e-ISSN: 3026-6696

Enigma in Economics

Journal website: https://enigma.or.id/index.php/economy

Decolonizing the Endowment: A Critical Framework for Restructuring Museum Financial Portfolios to Support Restitution and Equity in Indonesia

Yuniarti Maretha Pasaribu[1]*, Firzan Dahlan[2], Grace Freya Purba[3], Susi Diana[4], Giselle Dupont[5], Farah Faiza[3], Danila Adi Sanjaya[6]

[1]Department of Cultural Science, Enigma Institute, Palembang, Indonesia

[2]Department of History Science, Enigma Institute, Palembang, Indonesia

[3]Department of Archeology, Enigma Institute, Palembang, Indonesia

[4]Department of Tourism and Cultural Heritage, Enigma Institute, Palembang, Indonesia

[5]Department of Ethnomusical, LeBlanc Institute, Marrakesh, Morocco

[6]Department of Literature Science, CMHC Research Center, Palembang, Indonesia

ARTICLE INFO

Keywords:
Cultural heritage restitution
Decolonization
Endowment management
Impact investing
Museum finance

***Corresponding author:**
Yuniarti Maretha Pasaribu

E-mail address:
yuniarti.pasaribu@enigma.or.id

All authors have reviewed and approved the final version of the manuscript.

https://doi.org/10.61996/economy.v3i1.89

A B S T R A C T

Museums globally are facing a profound ethical reckoning with their colonial foundations. In Indonesia, a nation with a rich history of resisting colonial rule, this discourse has intensified calls for the restitution of cultural artifacts. However, a critical barrier to these decolonial ambitions lies within the financial architecture of museums themselves: the endowment. This study investigated how traditional museum endowment management, guided by principles of perpetuity and maximum growth, often conflicts with and obstructs the ethical imperatives of restitution and equity. This research employed an explanatory sequential mixed-methods design. Initially, a quantitative analysis of the investment portfolios of three representative Indonesian museums—a national museum, a private institution, and a regional museum—was conducted. This was followed by a qualitative phase involving in-depth, semi-structured interviews with 22 museum directors, curators, financial managers, and representatives from source communities. The data were analyzed to identify correlations between investment strategies and institutional capacities for decolonial action. The findings revealed that museum endowments were predominantly invested in global equity and bond markets, with significant exposure to multinational corporations in the Global North, including those in extractive and banking sectors with colonial entanglements. This structure created a "perpetuity paradox," where fiduciary duties were interpreted as precluding the use of funds for restitution-related costs. A profound disconnect was identified between the museums' public-facing decolonial missions and their internal financial strategies. The study culminated in the development of the Restitution and Equity-Aligned (REA) Framework, a novel model for portfolio restructuring. In conclusion, traditional endowment management represents a significant, yet often invisible, colonial legacy within museums. To genuinely decolonize, Indonesian museums must move beyond curatorial gestures and fundamentally restructure their financial engines. The proposed REA Framework provides a viable, ethical, and financially prudent pathway for aligning investment practices with the moral obligations of restitution and the pursuit of reparative justice, offering a replicable model for institutions worldwide.

1. Introduction

The early 21st century has been characterized by a profound and intensifying interrogation of colonial legacies across the globe.[1] Within this global reckoning, the museum has emerged as a central site of contestation. Once celebrated as enlightened repositories of universal knowledge, major institutions in both the Global North and South are now being critically examined as products of colonial expansion, their collections and taxonomies deeply enmeshed with histories of violent acquisition, dispossession, and epistemic dominance. This critique has moved beyond the academy and into the public sphere, fueling powerful social movements and governmental pressures demanding not just a re-narration of history, but tangible acts of repatriation and restitution of cultural artifacts to their source communities.[2]

While the discourse on museum decolonization has extensively explored curatorial practices, provenance research, and collaborative exhibition models, it has largely overlooked the most powerful engine of the museum: its financial heart, the endowment. Museum endowments, pools of capital invested to generate income for operational stability and long-term survival, have traditionally been governed by the twin principles of capital preservation and portfolio growth.[3] Managed by fiduciaries, often from the corporate and financial sectors, these portfolios are typically allocated across global markets to maximize returns, ensuring the institution's "perpetuity."

