup> As the *New York Times* underscored, "The enclosed area will be about as closely regulated and guarded as though it were a prison."<sup>38</sup>

Such conspicuous security distinguished the standard image of the FTZ from that of its distant cousins.<sup>39</sup> Typically, images of Hamburg and other European free ports echoed the romanticist tradition of maritime painting, whether by a gesture of respectful mimicry, as in most publicity photographs, or of inventive revision, as in expressionist landscapes (figures 3 and 4). These various portrayals always evoked the depth of the water and the sky through elegant, layered compositions of ships, cranes, and warehouses. Showing a throng of diverse vessels and commodities, they conveyed an ideology of openness, of the sea as a commons, of free trade: their harbors were liminal spaces, thresholds of exchange.<sup>40</sup> Similarly, the FTZ's precursor, the bonded warehouse, was customarily presented as a quotidian site of urban commerce. Although the bonded warehouse claimed its own set of security protocols, it was still figured as integrated into the marketplace, appearing almost as a storefront (figure 5). Even if its windows were barred and boarded, per legal mandates, its facade was accessible and inviting. This was not foreign land.

The FTZ, on the other hand, was very much regarded as foreign land, albeit "foreign in a domestic sense," like Puerto Rico and other literal and figurative islands in U.S. law.<sup>41</sup> The FTZ's strange spatiality provoked a set of maritime tropes opposite those of Hamburg: not water and ships, but fencing and signage.<sup>42</sup> To document



Figure 3. Free port of Hamburg. Reprinted from U.S. Army Corps of Engineers and U.S. Shipping Board, *Foreign Trade Zones (or Free Ports)* (Washington, DC: U.S. Government Printing Office, 1929)



Figure 4. Emile Nolde, *Hamburg Free Port*, 1910



Figure 5. Bonded warehouse in Rochester, New York, ca. 1920. From the Albert R. Stone Negative Collection, Rochester Museum and Science Center, Rochester

the exterior terrain of Zone 1, photographers for the *Staten Island Advance* always stood outside the zone looking in, foregrounding the fence (figure 6). Yet the image of the fence alone did not suffice to define the zone; it needed a label, as it were, a sign to denote it an FTZ. At first, Zone 1 contained only one sign, which was erected in the back of the zone near the water, parallel to the front of the piers. To include this sign in the frame and to juxtapose it with the fence and gate and guards, *Advance* photographers always positioned themselves close to the right side of the main gate and gazed in to the left (figure 7). Then, in 1940, a second sign was erected, crowning the main gate and naming the site more visibly for passersby.<sup>43</sup> Now the *Advance* photographers always jogged back into the street and to the left to capture the gate (figure 8). The sign was crucial; without it, this fenced property was any bunch of buildings, an unexceptional part of an unexceptional port.

The *Staten Island Advance* commissioned most published photographs of Zone 1 and frequently permitted reprints in other newspapers. As a result, the syntax of this particular set of images acquired a quasi-official status: the FTZ became synonymous with the fence and the sign. Captioning varied from one context to the next, however. The *Advance* tended to phrase its captions in a plain, factual tone, whereas other newspapers presented FTZ photographs more editorially, and



Figure 6. "Trench diggers at free port, awaiting shipment for European battlefields," *Staten Island Advance*, February 21, 1940. All rights reserved. Reprinted with permission



Figure 7. "U.S. Customs agents police the 'frontier,'" *Washington Post*, January 28, 1940. All rights reserved. Reprinted with permission



Figure 8. “Field hospital units rolling into the free port,” *Staten Island Advance*, December 15, 1940. All rights reserved. Reprinted with permission

dramatically. Consider the image of guards stopping a car at the gate (figure 7). Released by the Acme photo service, it appeared in the *Washington Post* in a full-page spread about Zone 1, its caption announcing, half-coyly and half-seriously, “U.S. customs agents police the ‘frontier.’”<sup>44</sup>

If it walked like a frontier, and it quacked like a frontier, was it then a frontier? While not legally classified as such, the FTZ had all the trappings of a militarized national border: guards, customs agents, barbed wire. Certainly this was how the WPA engineers seemed to map the zone in their minds. Outside the landed boundary of the fence was the United States, and outside the water boundary was “the rest of the world,” as they wrote on a preliminary diagram of Zone 1.<sup>45</sup> The status of what lay in between did not especially matter from a legal standpoint, despite the opacity of what FTZ leaders unceremoniously called its “exterritoriality” (a now-antiquated spelling of a now-revitalized term).<sup>46</sup> Those ninety-two acres simply mediated the relationship between one national customs regime and another, between flags, as in the second WPA poster of Zone 1, which featured a cargo ship set against a background mosaic of national flags. Zone 1 was “the United States’s first foreign-trade zone,” as the first WPA poster announced, not “Staten Island’s” or “New York City’s.” And this was true across the world: modern free ports and zones were emphatically national, not local, regimes. When Mexico authorized free ports in 1924, ten years

