

Museums beyond the Crises

Museums beyond the Crises:
CIMAM 2012 Annual Conference Publication

Lead Editors

Zdenka Badovinac and Bartomeu Marí

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P U B L I S H I N G

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INTRODUCTION

MUSEUMS BEYOND THE CRISES

ZDENKA BADOVINAC

Museums beyond the Crises

Today we can talk about different crises. First, there is the global economic crisis; but this crisis is not the same everywhere: there are also countries of economic prosperity. Next, there is the museum crisis: the predominant model of the museum is collapsing. But it is not the same everywhere—there are spaces that didn't have museums until recently and are now suddenly experiencing a museum boom, or else are still without museums but have initiatives that are taking care of the heritage beyond the traditional model of museum. Such crises mean that the old paradigm is being replaced by a new one that still needs to be defined. But this new option, which is our future, is already here. So let's take a look beyond the crisis that defines us today and see what is there, what these novelties are, what the museum's future is.

New regions

The 2012 CIMAM conference took place in Istanbul, a city that has in recent years held a prominent place on the map of the global art system. But Istanbul is not the only exceptional case. The eyes of the whole world recently seem to be turned toward the southeastern Mediterranean and the Gulf regions, with everyone wondering how contemporary art will transform that world and vice versa, how the region will impact the global art community. In the areas that had until recently been excluded from the dominant art world, the changes are swifter and more evident than in others. And where there is transformation, there is also a future.

New histories

Having abandoned their belief in linear developments, utopias, and avant-gardes, museums have also done away with the future. Currently, museums seem to be caught in a time loop from which they cannot extricate themselves. Museums have long ceased to present merely the past; we cannot even say that they are somewhere in between the past and the future. Incessant repetition and continuous recall have become key characteristics. Museum jargon is full of the *re-* prefix: redefine, rethink, revisit. There is an urge to delve into history. Especially in the spaces that have recently undergone strong sociopolitical changes, new histories have become a condition for moving toward the future. But at the same time, this tendency can quickly lead to a surfeit of what is newly discovered and only short-term fascination with what has not yet been granted a place. How should we deal with all these new histories? It is becoming increasingly evident that the logic of including what has been hitherto excluded only reasserts the established museological and epistemological models. How can we create a multitude of narratives that are the opposite of just another commodity, another market niche?

New dialogues

How do we break away from merely accumulating new histories, and instead provide conditions and contexts for a more equal conversation among different partners? Who has the right to define issues, and how can the different cultural and epistemological traditions be reconciled? Is it enough just to redefine the material within the existing model of history, or should history as an academic discipline be questioned?

What can we learn about this framework in a region where the museum system has only recently begun taking shape, with the opening of new spaces and new conditions for learning from one another?

New contingencies

Today we speak of a global economic, environmental, and ecological crisis, which manifests itself differently in different regions. In many places we can see national economies trying to salvage the financial markets to the detriment of the spheres that depend on public funding. Particularly in Europe, which has a strong tradition of civil society, and where most museums depend on public funding to operate, the space for the production of possibilities and new visions is shrinking. Culture and

education are subject to reforms and reductions, and the success of these institutions is judged increasingly by managerial models and financial efficacy. The more affluent new world of museums, e.g., the southeastern Mediterranean and the Gulf regions, where private funders finance museums, is dependant on the will and the discretion of the museums' funders. On the other hand, we see many individual initiatives there that are building archives, discursive spaces, and international dialogue.

It seems that everywhere the state, with its public responsibility, hasn't been established yet—or is dying. Private and individual initiatives that are replacing it don't guarantee continuity, so we must talk about new contingencies.

New collaborations for a global heritage

With the opening of new spaces, conditions for the exchange of ideas on a global level have been created. We must start thinking about a global heritage, one that we all share and have access to. To avoid the pitfalls of capital and ideology, museums must begin to interconnect on the basis of more clearly defined goals and a better knowledge of the conditions under which they work. Our conference helps us understand the new and the old alliances, and to detect the new as the potential for our future. It will provide insight into the current urgencies of connecting and the shared interests of museums. What can museums in various parts of the world share? How can we work together to draw a common picture of our future? The conference puts forward different models of collaboration and alternative solutions to dominant approaches dictated by capital and ideology in various regions. We are witnessing a variety of initiatives that consider the significance of local collections and archives, but at the same time focus on constructing a common global heritage.

The globalized world has various models of museums. Some of them, which have stewardship of material and immaterial heritage, can hardly be called museums in the traditional sense of the word today. Taking care of our common global heritage increasingly dictates horizontal relations, interconnections between partners of different status and origin. At the same time, museums need to regain their dignity, their primary mission based on research and self-reflexivity, a consideration of their own future. We need to ask ourselves what the role of CIMAM is in all these connections. Should CIMAM go through a process of redefinition before it can tackle its own future?

