

Colonialism, neoliberalism and the political economy of exception in the occupied Palestinian territories

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Abstract

The occupied Palestinian territories (oPt) are embedded in a structure of colonialism which is fuelled by neoliberalism. The colonizer, Israel, has adopted neoliberalism since the 1980's, which has deteriorated the Palestinian political economy. In this sense, neoliberalism is analyzed in this paper as a political economy of exception in marginalized areas such as the Gaza Strip in the oPt. Israeli colonialism operates in the oPt through an economy of exception, resulting in poverty and in structural violence. It is through this colonialist apparatus that practices and discourses about the Palestinians are reinforced by the Israeli state within the logic of exception. Therefore, the purpose of this paper is to demonstrate that the political economy of exception is embedded in the process of Israeli colonization of Palestine, in which colonialism and neoliberalism are approached as ideological constructions and practices of Israeli colonialism in the oPt.

Introduction

International Political Economy (IPE) is marked by ideologies and practices, which are used by state and non-state actors as political mechanisms to control individuals and territories. In this context, state actors implement mechanisms to ensure political power over individuals and territories controlled by them. This perspective is based on the assumption that the modern states have the sovereign legitimacy to use force against external and domestic enemies, which is linked to the idea of exception. Besides state actors, non-state actors, such as Hamas, do not have the legitimacy to use force against its enemies.² Based on this perspective, the state's sovereignty is dependent on its governmentality to control specific territories and individuals. These mechanisms of control create new forms of hybrid governance, which are articulated by state and non-state actors in spaces of exception. Following this approach, non-state actors are becoming increasingly relevant in the field of IR and IPE. Therefore, the purpose of this article is to offer a theoretical analysis of the practices and ideologies of colonialism and neoliberalism in the political economy of the occupied Palestinian territories (oPt). In this sense, colonialism and neoliberalism are approached in this article as structures used by Israel to control the spaces of exception in the oPt, such as the Gaza Strip.

This article aims to provide a critical understanding of the political economy of oPt through the analysis of Israeli colonialist and neoliberal governmentality. Thus, it is a fundamental task to

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² See Finlay (2010).

address the impact of Israeli neoliberalism and colonialism in the oPt, and also the consequences of this structure of domination. Therefore, the argument of this article is based on the assumption that colonialism and neoliberalism represent the fundamental basis of the political economy in the oPt.³ This approach is complemented by the idea of exception, which is a political mechanism used by Israel to dominate the Palestinian political economy. Based on these previous assumptions, this article addresses the articulation between the states and spaces of exception with colonialism and neoliberalism in the oPt.

States and spaces of exception

The state is the product of a hybrid construction, which is influenced by different political ideologies, as it is analyzed by Jessop (2016). It is a process that leads to the creation of hybrid states, but also to new hybrid modes of governance, as is described by Risse (2012). This perspective is important to understand the struggle over ideological forces used by political actors in state-building processes. Regarding the Palestinian case, it is important to address Halliday's (2005) argument that political ideologies of the Middle East, including political Islam, result from political reactions against European colonialism since the 19th century. Regarding the Israeli state, the spaces of exception are historically and socially constructed through a colonialist governmentality, which are complemented by the neoliberal mode of governance.⁴ Based on these perspectives, Agamben (2005) addresses that the state of exception can be defined as a permanent state of emergency which is dependent on the existence of wars and the elimination of its enemies.

The approaches developed by Schmitt (2008) and Agamben (2005) on the issue of sovereignty are associated with the idea of exception. This logic of state's exceptionality is important to understand how the image of threats and enemies is created by the states of exception in order to ensure new modes of governance and sovereignty. The idea of a permanent state of emergency, according to Agamben (2005), characterizes the states of exception and it is fundamental to understand the emergence of spaces of exception in IPE. In order to ensure its sovereignty, the state of exception creates its own spaces of exception to eliminate the existence of its domestic enemies. This perspective is exemplified by the fact that Israel creates realities of emergency to confront its enemies, such as Hamas. Based on these assumptions, the idea of sovereignty is addressed in this article not as a fixed concept, but as an element that is socially and historically constructed.⁵