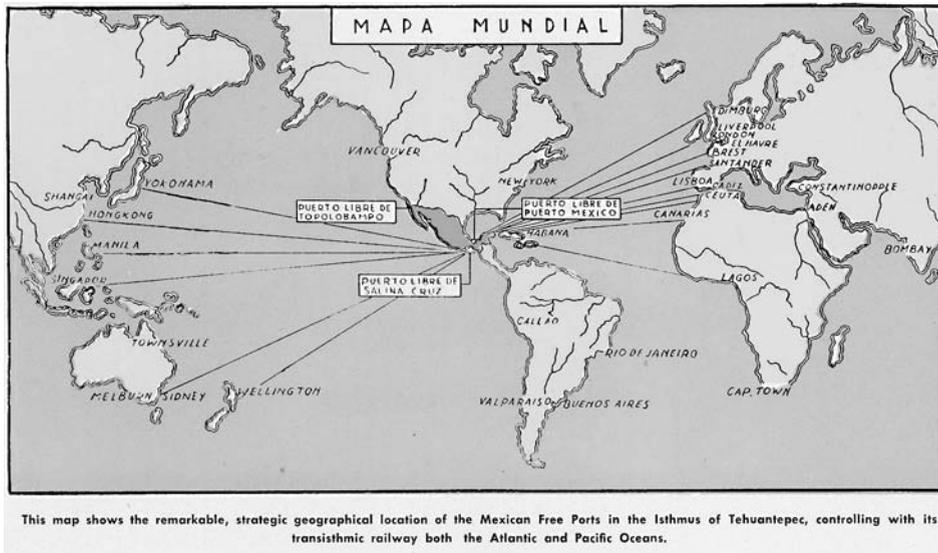


Figure 9. Map reprinted from *Puertos-Libres Mexicanos* (Mexico City: Imprenta Nuevo Mundo, 1947)

before the United States, for instance, it issued a map that resembled a dartboard on which its *puertos libres* formed the bull's eye of world trade (figure 9).<sup>47</sup> Nations were not designated on this map, but only because their presence was assumed; the local was global, in the sense that the free ports of Salina Cruz and Topolobampo connected Mexico directly to Shanghai and Lagos.

Yet if these zones bespoke national frontiers, they did so not by contrasting civilization with savagery, as in earlier conceptions of frontiers, but by characterizing one acre of U.S. soil as foreign to the next. FTZ frontiers deterritorialized rather than delineated the nation, creating archipelagos of murky sovereignty and unsettling what it meant to be or buy “American.” Ninety-two acres of Staten Island were “virtually internationalized,” proclaimed the *New York Post*—and that was precisely what some rightfully feared, barbed wire or no barbed wire.<sup>48</sup> A Massachusetts congressman had vigorously fought the FTZ Act in 1934 on the grounds that “a natural barrier against foreign imports” in the form of the Atlantic and Pacific oceans would be “obliterated” if the bill were passed.<sup>49</sup> In reply, proponents of the bill had scrambled to reassure him and others by naming the new territory a foreign-trade zone rather than a free port. As an FTZ leader later clarified, “We call it a Foreign-Trade Zone to take the curse off the word ‘free’ in free port.”<sup>50</sup> But not everyone got the memo, and oftentimes the hyphen fell away, leaving the *foreign* to dangle dangerously—did it modify *trade*, or *zone*? Journalists found the concept confusing. They even stumbled over how to articulate why the zone needed an elaborate barbed wire fence—was this paraphernalia meant to prevent smuggling “out” of the zone, or “into” it?<sup>51</sup>

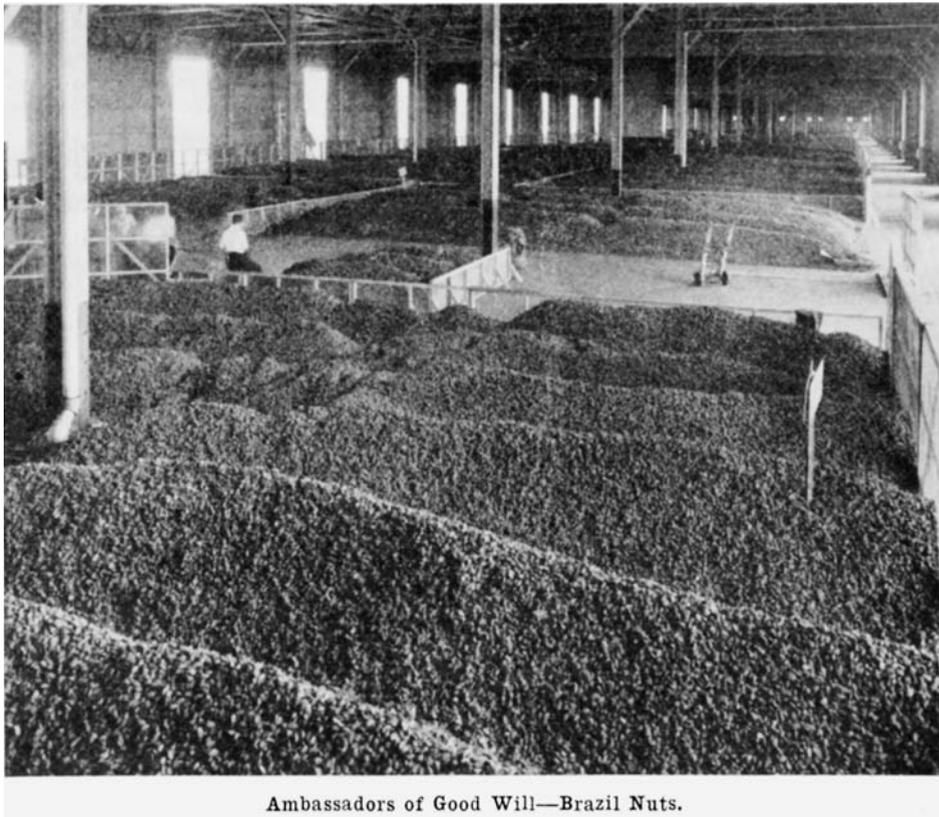
### Live Storage

Journalists frequently botched the name because they failed to understand the kind of trade it described. Foreign-trade zone. Foreign trade zone. Free trade zone. Even the initial director of the FTZ Board called the legislation “puzzling.”<sup>52</sup> At the heart of the confusion was the secret of the zone’s magic: how exactly did an FTZ make a tariff vanish? The answer to that riddle was not to be found in the fine print of the FTZ Board’s stipulations regarding measurements for galvanized wire. The fence was merely a high-profile container for the funny business that happened inside.