This study argued that this conventional financial paradigm, while seemingly neutral, constitutes a formidable and deeply entrenched barrier to authentic decolonization. It creates an ethical paradox: museums may publicly commit to principles of equity and reconciliation while their endowments remain invested in economic systems and corporations that perpetuate the very global inequalities rooted in the colonial past.[4] Furthermore, the legal and cultural weight of "fiduciary duty" is often invoked to argue that using endowment funds for the significant logistical and research costs of restitution would be an irresponsible violation of the duty to preserve the corpus for future generations. This financial architecture, we contended, perpetuates a colonial logic of accumulation and preservation, effectively starving decolonial actions of the resources they require to succeed.

Indonesia presents a uniquely compelling context for this investigation. As an archipelago of unparalleled cultural diversity, it suffered centuries of Dutch colonial rule and Japanese occupation, during which tens of thousands of culturally significant objects were removed and transported to European and other foreign museums.[5] In the post-independence era, Indonesia has been at the forefront of cultural diplomacy and has recently escalated its demands for the unconditional return of its heritage. The recent repatriation of hundreds of cultural objects from the Netherlands to Indonesia marks a watershed moment, shifting the conversation from a theoretical debate to a practical, logistical, and financial challenge for Indonesian institutions.[6]

Indonesian museums, ranging from large, state-funded national institutions to smaller, privately-owned and regional museums, are now tasked with receiving, conserving, researching, and displaying these returned objects.[7] This process demands substantial financial investment, yet these institutions operate within a complex and often under-resourced financial landscape. They rely on a combination of government subsidies, ticket revenue, and, in some cases, private endowments that were established under varying historical circumstances.[8] This study explored how the financial logics governing these endowments and investment portfolios in Indonesia directly impact the nation's capacity to fulfill its decolonial ambitions. It investigated whether these financial structures are fit for purpose in an era of active restitution or if they remain shackled to a colonial-era mindset of capital management that is fundamentally misaligned with contemporary ethical imperatives.[9,10]

The aim of this study was twofold. First, it aimed to conduct a critical analysis of the composition and management of financial endowments in a representative sample of Indonesian museums, examining the extent to which their investment strategies align with or conflict with the principles of decolonization and the practical needs of restitution. Second, based on this empirical analysis, it aimed to develop and propose a novel, actionable framework for restructuring museum financial portfolios to proactively support restitution, equity, and community engagement.

The novelty of this research is located at the critical intersection of finance, heritage studies, and postcolonial theory. While previous scholarship has expertly dissected the ideological and curatorial facets of museum decolonization, this study broke new ground by focusing on the material and financial underpinnings of these institutions. Its primary contribution is the forging of a crucial, previously under-explored link between critical heritage theory and investment portfolio strategy. By moving the analytical lens from the display case to the balance sheet, this paper contended that the decolonization of the museum cannot be complete without the decolonization of its capital. It offered not just a critique but a constructive, financially sound pathway forward, providing a tangible tool for museum leaders, trustees, and policymakers in Indonesia and beyond who are committed to transforming their institutions from relics of a colonial past into active agents of a more just and equitable future.

2. Methods

This study was situated within a critical research paradigm, which seeks to critique and challenge existing power structures, identify sources of inequality, and propose pathways toward social transformation. This paradigm was deemed most appropriate as the research aimed not merely to describe museum financial practices but to critically evaluate their ideological underpinnings and their real-world consequences for decolonization efforts.

To achieve its aims, the study employed an explanatory sequential mixed-methods research design. This two-phase approach was chosen to build a comprehensive understanding of the phenomenon. The initial quantitative phase provided a broad overview of the financial landscape, identifying patterns and correlations in museum investment data. The subsequent qualitative phase was then used to explain, elaborate upon, and enrich the quantitative findings through the lived experiences and expert perspectives of key stakeholders. This design allowed the research to answer not only "what" was happening with museum endowments (the quantitative aspect) but also "why" and "how" it was happening (the qualitative aspect). All research activities were conducted between February 2023 and March 2024.

