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Cities
in **Schlossplatz**
with Peter Hall,
Thilo Sarrazin,
Saskia Sassen
et al.

Hertie School
of Governance

Hertie School
of Governance

The editorial team of Schlossplatz³ has regrouped and now includes a number of MPP students from the new class of 2009. For the fourth issue of the student magazine of the Hertie School of Governance, the new team has focused on urban governance as the central topic.

esmt Learning Centre, housing the Hertie School of Governance

When it came to selecting the topic for this issue of Schlossplatz³, the discussion in the editorial team quickly revolved around one word: cities. For students at the Hertie School of Governance, the urban environment of Berlin is obviously very tangible.

But Berlin is only one example for the fact that most global developments become most visible in the local setting of cities. Societal & environmental changes like immigration and climate change have a profound impact on cities. Global cities like London or New York are nodal points of the world economy, whereas other cities are still struggling to adapt to the rapid pace of globalisation. Megacities have to cope with the problems of urban sprawl and providing the adequate infrastructure for millions of people in a dense urban space.

2007 was the first year in history when more than half of the world's population lived in cities rather than in rural environments. After entering "the urban millennium", as Kofi Annan labelled it, policy-makers in cities around the world must find the appropriate solutions to all these challenges. Fortunately, they are not alone: the private sector and civil society are increasingly involved in shaping urban governance. This issue of Schlossplatz³ attempts to show not only the breadth of today's urban policy problems, but also the diversity of initiatives and creative approaches that have emerged to address them.

With the majority of the world now living in cities and therefore being potential authors for this issue of Schlossplatz³, the selection of policy-makers and scholars whose articles and interviews adorn the following pages was far from trivial. We are very happy that they took the time to present their opinions.

In their contributions, urban researchers Saskia Sassen and Peter Hall give an overview of the globalisation processes that cities have to face and how cities can become centres of innovation.

In his interview with Schlossplatz³, Berlin Finance Senator Thilo Sarrazin describes how Berlin's financial situation is linked to its history and reflects on the social problems the city is facing.
A more detailed analysis of the social aspect is given in Julie Ren's article, which describes daily life in a Neukölln community centre.

Jobst Fiedler and Christoph Baron discuss the potentials and problems of public-private partnership in city government. While innovative approaches have been quite successful in some countries, a paradigm change is necessary in Germany in order for PPPs to become more prominent.

A number of articles also go beyond Berlin and Germany to investigate governance issues in cities including São Paulo and Ulaanbaatar. Ivan Capriles looks at the strategies of Latin American megacities attempting to present themselves as attractive places for investment while simultaneously dealing with increasing social tensions. Thomas Taraschewski describes similar problems of social exclusion in Mongolia's capital.

Benjamin Barber, taking a truly global perspective on cities, describes his idea of global interdependence.

After the first class of students graduated from the Hertie School of Governance in May 2007, we are now proud to introduce a new alumni section in the magazine. Alumni³ presents the experiences some of our alumni have made in their new life as "Masters of Public Policy". It includes the initiative Teach First Deutschland, an attempt to apply the talents of young university graduates to schools in problem neighbourhoods.

A second innovation for Schlossplatz³ is that we have taken a step into the world of online publishing. The new Schlossplatz³ Blog will provide the necessary space for the contributions and ideas that we could not fit into the printed issue of the magazine. In addition, the editors of the blog will provide you with a regular flow of ideas and comments on policy issues that we come across during our studies. You can find the blog at www.hertie-school.org/schlossplatz3 (also see page 40).

We hope you will enjoy this issue and look forward to receiving your feedback in the future.

Berlin, February 2008
The editors of Schlossplatz³

Towards New Urban Formats

by SASKIA SASSEN

Rich cities and poorer regions both have to deal with the effects of globalisation. Saskia Sassen outlines how policy-makers should look at the mega-regional scale and integrate an urban dimension into their policies.

Globalising processes are having diverse impacts on major urban areas. As a result, urban policies will have to move beyond the familiar focus on 'urban problems', so as to help cities benefit from, as well as to cope with, the negative urban effects of globalisation. There are two promising ways of extending the terrain for urban policy. One is to build a stronger urban dimension into policies which, while not specifically urban, have sharp urban impacts. Critical here is the lack of a spatial dimension in many policies. Another involves understanding what kinds of inter-governmental joint action are needed, insofar as urban policy in globalising cities cannot be limited to national or regional/local governments.

Here I address these critical policy issues by examining two major sets of processes. One concerns actual shifts in the scales, spaces and contents of economic activity. The second concerns the needed shifts in our interpretations and policy frameworks, in order to adjust to these novel trends and maximise their benefits and distributive potential.

Key components of 'globalising processes' carry diverse implications for different types of cities and urban regions. Rather than reviewing all components, I single out three critical types of processes. One of these is the ongoing formation of global cities. A second is the novel trend towards the formation of mega-regions, which in the case of some regions, such as Europe, tends to be a cross-border process. The third is the expansion of cross-border flows connecting cities at diverse levels of the urban hierarchy.

The spatial dimension is lacking in many policies.

These three formations—global cities, mega-regions, and inter-city geographies—are very different. But analytically we can identify a distinct dynamic at work in all three. This dynamic is the interaction between geographic dispersal and new kinds of agglomeration economies.

Saskia Sassen is Professor of Sociology at Columbia University and the London School of Economics. Her research focuses on the impact of globalisation and mobility of labour on global cities. Among her publications are *The Mobility of Labour and Capital* (1988), *The Global City* (1991), and most recently *Territory, Authority, Rights: From Medieval to Global Assemblages* (2006).

Specifying a common analytic ground for these three very diverse spatial forms enables us to develop a sharper approach to policy, and secondly, to establish the actual negotiating power of urban/regional actors and of new inter-governmental actors. These very diverse spatial forms should also help in assessing the extent to which policy decisions can encourage greater economic integration between a country's more globalised city (or cities) and its outlying areas, currently performing subordinate functions within the national territorial hierarchy. In other words, taking a mega-regional scale might help in connecting the 'winners' and the 'laggards'. The mega-region here becomes a scale that includes both globalising and local or provincial cities and areas. The connecting of winners and laggards can also be extended to cross-border city networks, if we are able to go beyond mere exploitation, as is the case in outsourcing networks.

One consequence of such an approach at the sub-national level is that its privileges are not wrought by winners alone—a problem typical of "targeting" approaches, where most resources are spent on enabling the formation of world-class cities. This novel approach would bring in laggards or losing cities and regions in so far as they are dynamically interconnected with a global city or global city-region. More difficult, but still feasible, is to include such laggard areas into cross-border urban networks.

This means that rather than pursuing only economic policies focused on the most advanced sectors there is also a strong case for concentrating upon the poorer regions; not as charity but as recognition that they are part of the new economic dynamic that combines a need for dispersed, lower-cost areas and dense, high-cost areas. For instance, even the most advanced sectors need a range of jobs (truckers, cleaners, etc.) and

economic sectors that we usually fail to recognise as belonging to an advanced economy. Identifying these types of articulations should help in identifying how sector-specific policies should be working together in many cases where they are not; we need to recognise that a strong and advanced services sector may need a well-functioning urban manufacturing sector. Another type of articulation that needs to be recognised is that certain non-urban policies can have strong effects on cities and urban regions.

Taking a mega-regional scale helps connecting 'winners' and 'laggards'.

To mention just one of several examples, this type of framing would bring value to poorer areas within the most developed countries, as these might be developed to become advantageous for the location of activities that are now being outsourced to low-wage countries. The aim would be to avoid a race to the bottom, as happens when these activities are off-shored, and to provide alternative development paths to the common privileges of high-end economic activities, such as bio-tech parks and luxury office parks.

Challenges for Growth in Latin American Megacities

by IVAN CAPRILES

Investments in flagship projects are huge and tempting. Can they keep the promise of elevating Latin American megacities from all their other problems? Ivan Capriles analyses the hopes and threats for megacities in Latin America where social divides are still prominent.

Signalling Competitiveness

In late April 2006, the Torcello Architects Consortium made a daring proposal: to build a 1000-meter high tower complex on an artificial island off the coast of Buenos Aires. The opening of the Buenos Aires Forum (BAF), as the structure has been dubbed, would occur together with a BAF World Expo in 2010. With an estimated cost of US$ 4 billion, this would be a unique opportunity to 'promote the Buenos Aires trademark', key architect Julio Torcello argued.