FTZ regulations allowed commodities to be “stored, broken up, repacked, assembled, distributed, sorted, graded, cleaned, mixed with foreign or domestic merchandise, or otherwise manipulated, but not manufactured or exhibited.”<sup>53</sup> This subtle but critical distinction between manipulating and manufacturing prompted many people to wonder where one ended and the other began. Dictionaries were of no use. The answer depended on the commodity, and it rested with officials at the Treasury Department; they reigned in this domain because the distinction first arose in tariff disputes.<sup>54</sup> Their guiding principle was—and still is—a 1908 U.S. Supreme Court decision that defined manufacturing as “something more”: “Manufacture implies a change, but every change is not manufacture,” the court reasoned. “There must be transformation; a new and different article must emerge.”<sup>55</sup>

Tungsten refining illustrated this principle in action. Exceptionally hard and heat-resistant, tungsten ore figured in an array of commodities, from radios and lightbulbs to tanks and missiles; it was a twentieth-century marvel, according to the Tungsten Institute, “invaluable in war, important in peace, and extremely difficult to wrest from nature.”<sup>56</sup> By 1939, tungsten was an object of much desire, and a Chinese man who claimed to be the first to discover deposits of it in China, site of the richest ore, won a contract to supply it to the U.S. government. His first shipment barely arrived in June of 1940: “patriot Chinese” had sunk boxes of tungsten in the rivers of North China “when the Japs first poured into China,” the *New York Herald Tribune* excitedly reported, and the boxes eventually reached Staten Island “still mud-encrusted from the river bottoms.”<sup>57</sup> But the “Tungsten King,” as he was later known, already had a strategy to maintain supply, with or without China. He had designed a refinery that was capable of processing tungsten from all over the world, tungsten of different grades at different stages of concentration. He named this refinery the National Reconditioning Company, and he erected it in Zone 1 on Staten Island—allowing him to pay tariff duties only when he “imported” the refined tungsten from the zone into the United States after losing some amount of dutiable ore during production.<sup>58</sup> While refining required a sizeable staff of skilled technicians and a labyrinth of massive machines, it did not constitute manufacturing as defined in tariff law. As the *Wall Street Journal* put it, “tungsten remained tungsten, whether refined or not.”<sup>59</sup>

Despite how frequently this vignette was repeated, a labor-intensive opera-



Ambassadors of Good Will—Brazil Nuts.

Figure 10. Photograph reprinted from Carter R. Bryan, "Like the Pea in the Shell Game," *Foreign Commerce Weekly*, February 21, 1942

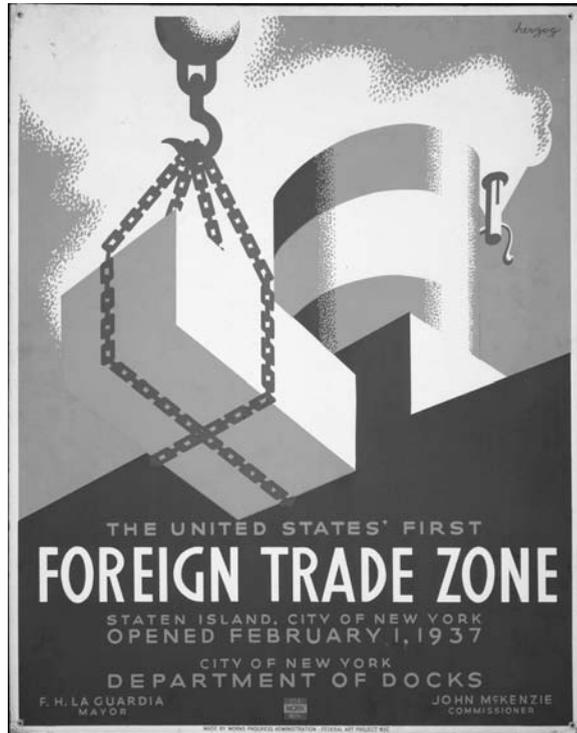
tion like the tungsten refinery was unusual for Zone 1. More common was an enterprise that seemed to require no labor at all, like the curing of the incredible shrinking nuts from Brazil, another oft-cited example of what transpired in the FTZ. Normally a pile of nuts deposited in a warehouse would be considered "dead stock," in the sense that the nuts would not yet have realized their value on the market. This term originated as the opposite of "live stock," referring to the plows and hoes and assorted inanimate instruments of labor—"dead labor" in another register—that facilitated the cultivation of animals on English farms.<sup>60</sup> What could be more "dead" than a pile of nuts lying on a dirty floor? Certainly they looked inert—that is, to readers of *Foreign Commerce Weekly* who glanced perfunctorily at photographs and skipped accompanying captions and text (figure 10). As FTZ publicity brochures explained, in word if not in image, the Brazilian nuts were by no means lost to "dead storage" on Zone 1's covered piers. Rather, the nuts were "actively making money for investors"—not dead stock, but "live storage."<sup>61</sup> The nuts increased their value simply by sitting still. Taking the cure in the salubrious salty air, they shed a few

pounds, their water metabolized by the zone. After they were finally dressed and imported into the United States, they weighed less on customs scales and thus cost less than before.