The oPt represent the embodiment of a particular type of a space of exception in IPE. Therefore, this context needs to be addressed through a brief historical introduction on the Palestinian political economy. The Israeli colonization of the Palestinian territory started with the Zionist movement, which emerged in the end of the 19th century. The Israeli-Arab wars of 1948 and 1967 resulted in the fragmentation of the Palestinian territory, with the two most representative areas being the West Bank and the Gaza Strip⁶. It is an historical process of social marginalization implemented by Israeli colonialism in order to divide the Palestinian people in ghettos and in spaces of exception structured by colonial violence⁷. The Gaza Strip is controlled by Hamas, whereas the West Bank is controlled by three political entities: the Palestine Liberation Organization (PLO), the secular Palestinian political party Fatah and the Palestinian National Authority (PNA). This political and territorial

³ Regarding the political economy of the occupation, see Hever (2010).

⁴ See Foucault (1991; 2008)

⁵ About this perspective on the social construction of sovereignty, see Biersteker; Weber (1996).

⁶ Regarding the history of the Israeli-Palestinian conflict, see Shlaim (2001).

⁷ About colonial violence, see Fanon (1963).

Palestinian fragmentation is based on an alliance configured by a colonial praxis implemented by Israel and re-produced by the PNA. In this sense, Agamben (2005) and Foucault (2008) approaches are fundamental to understand how Israel uses discourses against Islamic terrorism as mechanisms to create a permanent state of emergency through a colonial governmentality in the oPt. Based on these perspectives, Scott (2005) addresses that, “A colonial political rationality characterizes those ways in which colonial power is organized as an activity designed to produce effects of rule” (Scott, 2005:25).

In this sense, colonialism and neoliberalism are associated with the emergence of non-state actors in spaces of exception. This perspective is based on state’s sovereign mechanism of creating threats and enemies, which is based on the concept of the political, addressed by Schmitt (2008) and Agamben (2005). This idea of fear and social insecurity are approached as elements of a neoliberal governmentality. According to Harvey (2005) the neoliberal state is an unstable and a contradictory political form, due to its incoherence to deal with social problems which result from the creation of marginalized individuals and spaces of exception. Therefore, the neoliberal state, such as Israel, can be addressed as a particular type of state of exception, which is configured by spaces of exception, such as the Gaza Strip in the oPt. It is important to address that the state of exception is not just a consequence of a neoliberal political economy. Rather, it is a fundamental task to understand the new modes of governance which emerge in the peripheral areas of neoliberalism, the “exceptions to neoliberalism”, as is demonstrated by Ong (2006). Based on a critical approach, Harvey (2007) states that neoliberalism is a "creative destruction", i.e., a type of governance that selects spaces to be privileged and excludes others from state’s protection. What is left to peripheral areas, such as the Gaza Strip, is structural and colonial violence represented by Israeli military forces. It is through the dynamics of neoliberalism that Israeli colonialism operates in the oPt within, a process of constant marginalization of the Palestinians.

Colonialism and neoliberalism in the oPt

Peripheral areas of IPE, such as the oPt, are embedded in processes of colonization and neoliberalization⁸. Neoliberalism, as a hegemonic project, emerged in the 1970’s, in a process which continued throughout the 1980’s⁹. Labour reforms and social insecurity were part of the neoliberal turn implemented in central areas of global capitalism, such as the United States and the United Kingdom¹⁰. In the Middle East, Israel also followed the neoliberal wave with programs of economic re-adjustment and new modes of governance during the 1980’s¹¹. Therefore, the neoliberal praxis re-enforced the governmentality in the spaces of exception in IPE, in which the neoliberal model became increasingly associated with the logic of exception. According to Ong (2006), the exceptions to neoliberalism are based on political decisions in order to exclude individuals and areas from the state’s social welfare. In this sense, technologies of power are constantly used with the aim of excluding territorial configurations and individuals from the protection of the state¹².