This is but one example of how cities are becoming increasingly determined to achieve economic competitiveness by supporting impressive infrastructure projects, special zones and legal and financial benefits that can attract foreign investors. As Buenos Aires debates the viability of the BAF, Jakarta builds the Menara and Airlangga towers, Manila rushes the completion of the Lopez Center Tower, Qatar allocates US$ 3 billion to The Pearl business center, and Dubai builds the 800-meter tall Burj Dubai tower. In an attempt to ensure economic growth, job creation and urban sustainability, global cities are taking part in an economic 'competitiveness race'. For some, this race is not without its pitfalls.
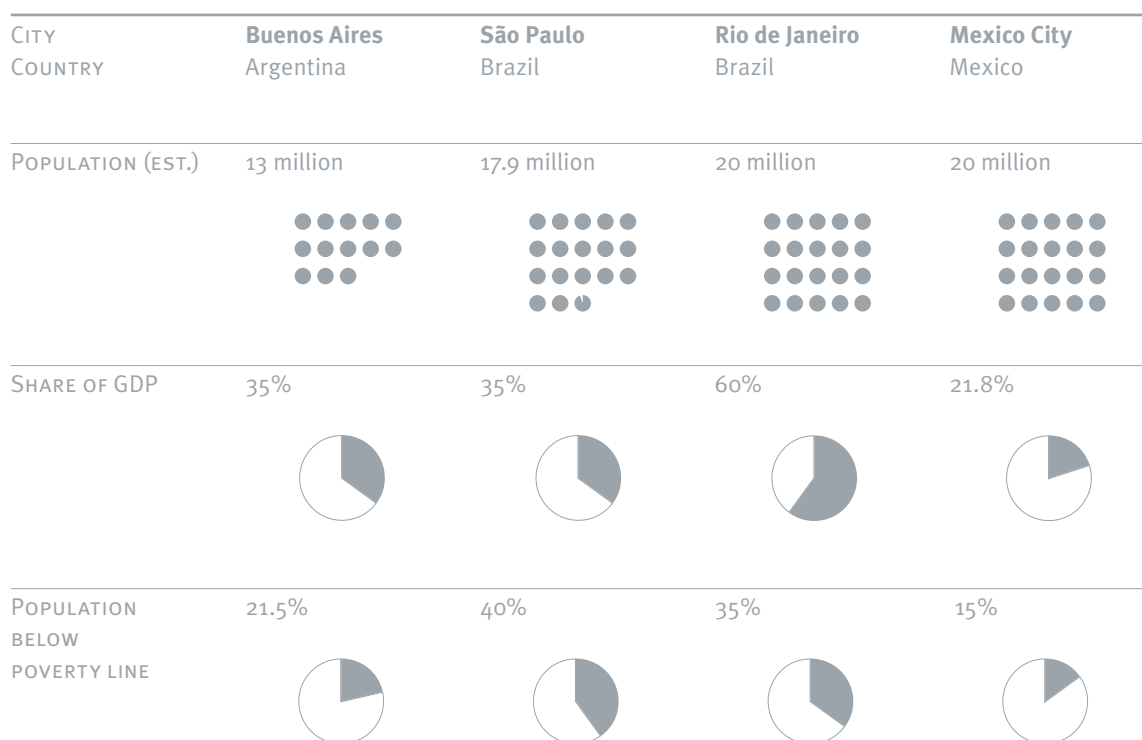
Two faces of Latin America's megacities

Buenos Aires, Mexico City, Rio de Janeiro and São Paulo are the four Latin American urban centres that, with populations above 10 million inhabitants, meet the megacity criteria of the United Nations Population Division. They were included in a recent GlobalScan/ MRC McLean Hazel study that identified the top priorities for today's megacities. For all cities surveyed, great importance was placed on ensuring economic growth and job creation by implementing extensive infrastructure upgrading, greater use of technology and improvement in service provision amongst others.

City stakeholders see the 'competitiveness race' as a paramount process through which investments can be secured, funds can be obtained and hence growth can be achieved to ensure inclusion and the sustainability of the Latin American megacity. Great effort and resources are spent on projects from which megacities would reap benefits in the future.

Megacities Facts

City	Buenos Aires	São Paulo	Rio de Janeiro	Mexico City
Country	Argentina	Brazil	Brazil	Mexico
Population (est.)	13 million	17.9 million	20 million	20 million
Share of GDP	35%	35%	60%	21.8%
Population below poverty line	21.5%	40%	35%	15%

(Source: CIA World Factbook)

São Paulo has been making efforts to increase its global competitiveness through strategies tackling its old and overwhelmed transport infrastructure, which will most likely receive fresh funds as the city will co-host the 2014 FIFA World Cup. Rio de Janeiro is under great pressure to articulate urban planning strategies as it prepares its bid for the 2016 Summer Olympic Games. After overcoming Argentina's economic crash of the early 2000s and with a currently booming economy, Buenos Aires is inviting foreign investors for projects such as the BAF and the US$ 1 billion Matanza Housing Complex. Mexico City is also assessing large construction projects as an important means to promote private investments. Plans include the US$ 600 million Bicentennial Tower, earmarked for completion by 2010 in time for Mexico's bicentennial independence festivities.

Latin American megacities are facing important windows of opportunity through which they can implement flagship projects that will help their global positioning as investment centres. But the priority given to such growth strategies may come at the expense of strategies to tackle social inequality, exclusion and violence.

The challenges are daunting. São Paolo has tried to tackle extreme poverty in overpopulated shantytowns such as Heliópolis and Paraisópolis, and in 2006 experienced violent upsurges led by organised

Priority given to growth may come at the expense of strategies tackling social inequality.

crime groups. Rio de Janeiro's gang violence is now coupled with new waves of crime networks in key commercial areas, and the expanding activities of armed groups such as the Comando Vermelho. Buenos Aires is facing social tensions springing from shantytowns (villas miseria) inhabited by more than 250,000 people, including 70,000 cartoneros (paper and plastic collectors) and street vendors, whose numbers swelled after the 2001 economic crash. Mexico City's urban sprawls and informal settlements are expanding as the city's water sources dry up and environmental degradation reaches hazardous levels.

IVAN CAPRILES graduated from the Hertie School of Governance in 2007. He received a B.A. in International Relations from Lancaster University. He has worked for the Ministry of Energy of Venezuela and the Centre for International Governance Innovation in Waterloo, Canada. Currently, Mr. Capriles is working on a film project about the social dimensions of the recent oil price hike in oil-exporting countries.

The risky race

According to the aforementioned study, Latin American megacities find holistic approaches extremely difficult. Though their stakeholders would like to strengthen urban governance, the lists of tasks and the complexity of their implementation are overwhelming. Hence, stakeholders place their hopes on the expensive benefits of flagship projects, and are more likely to concentrate their efforts on infrastructure, technology and service provision to bring those projects to fruition.

But Latin American megacities are sharing ground with cities like Dubai or Qatar, whose extensions, social composition, financial backing and population size make them more able and dynamic players in the competitiveness race. On the one hand, flagship projects are necessary to promote what Mr. Torcello calls the 'city trademark'. On the other hand there is an unavoidable need to tackle the social time bombs that are gradually expanding through the cities and which may become so strong that they may hinder the effectiveness of flagship projects by the time they are completed.

Also, though originally conceptualised to bring economic prosperity and inclusion, these projects could bring the benefits of urban upgrading only to the areas where they will stand. This would only serve to reinforce what Sophie Body-Gendrot refers to as the gradual vanishing of the public space, and the further segregation that is lethal to cities.

The difficult balance

So what is the solution? Should Latin American megacities focus on flagship projects with the hope that they win their share of investment from the 'competitiveness race', and then hope that growth improves urban governance and sustainability? Should they discard flagship projects and attempt complex urban regeneration initiatives, at the risk of failure, which would make the opportunity cost of dropping out of the 'race' too great?

The easy answer is of course to call for balance. Tackle exclusion and strengthen 'city trademarks' for the coming years. But funds are limited, governing structures are weak and electoral cycles increase the chaotic clout that prevents proper urban planning and sustainable growth strategies from materialising. However, Brazil has recently launched a crucial revitalisation programme for the Cantalago shantytown in Rio de Janeiro which could signal an

Flagship projects are necessary to promote the 'city trademark'.

important example of how inclusion and global positioning can be gradually balanced. Hopefully more initiatives like these can be launched in parallel to flagship projects in the future.

Latin American megacities should continue to develop flagship projects in their aspiration to become truly global megacities, but there should be as many projects to make them inclusive megacities. Otherwise they run the risk of planning for stability with projects that may in the end contribute to unrest.

Berlin— Capital Problems?

The interview with Thilo Sarrazin *was conducted by Tanja Kuechen and Sophia Armanski in December 2007*

A city government is mainly a service provider, says Thilo Sarrazin. In this interview with Schlossplatz³, he exemplifies the case of Berlin by tracing the impact of history and globalisation on the current policy challenges for the German capital.

Schlossplatz³: What are the most important functions of urban governance in a city-state like Berlin?