CHAPTER ONE

MAPPING THE DISTANCE OF MUSEUMS AND CULTURE FROM THE VORTEX OF FINANCIAL CRISIS

ISMAIL ERTÜRK

I am an economist but my interest is not limited to economics. The kind of economics I do is called “cultural economy,” and I’m sure you’ll find out—hopefully by the end of my speech—what I mean by cultural economy. Now, the title of my speech has “museums” and “crisis,” in it because this is what this year’s CIMAM meeting is about. And I put some other interesting things in the title like “vortex,” so it sounds fancier. But the vortex of finance is a research project that I’m working on and I’ve already published on, with my colleagues in Manchester at the Centre for Research on Socio-cultural Change, where we study finance and economics in an interdisciplinary way. Now, because I’m an economist, I’ll start with an equation (figure 1): $FS > AS$. As you can see, Duchamp’s iconic urinal becomes the sign for “greater than.” “AS” is “Scandalous Art,” in quotations. And “FS” is “Scandalous Finance.” So you art guys are well behind bankers in creating scandals these days. The world and society have been shocked by what is happening in finance and banking recently. And the most recent scandal in finance is the Libor scandal (as figure 2 visually describes). The banking crisis has been going on for quite some time. It all started with the subprime crisis in the U.S. in 2007, and since then we’ve seen a number of other scandals—disclosures about how bankers make themselves rich at the expense of the rest of society. But financial scandals do not seem to be coming to an end. Each day we hear of a new type of financial scandal—JP Morgan Chase’s Big Whale, HSBC’s money laundering, UBS’s fraudulent trader, etc. Two days ago, one of the finance journalists called me about a new scandal that came out that weekend. I’m sure you’re going to read about it in the papers next week. Now, this is important, the Libor scandal, because banking is about

trust and the bankers who are responsible for setting the Libor rate misused the trust of the society. This CIMAM meeting mentions “ethics” in the list of things that will be discussed during the course of this conference. Banking, too, for quite some time has been discussing how to be ethical and whether the society should trust bankers. So ethics bring the art and finance worlds together just like scandals do. Now let me go back to the Libor scandal: “Libor” stands for “London Interbank Offered Rate” and to most people it is a technical banking term. However, Libor influences most people’s lives directly or indirectly. The technical side of banking and finance has grown in size and importance immensely in our financialized economy; this has become a source of danger for stability. With its complex technicality and jargon, modern-day finance mesmerizes people and politicians. Figure 2 shows the movement of the Libor rate in the last quarter of 2008, when it was manipulated by bankers. By the way, these graphs showing financial market data always look beautiful, full of certainty and meaningfulness. But there are dangers lurking behind them that are not disclosed and are not immediately visible.

Libor is a price at which banks agree among themselves to lend and borrow wholesale money. Libor is very important: it’s a benchmark. And on this benchmark other prices of money are determined in the market. So if you borrowed from the bank to buy a house, the fee that you pay to the bank, i.e., the interest rate, is based on this benchmark rate. Bankers fixed this rate, so there are double meanings here—“fixing”—they have to fix it, i.e., establish a rate, but there is also a second meaning of fixing, i.e., they collaborated to manipulate the rate.

Figure 3 shows a fourth-generation CDO, collateralized debt obligation. If you read the academic literature on finance (by some academics who won the Nobel Prize in economics for example), or if you talk to bankers who describe themselves as talented and work in big investment banks, they call this “financial engineering.” Most mainstream financial economists and most investment bankers and regulators, such as important and influential people like Bernanke and Greenspan, believe that financial engineering delivers economic efficiency. CDO is about credit risk management. As a result of this financial engineering, we are told by these academics, bankers, and regulators that ordinary people can have access to credit; finance becomes democratized, and low-income people can borrow at lower rates to buy houses. So this is how the bankers sold financial innovation. Now, as you can see, Libor appears in many parts of this diagram in figure 3. Before the crisis, bankers sold the regulators and politicians the idea that they were the masters of risk management. So we would enter into a new economic era that would have sustainable

economic growth, because bankers can manage the economy through these innovative financial products. Now, my view on this is that this is not financial engineering, which associates itself with science, this is financial bricolage. I have already published an article on financial bricolage with my colleagues, and luckily I'm one of the few economists who had written about these designs in a critical way before the crisis. So I'm not one of those economists who just started to look at these things critically; I had publications before 2007 that criticized financial engineering and the re-invented banking firms by adopting the "cultural economy" approach.