And the buck did not stop there. During the period at which time and space were suspended and the nuts were stateless (no longer in Brazil, but technically not in the United States either), they were able to levitate and circulate in a different form—as collateral. Local banks agreed to loan money against the nuts, suggesting a spatial fix for at least one early-1930s monetary crisis, that of the \$100 million in U.S. capital that was frozen in foreign banks due to exchange controls. In 1934, any U.S. merchant with money in a Brazilian bank was unable to convert his milreis to dollars. But if he used his Brazilian currency to buy a load of Brazilian nuts, which he then shipped to Zone 1 to be stored indefinitely, duty free, he could use his nuts as coin. Bankers applauded this prospect. “Such a plan would be virtually impossible without the free port,” one commented to the *New York Times*, noting that merchants never bothered to move commodities in such a manner due to the hassle and expense of importing through conventional ports. “It goes without saying that no bank here would loan a nickel on products stored abroad, but would be perfectly willing to extend credits on the same goods at this port.”<sup>62</sup> In a nutshell, this was a win-win proposition for two neighbors, according to the Department of Commerce. Brazil made money *for* the nuts, and the United States made money *with* the nuts. The nuts were “ambassadors of good will”!<sup>63</sup>

The affable anthropomorphism of this caption, the fetishistic animating of nuts in the absence of actual workers, masked the reason that Congress banned manufacturing from FTZs in the first place: labor politics. Congressmen fond of tariffs had insisted that the zones would harm “the shoe workers of Lynn, or the textile workers of Lawrence, or other men who toil with their hands.”<sup>64</sup> They worried that the zones would encourage foreign companies to dump foreign products. To duck this accusation, sponsors of the Foreign-Trade Zones Act had emphasized that the zones would support strictly foreign trade, primarily in the guise of transshipment and re-export, and that insofar as commodities would be imported from the zones, they would be imported regardless, except that now the FTZ program would guarantee their processing offshore-onshore, employing workers offshore-onshore rather than plain offshore. These were warehousing jobs, the argument went, not manufacturing jobs; the FTZ was a site of circulation, not production. The problem with this pitch, however, was that circulation often blurred into production. When the work involved unloading ships, or shoveling nuts, the divide between circulation and production seemed self-evident. But when the work also involved, say, mixing chemicals into perfumes, or assembling watch parts into watches, the specter of manufacturing reappeared. Often what was raw to Staten Island looked cooked to Chicago.<sup>65</sup>

Figure 11. Harry Herzog, "The United States' First Foreign Trade Zone," January 6, 1938. Herzog worked for the WPA.



What enabled the discourse of the FTZ to separate circulation from production was the way in which it visually and rhetorically separated commodities from workers. In the cosmology of the FTZ, commodities replaced workers. The zone was rendered as a warehouse with special powers in which commodities moved in abstract flows through abstract space in a symphony of frictionless handling (figure 1). Save for an offhand reference to longshoremen and guards, FTZ literature assessed only the labor value of the engineers and clerks who staffed the front office; the docks and storage rooms came across as virtually devoid of human activity. Even the one WPA poster that depicted waterfront work omitted waterfront workers (figure 11). If WPA artists usually chronicled the laboring of U.S. culture, whether in the romantic curves of social realist murals or in the clean lines of modernist posters, this was the de-laboring, the antithesis of Popular Front iconography.<sup>66</sup> Men who toiled with their hands were photographed in the tungsten mines of the West, not on Staten Island (figure 12). On Staten Island, to quote an August 1934 memorandum on the law of the FTZ, men performed the un-transformative, un-photographic, un-heroic work of “mere assembling.”<sup>67</sup> As the occasional FTZ publicity stunt attested, assembly work barely required living labor. Even a movie star in a suit and tie could do it (figure 13).



Figure 12. A tungsten mine in Kern County, California. Russell Lee, May 1942



Figure 13. "Douglas Fairbanks, Jr. moves burlap bags containing clothes donated for Korean War victims, 1951." *Staten Island Advance*. All rights reserved. Reprinted with permission

**Epilogue: Little Hong Kongs**

If Congress prohibited manufacturing in FTZs, how is it that Ford and Toyota currently occupy FTZs? Are auto manufacturers actually auto warehouses? Setting aside the latter question momentarily, answering the former question is simple: in 1950, Congress amended the Foreign-Trade Zones Act to allow manufacturing and to invent a new entity called a “subzone,” a zone encompassing a discrete production or distribution facility, like a Ford plant or a Walmart warehouse.<sup>68</sup> Now hundreds of FTZ subzones and so-called general purpose zones pockmark the United States, also thanks to a redefinition of the rule that an FTZ be located “in or adjacent to a port of entry” (“ports” now include airports, and “adjacent” now means sixty miles or less).<sup>69</sup> To the bewilderment of an economic geographer who studied FTZs in the early 1950s, and who discussed them recently during an interview, no site lies beyond reach of the modern, or postmodern, FTZ juggernaut, not even a defunct limestone cave.<sup>70</sup>

FTZs started to explode in number in the late 1970s, when corporations began to export jobs to free trade zones in Asia and Mexico.<sup>71</sup> To convey the deep history of FTZs, this article has emphasized the commonalities among free trade zones, whether inside or outside the United States. Here, to survey the present, it is useful to stress the dissimilarities, and to do so by highlighting the EPZ, or export-processing zone, the latest incarnation of free trade zones outside the United States. “A cocktail of exemptions,” in the words of one commentator, the EPZ is an enclave wherein nearly *all* of a nation’s laws and regulations are suspended to attract foreign-owned export-oriented manufacturing: not just customs laws, as in the FTZ, but labor and environmental laws too.<sup>72</sup> If the FTZ is a Shirley Temple, relatively speaking, the EPZ is a double Margarita.