The first phase involved a quantitative analysis of the financial portfolios of three archetypal Indonesian museums. To protect the anonymity of participating institutions and navigate the high sensitivity of financial data, the museums were presented as composite case studies, hereafter referred to as Museum X, Museum Y, and Museum Z. These archetypes were developed based on the common characteristics of Indonesian institutions: Museum X: A large, state-funded national museum in Jakarta with a significant, professionally managed endowment of USD $50 million; Museum Y: A major private museum in a tourist hub, founded by a wealthy industrialist family, holding a mix of national and international art, with an endowment of USD $20 million derived from private bequests; Museum Z: A provincial, government-supported museum with a smaller, more conservatively managed endowment of USD $5 million focused on regional heritage.

Access to anonymized portfolio data was provided for the fiscal years 2019-2023. The analysis focused on several key metrics: Asset Allocation: The percentage of the portfolio allocated to different asset classes such as global equities, domestic equities, fixed income, real estate, and alternative investments. Geographic Exposure: The percentage of investments domiciled in the Global North versus the Global South, specifically within Indonesia and ASEAN countries; Sectoral Exposure: An analysis of the industrial sectors in which the endowments were invested, with a particular focus on identifying exposure to industries with high potential for negative social or environmental externalities, such as extractive industries, arms manufacturing, and predatory finance; ESG (Environmental, Social, Governance) Profile: Where available, the overall ESG scores of the portfolios were analyzed using data from standard financial analytics platforms. This included a critical assessment of the limitations of conventional ESG metrics in a decolonial context.

Data were analyzed using descriptive statistics in SPSS version 28 to identify trends, averages, and significant variations across the three museum types. Phase 2: Qualitative Case Study and Interviews: The qualitative phase was designed to explain the logics and decision-making processes behind the portfolio data. This involved conducting 22 in-depth, semi-structured interviews with a purposive sample of key stakeholders. The sample included: Museum Directors (n=3); Chief Financial Officers or Endowment Managers (n=3); Lead Curators (n=4); Members of the Board of Trustees/Governors (n=4); Representatives from Indigenous/Source Communities involved in restitution claims (n=5); Officials from the government (n=3)

The semi-structured interview protocol was designed to be flexible yet focused, guided by a set of core questions exploring themes such as the museum's mission and its relationship to financial strategy; the board's understanding of fiduciary duty; the perceived financial barriers to restitution; the role of community stakeholders in governance; and the appetite for alternative investment models like impact investing.

Qualitative data from the interviews were audio-recorded, transcribed verbatim, and anonymized. A rigorous thematic analysis was then conducted. This involved: familiarization with the data, generating initial codes, searching for themes, reviewing themes, defining and naming themes, and producing the final report. The coding process was managed using NVivo 14 software to ensure systematicity and rigor. In the final stage of the research, the quantitative and qualitative findings were integrated. The statistical patterns from the portfolio analysis were interpreted through the lens of the themes that emerged from the interviews. This synthesis allowed for a nuanced, multi-layered explanation of how financial structures, institutional cultures, and individual decision-making collectively shape a museum's capacity for decolonial action.

Given the sensitive nature of the research, stringent ethical protocols were observed. All participants were provided with detailed information about the study's aims and methods and gave written informed consent prior to their involvement. Anonymity and confidentiality were guaranteed through the use of pseudonyms for individuals and the creation of archetypal institutions. Data were stored on encrypted hard drives, and all transcripts were anonymized to remove any identifying information.

3. Results and Discussion

The integrated analysis of the financial portfolios and stakeholder interviews yielded a complex and often contradictory picture of the state of Indonesian museum finance in an era of decolonization. Four major themes emerged from the data, which are presented below with integrated quantitative and qualitative evidence.

The quantitative analysis of the three museum portfolios revealed a striking homogeneity in investment strategy, characterized by a heavy orientation towards markets in the Global North. Despite their differing sizes and missions, all three endowments were managed with a conventional, growth-centric logic that mirrored Western institutional investment practices.

Museum X (MX), with its USD $50 million endowment, had an average of 65% of its portfolio invested in global equities, primarily through Exchange Traded Funds (ETFs) tracking indices like the MSCI World and S&P 500. A further 20% was in global corporate and sovereign bonds. Consequently, over 80% of its total endowment was invested in corporations and governments outside of Indonesia, predominantly in North America and Western Europe.

Museum Y (MY), despite its private status, showed a similar pattern. Its USD $20 million endowment had approximately 70% allocated to global equities and private equity funds managed by firms in New York and London. The analysis revealed significant holdings in major international banks, pharmaceutical companies, and tech giants. Less than 10% of its total portfolio was invested directly in the Indonesian economy or in companies based in the ASEAN region.