Thilo Sarrazin: First of all, one has to know what a city can do and what a city cannot do. A city cannot influence global labour division or change the tax code. That is the state's business. I see a city government more as a service provider that, for example, designs infrastructure. Here you can get a lot right and a lot wrong. Good city planning is central to an appealing, diverse and functional environment. The second important area is city services: a friendly citizen's office, efficient garbage collection and a good public transportation system. Thirdly, one has to deal with the social deficits of a city. And the fourth challenge is to make the city attractive for those that you want to live there, and unattractive for those that you don't want.

So, the social structure of the population is different in cities?

One characteristic of large cities is that many social deviants can easily hide. When you live in a small town, you are under much more social control. And that causes people with deviating behaviour to go to the city. In Berlin you can escape any form of social control with a short ride on the S-Bahn.

What implications does this lack of social control have on a city government in general, and the city's financial management in particular?

You have to take appropriate countermeasures and specifically limit anonymity. That includes behaviour in public spaces, where you have to be stricter in a large city. But the situation is very complicated, because obviously in a metropolis on a larger scale you have a lower stratum of people that cannot be integrated, which can threaten the attractiveness of a city. Hamburg, as a rich city, for example, has twice the average income of Berlin, but about the same level of unemployment.

That is part of what I call lower stratum, which is not meant negatively. For the financial situation of a city, that means higher expenses per capita, which is why the German city states receive more tax revenue per capita within the federal system.

Berlin is also the capital of Germany.

Yes, but that does not cost much money or personnel. The ministries and the Bundestag have around 25,000 employees. The entire federal government with all agencies has maybe 50,000 employees. The entire working population of Berlin is 1.5 million, so the problems of the city would continue to exist with or without the presence of the government. The actual underlying problem of Berlin is an oversized infrastructure and a large population, which is the legacy of times past. The city was designed for a state that would range 500 km to the West all the way to Aachen and 500 km to the East to Königsberg. Since World War II, the eastern part is gone and all the industry has moved to the West. Objectively, Berlin has become completely functionless for its size. In this context, the status as the capital is a welcome mitigation and also a chance to win companies, associations and cultural institutions.

In an interview for the first issue of Schlossplatz³, Governing Mayor Klaus Wowereit named three major challenges that Berlin is currently facing: a mentality change in the administration with regards to dependence on subsidies; secondly, the promotion of Berlin as a multicultural city; and thirdly, creating a Corporate Identity for the city in tandem with greater self-confidence. Do you share this assessment?

The mentality change is the key challenge for Berlin. The Western part of the city always relied on being an outpost of freedom, and the Eastern part always relied on being an outpost of progress. These perceptions were supported by the two German states. That is now in the past. For me, the second main challenge is how to attract more businesses and create more jobs in Berlin. The city's identity is another issue. Identity is something you cannot administer or govern, but which needs to grow. Rothenburg ob der Tauber has an identity. A metropolis like Berlin has so many different facets that it is hard to talk about a single identity.

Another idea mentioned by Mr. Wowereit is involving and strengthening the private sector in urban governance. One example would be public-private partnerships for city support services. What do you think about these innovations?

That depends on how you approach it. The tasks and functions of cities have continuously evolved. Of course cities could use a more business-like approach, as Michael Bloomberg has shown in New York. But in my opinion public-private partnerships are overrated. There are cities that are excellently run while using traditional models of public administration. It's not a question of system, you just have to do a good job.

Moving from the internal view to the international arena: what effect does globalisation have on Berlin?

Globalisation has a large effect on Berlin, especially with regards to the international labour market. In the end, globalisation means that all transportable goods and services are no longer bound to a certain location. This is especially true for electronic services. Hence, we have a global labour market into which

> ## "In Berlin you can escape any form of social control with a short ride on the S-Bahn."

millions of people enter every year. In this international competition, German wages in the lower and middle sector have not increased in real terms in the past 20 years. Nevertheless, we still cannot compete in terms of labour costs. For example: if you buy a toaster here in Berlin for 29 Euro, the production cost in China was around 8 Euro, of which 3 Euro are wages. That means that of course there are less people manufacturing toasters in Berlin. And what do these people do? They are sitting in public housing in Neukölln and have just bought a huge television on credit, which was also made in China. Of course, they live on unemployment benefits. We will never be able to train them to be smart service providers or software engineers. Internationalisation is wonderful if you go to Oxford or Princeton, where the world's intellectual elite meets. But for the half of the population that cannot keep up intellectually, the situation looks very different. That is the Berlin microclimate of globalisation.