Here I'm using the anthropologist Claude Lévi-Strauss's concept of "bricolage." As you may be familiar from anthropology, Lévi-Strauss looked at traditional societies and tried to understand how they thought differently than Western societies or science-driven societies. If I can explain in a very crude way: according to Lévi-Strauss an engineer starts his/her work with a concept (abstraction) and then creates an event, a concrete thing, a structure. But in traditional societies, thinking starts with the structure, the concrete, the event to be created. For example, if they want to build a bridge they start searching for and collecting the inputs, ready-mades—just like how an artist works—that are necessary to build the bridge. In contemporary finance, bankers start with a concrete objective, namely, how to make more money for themselves. They do not start like scientists or engineers with an abstract concept about how to build an efficient economy, stable financial system, and so on. So this CDO structure is not an engineer's, a scientist's work. This is financial bricolage. But the major economics departments and business schools in the world explained these financial instruments to their students, and then their students introduced these to the financial community as financial engineering. (There is another critical literature on finance under the category of social studies of finance, which describes this process as performativity, i.e., economic models shaping, formatting the economy). This was supposed to be financial engineering and scientific way of managing risk.

Well, my view is that this is not about managing risk scientifically because this diagram of so-called financial engineering hides many things. One of the things it doesn't disclose is the amount of bonuses these schemes create: more arrows, more boxes, more bonus-generating opportunities. The objective here is to create a structure that serves bankers' interests. This is not a laboratory-tested innovation. That's why I call it financial bricolage. I have to be very brief here and simplify things. The concept of financial bricolage is explained in much more detail and sophistication in my co-authored academic publication. But nevertheless I

hope it is clear that the objective of a CDO is, ultimately, to maximize bankers' bonuses and fee income for the financial institutions involved. So that's the objective, the concrete result to be achieved. And then bankers start putting together various tools to create the structure, just like the tribal societies, or traditional societies. Libor is one of those tools, and regulatory changes are, for example, other tools. In this case it is something called the Basel Capital Adequacy accord.

After the crisis, the regulators said: "Banking is so complex!" and the financial crisis is a failure, an accident that happens in most complex systems, like nuclear plants. Therefore, the regulators wanted to map this complexity. If you thought the CDO diagram that I have just shown you was complex enough, look at this diagram (figure 4): this is called "shadow banking," and this diagram was created by the economists at the Federal Reserve Bank of New York. It does look complex, like a circuit board in an electronic device. But my main concern with this kind of epistemology that deals with banking and finance is that it is about looking at stabilities—arrows, boxes. This really comes from economists' obsession that economics is a science like physics: i.e., if we can discover the laws of economics, like the physical sciences discover the laws of nature, then we can map the economic reality; we can control the economy because we know how it works, we know its laws.

Now with bricolage, my view is that bankers will move on and the connections among the numerous financial institutions on this map will change and the map itself will be continually reconfigured. Hence my concept of vortex, which I borrowed from Michel Serres, and about which I will talk in greater detail later on. Economic reality is like a vortex, which is both stable and unstable at the same time and whose laws are not universal.

But this map of shadow banking is what the regulators came up with after the crisis, and that's why we are still in serious trouble—because the regulators reduce the problems in finance to one of being able to map the complexity. My view is that unless we have an epistemological paradigm shift about how we study finance and economics, we will not find a socially useful solution to the problem of finance. This epistemological shift requires seeing today's finance as a vortex, not as a mappable, fixed complex system that invites the application of principles of physics of solid materials. Present-day finance is more like a system of hurricanes, whirlpools, or spinning tops.

Figure 5 is about how finance and real economy are connected. However, I call this intermediation process "meta-finance"; that's again a concept that is developed from my cultural economy approach to finance.

This diagram, created by the economists at the Bank of England, is an example that shows how the regulators and policy makers think about the relationship between banking and productive economy. You will see in this diagram that the productive activities generating employment and growth and the financial economy are linked through financial innovation—instruments called CDOs, which I talked about earlier. This is the complication that the bankers claim that they have created through financial innovation to make the real economy more efficient. However, I call it “meta-finance,” because most of the activities described in this diagram are between financial institutions, not between firms, households, and banks. This is a self-referential system where the value and price of all transactions are determined by the community of financiers between themselves. The meaning of all these boxes and arrows are only understood by the finance community. This is finance about finance. This is not finance about real economy, where goods and services are produced. This is meta-finance. Like modern art it is self-referential: In modern art, self-referentiality works and nobody gets hurt. But in finance self-referentiality wastes economic resources and creates economic crises, as we have just experienced. So, we live in an age where finance is meta-finance; it is self-referential. It is possible to demonstrate this empirically as well, by measuring the activities among financial institutions—for example, financial institutions lend less to the firms and individuals; they lend more to each other. There are more transactions between financial institutions than there are between financial institutions and firms and households. I call that “meta-finance.” So it is finance about itself, trading among financial institutions themselves. Financial innovation creates lots of boxes, arrows, relations, and transactions among financial institutions, not between the real economy and finance (figure 5).

What I’ve been telling you so far has been turned into a contemporary art piece by Goldin + Senneby. Here (figure 6) is the actor, Hamadi, as me, and this is me in the white shirt, lecturing my students, and in the background you see the blow-up of the shadow-banking map. And you also see a priest in this picture; this is a reference to Luis Buñuel’s film *The Discreet Charm of Bourgeoisie*—to which I’ll come back in a moment. So my idea of “meta-finance,” through collaboration with Goldin + Senneby, turned into a performance in Rotterdam’s Witte de With, a contemporary art museum. Increasingly I’m engaged with contemporary artists discussing finance and economy. My cultural-economy approach to finance appeals to them. But contemporary artists appeal to me as well. Goldin + Senneby approached me because they read a collective article that I wrote with my colleagues in Manchester on hedge funds.