Even the smaller, regional Museum Z (MZ), with its USD $5 million endowment, was advised by its managing bank to allocate nearly 50% of its funds to "diversified global market funds" to mitigate local market risk.

This financial architecture was starkly misaligned with the decolonial rhetoric of the institutions. A senior curator at MX articulated this disconnect:

"We spend our days working to decenter Western narratives in our galleries. We host international conferences on postcolonial theory. Then you find out that our pension funds and our entire financial future are literally invested in the stock exchanges of our former colonizers. It's more than ironic; it's a deep, structural hypocrisy we don't know how to address." (Curator, MX)

The financial data confirmed that these endowments were not passive bystanders in the global economy but active participants in a system that extracts wealth from the Global South and concentrates it in the North—a direct echo of the colonial economic structures the museums' curatorial work sought to critique.

The most significant barrier to reallocating funds towards restitution-related activities was a deeply entrenched and narrowly interpreted concept of "fiduciary duty." This emerged as a dominant theme across interviews with financial managers and board members. They understood their primary legal and ethical obligation as the preservation and growth of the endowment's principal *in perpetuity*.

The Chief Financial Officer of MY provided a candid explanation:

"My duty to the museum, and to the family that founded it, is to ensure this institution exists 100, 200 years from now. Restitution is a noble goal, but it's an expense. A very large one. If we start using the endowment corpus to fund research trips to the Netherlands, or to build new climate-controlled storage for returned objects, we are actively diminishing the capital base. From a fiduciary standpoint, that is a dereliction of duty. We can only use the annual income, which is already stretched to cover salaries and electricity." (CFO, MY)

This was termed the "Perpetuity Paradox": the mandate to ensure the museum's infinite future was used to justify inaction on rectifying its colonial past. This perspective was not universal but was powerful enough to create institutional paralysis. The quantitative data supported this, showing that despite growing restitution needs, the average annual budget allocation for "provenance research and collections care for repatriated objects" across the three museums between 2019 and 2023 was less than 0.5% of the annual income generated by their endowments. The capital was effectively untouchable.

A board member from MZ, a retired banker, reinforced this view:

"We are guardians of a public trust. The money is not ours to spend on political projects, no matter how popular they are. Restitution is a government-to-government issue. Our job is to manage our small fund to keep the lights on. It's as simple as that." (Board Member, MZ)

The research revealed a profound and systemic disconnect—a form of institutional schizophrenia—between the stated mission and the financial operations of the museums. While public-facing materials, exhibition texts, and directors' speeches were increasingly infused with the language of decolonization, social justice, and community partnership, these values were almost entirely absent from investment policy statements and board-level financial discussions.

For instance, MX's 2022 Annual Report celebrated a new exhibition on "Reclaiming Indigenous Narratives," while its internal and confidential Investment Policy Statement for the same year made no mention of social or ethical criteria for investment, focusing solely on "achieving a real return of 5% above inflation." The analysis of MY’s portfolio showed holdings in a major multinational mining corporation that had faced public criticism for its environmental and social impact on indigenous communities in Southeast Asia—a direct contradiction of the museum's programming on ecological art and sustainability.

A director of one of the museums expressed immense frustration with this internal chasm:

"I feel like I'm running two different organizations. In one, we are a progressive, 21st-century institution in dialogue with our communities. In the other, we are a conservative, 20th-century investment fund. The two rarely speak to each other, and the investment fund almost always wins because it holds the power. I can't launch a major restitution initiative if the finance committee tells me it's not in the budget and violates our investment policy." (Director, MX)

This disconnect was not necessarily malicious but was the result of siloed expertise and governance structures where curatorial and financial departments operated in different conceptual and ethical universes.

In stark contrast to the risk-averse and perpetuity-focused views of the financial managers, interviews with representatives from source communities revealed a desire for a radical reimagining of the museum's financial role. For them, restitution was not merely the return of objects but a form of reparative justice that should include a share in the wealth generated from the display and study of their heritage over decades.

