

Neoliberalism under Colonialism

A Compounded Devastation

Palestine Ltd.: Neoliberalism and Nationalism in the Occupied Palestinian Territory, by Toufic Haddad. London: I. B. Tauris, SOAS Palestine Studies Series, 2016.

Reviewed by Samia al-Botmeh

After the signing of the Oslo Accords in 1993, the bulk of scholarly literature on the occupied Palestinian territory (OPT) was devoted to neoclassical economic analysis, which predominantly focused on policy formulation with a view towards fostering the economic wellbeing of the Palestinians under colonial conditions. Few scholars engaged in examining the developments taking place in the OPT from a rigorous political economy perspective. Toufic Haddad's book, *Palestine Ltd.: Neoliberalism and Nationalism in the Occupied Palestinian Territory*, is the most recent in a relatively new line of critical academic research on the political economy of the OPT. The author, who received his PhD from the School of Oriental and African Studies (SOAS) at the University of London, powerfully examines and analyzes the structural linkages between political economy ideologies, as represented by neoliberalism, and economic and political outcomes on the ground in the OPT. More specifically, the book focuses on assessing the extent to which neoliberal conflict resolution and statebuilding endeavors in the post Oslo accords period were successful in inducing the forms of political, economic and social transformation that its designers intended amongst targeted Palestinian constituencies.

Drawing on a vast array of literature, Haddad meticulously investigates how Palestinian society, its political and economic elites, and various social classes, negotiated neoliberal interventions as they unfolded across the OPT. No less meticulous is his analysis of the contours of neoliberal conflict resolution and state building in the OPT as it emerged in

the development policies of Western donor governments and international financial institutions from 1993 to 2013. Haddad manages to trace the genesis of some of the defining moments building up to the Palestinian Authority's adoption of neoliberalism in the OPT as a hegemonic ideology, while painting a vivid picture of the machinations that drove the formulation of economic policies and the predicaments of the state-building endeavor.

Haddad's contribution is visible not only in his choice of an analytical political economy perspective, which focuses on the link between ideology and its implications on the ground, but also in the form of his narrative. He skillfully injects the analytical aspect of his writing into the descriptive chronological narrative. This is clear in his breakdown of the periods under investigation into the planning period (before 1993), neoliberal peacebuilding (1993–2000), good governance reform, and then neoliberal statebuilding.

Haddad's creative use of the term "Palestine Ltd." serves a dual signification, economic as well as political. The first reflects a delimited version of the Palestinian state, located in only parts of the OPT and with highly restricted political and economic powers. The second connotation relates to the institutional composition of this delimited version of Palestine, as imagined by those who embrace and propagate it. He describes it as the operational endgame of Western donor development/peace-building/state-building interventions with this entity functioning as a variant of a limited shareholding company (Ltd.) with international, regional and local investors of one type or another. While the dividend of this investment is both direct and indirect financial gain, the primary motivation is to reap political, administrative, and security returns for its investors.

The book's argument is clear: neoliberalism's impact on the Palestinian national liberation movement's quest for self-determination reflects features common to the impact of neoliberalism elsewhere, albeit its own specificities make these features more "negatively" extreme. Haddad illustrates how, under neoliberal policies, donors planned and actively sought to manipulate Palestinian powers and social relations in ways that advanced undisclosed political agendas which contributed towards a weak, fragmented, and de-developed political arrangement conducive to Israeli influence. Relying on the notion of positive peace, his analysis reveals that there is no serious indication that neoliberal conflict resolution and statebuilding have demonstrated traction in inducing any significant section of Palestinian society toward leaning in this direction. However, it has made gains in restructuring social relations and economic interests around dynamics of a negative peace. Positive and negative peace are differentiated by the extent to which they address the root causes of violence and whether a genuine reconciliation takes place including in structural terms.

Some of the arguments in *Palestine Ltd.: Neoliberalism and Nationalism in the Occupied Palestinian Territory* are not new, as other scholars have earlier explored neoliberalism in the OPT and its political and economic repercussions. This includes the work of Khalidi and Samour, as well as Hanieh and others.¹ However, Haddad's addition to these established debates through his exploration of the power dynamics between the various "agents" engaged in articulating the policy directives within the

OPT, including the international financial institutions, donor countries, and the Palestinian Authority, is methodologically compelling. Tracing the impact of these neoclassical policy directives on the Palestinian population's economic and political reality is equally robust and thorough. It is noteworthy that he does not simply review the literature, but also conducts an extensive range of interviews and discussions. In addition, he relies on previously undisclosed and classified documents of donors that enable him to highlight contradictions between formal policy and internal donor transcripts.

The book falls short of situating the neoliberal reality in Palestine in the regional and world context. Neoliberalism, the contemporary form of capitalist discourse which swept the world in the shape of internal and external policy directives in 1980s, arrived into the Palestinian context with the signing of the Oslo peace accords in the 1990s. Since then, the Palestinian development trajectory, within the context of neoliberalism, has come to diverge and converge with other countries in the region and worldwide. Situating the Palestinian neoliberal experience within the contemporary capitalist discourse, as well as the world context, would have provided an invaluable contribution to the exploratory power of the book.

Overall, this book is a significant contribution. It will undoubtedly generate a renewed interest in the study of the OPT from a political economy perspective.

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Endnotes

- 1 See Raja Khalidi and Sobhi Samour, "Neoliberalism as Liberation: The Statehood Program and the Remaking of the Palestinian National Movement," *Journal of Palestine Studies* 40, no. 2 (Winter 2011): 6–25; Adam Hanieh, "Development as Struggle: Confronting the Reality of Power in Palestine," *Journal of Palestine Studies* 45, no. 4 (Summer 2016): 32–47.