Now hedge fund managers, you've probably heard, are the nasty people, the nasty financiers. Some hedge funds are alleged to have attacked banks, bond markets, and stock markets to make personal gain. The mainstream economy sees them as useful institutions because they are arbitrageurs. In economics, if you are an arbitrageur you create efficiency in the market; you help the market to discover the right price. But then the hedge funds attacked banks in 2008—it was with something called short selling: basically you expect that the banks' stock prices will go down and you sell stock that you don't own, which means it is in your interest that the economy gets worse. Hedge funds were benefiting from the economy getting worse. And then the media called them "speculators," "bad people."

My conceptualization was they're neither arbitrageurs nor speculators, they are nomadic war machines, again a concept that I borrowed from Deleuze and Guattari. In Deleuze and Guattari's idea of the nomadic war machine you have the state organ. Here in figure 7 you see, in 2011 in Cannes, the state wanted to perpetuate the organs of power; this time, they wanted to control the euro crisis; they want to save the euro. But then you have the nomadic war machine. The *Daily Mail* reported in February 2010: "A secretive group of Wall Street hedge-fund bosses are said to be behind a plot to cash in on the decline of the euro." This is the nomadic war machine!—they've been doing this since the early 1990s, attacking the European exchange rate mechanism, attacking the Malaysian currency market in the late 1990s, attacking the banks' stocks in Europe and the U.S. in late 2000s. And now the hedge funds plan to attack the euro, as reported in *Daily Mail* at the "ideas dinner" at a private townhouse in Manhattan.

So what we have in the eurozone is the state—state power, regular economy—trying to fight the finance. And on the other side we have a nomadic war machine. But both exist together. Hedge fund owners and managers are like gang leaders or stars. They are not the heads of states. They can be easily abandoned by their people. At the moment they are bad people, but in my nomadic war machine framework—again using Deleuze and Guattari's concept—they are interrelated with the state; interrelated with the central power. Without access to contacts, both in politics and in big banks, hedge funds cannot operate. Just like a nomadic war machine.

So we're moving, now, from the banking crisis of 2007, which was caused by CDOs, to the euro crisis. Figure 8 is my view of things: this is a scene from Buñuel's *Exterminating Angel*. If you've seen the film, you'll know that the elite, or the bourgeoisie, have a very civilized dinner but then—you know Buñuel is a Surrealist—they cannot leave the dining

room for some unexplained and surreal reason. As they cannot leave the dining room, they become very uncivilized and take to cannibalism. When I look at this scene, I recall the scene in figure 7, where the Group 20 heads of states, at their 2010 meeting in Cannes, cannot exit the eurozone crisis. They've been living this problem for four years now, like the nightmare in Buñuel's *Exterminating Angel*. Our political and financial elites fight each other. Respected hedge fund managers like George Soros appear in newspapers as plotters against the euro. Our elites cannot exit the problem that they have collectively created.

Figure 9 shows my response as a serious economist. My cultural economy analysis does not go well with most mainstream economists but the kind of analysis in figure 9 does go well. What does this table in figure 9 tell us? If you remember in the euro crisis, the common framing of the problem identifies the "saving north" and the "lazy south, Mediterranean countries." In this kind of analysis, the solution to the eurozone problem is to get the lazy southerners—the Greeks, Spanish, Italians, Portuguese—to work harder, to be more productive. Well, the situation is not like that. Economics tends to aggregate things—this is a framework that I borrow from Michel Serres. In the case of the euro crisis, the mainstream economists aggregate countries in the eurozone into good economies versus bad economies, productive economies versus lazy economies, economies that save versus economies that don't save, developed countries versus less-developed countries, etc. It's again the epistemological problem in economics that I mentioned earlier.

My approach to economics is different. I believe we need to disaggregate rather than aggregate; we need to look at the specifics; we need to study the particularities. The table in figure 9 is my disaggregation of the Eurozone crisis. If you look at, for example, France on this table, you see how much banks in France lend to those countries at the top. This is lending to banks, private institutions, and governments in those countries, as a percentage of GDP. French banks lend 16.2 percent of their French GDP to the Italian economy. That's huge, 16.2 percent! Now I can understand why Berlusconi had to go; it was a coup d'état—if this had happened in Latin America it would have been called coup d'état. Berlusconi—whether we like him or not—was a democratically elected politician. He had to go, because of the French banks' exposure to the Italian economy. Hence my use of Buñuel: when things get worse, our elites behave in an uncivilized manner. That means in Europe, we can forget democracy for a while. Well, that analysis of mine was turned into another performance by Goldin + Senneby. I like working with them. This

performance was in the Contemporary Art Museum in Aachen. In figure 10 you see Hamadi, playing me, explaining these things to the audience.

