When I started comissioning this series (see part 1 and part 2) to think collectively about the formation of the category of contemporary art, its discourses, and its institutions in relation to the neoliberal economy that came with the 1990s reconstruction project in Beirut, I was obviously not only thinking about Beirut as one exceptional locality, but rather taking it as a place from which to start the discussion on larger historical shifts in the region. In fact, what happened during that time in Beirut was very similar to what was happening in Palestine, if we abstract the economic mechanisms that were at play. Later on, for example, the same politics of international funders’ retreat, the appearance of local donors, and processes of institutionalization – or at least attempts at that – were underway in both places.

Lara Khaldi, Yazan Khalili, and I belong to the same generation of artists and cultural workers who started their professional life in the 2000s, so we witnessed the shift towards this institutionalization. But we also witnessed the ’90s with a little more distance. I would still argue that many of our so-called practices were to a certain extent affected by those earlier economic mechanisms.

Marwa Arsanios: It is strange to be having this conversation now while we are locked down at home because of Covid-19, and while many cultural workers are struggling economically because of all the cancelations in the economy where we function: the gig economy! That said, perhaps it is a good moment to try to think about the neoliberal ideology that drove the ’90s, the separation between the work of art, the politics it represents and wants to tackle, and its politics of production, or on an institutional level the separation between the production of culture and discourse, and the greater economy that drives it as a whole. The purpose is thinking about how to do things otherwise.

Yazan Khalili: Well, in the ’90s two big events in Palestine and Lebanon acted as starting points for the historical conditions you’re describing: the Oslo Accords in Palestine, and the end of the civil war in Lebanon. Unlike Egypt, for example, where neoliberal economic policy started in the ’80s and slowly expanded in the ’90s, in Palestine and Lebanon the Oslo Accords, the establishment of the Palestinian Authority (the PA, in 1994), and the Taif Agreement that ended the Lebanese civil war marked the beginnings of the neoliberal shift.

The PA arrived in Palestine while the neoliberal economy was en route to becoming the world’s dominant political ideology, exchanging the power of the state for the power of corporations. At first, the PA tried to establish itself like most postcolonial states – a nation-
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state that runs institutions that aim to produce and maintain national and state culture. However, they quickly realized that those institutions needed to take the form of NGOs in order to apply for international funding and to attract donors.

In 1995, the PA established the Ministry of Culture, and in 1996 the Ministry founded the Khalil Sakakini Cultural Center. By becoming an NGO in 1998, the Center gained independence, allowing it to apply directly for international funding. Once international funding was allowed to enter Palestine, institutions such as Riwaq (est. 1991) also followed this model. Other institutions began to form after this economic model became more accessible. Another example is the Al Ma’mal Foundation in Jerusalem, established in 1998 by Jack Persekin (after he founded Anadiel Gallery in the old city of Jerusalem in 1992 and worked for a few years in the Ministry of Culture himself).

The new political structure created a division between freshly established cultural centers and those that were there before Oslo. The older cultural clubs took part in political movements; they were often grassroots organizations founded with social goals. During the years of direct occupation, when political work was prohibited in Palestine, politics were happening within these cultural clubs. The political work was hidden within cultural work. Since they were unable to carry out overt political activity, the whole structure had to act politically. Nearly everything was volunteer-based, collective and communal practices were familiar and widespread, and there was no separation between the producers and the audience. When the PA arrived, there was no need to hide anymore. This was the moment when the separation between culture and politics really took place. Cultural institutions were no longer a product of the community, but rather top-down structures. These institutions had to form heavy administrative bodies to apply for and manage funds. Maintaining these bodies became the primary task of the institution. As audience numbers became one of the measurements for institutional validity, the institutions’ other main concern became outreach: they were looking for audiences for their activities, and sometimes creating them through their outreach projects. These projects became the bread and butter of many cultural institutions.