And it is the cocktail of the moment, after a half century of gradually rising popularity. The EPZ was first quietly concocted in small part on Staten Island in the 1940s, when officials from nations that would later mass-market it visited Zone 1 with notebooks in hand: officials from Panama in 1944, from China in 1946, and from Egypt in 1948.<sup>73</sup> But it was not routinely served to U.S. corporations until the end of the “American Century,” in the mid-1970s, by which point seventy-nine nations had adopted at least one, or one of its variants, and policy analysts had begun to take notice. As a prominent economist told *Business Week* at the time, he and his peers in the Ivy League and at the World Bank were coming to realize that the EPZ was an excellent antidote for the headache of protectionism in a “developing” nation like India. “Trade zones are the one way we can smuggle in free trade,” he remarked. “In a sense, you design six areas, six little Hong Kongs, and you hope that eventually they will dominate all of India.”<sup>74</sup> Four decades later, at the dawn of the new millennium, the EPZ is a fact of everyday life, and the number of such zones around the world has topped thirty-five hundred, according to the International Labour Organization (ILO).<sup>75</sup> A fantasy of the FTZ’s early proponents has become



Figure 14. Map reprinted from *Report on Proposal to Create a Foreign-Trade Zone (or Free Port) in the Republic of Panama* (Washington, DC: Department of Commerce, 1946)

reality, and what a San Francisco merchant envisioned in 1919 as “a chain of free zones” has come to encircle—and, as in a June 1946 map of an FTZ Board junket to South America, symbolically enclose—the globe (figure 14).<sup>76</sup>

In this new world order, Zone 1 turned out to be a residual form. In the 1960s, as tungsten and nuts began moving in steel containers rather than wooden crates, Staten Island’s piers became archaic, dwarfed by the global factory’s new megaships, and in 1972 the warehouses finally closed, just as the twin towers looming north of them finally opened.<sup>77</sup> The occasion was commemorated by a bonfire. To empty the wharves without paying tariff duties, the commissioner of New York City’s Department of Ports and Trade gathered the merchandise that FTZ tenants had abandoned—“very old dolls’ clothing, some old rifles and some 20-year-old gin,” noted the *Staten Island Advance*—and carted it outdoors to burn it in front of officers from the U.S. Customs Service.<sup>78</sup> Twelve years later, wrecking crews demolished the piers themselves, and now not a brick remains of the nation’s first venture into extraterritorial economic development (figure 15).

If Zone 1 is history, the template it introduced is thriving. Frictionless production has come to pervade the United States, transforming a nation of shopkeepers into an empire of warehousemen. While FTZ shipments constitute a whopping 40 percent of manufacturing GDP, FTZ labor rolls amount to a paltry 2.5 percent of



Figure 15. “Pier supports piled on a barge wait for transport,” *Staten Island Advance*, January 31, 1989. All rights reserved. Reprinted with permission

manufacturing employment. To put this ratio in terms of a global metric, in 2008, a total of 330,000 people worked in all FTZs, plural, compared to 3 million in just the Shenzhen EPZ, singular.<sup>79</sup> And these numbers directly relate. Generally speaking, the labor-intensive manufacturing of parts and inputs is performed in EPZs, and then their frictionless assembly is completed in FTZs. Such is the flow of the global assembly line.

The career of an old neighbor of Zone 1 from across the harbor and upriver in Manhattan typifies how the FTZ-EPZ equation has shaped the industrial and commercial topography of the United States. In 1983, a year before Zone 1’s piers vanished, bulldozers began work in exurban New Jersey to prepare the grounds for Zone 44, an industrial park slated for a mixture of distribution and light assembly tenants.<sup>80</sup> Crowned the “International Trade Center,” the facility was reportedly the second largest holding of none other than the Rockefeller Group, whose first largest holding was Rockefeller Center—the underground chambers of which happened to house a bonded warehouse known colloquially as a “free port” beginning in the early 1930s.<sup>81</sup> Now, a generation after its New Jersey debut, the Rockefeller Group is establishing FTZs in pastures and deserts on both coasts, concrete conurbations such as the Tejon Ranch Tejon Industrial Complex just south of Bakersfield, California. Buildings advertised on the group’s Web site are likely familiar to denizens



Figure 16. “Completed warehouse interior,” Rockefeller Group Development Corporation, [www.rockgroupdevelopment.com/ca/tejon.html](http://www.rockgroupdevelopment.com/ca/tejon.html)

of U.S. highways. Stretching five hundred acres or more, they assert an imperial horizontality when photographed indoors that inadvertently but eerily demonstrates how these places of enclosure benefit from distant processes of enclosure. Pristine and pristinely empty, the buildings are haunted by the absent presence of the multitudes in Shenzhen and elsewhere who furnish the boxes soon to fill them: if labor-intensive production has been outsourced from the United States, so too has its image (figure 16).<sup>82</sup>