Now I'll try to move to the art world. The art world and finance have similarities. Figure 11 shows a scene from Orson Welles's *F for Fake*. This film is about fraudsters, forged art, lying, tricks. That's what the bankers have been doing. The crisis involved a group of U.S. banks generating fraudulent financial assets that were supposed to be financial innovation products, i.e., subprime mortgages that were converted into the CDOs that I mentioned earlier. Financial innovation turned risky lending to subprime borrowers into securitized bonds; then these bonds were sold. Some German banks, *Landesbanks*, were supposed to be conservative banks. After the crisis, these German *Landesbanks* blamed the American banks for selling them fake, fraudulent financial assets. Remember the "no exit" in Buñuel's *Exterminating Angel*, where civilized people were behaving in an uncivilized way and start attacking each other? What is the value of a piece of paper that a German bank buys from an American bank? We've seen in figure 7 how the so-called financial engineering involved lots of different intricate calculations and mechanisms to turn risky loans into riskless bonds. So as in this film *F for Fake*, we have these people, German *Landesbanks* who wanted an object—riskless bonds—and paid for it, then afterward they found it was a fraud. But as long as nobody discovers it's forged, it's ok. And in this film, you will remember, Orson Welles interviews Elmyr de Hory, the big arts fraudster, who says: "look, the big galleries bought this stuff from me and didn't ask me whether it was forged or not. Because there was someone who was going to pay for it and galleries sold them my fake paintings."

So before the crisis, everybody was happy, because there was a price at which they could sell someone else what they had bought. Now moving into your territories—linking again economics with contemporary art—this photo in figure 12 is from the *New York Times*, from September 9, 2012, and this gentleman is Hans-Joachim Fuchtel, a deputy labor minister and member of the German Parliament. Angela Merkel sent him to Greece to mend relationships. Read the top bit, this is the quotation from the newspaper: "During his final dinner in Corfu..." That again reminds me of Buñuel's troubled bourgeoisie, where they keep having those dinners but they never finish. Well apparently he masterminded a camel race in Berlin, so he's a creative person, yeah. And he gave some advice on how to rescue the Greek economy. For example, he proposed a "televised cooking program with a German chef and a Greek chef" to generate some revenue for Greece. He also proposed exhibiting Greek contemporary art in forty shows across Germany again to generate revenue for the Greek economy.

Now, this is called “financialized economy.” In a financialized economy, contemporary art can become an asset class just like stock shares and bonds and currencies and just like these financial assets can create a bubble.

Fuchtel must have heard about how the Goldin + Senneby performance and exhibition at Aachen has become a collectable item (figure 13). He might have thought that if contemporary art in northern Europe is creating a market out of the euro crisis, why should not the Greek artists turn the Greek crisis into money-generating activity? I am just joking.

Now I am returning, as I promised at the beginning of my discussion, to the concept of the vortex of meta-finance—how finance sucks different realms of the economy, including the art world, into its vortex. And then it creates bubbles. I’m not being judgmental here about the contemporary art world. I’m just observing. Now what do I mean by vortex? To answer this question I need to talk about financialized economy. As you can see so far, I’ve never talked about neoliberalism or globalization. I think these are old baggage to explain what is happening in today’s economy. We need new concepts to understand new realities. And we need to develop new concepts for specific things. We live in a financialized economy, which is when the amount of money in the economy is much greater than the real goods and services. You see in 1990, the amount of financial assets is 227 percent of the world GDP (figure 14). Just before the crisis, in 2007, it had reached 343 percent. So we have too much liquidity in the world economy. That’s why we have these bubbles. That liquidity searches for high yield in financial markets rather than going to real economy and to investments. So as a result, when the stock market goes down, some of that money wants to go into a new asset class. Just like the way the hedge funds I mentioned earlier want to make the euro a new asset class, currencies in a financialized economy become an asset class. Since the 2007 crisis, some of this liquidity goes into contemporary art as this quote from *The New Criterion* shows (figure 15).

I have a student in China—a PhD student—whose father owns a wealth management company. So he’s going to take it over, and therefore he’s preparing himself. Last year—or was it two years ago?—creative industries had become an important sector for investments in Chinese five-year plan. And in China there is a shortage of investments that wealthy people can invest in, and the Chinese government allowed contemporary art to become an investible asset. So that’s why we’re seeing make big purchases of contemporary art in China.