Community centers that had formed in the ’70s and ’80s had to follow this new model in order to access funding, too. Their structures had to transform radically: they adopted new governance boards, management bodies, and employees to fulfill donor requirements. All of this of course affected the kind of cultural production the centers could carry out: in their proposals to international donors, they needed to show that they were responding to new developments in art and cultural practices around the world, regardless of whether these new practices had organic audiences and practitioners. At some point, both needed to be created. Traditional Dabke dancing, for example, had to shift from its political role of maintaining Palestinian culture after the Nakba into contemporary dance performances focused on the movement of the body. Contemporaneity became a way for these institutions to enter the funding economy – in their production as well as structurally. (I’m not against contemporary dance here, but am trying to bring out the issue of the shift from collective dancing to individual expression.)

MA: So you are saying that contemporary art became a tool for institutions to survive and continue on into the neoliberal fundraising economy?

YK: Yes, contemporary art is not the production of the institution, but is rather the institution itself. The relationship between the structure of production and the product is very entangled. They both function on the same economic basis: proposal writing. It is a framework of thinking and an act of language that is always happening in the future tense: “The project aims to ...,” “The work will ...,” etc. Writing the proposal becomes part of the artwork itself. The person who knows how to explain the proposed piece, mainly in English, will be more likely to get grants. This process relies on the artist’s embeddedness in spaces that hold cultural capital, and not only on the artist’s or the work’s merit. The claim of equality in open calls for funded projects is contested.

Lara Khaldi: Right, and to know how to use this language, one must come from a certain social and economic class.

YK: It is not enough to be able to speak English. One has to understand the frameworks of proposal writing in order to put that specific language to use. In today’s NGO-ized world, there are people who specialize in writing proposals for specific donors: for the EU, USAID, SIDA, and so on.

LK: This economic system has created the profession of the fundraiser, and subsequently turned the artist into a fundraiser, too. There’s a whole culture of fundraising – and not only in the cultural sector. Many of these fundraisers were once activists or political organizers in the ’80s. Many NGO directors from the ’90s, for example, were once enrolled in leftist parties – they were organized and politicized.

MA: So this process transformed politicized
people into technocrats by putting them in bureaucratic managerial positions.

LK: Yes, technocrats – including the artist as well. Artists began to consider their work a paid representation of political activism. Whereas they were self-organized and had formed collective structures such as al rabita in the 1970s, and considered art to be one form of practicing politics through mobilization of the masses.

YK: This is so important for understanding the economy of cultural institutions. The proposal is also a form of censorship, or a filter that gives power to institutions or donors to decide which institution and which artwork can be supported. This is different from the '80s when political parties supported artists, or when artists needed to have another (primary) job such as teaching in schools, or doing anything else for a living. I think there was a fundamental change in the role of the artist when art became a profession in itself. As a result, culture came to be considered its own economic sector, or rather part of a larger neoliberal economic policy.

MA: One thinks about the culture that was produced back then and also remembers that nothing was clearly called contemporary art yet.

LK: It was still called conceptual art.

MA: Yes, true! And with this new system that has fundraising at its center, what kind of culture is being produced? It's one that seems to be thinking about politics but wants to detach itself from it by creating distance. It tries to think about history and its rewriting as if it is outside of it. It is not close to any political party; it dissociates itself from all ideologies, and negotiates them. It desires to be outside of politics, even its own politics of production. But its main subject matter is politics.

LK: Yes, and in that reactionary moment, the reflection shifted toward individual experiences and away from collective ones. So many films about personal stories came out in the mid-90s. The focus on the individual story was a way to avoid belonging to a political party or project. Instead of being part of a local political project, artists joined a larger humanitarian, universal project, and thus became global subjects. Since the '90s, if you are doing conceptual art, all the references are global, so you belong to a larger community beyond the local and the collective. This is the dominant way of thinking.

MA: Exactly. This focus on the individual was hidden under the collective, and wanted to unravel it. This is the logic of the fundraising proposal: you have to prove that you have an individual, singular story (that no one else has gone through something similar), and convince the jury that you are bringing this “valuable” experience out of the dark.

YK: It brought the whole cultural process down to a group of individuals competing with one another. It was more like individual stories competing between each other over funding, trying to prove which one is most worth telling, and which are less important.