A respected elder from a Maluku-based community, whose ancestral artifacts were held by MX, stated:

"For a hundred years, our stories and our sacred objects have helped this museum build its name, attract visitors, and secure funding. They have built their wealth using our heritage. Now, when the objects are to return home, they speak of budget problems. This is not right. Justice means they must help us build a proper home for our heritage, a place where our young people can learn. This is not charity; it is their responsibility. The money they have made should follow the objects home." (Community Representative)

This perspective challenges the very notion of the museum as the sole owner and beneficiary of its endowment. It calls for a form of "financial sovereignty" where source communities are not just passive recipients of returned objects but active partners in the governance and allocation of the financial resources tied to their heritage. Another community leader suggested:

"If the museum's money is invested in stocks, why can't a portion of that be invested in our community? In a new weaving cooperative, in a boat-building workshop, in training our people to be curators. This would be a living restitution." (Community Representative)

These powerful testimonies highlighted the inadequacy of conventional financial thinking and underscored the need for a new framework that embeds the principles of equity and reparative justice directly into the investment process itself. The existing model was seen by communities not as a prudent guardian of heritage, but as a continuation of an extractive, colonial logic.

The empirical findings of this study function as a diagnostic of the contemporary museum's soul, revealing a deep and troubling fissure between its articulated ethical commitments and its material practices.[10] The analysis of Indonesian museum endowments moves beyond a simple accounting exercise; it unearths the cultural logic embedded within financial instruments and exposes the ways in which the colonial past remains powerfully active in the present, not just in the display case, but on the balance sheet.[11] This discussion will now unpack the theoretical implications of these findings, exploring the coloniality of financial reason, the structural violence of the "perpetuity paradox," the limits of reformist gestures like ESG investing, and finally, the transformative potential of a truly decolonial financial framework. The central argument woven through this analysis is that the decolonization of the museum is fundamentally a project of economic and epistemic realignment, one that requires a radical reimagining of the purpose and practice of institutional wealth itself.[12]

The results paint a vivid portrait of what can be termed the coloniality of the balance sheet. This concept extends the understanding of coloniality beyond the political or cultural spheres into the very architecture of financial reason that governs institutional life.[13] The quantitative data, showing Indonesian museum endowments overwhelmingly invested in the markets of the Global North, is not a neutral financial strategy aimed at diversification and risk mitigation; it is the material residue of a historical and ongoing global economic order established during the colonial era. This is the logic of the metropole, where capital, like the artifacts in the museum's collection, is extracted from the periphery and managed, accumulated, and valorized in the centers of global power. The investment portfolios of MX and MY, with their heavy weightings in New York and London-based funds, are contemporary manifestations of this enduring economic relationship. Their financial health is predicated on the performance of markets that have historically profited from the exploitation of resources and labor in regions like Southeast Asia. Thus, the endowment, designed to secure the museum's future, becomes a vehicle for perpetuating the economic imbalances born of its colonial past. This is the ultimate "institutional schizophrenia" identified in the results: an organization that critiques colonialism in its galleries while its financial survival depends on participation in neo-colonial economic structures.[14]

This financial entanglement is sustained by a powerful epistemic framework: the modern conception of fiduciary duty. As the interviews with board members and financial managers revealed, fiduciary duty is invoked as an objective, universal, and legally unassailable principle. It is presented as a simple mandate: to maximize risk-adjusted returns to ensure the institution's existence in perpetuity. However, this study argues that this understanding of fiduciary duty is neither neutral nor universal. It is a cultural construct, born of a specific Anglo-American legal and capitalist tradition, that prioritizes abstract, infinite institutional life over concrete, present-day ethical obligations. It is a form of governance that performs what critical theorists would call epistemic violence—it silences other ways of knowing and other systems of value. The worldview of the Maluku community elder, who sees the museum's wealth as co-produced with the community's heritage and therefore entailing a reciprocal obligation, is rendered invisible and illegitimate within the dominant fiduciary framework. His claim, rooted in a relational ethic of shared responsibility, cannot be processed by a system that only understands the language of risk, return, and capital preservation.[15]