Now in a financialized economy, the quantity of money is very important. But stories are important too. Without stories, people don’t

move their money; they do not invest money in new asset classes. As Roland Barthes so effectively explained, stories have exchange values. In our financialized economy there is a story that the creative industries in which art plays a role will generate the next economic growth. These stories need to be supported by initiatives. For example, UNESCO now has a Creative Cities Network; big cities in the world become a part of that network, as figure 16 shows. So that matter is important. That's why both in the developing world and the developed world the policy makers, the mayors, and local authorities use these theories of creative economy as models of development. Policy makers perform the theory. They want to make their cities globally competitive and the creative industries play a big role in achieving this. And such performativity can play a fantastic role in places like Abu Dhabi: figure 17 shows the "Saadiyat," the cultural village in Abu Dhabi. Here you see their branch of the Louvre, and this is the branch of Guggenheim. And they want to have content in these museums and hence there will be a lot demand for art in places like Saadiyat.

So my view of present-day economics is that it is like a vortex—a vortex of a financialized economy. We have conjunctures in a financialized economy, periods of five to seven years where there is stability when a bubble builds up. Remember the films *Wall Street* (1987) and then the sequel, *Wall Street: Money Never Sleeps* (2010)? *Wall Street I* was the vortex of the late 1980s, the junk bond conjuncture, and *Wall Street II* was the vortex of early 2000s, the subprime conjuncture.

Again, these are concepts I borrow from Michel Serres: there is "turba" and "turbo." Turba is the disorder, the confusion, whereas turbo is like a spinning top. Before the bubble bursts and the crisis starts, we have a turbo, an orderly movement, and during the crisis period we have a turba—confusion, chaos. So now we are in a turba period in finance. But in art you could be in a turbo period, an orderly movement before the bubble bursts. Again, I don't want to over-simplify things, I'm just suggesting ideas. I'm more comfortable with these things in finance. I have not analyzed the art market. I know (that) in a financialized economy there is a logic; this logic creates asset classes. Contemporary art is becoming an asset in our financialized world. There's a narrative about creative industries and creative economies where the countries and the cities perform that idea by building museums, organizing art events, and encouraging artistic activities.

I talked about ethics, because we all have—economists have—ethical concerns. My personal view is that in economics we need to forget the physics-based economics, where the economists believe that there are laws of economics that the economists can discover and then can use to control

the economic phenomena. My view is that in economics we need to use fluid physics as a model and acknowledge that economics is like a vortex, like the examples in figure 18 show. And in a vortex you have the circumference and the axis, and those create storms, hurricanes, spinning tops. What happened in finance is that we allowed finance to have a huge circumference, which was made possible because, as I showed you, we have financialization and too much liquidity, and there was also a long axis because there is a very long chain of interconnectedness in a global economy. So when this vortex collapsed, it collapsed to create great destruction. What we should do—and this is my current work on reforming the financial sector—is to make finance simple. It should have a smaller circumference and a shorter axis, so if things go wrong, when it collapses it doesn't destroy us and the world.

CHAPTER TWO

THE NON-CRISIS OF THE MUSEUM

BASSAM EL BARONI

I must start by mentioning that many of the ideas in this talk are ideas I was struggling to formulate until very recently, when I returned to certain notions that I had left about four years ago. This return came from an interest in looking at these notions anew in light of the recent political events. One of those notions I would like to revisit is that of crisis.

The word *crisis* has probably never been used more frequently throughout history than it has since the financial crisis started in 2008. One can claim that the relationship between the social sphere and the domain of politics witnessed the emergence of a slight but important shift in 2011. In this paper I will try to describe this shift as it increasingly constitutes the relational sphere in which art is produced today. It is an attempt to make a rather abstract diagnosis of the circumstances under which art and its institutions function today, to explain how these circumstances might be affecting them. The shift can basically be described as the intersection of two conditions.

The first of these conditions is what can be called the “stationary state.” The stationary state is the condition of non-growth and the incapacity of the world economy to renew itself in order to move toward a new era of further accumulation. It asserts that today’s neoliberal capitalism, with all its shades and variations, will continue to be what economically shapes the sociopolitical situation for a long time to come. Unlike in the state of crisis, in the stationary state there will be no end, in the foreseeable future, to the current economic situation, to where capitalism can emerge stronger and fairer. The stationary state also implies that this normative, static condition of continuous crisis is also coupled with an inability to structure a decidedly different political-economic ideology. The concept of the stationary state thus replaces the notion of

crisis as the world economy's de facto condition, making for a more realistic understanding of time in relation to capital and human existence.

Theorist Gopal Balakrishnan paints a detailed picture of this condition in his short essay "Speculations on the Stationary State."¹ For him, the coming period will "be shaped by the convergence of a conjunctural crisis of accumulation with ongoing epochal shifts in world capitalism—in its technological bases, demographic patterns and international division of labor—that have diminished its capacities for sustainable growth." In other words, the stationary state can be described as the condition of an extended pause in a ruling economic ideology and its markets. This extended pause means that the conditions for the ideology's growth and sustainability are no longer ripe with options and space for advancement. But while this is one side of the stationary state, the other side is that the conditions for the creation of a full-fledged practical alternative to this ruling economic ideology have still not manifested themselves, thus leaving socio-economic life in a seemingly infinite state of limbo.