LK: There is always the excuse that the open call is a democratizing process, but in reality it pits individuals against each other while a judge decides who takes money and who doesn’t. And all of this happens under the claim of a fair distribution of opportunities for artists.

YK: But of course this so-called “just” system hides layers of injustice. Who knows how to write? Who knows the people on the jury? How much can you travel? How do you use social media and talk about yourself? How famous are you? And also what form of suffering do you belong to? Which conflict do you represent? How are you responding to what is hot in the news at the moment of application? How are you engaging with the identity politics criteria? The decisions do not depend on your proposal or the brilliance of your project, but on who you are as an artist. So all the material capital becomes intertwined with the cultural capital that you build. For example, this cultural capital can be built by volunteering even if you are not remunerated for your work – participating in exhibitions, screenings, and so on. And of course institutions and galleries use this fact to exhibit work without any artist fees, claiming that the artist will be paid in cultural capital.

MA: We know by now that this whole system of meritocracy is a delusion and a side effect of this economic system.

YK: I often think of the production of films in former socialist countries. Every director, or every graduate of a film director program, joined the directors’ union. Afterwards, every member of the union received money to produce a film every few years rather than applying for funding. For example, Andrei Tarkovsky used to get money from the directors’ union. Afterwards, every member of the union received money to produce a film every five years to produce a film. It is irrelevant whether you were an amazing filmmaker. All that’s to say, this open call format is specific to contemporary art. This new economy produced the contemporary institution. In short, contemporary art couldn’t have been produced by a different economy. Every economy creates its ways and mechanisms to distribute its funds in the way that helps it maintain power. It is important to understand the political and historical context of the donor economy in cultural practices.

MA: Let’s go back to the question of the relationship between NGOs, civil society, and contemporary art, to the way discourses are produced between these three spheres.
YK: Yes, for sure, the cultural institution is part of the NGO-ization process. It is the creation of a civil society that is separate from direct politics. The cultural institution becomes divorced from political work; the intellectual is separated from direct politics or political movements, and is integrated into the cultural institution and its economy.

LK: And, more to the point, the cultural institution becomes apolitical. Direct politics, rather than their representation, become taboo. It is very strange, of course, because before Oslo all the cultural institutions were politicized in the sense that al rabita was affiliated with Fateh, Markaz el Fan el Shaabi was affiliated with the PFLP (Popular Front for the Liberation of Palestine), and then suddenly the rupture came. The idea that civil society organizations should represent the whole of society entails a lot of compromise. But the paradox or incongruity is that the majority of society itself is still politicized by belonging to certain parties. Also, artists practice art with a particular political stance in relation to the Palestinian political context.

YK: Fifteen years ago, USAID had a set of exclusionary criteria for granting money. They wouldn’t give money to grantees belonging to any political party on the US’s terrorism blacklist, such as Hamas, the PFLP, Islamic Jihad, and so on. Now the EU does the same thing. This obliges cultural institutions to declare that they don’t adhere to any politics, and that their employees and beneficiaries aren’t affiliated with any of these political bodies either. And here the cultural institution starts to talk about politics aesthetically, but it cannot be politicized. It’s a moment of stark division between politics and aesthetics. And add to that the fragmentation of struggles. The feminist struggle becomes separated from the struggle for a democratic apparatus, liberation, the economy, the youth, etc. Each of these issues have their own NGO or organization; there is no longer a total view of the struggle.

LK: This fragmentation means specialization. If one organization is fighting for the rights of prisoners, the others won’t. And they compete over funding as if they are in an open market.

YK: And this is what then sets the stage for the primacy of identity politics. Everyone starts talking about themselves – about their individual identity, their gender identity, their sexuality, their race ... You don’t have to have a political position, but rather only work on your individual fragmentary politics.

MA: I think that the division and fragmentation of struggles is also the transformation of struggle into a project. Everything is emptied of its political content; you are not working towards systemic change, but on different projects. And this fragmentation creates a kind of competition between identities.

LK: This fragmentation has affected the whole region. For example, when the Syrian revolution started, most of the regional funding went towards that. This competition is not only produced between cultural workers themselves, but is also provoked on a regional level. Funding is distributed according to who has more death, more poverty, who is more marginalized. There is an entire economy built on catastrophe. Of course this affects networks of solidarity and support within the region.

