

Violence, Finance and Place: Financial crisis ordinariness in Ramallah, Palestine.

Introduction

This chapter examines the intersection of finance, violence and place, focusing on debt as a particular form of finance. To do so, I deploy the concept of financial crisis ordinary. Crisis ordinariness is a term Lauren Berlant (2011: 54) introduces to explore 'crisis-shaped subjectivity amid the ongoingness of adjudication, adaptation, and improvisation'. In contrast to the dramatic shift(s) characteristic of trauma narratives, crisis ordinariness describes practices of living with and through severe challenges that may disrupt, but nevertheless become part of people's ongoing lives. Financial crisis ordinariness names the experience of living with and adjusting to finance, and particularly the violence that financial practices and relations embody. As I will demonstrate, often this violence is slow (Nixon 2011). Empirically, I draw on research conducted in the Palestinian conurbation of Ramallah Al Bireh [hereafter Ramallah]. Ramallah is an interesting case because financial debt is folded into, and emerges from, the settler-colonial violence of the Israeli Occupation. This produces very different forms and experiences of violence from those that emerge in places where finance is more commonly studied, such as Europe.

The chapter begins with a brief discussion of debt and place, before unpacking the concept of slow violence. After thinking about the geographies of slow violence in relation to Ramallah, the second part of the chapter focuses on practices of endurance. Endurance names the practices of coping, adjusting and improvising through which Palestinians craft liveable lives amidst multiple forms of violence. I argue that this concept enlarges our appreciation of agency in relation to experiences of financial crisis ordinariness. The conclusion returns to broader reflections on the relationship between finance, violence and place.

1. Conflict, place, slow violence

Many political economic and cultural economic accounts of global financial capitalism foreground its violence. However, few really touch down in particular places. The national and transnational scales remain dominant, and as such there

are many outstanding questions about the role finance plays as a set of practices that is inserted into places, and as a source of place-based violence itself. While such questions are too broad to fully address in one chapter, I hope to offer some clues for where answers might begin to emerge. My starting point is Rob Nixon's (2011) concept of slow violence, and Lauren Berlant's (2011) discussion of slow death. While the adjective slow suggests a temporal frame, these concepts are spatial too. Hence, they are useful for thinking about articulations of finance, violence and place.

Nixon (2011: 2) describes slow violence as that which 'occurs gradually and out of sight, a violence of delayed destruction that is dispersed across time and space, an attritional violence that is typically not viewed as violence at all'. Slow violence is 'incremental and accretive', 'long' and 'staggered' (Ibid: 2), even as it is caused by fast-paced, short-term capitalist rationalities (Ibid: 17-8). The emphasis on the non-spectacular, incremental and accretive (ibid) resonates closely with Berlant's (2011: 95) concept of slow death, 'the physical wearing out of a population in a way that points to its deterioration as a defining condition of its experience and historical existence'. These conceptual terms draw attention to, and help critique, practices that are not usually thought about, or recognised as forms of violence at all. They also describe forms of violence that people continue to live with, in an ongoing present of crisis ordinariness.

This conceptual framework is useful for understanding the recent growth of debt in Palestine. When I began field research in Ramallah in 2010, levels of debt were increasing rapidly, and debt had become a common topic of conversation. The growth of debt was particularly notable in this context because between 1967 and 1993, Israel prevented Arab-owned banks from operating in the Occupied Palestinian Territories. Even after the Oslo Accords were signed in 1993 and Palestinians obtained limited autonomy, banks did not lend much due to the weak legal system that prevented effective restitution in the event of default. It was only after a series of political, technical and policy changes converged in 2008, that debt began to grow rapidly, more than tripling between 2008 and 2015.