### Notes

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1. For evocative, ground-level tours of free trade zones outside the United States, see Naomi Klein, *No Logo* (New York: Picador, 2000), 195–229; and Keller Easterling, *Enduring Innocence: Global Architecture and Its Political Masquerades* (Cambridge, MA: MIT Press, 2005), 98–121. For taxonomies of their many modalities, see Xiangming Chen, “The Evolution of Free Economic Zones and the Recent Development of Cross-National Growth Zones,” *International Journal of Urban and Regional Research* 19 (1995): 593–621; and Ronen Palan, *The Offshore World: Sovereign Markets, Virtual Places, and Nomad Millionaires* (Ithaca, NY: Cornell University Press, 2003). On the law of free trade zones, see Michael B. Likosky, *The Silicon Empire: Law, Culture, and Commerce* (Burlington, VT: Ashgate, 2005).
2. Midnight Notes Collective, “Introduction to the New Enclosures,” *Midnight Notes* 10 (1990): 2–3.
3. I borrow this slogan from a Web site that catalogs domestic and international tax-haven schemes. See Lowtax Network Ltd., “Offshore Onshore,” [www.lowtax.net/lowtax/html/offon/offonhom.html](http://www.lowtax.net/lowtax/html/offon/offonhom.html) (accessed June 12, 2009).
4. Greg Jones, interview by the author, Mobile, Alabama, October 22, 2007. Jones is an FTZ consultant and a past president of the National Association of Foreign-Trade Zones.

5. See FTZ Board, [ia.ita.doc.gov/FTZPAGE/annualreport/ar-2008.pdf](http://ia.ita.doc.gov/FTZPAGE/annualreport/ar-2008.pdf) (accessed January 12, 2010). The figure of 40 percent is mine, based on data from the Bureau of Economic Analysis. See [www.bea.gov/industry/index.htm](http://www.bea.gov/industry/index.htm) (accessed January 12, 2010).
6. On the cultural latency of infrastructure, see Stephen Graham and Nigel Thrift, "Out of Order: Understanding Repair and Maintenance," *Theory, Culture, and Society* 24 (2007): 1–25.
7. The only two monographs on the FTZ—in any discipline—are both technical studies by economic geographers, and they are so old as to serve more as primary than secondary sources. See William A. Dymaza, *Foreign-Trade Zones and International Business* (Washington, DC: Small Business Administration, 1964); and Richard S. Thoman, *Free Ports and Foreign-Trade Zones* (Cambridge, MD: Cornell Maritime Press, 1956).
8. Tom Yee, telephone interview by the author, June 26, 2009. Yee is the deputy director of the Library of Congress's Policy and Standards Division.
9. Notably, the FTZ Act was sponsored by Emanuel Celler, a liberal congressman from Brooklyn and a great foe of tariff and immigration quotas alike. I omit his name and that of all other individuals in the text of this brief article because here I aim to focus readers on the FTZ as a cultural object. For more on the social and political lives of the FTZ, see Dara Orenstein, "Offshore Onshore: Foreign-Trade Zones on U.S. Soil, 1846–1989" (PhD diss., Yale University, in progress).
10. See especially Aihwa Ong, *Neoliberalism as Exception: Mutations in Citizenship and Sovereignty* (Durham, NC: Duke University Press, 2006); and Saskia Sassen, *Losing Control: Sovereignty in an Age of Globalization* (New York: Columbia University Press, 1996).
11. "Address of Congressman Emanuel Celler over Station WYNC," Box 5, Folder 2, FTZ Records, Staten Island Historical Society (Staten Island, NY). United States Tariff Commission, *Information Concerning Free Zones in Ports of the United States* (Washington, DC: Government Printing Office, 1919), 42.
12. Karl Marx, *Capital*, vol. 2 (London: Penguin, [1885] 1992), 214.
13. On representations of women on the global assembly line, see Alicia Schmidt Camacho, *Migrant Imaginaries: Latino Cultural Politics in the U.S.-Mexico Borderlands* (New York: New York University Press, 2008), 237–82; and Melissa W. Wright, *Disposable Women and Other Myths of Global Capitalism* (New York: Routledge, 2006).
14. See, for instance, U.S. Shipping Board, *Foreign Trade Zones (or Free Ports)* (Washington, DC: Government Printing Office, 1929), 3–5.
15. Paul Goetz, "N. Y. Foreign Trade Zone Seeks Bigger Role in Post-War Commerce," *Wall Street Journal*, October 26, 1945.
16. For the only extended treatment of colonial free ports, see Frances Armytage, *The Free Port System in the British West Indies: A Study in Commercial Policy, 1766–1822* (London: Longmans, Green, 1953). On the origins of the U.S. doctrine of extraterritoriality in Chinese treaty ports, see Teemu Ruskola, "Canton Is Not Boston: The Invention of American Imperial Sovereignty," *American Quarterly* 57 (2005): 859–84. For a full genealogy of the FTZ's antecedents, see Orenstein, "Offshore Onshore."
17. Goetz, "N. Y. Foreign Trade Zone Seeks Bigger Role in Post-War Commerce."
18. Samuel Longfellow, ed., *Final Memories of Henry Wadsworth Longfellow* (Boston: Ticknor, 1887), 127.
19. Marx, *Capital*, 2:223. See also David Harvey, *The Limits to Capital*, new ed. (New York: Verso, 2006), esp. chap. 12.