MA: So you are not allowed to think historically anymore, and you start seeing yourself as the worst victim in the present moment. I think that this process produces ahistoricization and apoliticization. It produces a victim subject who gets stuck in historical narcissism instead of a political subject who remains inside an ongoing struggle and in close solidarity and alliance with other struggles.

LK: When you separate women’s struggles from the struggle of political prisoners, for example, you are not only erasing the politics from it. You are doing away with the whole history of the relation between the struggles. At its base, what is the economy? It’s a series of power relations. Someone has capital, then distributes it to an institution, which produces a power relation. In this conversation we are thinking of power relations and how they dominate discourse. But it’s a struggle. It’s not a one-way relationship. A lot of small institutions try to do something. Yet there is always struggle against the hegemony of relationships produced out of funding, even if it remains largely invisible. Today, young practitioners are starting self-sustaining initiatives, such as Om Sulaiman Farm, where a group of cooperative members plant and distribute organic produce and run community workshops.

MA: Yes, of course producers have agency, and that is why the struggle is ongoing. But also, when you are entangled in this economy, you are already subsumed by a set of power relations, and it often becomes a matter of survival.

LK: The problem is a lack of attempts to change those institutions structurally and conceptually.

YK: The institutions once had agency too, but they were pulled into a system of crisis economics. They transformed their economic crisis into a cultural crisis. For this reason there is an urgency to critique and even think of alternatives to the institution. The institution became interested only in its presence and continuation. Thus, institutions became
evidence of the existence of cultural activity: if there’s an institution, then cultural production continues, and if not, then society will ostensibly end up in a barbaric state (or a radically conservative one, to say the least). So, one needs to not only critique the institution, but also ask if it is necessary, and whether it can be topped. From here comes the critique of the institution that is also a critique of all its discourse and ideology — of the NGO-like discourses inside culture. Is the culture industry the only way to work on culture collectively, or are there other grassroots structures that can be formed — and are already forming — which can bring the production and sharing of knowledge and politics to the center of cultural work? Culture is not a secondary product in the economy. It is not a byproduct, but the economy makes it appear separate from other, more “primary” spheres of production and consumption.

LK: But that’s also an old paradigm related to surplus. If there is surplus in society, then there is also cultural production. Surplus as money. As if the only resource the institution has is money. And they end up working with a logic of: if there is no money, there is no cultural production. So yes, as you say, the prevalent conception is “if there is no cultural institution there is no culture,” but in fact what this statement means is “if there is no money for the institution, there is no cultural production.” It is a pure capitalist formula. Money in exchange for a product. So a way to critique this state of affairs is to ask: What if there is no money? Will there be cultural production, or not? Of course there will be, but its form and whereabouts in society will necessarily have to change!

YK: Here culture is utilized as part of state formation — the state as the only form of emancipation, as if there is no culture without an institution, and no Palestine without a state.

LK: The art institution claims to be separate from the many crises of contemporary society. For example, the art system claims innocence with regard to widespread violence against women, as if structural violence doesn’t touch the institution. At the same time, all the money that it receives comes from the crisis economy.

MA: If there’s no crisis, then there’s little possibility to receive funding. The institution’s role is to offer false solutions for crises, or rather to produce an “alternative” nonviolent society, for example. Given that it is beholden to the violence of economic systems for subsistence, it’s not surprising that the institution generally fails to self-reflect on the structural power dynamics inherent to it.

YK: It’s exactly this question of institutions being tasked with producing alternatives. The alternative is a retreat from politics. In politics you don’t produce an alternative, you produce antagonisms. Ideology produces opposition and struggles. But the dominant ideology is that inclusive culture produces alternatives. The idea is that we are all working together without having to struggle for wages or create conflict regarding the role of the institution, or the role of culture broadly speaking.

LK: It’s the free market mentality with different types of organizations in competition. For example, religious organizations and propaganda are becoming more popular. Instead of openly attempting to form opposing propaganda and infiltrating popular opinion, cultural institutions are happy to act like alternative, marginal institutions for the middle class who are already somewhat religiously progressive but socially conservative.