While the condition of the stationary state delineates our possibilities, we have also come to realize the emergence of another condition. While this second condition is not a new phenomenon, its intensity, contagious nature, and the breadth of variations it manifests are indicative of our times. This condition is that of a social antagonism visible and perpetually present within many different societies, as well as constant everyday antagonisms based on ideologies, perceived identities, economic factors, social struggles, and ecological issues, to name but a few. The uprisings, strikes, riots, conflicts, individual acts of aggression, and street fights that we have seen unfold since the start of 2011 have managed to make evident the reality of a perpetual, multifaceted, and real antagonism colored in the different shades of the political spectrum and hued with all sorts of divisions and fissures. The force and quantitative extent of this antagonism has in a sense rendered social antagonism as a visible and present element in each society and in international political discourse.

Social antagonism can be described as any action, emotion, communication, or method an individual or a group in a society uses to reify or express a conflict, disagreement, or opposing opinion on an ideological, social, cultural, economic, or political issue that another individual, group, or political entity considers to be a nonnegotiable issue or a line that cannot be crossed. The years 2011 and 2012 are rich with examples of such antagonism expressing the increasing polarity of the socio-economic and sociopolitical spectrums. Notable examples are the

¹ *New Left Review* 59 (September–October 2009), <http://newleftreview.org/II/59>.

Arab Spring demonstrations against military-based or police-state dictatorships, the Occupy movements expressing anger against the inherent and persistent inequality of the capitalist system, and the continuing and sometimes aggressive clashes between supporters of secularism and those of ultra-conservative Islamism in North Africa. It also includes the return of fascist political parties in Greece (Golden Dawn) and their opposition to economic policies that show lenience toward economic emigrants, who instigate increasingly violent attacks on non-Greeks—but also the fight against Golden Dawn by Greek anti-fascists groups, the Oslo shootings perpetrated by Anders Breivik expressing his longing for an imagined purified society devoid of different cultural backgrounds, and the rise and fall of the Tea Party movement in the United States and the movement's use of inflammatory tabloid tactics to build a super-conservative base. The examples are almost too many to enumerate.

No longer can these societal and ideological divisions be easily washed over with a glaze of economics jargon. The global surge of everyday consistent antagonism happens within the ongoing condition referred to as the stationary state. These two conditions bring about important questions for culture and art. For if we can claim that the current situation of constipated economics and its effects on politics will last for at least another decade or two (in my pessimistic imagination, likely more than that) along with a volatile and consistently agitated landscape of social conflicts, if we can claim this to be both our present and our near future, does this not mean that a rupture of sorts has already manifested itself?

And can we not already sense in our increasing nervousness as art laborers that something is not quite right? As art laborers, it is as if the coordinates we have been accustomed to remain familiar, locating the same place—but on arrival to that place we sense slight differences, making it unexpectedly unsettling. It is as if we wake up in the morning and leave home to find ourselves in familiar surroundings and with all the people around us speaking the same language but with a different dialect—not totally different, just slightly mutated, making it difficult to place. Do we continue to deal with the context as if nothing has shifted at all? How do we deal with that slightly unsettling place that is the same but different? How do we communicate with that slightly mutated dialect? It is as if we always come with ideas that are already too late, and the old justification that identifies the speed of the media space as the cause of this problem is just not convincing us anymore. What is this speed that we keep talking about? What has really changed in your laptop or phone except different power chargers, a few apps, and slightly better screens?

What has changed in the interfaces for your social networking websites except the way they look? Welcome to the stationary state! What has changed has nothing to do with speed but all to do with unsettled places and mutated dialects existing in an age of cumbersome dead-ended economic strategies and political frameworks in which we remain landlocked.

There is a strange and new feeling of guilt circulating in our artistic quarters as we witness a growing disparity among the increasing antagonisms on the street, in the square, in the park, in the battlefield and in the mediascape and their dissimilar institutionalized antagonistic vernaculars in the museum, the gallery, the biennial, or the art text. Embedded in the very protocol of contemporary institutional practice is the idea of instigating, designing, or crafting some form of antagonism. This is a conditional antagonism, conditioned by the profession of art, and it is an important component in many curatorial projects, exhibition programs, or artworks. This could be a result of the post-1968 condition in which the former harbingers of change retreat into a kind of semi-academic life where they form ideas that later create the very vocabulary we use to develop our artistic and curatorial projects, the displacement, after 1968, of the political field toward the cultural as a space of dissidence. But, whatever the reason, this conditioned and professionalized antagonism is instigated curatorially, institutionally, or artistically to structure the conceptual skeleton that carries the rest of the project's formulation.

This professionalized antagonism has been exposed and disrobed like never before with the realization that art today happens and lives within the space of a stationary state of global socioeconomic conditions, which is uncoincidentally interclasped with what can be described as the normalization of global mass antagonism. Global mass antagonism is amateur antagonism; it is raw, and with a grandiose air of the incalculable yet foreordained to its being in the world. With this realization that professionalized antagonism exists in the same space as its amateur counterpart, can we simply continue to use forms of professionalized antagonism in contemporary art, its exhibitions, and institutions in exactly the same way we have been accustomed to?