Dr. Thilo Sarrazin has been Berlin's Senator of Finance since 2002. Holding a PhD in Economics from Bonn University, he is recognised also to those outside his party, the Social Democrats, as an accomplished expert on public finance. While working at the Federal Ministry of Finance from 1981—1991, Thilo Sarrazin prepared the inner-German currency union in 1990.
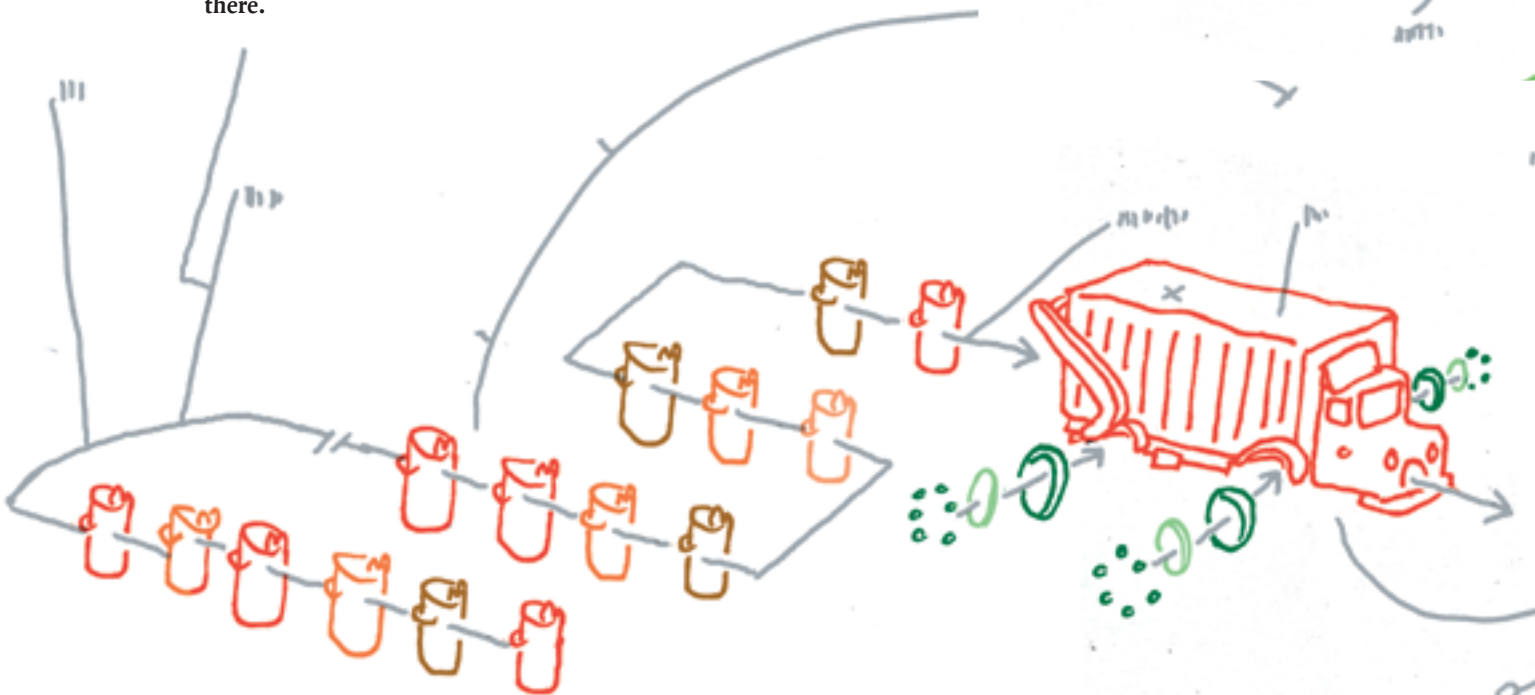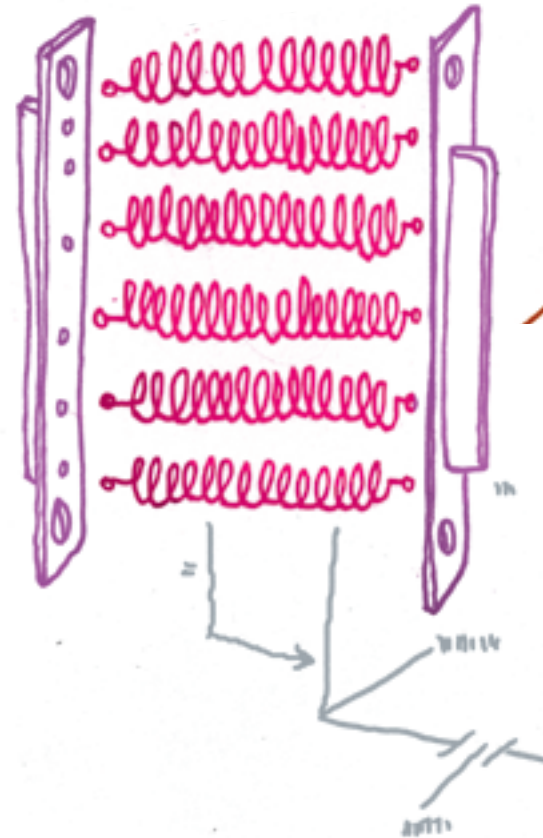
He later became State Secretary in the Ministry of Finance of Rhineland-Palatinate. From 1997—2000 he chaired the executive board of TLG Immobilien, the largest real estate company in Eastern Germany. In 2000, he moved to the Audit Division of Deutsche Bahn AG and subsequently to the board of directors of the Deutsche Bahn Netz AG.
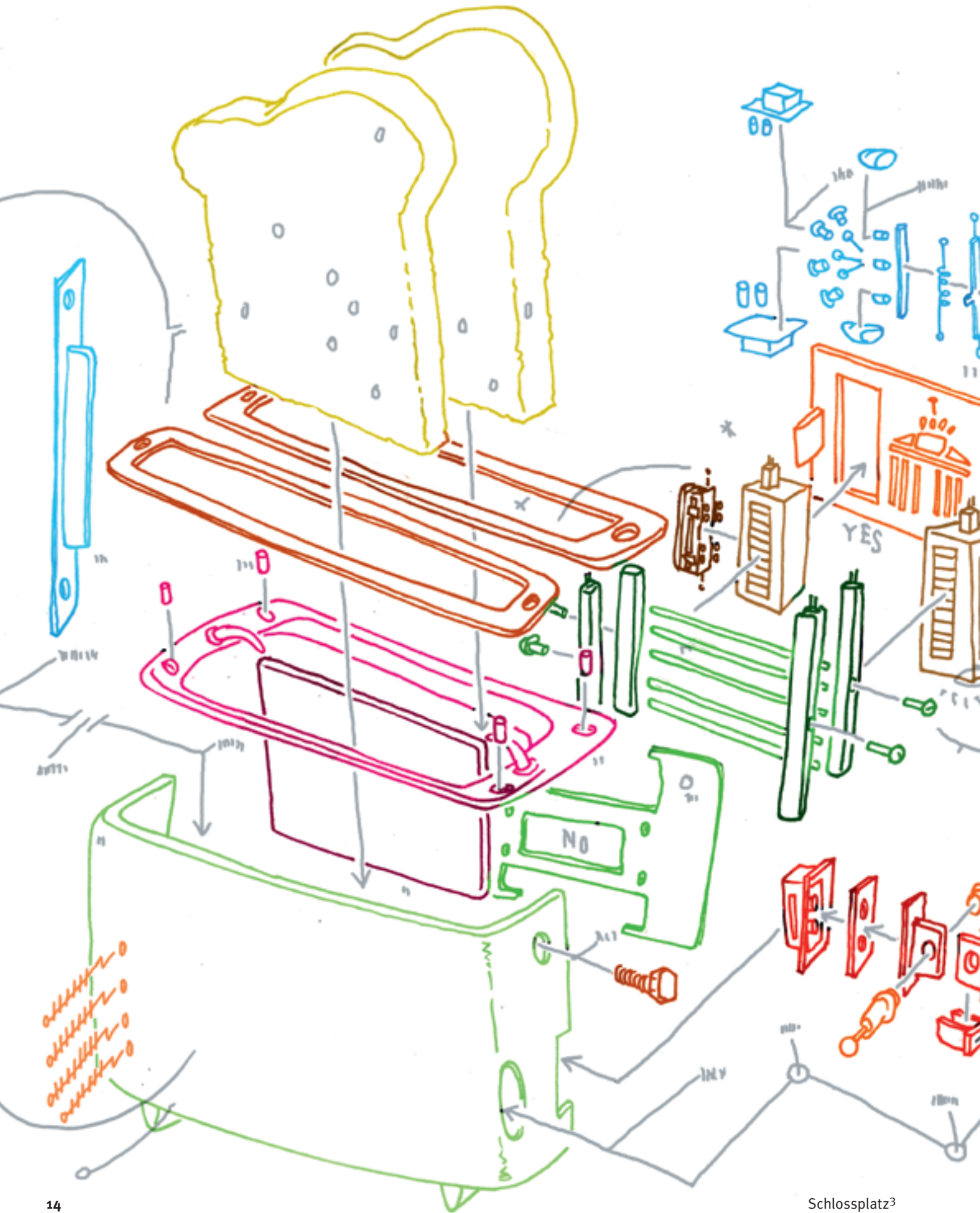
There is a very vibrant international scene in Berlin. Could that be an advantage that globalisation brings to the city?
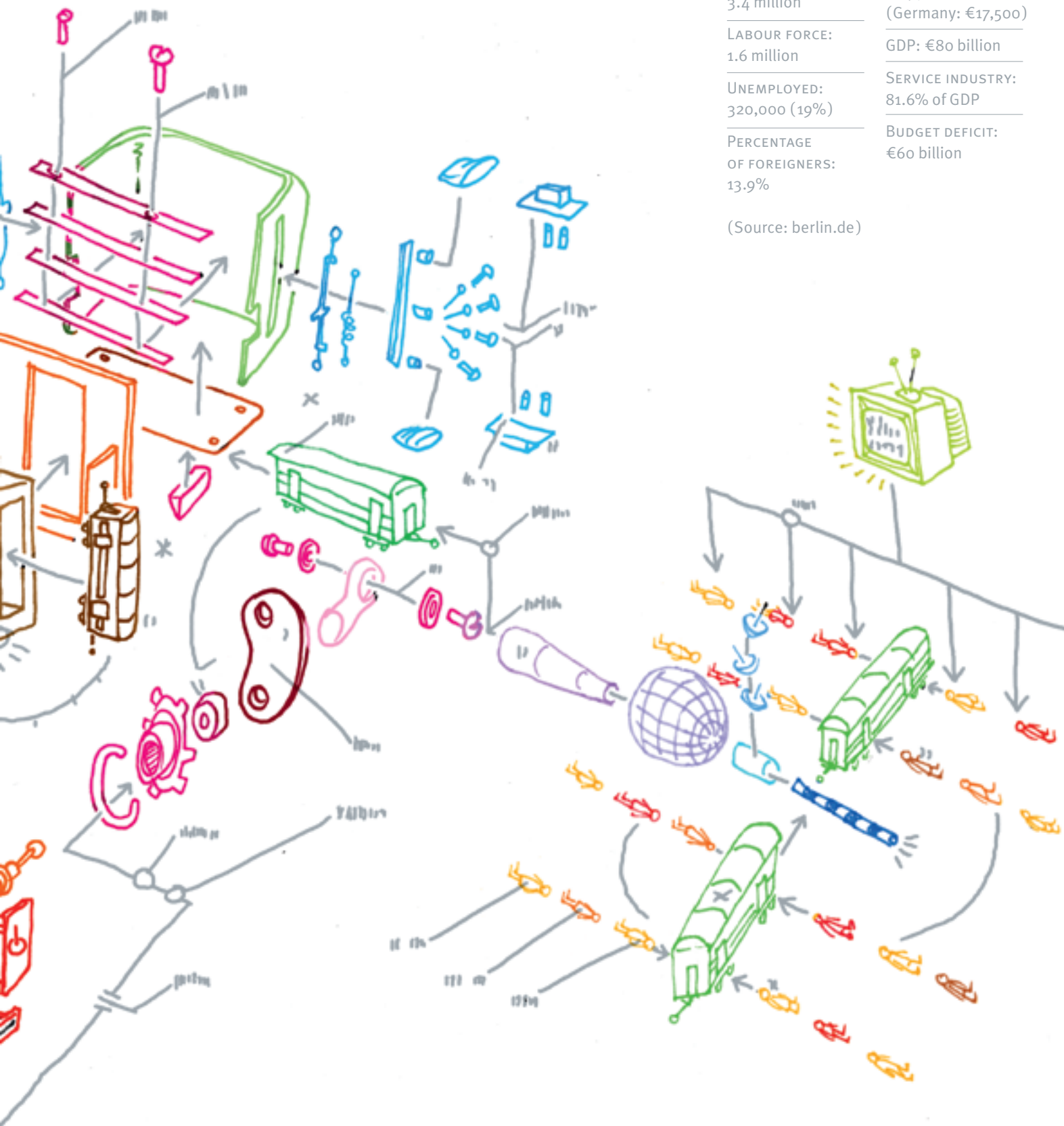
International mobility is a very different matter. France has to deal with the question of how to integrate immigrants from Africa who can neither read nor write French, into the labour market. Although we have this problem in Berlin as well, it is mainly about Eastern Europeans. But Berlin is not really an immigration city, the proportion of foreigners is higher in every West German village. For the international educated class, particularly for young Europeans and Americans, Berlin is currently very hip. But that is just a trend. In the 60s, everybody thought London was hip, and then it was New York. Recently, it was Barcelona and Prague, and now it's Berlin's turn.