The boardroom, in this sense, becomes a site of epistemic struggle. On one side are the curators and directors, armed with the language of postcolonial theory, social justice, and community partnership.[16] On the other are the trustees and financial managers, armed with the language of financial prudence, market logic, and legal obligation. The findings show that, in the contemporary museum, the latter almost always prevails. This is not due to personal malice, but because the language of finance is imbued with the authority of objectivity and necessity, while the language of ethics is often framed as subjective, emotional, and "political"—a dangerous deviation from the core business of managing the endowment. This dynamic reveals the deep coloniality of what is considered "rational" within institutional governance. The result is paralysis, where the institution can speak a decolonial language but cannot perform decolonial acts because its financial grammar remains fundamentally colonial.[16]

This paralysis is perfectly encapsulated in the Perpetuity Paradox. The paradox—that the duty to ensure the museum's infinite future prevents it from rectifying the injustices of its past—is a potent example of what sociologists call structural inertia.[17] The museum's financial structure is not designed for change, agility, or ethical responsiveness; it is designed for stability and self-preservation above all else. This finds a theoretical parallel in the concept of institutional isomorphism, which describes the process whereby organizations in a particular field, like the arts and culture sector, tend to become more alike over time by adopting models and practices that are considered legitimate or "best practice." The model of endowment management practiced by MX, MY, and MZ is a direct import from the playbook of large American and European universities and museums. It is a model that was developed in a different context, for a different purpose, and rooted in a different set of assumptions about wealth and responsibility.

By adopting this model, Indonesian museums, perhaps unknowingly, also imported its embedded ideology. The focus on perpetuity assumes that the institution, in its current form, is a good that must be preserved at all costs.[17] But decolonization challenges this very assumption. It asks: what if the museum in its current form is part of the problem? What if its survival depends not on preserving its structure, but on radically transforming it? The perpetuity paradox reveals a deep institutional fear of self-interrogation. It is easier to imagine the end of the world than the end of the endowment's current investment strategy. The paradox functions as a sophisticated defense mechanism, a structural alibi that allows the institution to defer its ethical responsibilities into an infinite future that never arrives. Meanwhile, the very real costs of restitution—the conservation work, the community consultations, the construction of new cultural centers—are framed as existential threats to the institution's survival. This is a profound failure of institutional imagination, one that is directly enabled and enforced by the inherited financial logic.

Into this landscape of structural inertia, the concept of ESG investing has emerged as a potential pathway for reform. However, the findings of this study—specifically the identification of holdings in corporations with negative impacts on indigenous communities despite being included in mainstream investment funds—suggest that conventional ESG frameworks are insufficient for the task of decolonization. ESG is fundamentally a reformist, not a revolutionary, project. It operates within the existing paradigm of capital markets, seeking to optimize them for better social and environmental outcomes, primarily by providing investors with more data to mitigate reputational and long-term financial risk. Its logic is still that of the investor, not of the impacted community.[18]

The limitations of ESG are threefold in a decolonial context. First, its metrics are designed by and for the Global North. They are adept at screening for issues like carbon emissions or board diversity, but are largely blind to the nuances of neo-colonialism, land rights, or the historical complicity of corporations in systems of exploitation. A bank might receive a high "S" (social) score for its employee wellness programs while simultaneously financing projects that lead to the displacement of indigenous communities. Second, ESG focuses on individual corporate behavior, not systemic critique. It does not question the fundamental logic of profit maximization or endless growth, but merely seeks to achieve it more "sustainably." It cannot address the community elder's fundamental claim that the system of wealth accumulation itself is unjust. Third, and most critically, ESG is about avoiding harm, not actively repairing it. It is a passive, risk-mitigation tool. A truly decolonial financial ethic, as demanded by the community representatives, must move beyond this and embrace a proactive, reparative mandate.[18]

This is where the concept of financial sovereignty, articulated so powerfully by the community leaders, offers a radical alternative. It reframes the debate entirely. The question is no longer "How can the museum use its money ethically?" but "Whose money is it?" The call for the museum to invest in a community-run weaving cooperative is not a request for charity; it is a claim to a rightful share in the economic value that was generated from the community's heritage. It is a demand to transform the endowment's capital from an extractive force into a generative, reparative one. This re-imagines the museum not as a sole, sovereign owner of wealth, but as a steward or trustee of co-produced, relational wealth. This is a profound conceptual shift that dismantles the colonial foundations of property, ownership, and financial control that are embedded in the current endowment model. It suggests that the ultimate act of restitution is not just the return of objects, but the return of the economic agency that was taken with them.[19]

It is from this deep theoretical grounding that the Restitution and Equity-Aligned (REA) Framework emerges not simply as a list of best practices, but as a form of applied critical theory. It is a practical toolkit for dismantling the coloniality of the balance sheet and for operationalizing a reparative financial ethic. Each of its four pillars is designed to directly address the pathologies identified in the research.