The major characteristic of what I call professionalized antagonism is that it is based on the idea of betterment, the betterment of humanity. Professional art antagonism is rooted in humanism and the almost infinitely deep and ever-growing roots of the enlightenment. It may critique them and aim to nudge the roots that feed it, but it knows that these roots remain its essential umbilical cord. The link to the notion of

betterment helps reveal the growing disparity between professionalized art antagonism and that other antagonism in our daily mediascape. Art antagonism—or to coin a term, *artagonism*—does something very specific with the notions of justice and rights: it believes them to be positive terms. What do I mean by that? Schopenhauer's formulation of what a human right is brings this meaning home: "The man who starts from the preconceived opinion that the conception of right must be a positive one, and then attempts to define it, will fail; for he is trying to grasp a shadow, to pursue a specter, to search for what does not exist. The conception of right is a negative one, like the conception of freedom; its content is mere negation. It is the conception of wrong which is positive; wrong has the same significance as injury in the widest sense of the term. An injury may be done either to a man's person or to his property or to his honor; and accordingly a man's rights are easy to define."²

I think the growing schism one feels between professional art antagonism and amateur real antagonism is that the amateur version understands this concept of right as a negative conception and exits in a *Lebenswelt* where real stakes are a currency in an economy of injury and rights. In the conflicts that are being played out today, the infliction of injury definitely helps us: the public—or the witnesses, if you like—defines what a right is. So, for example, when people are "martyred" like we see happening in Syria today or in the earlier days of the Egyptian uprising, we come to know the idea of martyrdom as exactly that, a wrong, an injury leading to death, which in turn becomes the positive image or persona of the martyr that is then used in the media fight against injustices to gain, or at least fight for, certain rights. One can see this mechanism of embodiment at work in this example quite transparently. Art has no such mechanisms of embodiment, of trading injury for rights, and museums cannot develop them, either.

The bottom line is that museums and the art they produced and exhibited were doing fine as long as society at large was still somehow, even partially, buying the idea that capitalism was simply in crisis. In fact, art loved crisis because it could use it to develop criticisms and be professionally antagonistic. But in 2011, the year that Žižek calls the year of dreaming dangerously, I think an awareness came online that this was no crisis, and that this was a condition that would be shaping generations to come. The thought of that multiplied the antagonistic energy in societies to the maximum. It brought to the fore this twofold condition of the

² Arthur Schopenhauer, "On Human Nature," *The Essays of Arthur Schopenhauer*, trans. T. Bailey Saunders (Fairford, UK: Echo Library, 2006), "Government," p. 16.

stationary state infused with concentrated social antagonism, which in turn makes the museum, and in many cases art, with its no-life-lost, crisis-based, symbolic antagonisms seem redundant, out of place, and not very relevant to the temperature of the current moment.

This, in my humble interpretation, is really what is behind the notion of museum in crisis. The art institution in general has lost the partner it once served so well. That partner was crisis, economic capitalist crises, replaced by the stationary state, so now it must be in crisis. However, I think the museum and art institutions in general are not in crisis as such, they are just a little behind in formulating vocabularies that are better equipped to deal with this new semi-permanent condition of the stationary state and its intense antagonisms. Art has survived everything—the rise and fall of civilizations, wars, and much darker ages. Contemporary art is the latest proof of art's flexibility as a human vocabulary in circulation. It is only a matter of time before art and its institutions figure out how to adapt to the stationary state. This will require some mutation but not a complete reformulation of the rules. The museum does not need to be purified and built anew; it just needs to adjust its dialect, tone, and stature to equip itself to live without the type of crisis it has flourished on in the past.

Meanwhile, what can be done, if anything? This is the question I am constantly confronted with and can't claim to answer. But I can ruminate. I think my response is to make a shift in the curatorial from the urge to incite artistic antagonisms and the urge to practice betterment to questions of perception. And it must be clear here that I am definitely not propagating a curatorial practice based on art that is contained and read through its sensory aesthetics, an art that can reveal an imminent or transcendental truth from within itself, for I believe the curatorial should consider and work with a radically diverse array of artistic positions and practices. What I mean is that instead of starting one's project from the position of wanting to make humanity, the world, or politics better (whether this is expressed in a statement or is latent), one should perhaps start from the position of wanting to see (as in sight of the mind) the world better and more clearly by starting from perception. This is a delicate shift that can often be missed when crafting and developing a curatorial concept.

We are never without perceptions of the world around us. If we consider Merleau-Ponty's views on the primacy of perception, that all consciousness is in fact perceptual, then asking what makes us perceive an object or an issue the way we do is more vital and more fundamental a question than asking how we should change it. It can only be eventually made to change if we first understand why we perceive things the way we