

# **SOCIO-ECONOMIC EFFECTS OF SPECIAL ECONOMIC ZONES IN GHANA: A MULTIPLE TREATMENT ANALYSIS**

## **Abstract**

This thesis examines the socio-economic effects of Special Economic Zones (SEZs) in Ghana using primary data from the project “*Special Economic Zones: A Force for Good to Reduce Inequality.*” Taking into consideration the uniqueness in the operationalization of Ghana’s SEZ, this thesis seeks to achieve three objectives: assess the causal impact of SEZs on employment quality; examine their association with catastrophic health expenditure (CHE), and analyse gender wage gaps within SEZ. Addressing gaps in the literature, the study adopts several econometric techniques to achieve the above the objectives.

Using propensity score and matching techniques, the findings show that firms located within SEZ enclaves—irrespective of SEZ status—are associated with higher employment quality, highlighting the role of industrial clustering. However, probit estimates indicate that SEZ employment is linked to a higher likelihood of CHE, partly explained by longer working hours, gender dynamics, and health insurance coverage. Furthermore, unconditional quantile decomposition reveals persistent gender wage gaps outside SEZ enclaves, particularly at the median and upper quantiles, driven mainly by differences in returns to worker characteristics.

The study recommends expanding and upgrading the status of SEZ enclaves, while rethinking the incentives associated with SEZs.