If you could pick any city in the world where you could be responsible for finances, which one would it be?

London. For me, London is 'the' global city. It's hard to beat in international attractiveness—the wealthy sheikhs and Russians know what they are doing there.

YES

NO

Giving Ideas
the Needed Space

The interview with SIR PETER HALL
was conducted by Julie Ren and Hannes Kloepper in November 2007

Innovation is crucial to successful urban governance,
says Sir Peter Hall. Between the meeting of the Berlin Board
and a subsequent flight, we met the global citizen Hall
discussing city development, the role of social science, and
some promising cases of fostering creativity.

Schlossplatz3: Considering that you are currently travelling around the globe, how do European and non-European cities differ?

Sir Peter Hall: Well, firstly it's a matter of growth. The non-European world cities are growing faster, especially in Asia where some of them are just entering the ranks of world cities. European cities are much more stable, both because of demography, and in cases like London, because of physical controls on their growth. And they have different problems. On the one hand, these are problems of age. And on the other hand, sometimes there is a lack of infrastructure—especially in fast-growing cities where there is a backlog of basic transportation infrastructure. But that's a sweeping generalisation. Chinese cities are catching up rapidly. Latin American cities, I think, are not, and still have quite a serious infrastructure deficit.

The pace of development depends on pre-existing infrastructure?

Yes, if you look at European cities, most of them had quite well-developed mass-transit infrastructure by 1914. Cities in the rapidly developing world very often still do not have such an infrastructure and are just acquiring it.

In connection to your latest book "London Voices", what is the relationship between the social sciences and urban planning?

The job of the social sciences is a simple one—finding the causes of social and economic phenomena. I have always liked the motto of the LSE, "rerum cognoscere causae." It means discover the causes of things. We never get there, but in order to understand how society works, how the economy works, one has to go and probe fairly deeply into human motivations. This is the only way to find out how a great city really works. The purpose of those 130 interviews in my book "London Voices" was exactly that.

What kinds of governance lessons do you think Berlin can learn from London?

I would be hesitant to say that Berlin can learn anything from London until I know more about how Berlin works. But we certainly found that having a strong mayor, a strong executive authority, is a very powerful way of running a city. Certainly, London has shown itself a very dynamic and innovative city since Ken Livingston became mayor in 2000, particularly in elements like the congestion charge and having much more strategic planning policy.

How can we encourage "innovation"?

It is a very difficult business indeed, because you can't simply do this by order. I've come to the conclusion that perhaps there are two answers that come out of the history of innovation in Silicon Valley. Answer number one is to encourage one or more large research centres or research and development centres in these new areas which are not themselves profit making. They cause people to say, "I can make money out of this" and leave the research centre and start their business.

What would be an example?

A remarkable research organisation called Xerox PARC started by the Xerox Corporation, which literally refused to commercialise anything and caused people inside to be so frustrated they left. Two of those were the people who founded Adobe for instance. They really invented the Adobe software inside that research part, but they commercialised it outside.

And the second answer?

The other answer is to create a variety of universities and colleges with a particular stress on creativity and creative solutions. These can vary from technological universities similar to the TU Berlin through to art schools and art colleges. You certainly need several of these. But you have to encourage their professors and their rectors to really encourage creative research

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From 1991—1994 he was
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Planning to the Secretary
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Minister's Urban Task Force
(1998—1999) and is president
of the Town and Country
Planning Association.

and development. A model for that, which is an interesting one I have seen, is the Royal College of Art in London. They have always stressed the Bauhaus style, which is like the Bauhaus here in the 1920s: design for use. They are very problem-oriented. They say, "Here is a problem, how do we solve it?" Whether it is a transportation problem, or packaging problem or manufacturing problem. I think the Bauhaus approach really is one that is to be explored.

Down in Spain, in Tarragona next year they are going to open a new college, which I think they are going to call (because that was our suggestion) "Digital Bauhaus" because it will encourage innovation in all different ways. On the lower floor, they are going to encourage people to come in off the street and say "If you have got an idea, play around with it." Whereas on the upper floors it is going to be more formal, more higher education courses like a university. I find that a very exciting concept. So those are some of the ways you could do it.

Those sound very exciting, but behind all of those ideas, establishing these kinds of institutions, there also needs to be some investment from somewhere. In the case of Berlin, of course, you know this is a slight problem—

Yes [laughs], there's not much money.

What do you think the role could be of the rest of Germany or of other actors in terms of investing in Berlin? Or who should fund this?

I speak from ignorance here, because I am well aware that a great deal of this policy in Germany is in the hands of the Laender. Speaking from the British standpoint, I would say the government should do something about it. In this country, the government does not do anything because they say it is in the

If you look for innovation
look at the history of Silicon Valley.

hand of the Länder. This brings us straight back to Berlin, which has not got the resources. So how the federal government could manage this in the context of a federal organisation, I don't have an easy answer to this, and would have to pass the challenge back. [laughs]

PPPs in City Governance: A Partnership for Efficieny?

The interview with Christoph Baron *and* Jobst Fiedler
*was conducted by Tanja Kuechen, Tim Nover and Shaughn McArthur
in December 2007.*

Can public-private partnerships (PPPs) make municipal government more efficient? Or do cities give up money and decision-making power by handing over key functions of the state under complex legal arrangement? Jobst Fiedler and Christoph Baron discuss the pros and cons of PPPs in Germany.

Schlossplatz³: What is your professional background with regards to public private partnerships? What projects have you worked on and what were your experiences?

Christoph Baron: I first started working on PPPs in the 1990s. I was writing my PhD about the applicability of PPPs for IT services. Our experience was that processes in the private sector are very similar to those in the public sector, at least in areas outside the "core business" of the state, like police and security. Before joining Arvato, I worked for Accenture. I was responsible for the implementation of the shared services organisation for the state of Hesse including functions like accounting, controlling, and financial accounting.

Jobst Fiedler: When I was Executive Mayor of Hanover, there were several variations of ways in which public-private joint action were applicable. One big project

was the world EXPO 2000, which was public-private; but there were also other areas like the telecom services of city government. I got a clear picture that, to strengthen the core of city government's business, it is good to rethink all kinds of support services, whether they really have to be done in the aggregate status of public administration.

In fact, there is a lot of inefficiency in the public sector: there is no competition, no knowledge of similar business processes in the private sector; and you have the inefficiency of the personnel law, which does not allow for sufficient incentives. There is a clear distinction between strategic core services, where decisions are necessary and for which you are

publicly accountable, and support services like travel management, billing, salaries, logistics, and IT.

But the field is even larger. As mayor, you have a large number of fields where city policy, especially city development, can only be promoted by close cooperation with the private sector. You need their intelligence, their networks, and partly their financial engagement. Of course, you always talk to private sector people, and you get suggestions, but you need to apply them in a working structure. City marketing, for example, is hugely organised public-privately.

"City government has to develop the capability to contract smartly."

Accountability is one of the first things that comes to people's minds when they think of PPPs. How do PPPs affect transparency and accountability in municipal government, and how is it factored into the PPP contract?

Fiedler: The first issue is: how well is accountability secured under a purely public regime? Unless you specify goals and monitor them, a mayor does not have real knowledge on how good services in a respective field are. The status quo ante in the purely public realm is that you do not know enough. So you need some contractual and monitoring devices to achieve accountability—which is not common yet, especially in Germany.

You first have to establish this contracting for certain standards of service and improvement in a non-binding internal contract, and then you can more easily take the second step, which is bringing in the private sector. This of course adds an additional challenge, because you have to secure for the fact that the innovators and entrepreneurs of this world want to maximise their own interest, which is not only their reputation, but also profit. City government has to develop the capability to contract smartly. You have to secure yourself so that the smartness of the private sector does not override you.

Baron: The first step of every cooperation with public administration is to create the transparency which German administrations in most cases do not have, and to figure out how they actually work. You have to document the actual processes and organisations: how many people work on a given process and how many minutes they need for every transaction. This is nothing that you need a PPP for, but it is useful for administrations to see how they work, what the inputs are and the outcome is.