20. For an example of this widespread perspective, see F. A. McKenzie, "The World Metropolis: New York or London?" *New York Times*, August 3, 1919.
21. For a recent—and groundbreaking—historical analysis of bonded warehouses, see Gautham Rao, "Cities of Ports: The Warehousing Act of 1846 and the Centralization of American Commerce," *Thresholds* 34 (2007): 34–37. See also Orenstein, "Offshore Onshore."
22. For a quick comparison of free ports and bonded warehouses, see Roy S. MacElwee, *Port Development* (New York: McGraw Hill, 1925), 394–98.
23. Edwin J. Clapp, "The Free Port as an Instrument of World Trade," in *American Problems of Reconstruction*, ed., Elisha M. Freidman (New York: E. P. Dutton, 1918), 248.
24. Philip B. Kennedy, *A Comparative Study of the Economic, Industrial, and Commercial Conditions in the Free Ports of Europe and the Port of New York* (New York: Merchants' Association of New York, 1914) 8, 10.
25. The magnate was Austin Corbin, the president of the Long Island Railroad. See "An American Free Port," *Washington Post*, May 14, 1894.
26. The grocer was Henry A. Meyer. See Meyer, *Looking through Life's Windows* (New York: Coward-McCann, 1930), 147–236.
27. United States Tariff Commission, *Information Concerning Free Zones*, 31. See also Harvey, *Limits to Capital*, 424–45.
28. Congress, House, Congressman Emanuel Celler of New York, H. R. 9322, 73rd Cong., 2nd sess., *Congressional Record* 78, pt. 9, May 29, 1934, 9852.
29. Newbold Morris, [Speech], October 23, 1939, 4, Box 5, Folder 2, FTZ Records.
30. Foreign-Trade Zones Board, *Regulations: Governing the Establishment, Operation, Maintenance, and Administration in the United States of Foreign-Trade Zones* (Washington, DC: Government Printing Office, 1935), 1.
31. LaGuardia to Kolff, November 4, 1937, Box 28, Folder 8, Cornelius Kolff Papers, Staten Island Historical Society. Eventually the poster was deemed so uniquely striking and resonant that it was chosen as the cover image for the first book-length study of the WPA poster program. Christopher DeNoon, telephone interview by the author, June 18, 2009. See DeNoon, *Posters of the WPA* (Los Angeles: Wheatley Press, 1987).
32. The artist was A. M. Cassandre. For a glimpse of his iconic poster, "L'Atlantique," see the book jacket of Daniel T. Rodgers, *Atlantic Crossings: Social Politics in a Progressive Age* (Cambridge, MA: Harvard University Press, 1998).
33. Due to length constraints, in this article I focus on Zone 1's physical and legal architecture and not on its relationship to Staten Island or New York City.
34. Keller Easterling coins and elaborates the concept of a "spatial product" in *Enduring Innocence*, 1–3.
35. Thomas E. Lyons, *General Description of Foreign-Trade Zone 1*, pamphlet, April 1, 1938, 1, Box 2, Folder 14, FTZ Records.
36. "Mayor Asks Roper for Free Port Here," *New York Times*, July 9, 1935.
37. Foreign-Trade Zones Board, *Regulations*, 5.
38. R. L. Duffus, "Free Port Offers Boon to Trade," *New York Times*, February 2, 1936.
39. My reading of the FTZ's visual archive is indebted to the work of Allan Sekula, particularly *Fish Story* (Düsseldorf, Germany: Richter Verlag, 1995) and *Geography Lesson: Canadian Notes* (Cambridge, MA: MIT Press, 1997).
40. See Jean-Christophe Agnew, "The Threshold of Exchange: Speculations on the Market," *Radical History Review*, no. 21 (1979): 99–118.

41. See Christina Duffy Burnett and Burke Marshall, eds., *Foreign in a Domestic Sense: Puerto Rico, American Expansion, and the Constitution* (Durham, NC: Duke University Press, 2001). This infamous interstitial category dates back to the *Insular Cases*, the original cluster of which, from 1901, centered not on the citizenship status of colonial subjects but on the tariff status of colonial commodities—agricultural products like sugar and oranges shipped from Puerto Rico to New York.
42. Both sets are old tropes. On the forerunners of the FTZ fence and sign, see Peter Linebaugh, *The London Hanged: Crime and Civil Society in the Eighteenth Century*, 2nd ed. (New York: Verso, 2003), 371–401.
43. “Report for the Year of 1940,” July 1, 1941, 10, Box 3, Folder 13, FTZ Records.
44. “Where War Goods Wait,” *Washington Post*, January 28, 1940.
45. [Diagram], Box 3, Folder 16, FTZ Records.
46. Thomas E. Lyons, “Dedicating the New Orleans Foreign-Trade Zone,” speech, November 16, 1946, 2, Box 8, Folder 6, FTZ Records.
47. *Puertos-Libres Mexicanos: Salina-Cruz, Puerto-Mexico, Matias-Romero, Topolobampo (Mexican Free Ports: Salina-Cruz, Puerto-Mexico, Matias-Romero, Topolobampo)* (Mexico City: Imprenta Nuevo Mundo, 1947).
48. Leon M. Siler, “‘Hylan’s Folly’ May Be Boon, After All,” *New York Post*, February 4, 1936.
49. Congress, House, Congressman Allen T. Treadway of Massachusetts, H. R. 9322, 73rd Cong., 2nd sess., *Congressional Record* 78, pt. 9, May 28, 1934, 9779.
50. Morris, [Speech], 4.
51. For an “into” example, see “Where War Goods Wait.”
52. Claudius T. Murchison, “Creation of Free Ports Holds a Serious Problem,” *New York Times*, July 22, 1934.
53. Foreign-Trade Zones Board, *Regulations*, 10–11.
54. See Bureau of Customs, “General Authorities Bearing on the Question of What Constitutes Manufacturing in Connection with Operations Which May Be Carried on within a Foreign-Trade Zone,” memo, August 6, 1934, Box 10, Folder 2, FTZ Records.
55. *Anheuser-Busch Brewing Association v. the United States*, 207 U.S. 556 (1908), 562.
56. Mildred Gwin Andrews, *Tungsten: The Story of an Indispensable Metal* (Washington, DC: Tungsten Institute, 1955), 3.
57. Woodrow Wirsig, “The Port within a Port,” *New York Herald Tribune*, January 13, 1946.
58. The man was K. C. Li. See K. C. Li, *Tungsten: Its History, Geology, Ore-Dressing, Metallurgy, Chemistry, Analysis, Applications, and Economics* (New York: Reinhold, 1947).
59. Goetz, “N. Y. Foreign Trade Zone Seeks Bigger Role in Post-War Commerce.”
60. Marshall D. Sahlins, *The Use and Abuse of Biology: An Anthropological Critique of Sociobiology* (Ann Arbor: University of Michigan Press, 1977), 104; Karl Marx, *Capital*, volume 1 (New York: Vintage, [1867] 1977), 302, 342.
61. Catherine L. Nevins, *Foreign Trade Zone 1* (New York: FTZ Operators Inc., 1943), 18.
62. “Free Port Will Aid Exchange Release,” *New York Times*, February 2, 1936.
63. Carter R. Bryan, “Like the Pea in the Shell Game,” *Foreign Commerce Weekly*, February 21, 1942, 3.
64. Congress, House, Congressman William Patrick Connery, Jr. of Massachusetts, H. R. 9322, 73rd Cong., 2nd sess., *Congressional Record* 78, pt. 9, May 28, 1934, 9769.
65. Benjamin M. Altschuler, “Recent Administrative Rulings on Foreign Trade Zones,” October 17, 1947, Box 5, Folder 3, FTZ Records.
66. See Michael Denning, *The Cultural Front: The Laboring of American Culture* (New York: Verso, 1997).