Debt is conventionally defined as the use of others' resources in the present, with the promise to repay in the future. The instantiation of a debt relation is thus the creation of a particular future, or at least the promise to enact a particular future. However, the prospect of a failed promise also shapes the future. Lazzarato (2012) argues that indebted subjects are both constructed and deconstructed in ways that maximise future repayment and minimize the risk of default. 'The system of debt must... neutralize time, that is, the risk inherent to it. It must anticipate and ward off every potential "deviation" in the behavior of the debtor the future might hold' (Ibid: 45). What Lazzarato terms the debt economy, colonises the future, and neutralizes time as the creation of anything new. In such circumstances, debtors are forced to continue paying, even though paying back debt may mean not being able to afford food, electricity, tax payments and may have harmful consequences for physical and mental health.

In Palestine, the debt economy is enabled by compulsory transfer agreements. These legally enable banks to withdraw an agreed upon percentage of the debtor's monthly salary, which can be up to 50% of their income, upon deposit. The socio-technical apparatus of the electronic salary deposit ensures that there is no present moment, or indeed future moment, when a debtor can choose *not* to pay their debt to the bank. In the event that a debtor doesn't have a salaried job, a guarantor who does is required. Debt therefore becomes a tax on income, or more precisely a form of rent extraction. Banks, in effect, generate profit through interest on the money people use to buy housing, cars and household commodities. The act of being paid each month becomes the slow erosion of a person's wealth by financial institutions. The salary transfer agreement ensures that indebted Palestinians have less money for other expenses. The slow violence of debt repayment spreads, as other forms of expenditure are foregone. For some participants, this meant buying cheaper food or simply less food. For others, it meant missing important social events, potentially weakening social and kinship ties. In cases where guarantors are required to make repayments for friends and family members, forms of direct social conflict emerge. In such cases, the harm of debt repayments are rolled over, temporally and socially. This violence is itself

premised on a broader set of processes that require a more explicit focus on the geography of debt and slow violence, and Ramallah as a particular type of place.

2. Geographies of slow violence

The growth of financial debt in Palestine is not only (temporally) recent, but also geographically concentrated. Banks in the Ramallah governorate held almost two thirds of all debt in 2014. Recently published figures show that this amount has declined to approximately 50% at the time of writing. This concentration reflects the fact that the Palestinian Authority (PA) owe a significant proportion of the total debt to banks. Public debt – money owed by the PA – is heavily concentrated in Ramallah because every PA ministry bar one is located in the conurbation. This concentration occurred because Israel prevented the PA from locating itself in East Jerusalem, the intended capital of a future Palestinian homeland. Levels of private debt are also much higher in Ramallah than elsewhere in the Occupied Territories because banks prefer to lend to salaried workers, which in Palestine means PA employees in most cases. Public sector jobs currently account for 25% of all employment in an economy where unemployment was almost 27% in 2014. Israeli Occupation related movement restrictions within the West Bank, which intensified during the second *intifada* (2000–2007), forced many public-sector workers to live close to their place of work in and around Ramallah, rather than commute. High levels of migration to Ramallah from other parts of the West Bank also increased demand for housing and consequently, house prices.

However, this discussion also misrepresents the spatiality of debt. As I have argued elsewhere (Harker 2017), debt is a topological spatial relation, that is folded into topographic objects. In other words, the idea of debt concentrated in a city like so many beans in a jar, fails to clearly convey how debt works spatially. To flesh out the implication of a relational approach, I want to return to Nixon and Berlant. They use the adjective slow to name a particular kind of violence and death primarily in terms of its temporal rhythm and frame. However, slow violence is also spatial. It is 'dispersed' (both temporally and spatially) rather than concentrated. Often it is hard to make visible because it does not cohere

in(to) a particular site or event. Slow violence also stems from practices of displacement. The first example of slow violence in Nixon's book, toxic waste that is shipped from export rich nations to Africa, exemplifies this displacement. In this example the slow violence of pollution forced people to leave their land. Innovatively, Nixon expands the idea of displacement to also include the loss of land and resources through extraction, theft and/or degradation. This form of displacement leaves 'communities stranded in a place stripped of the very characteristics that made it inhabitable' (Ibid: 19). They are dis-placed, without having moved themselves.