The next step is—and this is our business—to define alternatives. These alternatives can be shared services or other organisational models within the administration, but there is also the option to work with a private partner. The private partner is responsible on the operational level—not on the strategic level. Under the baseline you have the business figures to compare what you have to do in the process and what you can get out of the process.

Unfortunately for administration and officials in Germany, the business case is not as important as the political thinking about the next election.

JOBST FIEDLER is Associate Dean and Professor of Public Management at the Hertie School of Governance. After studies in Law, Economics, and Political Science and obtaining a PhD from the University of Hanover, Dr. Fiedler joined the government of the city of Hamburg. From 1990 until 1996, he served as Executive Mayor of the city of Hanover until he joined Roland Berger Strategy Consultants as managing partner. In 2005, Dr. Fiedler became the Associate Dean of the Hertie School of Governance.

CHRISTOPH BARON is Chairman of Arvato Government Services, a subsidiary of Bertelsmann AG. Dr. Baron studied Business Administration at the TU Berlin, where he completed his PhD in 1996. His professional career began as a consultant for call centre applications at Siemens. In 1998, Dr. Baron joined Accenture, where he worked as consultant on public sector projects.

Given the reluctance from the public sector, the legal difficulties and the complicated contracting, how can PPP contracts be flexible arrangements and at the same time offer enough rigidity so they are matching their obligations? How can cities make the transition back to the original way of doing business if the PPP fails or the contract runs out?

Baron: I hear that the contract between SIEMENS/IBM and the Ministry of Defense for the Herkules project has 18,000 pages. The ten-year contract we signed with the city of Würzburg to manage the citizen portal has 60 pages. We agreed that we can change the contract if both sides agree, because the status quo can change if the tasks of administration change or if there is some innovation in IT. It is a partnership to develop something and where we share the benefits of improvement. This is the core value of the contract.

When we do something together, it must be a win-win situation. We do not have to define everything up front, but we have to define how we want to work together.

Fiedler: Trust is another very important point. You cannot solve problems by 18,000 pages alone. Benefit-sharing is a wise approach, but you certainly have to negotiate in order to find the win-win situation. You also need a win-win partition of risks along the life-cycle of the project.

> "The private partner is responsible on the operational level—not on the strategic level."

What are the obstacles facing PPPs in Germany and how does the British case differ? What still needs to be overcome?

Baron: You do not find flowers in the desert. Germany is not a desert for PPPs, but there are some big differences. First, you have to pay value added tax if you run a business for public administration. Great Britain and other countries have a VAT refund system. Here in Germany, the Finance ministry is opposed to this because they find that it does not comply with German tax law. This is a big issue for service providers like us.

The next difference is deficit spending. German cities can get away with big deficit spending and do not have to think about alternatives which may be cheaper or better. The other problem is transferring the personnel. German employees believe that the work place in public administration is much better than any job in private industry. I do not know why people think that.

Fiedler: British cities have much less possibility to escape into running deficits. They are under more direct pressure from the national level. What we need in Germany is debate in which citizens do not take the state for granted and only ask about its legal accountability, but really ask: Do we get enough value for money? That is the basic short formula in the British debate. This means that there should be a more direct link between what a citizen and tax payer gets in return for the public contributions and taxes he pays.

Civil society should pressure the public sector according to value for money. It is not just about pure saving, but we also need extra expenditure, in child care, in universities, and future-oriented fields.

So why don't we manage all kinds of routine services as efficiently as we can in order to put our resources in areas where we are deficient? If you want a responsible public sector which is able to deliver on future issues you can combine that with the strategy: "We pressure for value for money."

There are a lot of political considerations preventing that, and I would hope for a decade of debate on value for money in order to invest in other public goods. Striving for efficiency is not about weakening the public sector. On the contrary: I want to strengthen the public sector in the right fields.

"Citizens have to ask: Do we get enough value for our tax money?"

Under the impact of globalisation, Ulaanbaatar, the capital of Mongolia, is undergoing a fundamental socio-economic transition. The traditional nomadic lifestyle of the population is being eroded by rapid and uncontrolled urbanisation. Thomas Taraschewski examines how this creates patterns of social segregation in the former socialist city.

Ulaanbaatar: A City in Transition

by Thomas Taraschewski

For the first time in human history, urban population outnumbers rural population. Urbanisation and urban development have become key words, not only in international development debates. Especially in the periphery, urban growth rates are immense, creating new challenges for national and municipal governments alike. In developing countries, recent urban development processes have led to hyper-urbanisation, widespread urban poverty, the marginalisation of parts of the population, infrastructural overload, and challenging urban hygiene situations.

Nearly two decades after the collapse of the socialist system, Mongolia is undergoing a deep political, economic and social transformation. The impact of globalisation and the national transformation of existing societal and, consequently, spatial structures has been enormous. The result is the emergence of sharply demarcated social strata within Mongolian society.

The consequences of these changes can be observed most clearly in the capital city, Ulaanbaatar—a city in transition. Obsolete urban structures have changed significantly during the last decade. Today, Ulaanbaatar shows patterns of a spatial and socioeconomic fragmentation; socioeconomic disparities have increased.

Entering the global age

Urbanisation is a comparatively new phenomenon in Mongolia, a country with a history of nomadic life. Soviet political and economic influence was the main factor for urban take-off in the late 1930s. The country became an important source of natural resources and livestock products for the former USSR, which tried to expand and secure its influence in the region. With the development of industry and infrastructure, workers were needed and huge segments of the nomadic population were forced to settle down permanently. Until the late 1980s spatial mobility was controlled by the soviet-influenced Mongolian central government.

With the beginning of the political transformation, the adoption of a democratic political system and the emergence of a market economy, the government has withdrawn from migration regulation and thus ultimately opened the door for a massive, uncontrolled, and uncoordinated flow of population into the capital. This can be attributed not only to existing huge regional disparities, but also to the inadequate infrastructure and lack of non-pastoral earning opportunities in these regions. The bleak economic and social perspectives in the rural regions and the country's urban periphery, as well as the increasingly normative status of urban life and existing social networks, have a deep impact on the migrants' decision-making. More than ever, mobility and migration have become

The rate of migration to Ulaanbaatar has increased dramatically.

strategies for survival. For many people from the rural or urban periphery, migration to Ulaanbaatar is synonymous with enhanced chances for earning, improved living conditions, and access to healthcare and education. The rate of migration to Ulaanbaatar has increased dramatically since 2000, especially after many mobile livestock keepers lost their animals and source of income to a series of natural disasters, including droughts and extremely harsh winters.

Comparison of Fragmented Living Realities in Ulaanbaatar

Picture 1:
Ger-settlement at the northern
outskirts of Ulaanbaatar

Picture 2:
Gated community in southern
Ulaanbaatar

Picture 3:
View from northern ger-
settlement area towards the
socialist style city core area

Picture 4:
Socialist style core area

Thomas Taraschewski holds a PhD from Humboldt University. He studied geography, sociology and agronomy at HU Berlin, FU Berlin and in Bogota. Since 2006 he has been working on a programme for urban development for the "Gesellschaft für Technische Zusammenarbeit" (GTZ) in Nepal. For 1½ years he worked with the Centre for Development Research at the National University in Mongolia.

About one third of Mongolia's population currently live as mobile livestock keepers. But urbanisation rates are high. Ulaanbaatar's population, estimated at 1.2 million, has almost doubled within the last eight years. Today, about 45% of the national population live in the capital city. The demographic, economic, and functional primacy of Ulaanbaatar is enormous, and the national urban hierarchy highly centralised. The capital produces almost half of the country's GDP.

Settling in the outskirts

The majority of the new immigrants have settled in Ulaanbaatar's outskirts, in so-called ger-settlements, where most of the inhabitants live permanently in yurts or simple wooden or brick houses. These areas, comprising about two thirds of the capital's inhabitants, face an ongoing process of marginalisation and segregation. They are characterised by increasing urban poverty, lacking infrastructure, less access to education and the labour market, lower income and unemployment, and increasingly limited chances of political participation.

Disparities in income levels and living conditions between residents of apartment districts and yurt settlements are growing. Although unwelcome under socialism, ger-settlements were until relatively recently a "normal" element in Mongolian cities—a structural expression of the permanent settlement of a formerly mobile population. Nowadays, a dangerous process of socio-economic marginalisation has started, which usually precedes infrastructural degradation. This is obvious, for example, in the number of unpaved or inexistent thoroughfares, the lack of street lighting and drains, and above all, in the completely inadequate water supply in many ger-settlement neighbourhoods.

These internal urban patterns, especially the increasingly sharp contrast between the city's main settlement types, the apartment areas and the ger-settlements, can be interpreted as a structural manifestation of ongoing socio-spatial transformation and segregation processes in Ulaanbaatar.