67. Bureau of Customs, "General Authorities Bearing on the Question of What Constitutes Manufacturing," 4.
68. See Dymnsza, *Foreign Trade Zones and International Business*, 33–36, 143–92.
69. See Douglas W. Cray, "Trade Zones Spread Inland," *New York Times*, October 8, 1972.
70. Richard S. Thoman, interview by the author, Hayward, California, June 13, 2006. Zone 15 in Kansas City—one of the first "inland" zones—opened in 1972 boasting storage rooms in "underground caverns left by limestone miners." Cray, "Trade Zones Spread Inland."
71. For a case study of this moment, see Jefferson Cowie, *Capital Moves: RCA's Seventy-Year Quest for Cheap Labor* (New York: New Press, 2001).
72. Easterling, *Enduring Innocence*, 115.
73. See, respectively, "Report for the Year of 1944," May 31, 1945, 11, Box 3, Folder 13, FTZ Records; "Free Zones Expected to Spur Trade," *China Weekly Review*, October 12, 1946, 177; Thomas E. Lyons, "Foreign Trade Zones and Air Commerce," May 20, 1948, 4, Box 5, Folder 2, FTZ Records. For an in-depth examination of the linkages between FTZs and EPZs, see Orenstein, "Offshore Onshore."
74. Jagdish Bhagwati, quoted in "The U.S. Lags in Trade Zones," *Business Week*, November 17, 1980, 82–87.
75. Jean-Pierre Singa Boyenge, "ILO Database on Export Processing Zones," April 2007, 1, [www.ilo.org/public/english/dialogue/sector/themes/epz/epz-db.pdf](http://www.ilo.org/public/english/dialogue/sector/themes/epz/epz-db.pdf).
76. William Harris Douglas, quoted in United States Tariff Commission, *Information Concerning Free Zones*, 52.
77. While Staten Island was the first to decline, by the mid-1970s the piers of Brooklyn and Manhattan had also lost ground to the new container terminals at Port Elizabeth, New Jersey. See Marc Levinson, *The Box: How the Shipping Container Made the World Smaller and the World Economy Bigger* (Princeton, NJ: Princeton University Press, 2006), 92–97.
78. R. F. Miller, "Foreign Trade Zone in Stapleton to Close Monday," *Staten Island Advance*, January 27, 1972.
79. See FTZ Board, [ia.ita.doc.gov/FTZPAGE/annualreport/ar-2008.pdf](http://ia.ita.doc.gov/FTZPAGE/annualreport/ar-2008.pdf) (accessed January 12, 2010). On Shenzhen, see Pun Ngai, *Made in China: Women Factory Workers in a Global Workplace* (Durham, NC: Duke University Press, 2005).
80. Anthony DePalma, "Earth Movers Carving Free Trade Zone," *New York Times*, April 3, 1983.
81. "Rockefeller Center Becomes 'Free Port,'" *New York Times*, July 21, 1932. This event required a special act of Congress, which is detailed in *The Rockefeller Center Warehouse and Exhibition Act* (1935), booklet, Box 2212, Folder 2, 1939 World's Fair Records, New York Public Library, Manuscripts and Archives Division.
82. Distribution centers such as the Tejon Industrial Complex are examined in Edna Bonacich and Jake B. Wilson, *Getting the Goods: Ports, Labor, and the Logistics Revolution* (Ithaca, NY: Cornell University Press, 2008). In a preface, Bonacich draws attention to the motorscape of the supply chain, noting that she first became fascinated by distribution centers as she contemplated a particular complex along the Pomona Freeway during her regular commute to the University of California, Riverside.