Berlant introduces a third term, *impasse*, with which we can think about the spatiality of slow violence. *Impasse* describes the experience of dynamic capture or being stuck in a form of perpetual motion that goes nowhere. Berlant (2011: 199) illustrates *impasse* using the spatial metaphor of the *cul-de-sac*. *Cul-de-sacs* are spaces where things keep moving around in circles. She also describes *impasses* as spaces of 'animated suspension', like the cartoon character who continues to run even though they are over the edge of the cliff, rather than suspended animation, which would be the same character frozen in a block of ice. These three spatialities - dispersal, displacement and *impasse* - help flesh out financial crisis ordinariness in Ramallah.

2.1 Dispersal

"90% of Ramallah is mortgaged to the banks."

Ahmad, 12th August 2013

If the slow violence of debt is spatially dispersed, then in Ramallah this dispersal occurs most significant through the purchasing practices of Palestinian families. Such dispersal is both hard to see and to quantify. Ahmad's hyperbolic suggestion that 90% of the city is mortgage to banks is not statistically true. The Palestine Monetary Authority provided me with statistics that suggest that only 4% of the working age population at large were indebted in 2014. However, Ahmad's quote nevertheless reflects the ways in which residents experience debt's rapid expansion throughout the city. The growth of debt topologies have

become visible to residents through changes in the built environment, particularly the proliferation of multi-storey apartment buildings, premium consumer goods and traffic congestion because of increasing numbers of cars.

“People will get new cars and new houses but in reality they don't own them. Many people now have new cars but are they rich? Of course they are not rich but they live like rich people... Most of the people bought them through bank loans”

(Interview with Ali, 28th August 2013)

The growth of debt is also dispersed throughout the material landscape of the city in less easily discernible ways. For instance, medical facilities are sustained in part through the credit people use to pay for treatment. The recent proliferation of private schools in Ramallah is also in part supported by credit-money. This dispersal through the topography of the city itself needs to be understood and analyzed in relation to our second spatiality of slow violence, displacement.

2.2 Displacement

The slow violence of displacement works primarily through social networks that span urban and rural spaces, and Palestinians in the Occupied Territories with those ‘outside’. While debt contracts are concentrated in Ramallah, there were many examples of these debt relations being extended to other cities and countries, primarily through kinship ties. Here Im Ghassan’s describes turning to her brother, who lives in Amman, Jordan for help.

In the past there was a delay in paying the employees' salaries, and the loan's interest increased. We were forced to pay double. In order to solve this financial crisis, I borrowed 1000JD from my brother.

(Interview with Im Ghassan, 31st August 2013)

Such experiences were common, as residents of Um al Sharayet engage in what we might term socio-spatial debt rollover, transferring the burden of payment to

relatives elsewhere. By sending money, Palestinians in other parts of the West Bank, Jordan and the US, are folded into the rapidly growing Palestinian debt economy in Ramallah through their relatives who live there. If these practices of socio-spatial roll over are moving the consequences of growing financial debt in Ramallah beyond the city, there are also examples of dis-placement where people themselves remain in place.

Poor people may have apartments and cars, but they don't have enough money. They are hungry. Banks cause this poverty. They encourage people to take loans. In fact, when people take loans, they lose everything they have.

(Interview with Abu Ghassan, 15th September 2013)

In this example, it is the financial resources necessary to live in place that are extracted by banks, almost from 'underneath' families'. This example also connects with the third spatiality of slow violence and death: impasse.

2.3 Impasse

Financial debt in Ramallah contributes to the broader impasse in which Palestinians in the Occupied Territories find themselves in, trying to move both literally and figuratively, but unable to go anywhere. The emerging Ramallah debt economy must be understood in relation to the ongoing Israeli Occupation, and the multiple colonial processes that have systematically impoverished Palestinians living in the Occupied Territories for the last seven decades. The rising demand or need for debt can be directly traced to problems, such as rising living costs, low salaries and the geographic concentration of the Palestinian economy in the Ramallah conurbation, which have been largely caused by the Israeli Occupation.