Quantity and quality of participation and benefit from development related to both the national transformation and globalisation processes vary widely. While a comparatively small elite benefits from the positive effects of these changes, the majority of the capital's population remains disconnected from progress and development.

A mirror of history

Today, Ulaanbaatar incorporates physical and structural elements from its many different development phases: a few traditional buildings and temples of the pre-socialist era and revitalised Buddhism, socialist monuments, administrative buildings and

Socialist uniformity is slowly taken over by urban patchwork.

wide streets for holding manifestations. Informal ger-settlements sit side by side with gated communities, suburban islands of wealth, as well as formal and informal service and trade facilities. Although socialist uniformity still dominates the city's physical and structural appearance, it develops into an urban patchwork.

The socialist paradigm of equality is long forgotten. Recent internal social, socioeconomic and structural disparities are reflecting a new development reality, and societal fragmentation is producing corresponding structures throughout all spatial categories of Ulaanbaatar at the beginning of the 21st century.

Using fieldwork to influence urban planning decisions
in Berlin can enrich policy and empower local communities.
While popular with many young people, youth centres
in immigrant areas of Berlin have faced criticism for fostering
segregation. Julie Ren's research reveals valuable and
surprising insights from the centres' immigrant youth.

Youth Centres in Immigrant Neighbourhoods: A Case Study

by Julie Ren

Many scholars have pointed to a severe lack of ethnographic voice in urban planning literature. They argue that neglecting stakeholders can further exacerbate pre-existing urban tensions. More than 150 hours of participant observation in Berlin's youth centres have led me to believe that field research is not only conceptually enriching, but also a useful tool for decision-makers.

For four months, I regularly frequented Idil, an all-female youth centre for participant-observations and interviews. Idil is located in the Berlin district of Neukölln, an area that enjoyed particularly harsh media scrutiny after the Rütli School crisis in 2006. The vocational high school teachers proclaimed they no longer felt safe working in their school where more than 80% had a "non-German background"; the school is located minutes from Idil.
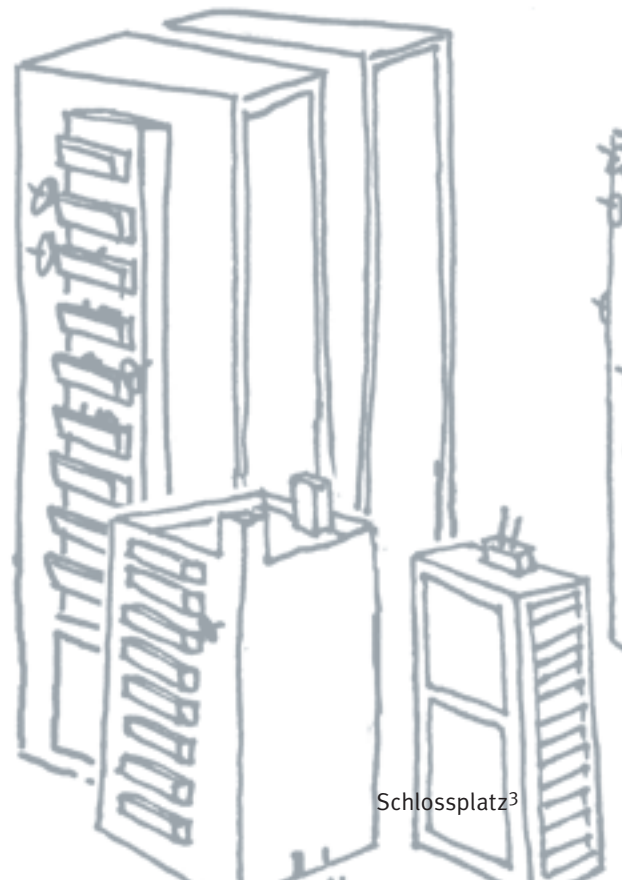
Providing space

Idil is a small space, located on a residential street where there are no businesses. Fliers adorn a large window front and a modest sign hangs above the door. Unless one is standing directly in front of the building, it is easy to miss the place. Inside, the living room is crowded with couches; photographs decorate the walls along with a large birthday calendar and festive string lights. Further inside, girls chatted on the computers, played on the kicker table or cooked in the kitchen. They used the space much like a private apartment, with the social workers providing guidance when necessary.

Idil had "open door" three times a week where a core group of 6-10 girls ranging from the ages of 15-18 came to hang out. The girls came from different, mostly "non-German" ethnic backgrounds, although most had been raised in the neighbourhood and all of them lived within a short walking distance. Often, girls outside of the regular group would come during open door times. There was no registration required, and girls came on a strictly voluntary basis.

The youth created a community where different cultural experiences were accepted.

Perhaps as a result of the amount of time I spent at Idil, or perhaps because I was a foreigner to the community and seemed to have less preconceived ideas of who they were, I found that the youth presented me with a contentious perspective on their lives and on the youth centre. As opposed to their responses to interviews conducted with other visitors (I witnessed interviews with a town hall sociologist, local university students and a journalist), I did not receive the popular narrative of "devoutly religious, family-oriented girls who lived in a dangerous neighbourhood and were prone to violence." I was first surprised, then amused by the effortless generalisations these visitors made of immigrant culture. It hardly resembled the day-to-day realities that they discussed with me.

At Idil, the youth created a community where different cultural experiences were accepted and failures in school were openly discussed. The centre provided the opportunity for the girls to vent about everything from xenophobic discrimination to complicated welfare applications to boys; it was a place to subvert stereotypes—to simultaneously recognise and reject them:

> **Girl 1** (15, Albanian background):
> Didn't your sister just have a baby?
> **Girl 2** (17, Iranian background):
> She just had another one. One after the other! *All laugh*
> **Girl 3** (17, Turkish background): Arabs!
> **Girl 2** *threatens a fake punch*
> **Girl 3** Kidding! *Puts arm around shoulder.*

While aggressive in their humour, sympathetic intentions were clear. The depth of the peer integration—in terms of shared jokes, mixed languages, food and music were unmistakably intercultural. Moreover, it was a community where girls had to take on roles as leaders and organizers. They determined the activities, shared cleaning responsibilities and they functionally defined the mission of the youth centre.

Rules do not fit the needs

At the same time, I found that the external decision-making process affecting the funding and programming of the youth centre reflected a clear disregard for the girls. For example, the district decided to restrict the age limit to 18. Many of the girls would soon be unable to use the centre. Even though they took care of the centre, it was evident that it did not ultimately belong to them, nor did their preferences affect the direction of the youth centre. In response to the district, the staff decided to draw a new concept for the

JULIE REN is a Master of Public Policy student at the Hertie School of Governance. She conducted her Berlin youth centre research as a Fulbright Fellow from 2005—2006 to expand on questions raised in her Honours Thesis written at Wesleyan University. The results were presented at the International Conference for Community Psychology at the University of Puerto Rico in 2006. Ren is writing her Master's thesis about social entrepreneurship in partnership with the Social City Division of the Senatsverwaltung für Stadtentwicklung Berlin.

A place to simultaneously recognise and reject stereotypes.

centre, focusing on even younger girls. The new concept was also drawn without the input from the youth centre girls, which underscores their lack of influence on the future direction of the space.

Upon hearing the decision, most of the girls I met gave up on Idil. Even though the rule was not yet implemented, and even though many of the girls were not yet 18, they decided that they no longer wanted to come to a space where their opinions were of so little consequence. The key local residents were thus estranged from the one public institution where they could engage with different cultural groups, seek help with school work and table welfare questions.

While youth centres promote intercultural exchange and empower young people to consciously subvert negative stereotypes, the ultimate disregard for youth input in decision-making depletes the value such institutions may have. If decisions about youth centres continue to be made without the stakeholders, it would indeed heighten the alienation of the immigrant youth.