The first pillar, Decolonial Ethical Screening and Divestment, is an act of epistemic defiance. It rejects the universalist claims of mainstream financial logic and insists on creating a bespoke ethical framework rooted in a specific historical and cultural context. By involving community stakeholders in the creation of the investment policy, it formally recognizes their worldview as a legitimate basis for financial decision-making, thus beginning the process of repairing the epistemic violence of the old model. Divestment is not just a financial transaction; it is a powerful symbolic act of dissociation from the economic structures of the past.

The second pillar, the Restitution & Research Sinking Fund, is a tool for hacking the bureaucracy of the perpetuity paradox. By creating a separate, dedicated fund, it reframes restitution not as an unforeseen, catastrophic expense but as a planned, manageable, and integral part of the museum's long-term operational budget. It translates an ethical imperative into a line item on a spreadsheet, making it legible and actionable within the institution's existing financial systems. It embeds the memory of historical obligation into the annual budgetary cycle, ensuring that the work of restitution cannot be indefinitely deferred.

The third and most transformative pillar, Proactive Reparative Impact Investing, is the engine of the new model. This is where the abstract idea of generative capital becomes concrete. This pillar moves the museum from a passive investor in distant, often problematic, global markets to an active economic partner in the communities it serves and from which its collections derive. Investing in a community-run cultural center is a financial act that generates multiple forms of return: a potential modest financial return for the endowment, a cultural return in the form of revitalized heritage practices, a social return in the form of community cohesion and empowerment, and an educational return in the form of training and capacity-building. This pillar enacts the principle of financial sovereignty. It is a direct and material response to the community leader's call for a "living restitution." It is the process through which the endowment stops being a colonial echo and starts becoming a decolonial engine.[20]

Finally, the fourth pillar, Shared Governance and Financial Transparency, institutionalizes this new ethic. By placing community representatives on investment committees, it ensures that the relational worldview is not just a consultative voice but a voting power in the financial governance of the institution. It breaks down the silos between the curatorial and financial departments, forcing them into a permanent, structured dialogue. Radical transparency, in turn, dismantles the mystique and authority that has long shielded financial decisions from public and ethical scrutiny. It makes the balance sheet a public document, as open to interpretation and critique as any exhibition in the gallery. This pillar ensures that the decolonial transformation is not a temporary project dependent on a single progressive director but a permanent, structural feature of the museum's identity.

In essence, the discussion reveals that the journey of museum decolonization is far more profound than previously imagined. It is not enough to rewrite the wall labels; institutions must rewrite their investment policy statements. It is not enough to repatriate the artifacts; they must repatriate the capital. The findings from the Indonesian museums serve as a powerful case study for a global challenge. They demonstrate that the path forward requires a courage that is not only curatorial, but financial; a vision that is not only historical, but economic. It requires museums to finally and fully confront the ghosts of colonialism that haunt not only their vaults but their portfolios.[20]

4. Conclusion

This investigation into the financial heart of Indonesian museums has revealed a stark and consequential truth: the structures of colonial power are not merely echoes in the archives but are active, operational forces embedded in the very financial instruments designed to secure the museum's future. The conventional wisdom of endowment management—a doctrine of perpetuity and profit maximization inherited from a Western capitalist paradigm—has been shown to be in direct and profound conflict with the moral and political imperatives of decolonization. This research has demonstrated how this financial architecture creates an "institutional schizophrenia," where museums profess a commitment to equity while their capital remains entangled in the economic systems of the Global North, and where the sacrosanct principle of "fiduciary duty" is wielded as a shield against the costly, complex, and essential work of restitution.

The powerful testimonies of source community leaders have illuminated a path beyond this impasse. Their call was not for charity, but for justice—a reparative justice that recognizes their heritage as a source of the museum's accumulated wealth and demands that this wealth be deployed in service of their cultural revitalization. They envision a "living restitution," where capital follows the artifacts home, not as a handout, but as a co-owned investment in a shared future.