Since the creation of the state of Israel in 1948 (which Palestinians refer to as the *nakba*, or catastrophe) and the occupation of the West Bank, Gaza Strip and East Jerusalem in 1967, Israel has prevented Palestinian economic development. Such practices continued after the Oslo Accords in 1993 as Israel retained control of

all external borders (and thus the movement of goods and people in and out of the Occupied Territories). The Accords also forced Palestinians to become more economically dependent on not just Israel, but also the international community. Dependency and de-development have literally taken place through the fragmentation of Palestinian space. The Oslo Accords separated the West Bank and Gaza Strip from each other and from the territories Israel captured in 1948. Sixty percent of the West Bank – demarcated as area C in the Accords – remained under complete Israeli control. Palestinian cities and towns in the West Bank, designated areas A and B in the Accords, were to be nominally under PA administrative control. However, in practice all these territorial islands remain under Israeli control, since their borders, subsurface (i.e. water aquifers) and the sky above them remain occupied, and since 2000 Israeli military forces have entered these areas at will.

The failure of the PA to realize Palestinian aspirations for an independent national homeland, and increasing levels of inequality, are also factors in the current impasse. They have resulted in the emergence of a new, cosmopolitan urban middle-class in Ramallah, which invests – both economic and psychic – in goods, educational and cultural services. In Palestine, far more private debt is borrowed for consumption spending than activities that are conventionally thought to constitute productive investment. The rapid expansion of the banking sector has supported this consumption-driven economy. Debt becomes a response to the animated suspension of going around in circles, without going anywhere in particular.

3. Endurance

Residents continually emphasized the forms of harm that debt caused. However, when I repeated these accounts to Palestinian policy makers and bankers, they dismissed them. In part they were able to do this by pointing to the aspirations and forms of endurance that are enfolded in debt relations. Indeed, endurance may even be produced by the slow violence of debt. As noted earlier, financial crisis ordinariness is a situation in which people develop new skills for adjusting and living on. If living under the Israeli Occupation for almost 70 years is an

impasse in which various futures have been eviscerated, then the relatively recent growth of debt in Palestine may be understood as more than a form of slow violence. Debt in this context creates a different future out of the present. It has become a means of getting on, getting by and occasionally getting out. Such practices are forms of endurance, dynamic adjustments that may be put in place to create new opportunities or keep the same old things going.

The term endurance denotes forms of agency that are neither practices of domination or resistance. In the Palestinian context, much as been written about practices of *sumud*, or steadfastness. This word implies a politics of staying in place, usually on one's land, and thus a refusal to be dispossessed by the colonizer. While *sumud* is widely lauded as a form of resistance, endurance is far more politically ambiguous. Nixon (2011: 21) warns that practices of ecological endurance can often be co-opted by politicians, lobbyists, and corporations to privatize profits while externalizing risk and clean up. Similarly, Berlant (2011: 117) suggests such practices are 'directed toward making a less-bad experience... a relief and a reprieve, nor a repair'. However, they do enable the maintenance of selves, and the material and social supports that make life (more) liveable.

In Ramallah, endurance includes such practices as maintaining kinship relationships (often over significant distances), developing new social ties with topographically proximate strangers, obtaining (and preferably owning) living space and securing greater capacity to move, by acquiring citizenship of Western countries and/or permissions from Israel. These are everyday practices, which like forms of slow violence are barely visible. Debt is something that residents willing take on because they do not simply persist or endure the impasse of the Occupation passively. Residents commonly become indebted to build or buy and then furnish homes, a crucial aspect of getting married and starting a family for many young men. Debt enables Palestinians to stay on the land, and capacitates everyday life, including many social obligations. Such practices take place in the face of forms of exhaustion that stem from ongoing Israeli colonisation and the failure of the PA leadership and other states to stop or resist it. Debt thus feeds

into the transition from collective national aspirations for liberation to familial aspirations for a better life, since a contextually defined 'good' life isn't possible. Debt provides an ambiguous alternative, but it nevertheless opens up both temporal futures and different spatial connections in situations of financial crisis ordinariness.