In this context, the neoliberal governance is associated with exclusionary practices which are used by states in order to dehumanize individuals in the spaces of exception of IPE. This context is described by Butler (2006) as the concept of precarious life, in which states of exception, such as

⁸ Regarding neoliberalism and colonialism, see Venn (2009) and Kalpagam (2000).

⁹ See Cerny (2008).

¹⁰ About the discussion on the history of neoliberalism, see Harvey (2005).

¹¹ See Nitzan; Bichler (2002) and Shafir; Peled (2000).

¹² See Foucault (2008).

Israel, select lives and bodies that matter or not according to the neoliberal governmentality. This selection, as is approached by Butler (2006), is a strategy used by neoliberal states to justify and legitimize the violent modes of sovereignty used to control the spaces of exception¹³. This perspective is exemplified by the case study analysed in this article, in which the Palestinians are constantly marginalized by the neoliberal governance and the politics of exception embedded in Israeli colonialism in the oPt.

Colonialism is marked by spaces of exception in which the colonized people are obliged to live, which is associated with Fanon's (1963) perspective on colonialism: "The zone where the natives live is not complementary to the zone inhabited by the settlers. The two zones are opposed, but not in service of a higher unity. Obedient to the rules of pure Aristotelian logic, they both follow the principle of reciprocal exclusivity" (Fanon, 1963:30). It is also relevant to engage Fanon's (1963) approach with Baldwin's (1966) perspective on occupation. According to Baldwin (1966), the black community of Harlem was constantly marginalized by the New York police in the 1960's, a context that can be associated with the spaces of exception in the oPt. Based on these approaches, Goldberg (2009) states that neoliberalism is also based on racism, a mechanism that is used to marginalize individuals in spaces of exception. In this sense, Goldberg (2009) uses the Palestinian case to illustrate the perspective on racial neoliberalism.

Based on an historical approach, Harvey (2007) argues that neoliberalism is a creative destruction, which is associated with contexts of structural violence¹⁴. Within this perspective, Friedman (2004) addresses how neoliberalism emerged in a context of economic globalization, in which the states were appropriated by elites, through processes of privatization, creating contexts of violence and social fragmentation. Regarding Hamas, a critical perspective on neoliberalism has to be associated with the historical background of Israeli colonialism in the oPt. In this sense, the political economy of neoliberalism is marked by structures of colonialism re-enforced by new modes of governance in spaces of exception such as the Gaza Strip in the oPt. In order to have a broader understanding of the historical and conceptual dimension of neoliberalism, it is relevant to engage with Harvey's (2005) approach:

Neoliberalism is in the first instance a theory of political economic practices that proposes that human well-being can best be advanced by liberating individual entrepreneurial freedoms and skills within an institutional framework characterized by strong private property rights, free markets, and free trade. The role of the state is to create and preserve an institutional framework appropriate to such practices (Harvey, 2005:2).

The Israeli state, through its colonialist alliance with the Palestinian National Authority (PNA), has implemented a neoliberal agenda in the oPt based on the state of exception¹⁵. This perspective is based on the Israeli occupation of the Palestinian territories, and on a neoliberal and colonialist governmentality of marginalization of spaces and political actors. Biswas and Nair (2009) argue that the functionality of the state of exception constitutes new forms of sovereignty associated with state power. Thus, the construction of spaces of exception, such as the Gaza Strip, is embedded in the process of territorial reconfigurations by Israeli colonialism. This association is based on a broader governmentality in contexts of limited statehood fuelled by colonialism and structural violence¹⁶.

¹³ Regarding the neoliberal state, see Harvey (2007).

¹⁴ About neoliberalism and violence, see Springer (2012).

¹⁵ Regarding neoliberalism and the PNA, see Khalidi; Samour (2014), Shweiki (2014) and Fayyad (2009).

According to Risse (2012), new modes of governance are created to govern these spaces of exception leading to alternative types of sovereignty and statehood. New environments emerge from this scenario, which are marked by the compartmentalization of spaces and individuals, a perspective that is associated with Fanon's (1963) approach on colonialism. The boundaries of the state of exception are, thus, configured and re-configured by the colonialist and neoliberal governance of the spaces of exception.