YK: Yes, or rather the institution claims it is an alternative to the state project. But when the institution is established, it typically disconnects from the social sphere. It needs to build this relation with society. This is a question of sustainability that becomes linked to the economy, not to the role the institution plays in the cultural sphere. Why is the institution there? Well, it’s for reasons that are completely different from art. It is present because of sociopolitical relations. Because the state needs an institution to activate its cultural presence.

MA: Yes, the raison d’être of the institution. In line with that, it’s all about accumulation.

YK: Every art process functions through the terminologies and protocols of capital.

MA: NGOs and cultural institutions function specifically within the logic of capitalist charity and ideology, sure. But I want to come back to the terminology of “crisis” that’s so prevalent in art discourse today. The crisis of culture, the crisis of the institution. What do we mean when we use that word?

YK: I think that the crisis of the institution stems from the larger economic crisis. This then creates an existential crisis: the institution needs to continually justify its own existence. But there is also the crisis of the institution in the sense of its capacity to have political resonance, and how much it can interfere in social conservatism. These conditions are linked to each other: the institution’s projects, its crisis, and its relation to the social sphere. And the institution tries to analyze and look at the social sphere as it refuses its progressive politics; therefore it is regressive or backwards. So it projects its crisis and its separation from the social sphere onto the social sphere itself.

In The Crisis of Arab Culture, or the Crisis of the Arab Bourgeoisie, Mahdi Amel talks about a conference in Kuwait in 1973 that brought together many Arab intellectuals, including
Adonis (Ali Ahmad Said Esber). In the book, Amel harshly criticizes the way Arab intellectuals understood the defeat of 1967 as a consequence of the decadence of Arab culture, as if Arab culture itself produced defeat. His response was that it was actually the problem of the Arab bourgeoisie, of the state, of the postcolonial institution. He takes this approach rather than essentializing Arab culture and projecting the problem onto it. You cannot say that culture produces defeat. The crisis of the institution is then projected onto society and creates a civilizational crisis.

**MA:** This is the “Adonisian” enlightened elite frame of thought, right?

**YK:** Yes, Amel was critiquing Adonis directly. However, I think that our institutions still function within this logic, because they see their role as the educators of society.

**LK:** Nongovernmental institutions in Palestine form part of a human rights–led ideology where individual freedoms are protected inside a society that is perceived as backward and governed by collective coercion. Since the PA, for example, works in ways very similar to NGOs that require funding from international agencies, there is an ongoing, binary competition between the PA and NGOs. This also creates a binary where one has to take a position with and against the politics of those organizations. Yet both the PA and nongovernmental organizations are structurally the same, with the economy being an integral element of how they function and what political cultures they proliferate. I have heard arguments such as: “If you want a nonviolent society, you should put money into culture” – which means that if you want a society without armed struggle then you need to neutralize youth with culture. Cultural institutions see their role as the neutralizers of violence. This role has been prescribed by international funding bodies and internalized by local NGOs.

**YK:** Or alternatively: “If you want a society without ideology, make money the only way to fund culture.”

**LK:** Young people who are politicized here in Palestine have an antagonistic and purely economic relation to cultural institutions, premised on jobs and survival. These NGOs haven’t created a civil society. They have created distrust amongst politicized social youth, who call NGOs “shops,” because they understand the economic structure and relationships that govern them very well.

**YK:** Fifteen years ago, a group of friends and I got funding to do a pinhole photography workshop in the refugee camps. The organization set up the project with the camp and we started going there. The children asked us for money to attend the workshop. They clearly told us: you got money because of us, so don’t just raise money on our backs. Pay us, and we will attend. I thought that was the most politicized communal response to this cultural economy, demanding that we share the wealth produced rather than capitalizing on their status.

**MA:** Shall we come back to the specificity of Palestine? What happened in Palestine is a condensation of certain global moments. Things happen unexpectedly there and global changes are reflected there, causing immediate repercussions.