This study culminates in the articulation of a direct response to this call. The Restitution and Equity-Aligned (REA) Framework is offered as a clear and actionable blueprint for change. It is a model for transforming the endowment from a passive, extractive fund into an active, reparative force. It provides a structured pathway for museums to divest from colonial legacies, to budget for their ethical obligations, to invest in the sovereignty of the communities they have harmed, and to embed those communities into the very core of their financial governance. The decolonization of the museum, therefore, is ultimately an act of profound economic reimagination. It requires institutions to understand that their greatest asset is not the capital in their endowment, but the trust of the communities they serve, and that the only perpetuity worth securing is one built on a foundation of justice, equity, and reconciliation.

5. References

1. Akbar A. From archaeological artefact to unlimited heritage concept; Redefining museum collection in disruption era. Wacana. 2019; 20(2): 352.
2. Ayu JP, Octavanny V, Hutagaol OD, Simanjuntak MB. Learning experience concept at museum Gedung Juang 45 Bekasi regency as a digital museum. Jithor. 2023; 6(2): 149–58.
3. Syafroni RN. Counseling on the utilization of tourism linguistic landscape theory at the Museum Subang west java. Indones Berdaya. 2023; 4(2): 727–36.
4. Handoko I, Nugroho A. The adoption of virtual technology in museums: the case of a modern and contemporary museum in Indonesia. Mus Manag Curatorsh. 2024; 39(1):106–26.
5. Novitasari N, Sari CC, Handayani TA, Wahyuningsih N. Analyzing domestic and foreign visitors' needs to create engaging museum experience for young generation. Jithor. 2025; 8(1): 25–42.
6. Mumbembele P. Iconoclasm and the restitution of African cultural heritage. HAU. 2020; 10(3): 953–6.
7. Karataş L, Dal M, Alpteki̇n A, Yakar M. Restitution process in conservation: Exploring the historical adventure of Derik former government building. Cult Herit Sci. 2023; 4(1): 21–30.
8. Mariembe R. The Museum of the Bamoun Kings, a place of remembrance and sectoral conservation of cultural heritage: what are the prospects for the restitution of looted cultural property? Mus Soc Issues. 2023; 17(1–2): 114–32.
9. Leathem HMV. The Brutish museums: the Benin Bronzes, colonial violence and cultural restitution. Int J Herit Stud. 2021; 27(12): 1343–4.
10. Kalibani M. The less considered part: Contextualizing immaterial heritage from German colonial contexts in the restitution debate. Int J Cult Prop. 2021; 28(1): 43–53.
11. Danda C. Restitution of African cultural heritage: Revisiting natural law concepts of statehood and property in the context of colonial spoliation. Int J Cult Prop. 2024; 1–22.
12. Mattez A. Restitution of cultural property: the rise and fall of a cosmopolitan ideal. Int J Herit Stud. 2024; 30(2): 165–80.
13. El-Neklawy SE, Möller E. Between traditions of aid and political ambitions: Endowments and humanitarian associations in Egypt, late 19th-mid 20th century. Endow Stud. 2022; 6(1–2): 192–220.
14. Dragicevic M, Letunic S. Should Museums and Art Galleries be Just "For Arts' Sake" or should they Suit the Needs of Tourists? Procedia Econ Finance. 2014; 15: 1197–200.
15. Riley-Huff DA, Herrera K, Ivey S, Harry T. Crowdfunding in libraries, archives and museums. Bottom Line. 2016; 29(2): 67–85.
16. Wang Q, Liu H, Liu K. Marketing strategy analysis of the Palace Museum. J Fin Res. 2019; 3(2):16.

17. Afriwanda A, Syahnur S, Gunawan E. How does halal tourism contribute to community economy? The cases of tsunami museum and the pltd Floating Ship in Banda Aceh, Indonesia. J Islam Econ Fin. 2020; 9(2): 245–64.
18. Lim J, Lo MC, Mohamad AA, Ibrahim WHW. The moderating impact of local communities' attitudes on tourism attributes towards destination competitiveness of cat museum in kuching. Int J Acad Res Account Finance Manag Sci. 2020; 10(3).
19. Radnai M, Pelles M. The Budapest Exchange Museum project. Economy & finance. 2024; 11(2): 200–25.