The consequences of the Israeli colonialist and neoliberal governance in the oPt are fundamental to understand the theoretical perspective of exception. In this context, it is important to address the emergence of the Islamic resistance movement Hamas in the oPt. Hamas emerged as a resistance movement in 1987 during the first *intifada* and its historical and ideological roots are based on the Muslim Brotherhood, an Islamic organization established in Egypt in 1928¹⁷. The Muslim Brotherhood and Hamas represent types of Islamic resistances that emerged as reactions to European and Israeli colonialism in the Middle East. Hamas was formed in the context of the first *intifada* in 1987 as a political organization based on a resistance movement of young Palestinians revolted against decades of Israeli colonialism in the oPt. Regarding the *intifada*, Hroub (2006) refers that, "Poverty combined with feelings of oppression and humiliation charged the Palestinian atmosphere with the ripe conditions for revolt against the occupation. The *intifada* was the flashpoint" (Hroub, 2006:13). Hamas's headquarters are based in the Gaza Strip and the organization's ideology is based on political Islam, which is articulated with the strategy of political violence to resist the Israeli occupation in the oPt¹⁸. Based on these perspectives, Robinson (2004) concludes that Hamas's popularity is based on its social activism among the Palestinians in the Gaza Strip. Therefore, Hamas is an organization that articulates its operations against a state of exception, Israel, in an area characterized as a space of exception, the Gaza Strip.

Conclusion

The purpose of this article was to offer a critical understanding of the political economy of the oPt. The dynamics of the Israeli occupation of the Palestinian territories are complex and have to be addressed in a broader scale. It is through the lenses of critical political economy that colonialism is analyzed in its full terms. In this sense, Israeli colonialism in the oPt is fuelled by neoliberal governance and through its spaces of exception. This apparatus has created an environment of poverty and structural violence in which the Palestinians are constantly marginalized. Therefore, it is a fundamental task to reveal the articulation between the forces of colonialism and neoliberalism, not just in ideological terms, but also in practical terms. In this sense, the ideologies and practices of Palestinian political economy result from the implementation of a colonialist and neoliberal structure by the Israeli state in the oPt.

The historical dimension is also an important element to understand the political articulations in which Israeli colonialism operates in the oPt. The theoretical discussion regarding the states of exception and spaces of exception is crucial to understand the territorial configuration represented by the Palestinian case. Israel ensures its sovereignty through a process of territorial marginalization, such as the Gaza Strip. Therefore, the occupied Palestinian territories are transformed into spaces of exception by the Israeli colonialist and neoliberal mode of governance.

¹⁶ For a more detailed discussion on structural violence, see Galtung (1969) and Farmer (2004).

¹⁷ For a more detailed analysis About Hamas, see Maqdsi (1993), Mishal and Sela (2006), Mishal (2003) and Roy (2013).

¹⁸ Regarding Hamas and political Islam, see Ayoob (2004) and Roy (2003).

This process is marked by structural violence, in which the Palestinians are colonized and treated as enemies, being confronted by the Israeli military forces. In this context, Israeli governmentality is a product of a colonialist and a neoliberal political structure of domination in the oPt. The historical dimension of Israeli colonization of Palestine is, thus, configured by the emergence of a neoliberal governmentality which is the fundamental basis for governing the spaces of exception in the oPt.

Based on the theoretical approaches used in this article, it can be concluded that Israel embodies the state of exception through its neoliberal and colonialist occupation of the Palestinian people. Thus, Palestinians are marginalized and dehumanized through a governmentality of exception. The hybrid governance which emerges from this apparatus is based on structural violence which is used by Israel as a mechanism to continue the historical process of colonization of Palestine. In this sense, the neoliberal governmentality is embedded in Israeli colonialism and in the everyday life of the Palestinians. Therefore, it is an important task to provide a broader analysis of the Israeli colonization of Palestine through a critical approach of political economy. It is based on the articulation between colonialism and neoliberalism that Israel continues to occupy the Palestinian territories and to dominate the Palestinian political economy.

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