**LK:** This is similar to what happened in Eastern Europe after the collapse of the Soviet bloc, when so many institutions supported by the Soros Foundation opened. It was a strategy to confront and eliminate communist ideology. At the beginning of the 2000s, they suddenly closed down. They served their purpose in promoting and ensuring that communist ideology receded in favor of a new, neoliberal one. And many of these were contemporary art institutions. The history of contemporary art is entangled with the history of the capitalist system. Not all aesthetic forms are inherited from a capitalist mode of production. There are forms that were borrowed from art history as well, but were then reattached to this present economic system, its institutions, and the promotion of this culture. We shouldn’t forget that many aesthetic elements in contemporary art come from a radical political context or history, but have been unfortunately commodified within this system.

**YK:** Once, Sami Khatib came to the Khalil Sakakini Cultural Center in Palestine and did a lecture about “criticality” as a commodity and “critique” as the highest form of solidarity. We always link contemporary art to the system that produces it, but this art also produces contemporary practices that attack this structure and actively change it. Contemporary art allows the artwork to be an intervention into the structure of the institution that is producing it. Contemporary art is not only a product, it is also a process, therefore it can sometimes escape the absolute attachment to the neoliberal structure that produced it. Contemporary art is open formally, and does not have to be a material object. The success of this process to escape and to create new forms, shapes, and aesthetics of the work of art can only happen through proposing and practicing new economic forms and structures that become possible with all the ongoing crises since 2008: the revolutions in the Arab world, and now the Covid crisis, and so on.

**MA:** But didn’t this already happen? I mean these escapes and the creation of new forms, such as participatory art, socially engaged art, or
One of the biggest donors to the PM. Many Palestinian philanthropists. The Qattan family is a nongovernmental institution formed by their parents. Taawon is another parent association—Taawon (Welfare Association). Taawon is similar to the Palestinian Museum (PM), although it makes it seem like a public institution. It is not formally tied to the PA but the PM is unable to play the role of the national museum. So it clearly represents the same political desire as the PA. At the same time there was competition between the two openings, of the PM and the YAM (Yasser Arafat Museum).

But in the end they took the name because their relation to the PA is really strong. They are important people. But this tension with the PA is part of the PM’s performance as a public institution. Although the Palestinian Museum is neither formally tied nor associated with the Palestinian Authority, the way I see it, ideologically and politically they are part of the same neoliberal project. The museum becomes the epitome of this power and politics and the desire for recognition.

But don’t you think that in this sense they have a lot of big and false expectations of what a cultural institution can do? The institution as such is already in an existential crisis, and there is pressure on it to prove its necessity so it can justify its high running costs while smaller organizations and independent groups are able to produce vibrant and agile cultural practices and content with much less of a budget.

Yes, Qattan plays the role of the Ministry of Culture, but the PM is unable to play the role of the national museum.

For now it’s not able to, but that was the ambition. That’s why there is always an inner administrative crisis. For example, they are trying to build an archive of the visual history of Palestine through a grant. But there is a much simpler and much more energetic project called Khaza2en by a group working in Jerusalem, which organizes these archives and gives them back to their owners. They’re working in a completely different way than the PM, which is trying to own the archives.

The PM wants to control and dominate the state narrative.
YK: Yes, the narrative of the state to come.
LK: The failure to perform as the national museum also comes from the impossibility of having a modern museum in Palestine. The museum has so much to do with the birth of the nation-state, and in forging the story of this birth. In a colonial context this is not possible, so the museum becomes an ideological tool to deny the continued struggle ... which is ongoing, open, and stateless.
MA: The whole “building institutions in the Middle East” Ford Foundation agenda in the ’90s was part of this ideology against the Islamization of society.
LK: And against its politicization. Its goal is to spread the concept of personal freedom as a replacement for liberation, and to trade in emancipatory struggles for individual freedoms.

Editor’s note: A previous version of this article inadvertently implied that the Palestinian Museum is formally affiliated with the Palestinian Authority, and that the Palestinian Museum Digital Archive seeks to own the physical material that it digitizes and archives. The museum is in fact a nongovernmental organization, and the archive returns the physical material to the original owner after digitizing it.