4. Endurance contra crisis

Financial crisis ordinariness focuses attention on agentic practices, rather than thinking crisis as a spectacular event from which forms of agency are evacuated or absent. However, it nevertheless retains a focus on crisis that may itself be problematic. Janet Roitman (2013) argues that crisis is used to secure or 'frame' a world that the narrator (who may be an intellectual, activist or policy maker) can then act in and/or on. Roitman argues the use of crisis is inherently conservative, because it reaffirms a norm (e.g. 'business as usual'), against which crisis (disruption, diversion) is defined. In place of crisis narratives, Roitman (2013) seeks a form of analysis that is explicitly 'anti-crisis'. One place we might begin to look for such a method is amidst the practices of endurance. Such practices are 'anti-crisis' precisely because they are not spectacular and 'evental'. Instead they are banal, ongoing and barely visible. They nevertheless counter forms of attritional violence.

Endurance offers a conceptual frame that doesn't *define* people's lives by the violence they experience, even as it acknowledges the role such violence plays. Contrast this with Berlant's concept of slow death, which positions deterioration as a *defining* condition of a population's experience and historical existence. Crisis ordinariness narratives such as slow death risk reducing complex lives and experiences to being simply an object and residue of powerful and extensive forms of violence. Such a conceptual move writes out much of the liveliness one encounters in ethnographic research, which cannot be adequately thought about as simply the result of violence. Writing out this liveliness also risks universalising what are in fact quite particular, situated ideas about what makes life liveable.

Practices of endurance also trouble Nixon's politics of representation as a means of mitigating or diminishing slow violence. Nixon (2011: 3) seeks forms of intervention that 'turn the long emergencies of slow violence into stories dramatic enough to rouse public sentiment and warrant political intervention'. In other words, he seeks to turn slow violence into a crisis story. However, many practices of endurance are powerful and effective precisely because they occur below the threshold of governmental visibility. Drawing attention to them not only risks romanticising practices of survival, to the point where such practices can be hijacked as evidence of 'resilience' (Nixon 2011: 21), but may expose them to other forms of governmental intervention that subsume and/or evacuate them of any political or practical potentiality.

5. Conclusion: place, violence and finance

To conclude, I want to return to the questions I posed at the beginning of the chapter about the role finance plays in relation to place and violence. First, financial practices are not an all-conquering force, which replaces existing power relations. Rather such practices are inserted and articulated in relation to existing geographies and histories of place. In Palestine, the growth of debt has relied on, and shaped itself in relation to institutions, technologies and geographies that are created by the Israeli Occupation, including the population registry, shrinking land markets that in turn create scarcity, and the centralisation of the PA in Ramallah. The growth of the debt economy occurred after the second *intifada* because this event violently created a *tabula rasa*, with regards to existing forms of governance, which enabled the legal and regulatory environment in which the Palestinian banking sector operates to be reshaped. The second *intifada* also heightened the impasse created by the Oslo Accords, and Palestinians frustration with the political process and the PA.

Finance can also be a source of place-based violence, although not necessarily in relation to territory. In Palestine, debt has yet to really influence the Israeli occupation. While some people suggest that repaying debt prevents people from resisting the occupation, debt also has the potential to politicize people because it brings into focus the slow violence of de-development and dependency.

However, debt has generated micro-level conflicts, such as between individuals who have a guarantor relationship. Debt has also disrupted kinship relations and supported growing levels of inequality (e.g. private schooling in Ramallah). This is why it is necessary to think the slow violence of finance in relation to place.

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