The youth centre name was changed for anonymity.
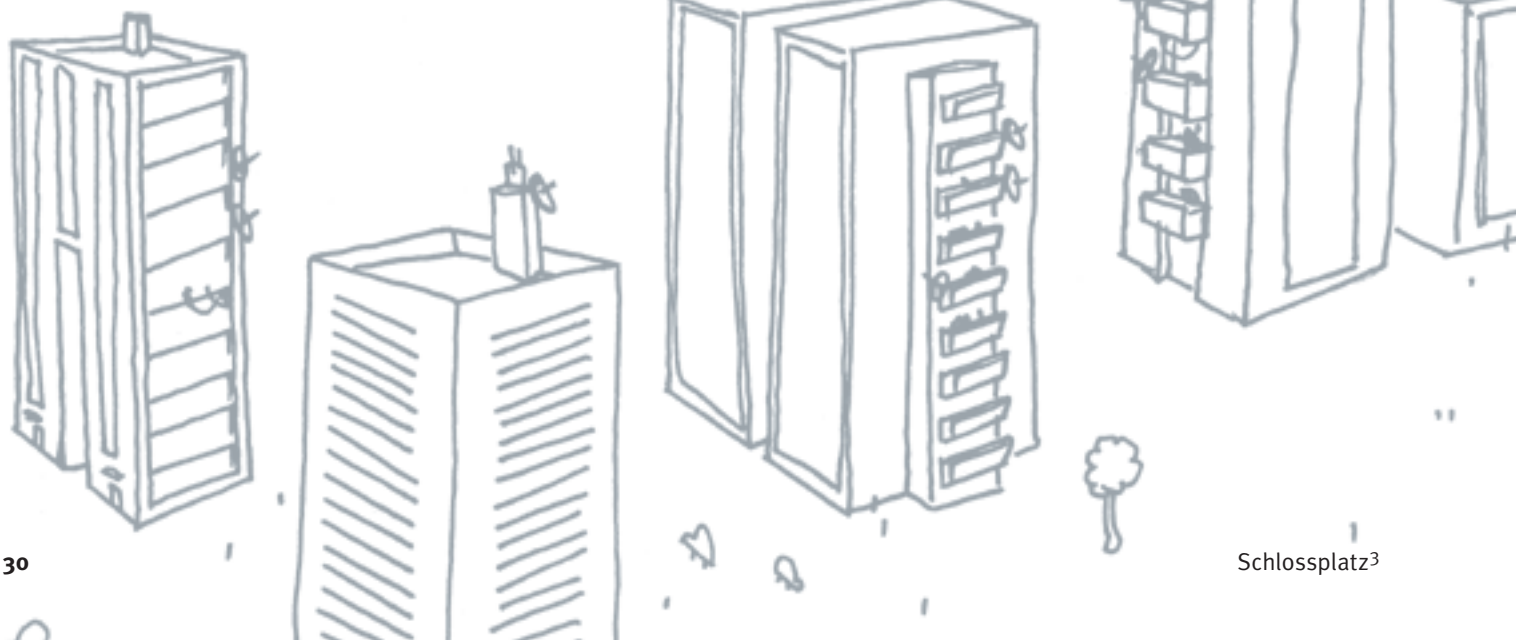
For centuries people have been concentrated in cities and lived in interdependence, says Benjamin Barber. Lecturing a seminar on "Philosophical Foundations of Public Policy" at the Hertie School of Governance, Barber inspired Schlossplatz³ to go beyond everyday policy approaches.

Living Interdependence

The interview with Benjamin Barber *was conducted by Johannes Staemmler and Simon Bruhn in October 2007.*

What is your favourite city at the moment? And why?

As a New Yorker "born and raised" New York remains my favourite city. Besides, it would disown me if I expressed primary affection for another town. But among the cities that are not New York, Berlin currently has overtaken Paris, London and Zurich as my favourite city. It is edgy, culturally attuned, and a little bit rebellious. The spirit of Brecht's Three Penny Opera, just done in a brilliant production by Robert Wilson at the Berliner Ensemble, still holds a piece of Berlin's soul. It is also poor and oddly marginalised (despite being the German capital city); perhaps, ironically, because it is shunned by finance capital, which has migrated to Frankfurt, Munich, Hamburg and other "worthier" German cities. This is another reason to adore Berlin.

What are some of the places you enjoy the most?

Well, there is Prenzlauer Berg and Mitte, if not Charlottenburg and Wannsee. Then there is the Paris Bar on Kantstrasse—Kant would have protested—and the new Radialsystem V arts centre down on the Spree; and the ever seedy, grungy and great Tacheles high-rise art slum on Oranienburger Strasse. So yes, Berlin!

What is your project, "Interdependence Day" about?

Interdependence Day, which we have celebrated annually for the last five years, immediately following the anniversary of 9/11, is intended as a day of reflection and hard work to find forms of constructive interdependence to deal with all the brute facts of "malevolent interdependence" represented by terrorism, global warming, international crime, global disease, predatory markets in labour and finance, weapons of mass destruction and all the other forces rendering traditional sovereign states powerless.

How far is that embedded in cities?

We have met to celebrate in a series of global cities. First, in Philadelphia, the home of the old idea of independence. Then in Rome, with the support of Pope John Paul II as well as Romano Prodi. In Paris at the Opéra Bastille, celebrating the global arts culture. In Casablanca, facing the problem of religious sectarianism and schism. And this last September we met in Mexico City.

What is next?

On September 12, 2008, our sixth Interdependence Day, we will meet in Brussels—both the capital of Europe and the capital of a bi-national state in danger of disintegration! Oh, the challenges of interdependence!

What is the impact of global cities on the globalisation discourse?

Interdependence is hard for nations, wrapped up in their sovereignty. And it is challenging for subnational tribes and clans and religious and ethnic groups, isolated by their solidarity. But cities are by nature cosmopolitan and multicultural, peopled by refugees from somewhere else—the land (e.g., "la France profonde"), small towns, other countries trapped in oppression. So cities are inherently transnational and better able to understand the meaning of interdependence. The global city is an example of interdependence. Even its economy is built around trade and communications and culture, all of which penetrate national frontiers and transcend national boundaries. How different are France, Japan, Morocco, Mexico and the USA from one another. Yet how similar are Paris, Tokyo, Casablanca, Mexico City and New York!

Is there anything in particular about the ascent of cities that is different from the ways that countries have been developing?

Cities are founded to help unite countries around rivers and trade routes. They are natural connectors. In the modern world they have become global connectors; home to illegal and legal immigrants; a place for artists from all over; a sanctuary for people who feel "different"—gays or transsexuals or the marginalised and voiceless. This makes them natural weavers of interdependence.

So, cities serve these days as primary spaces for social communities?

Cities are both intense and dense communities where you are forced to live with strangers—the very defi-

"Cities are inherently transnational and better able to understand the meaning of interdepence."

nition of democracy. It's easy to live with people like yourself, you don't need a politics of conflict adjudication to do that. It is life with strangers that is tough. Yet at the same time, cities are anonymous collectivities where you can be yourself—whoever you are. They have always attracted those in search of anonymity, whether criminals, cranks, geniuses or solitaries. No wonder artists and anarchists love them. But so do urban planners and democrats like Walt Whitman who sings his "Song of Cities" and sees in the city's chaos and noise the essence of its liberty.

Coming to a close, "Living in a city means…"

…being alone and never being lonely—or lonely, but never alone; being trapped in utter anonymity and

Benjamin R. Barber is the Gershon and Carol Kekst Professor of Civil Society and Distinguished University Professor at the University of Maryland. He holds a degree from LSE, and an M.A. and PhD from Harvard University.

being free because of it; never sleeping because cities don't sleep the way the rural earth sleeps, yet always dreaming when wide awake, because cities invoke dreaming and demand that we become dreamers to survive the paralyzing ordinariness of urban life; being creative, not necessarily as an artist, but in figuring out how to survive; being human because we are social animals and find our individual distinctiveness through living in communities; being alive— for, paradox of paradox, the artificial and manmade cityscape seems more alive than nature's living earth (even though we know it's not true!).

For more on Interdependence Day see the website www.civworld.org

"…being alone
and never being lonely…"

The article by HSoG alumni Kaija Landsberg and Caspar von Schoeler reflects on the effect socio-economically homogenised city quarters have on the quality of schools and educational achievement. It maps the German experience against the US and UK, where successful initiatives to address educational inequalities are already in place.

Breaking the Cycle: Inner-city Education

by Kaija Landsberg *and* Caspar von Schoeler

"The city becomes educating from the needs [sic] to educate, to learn, to teach, to know, to create, to imagine... While educating, the city also is educated. Much of its task as educator is connected to our political stand, and obviously to how we exercise the power in the city and the dream and utopia that impermeate our politics in the service of what and whom we render it—the politics of public expenditure, the cultural and educational politics, the politics of health, transport and leisure."

Paulo Freire: Second International Congress of Educating Cities, Gothenburg, 25–27 November 1992

The development of German cities in the 21st century is marked by an increasing homogenisation of city quarters along socio-economic lines. The result is an almost visible partitioning of cities into quarters with predominantly rich, and others with primarily poor citizens.

The correlation between weak socioeconomic background, inadequate educational chances and poor achievement in later life is a social reality. Youth attending inner-city schools are almost predetermined to be low-achievers thereafter—a cycle that is barely ever broken. In several international and national studies (PISA, PIRLS, Muñoz Report, Bildungsbericht der Bundesregierung), the German school system has been found to be one of the most unjust in terms of fostering upward social mobility. The likeliness of a youngster ending up in the lowest of the three branches of the school system, the Hauptschule, is almost three times as high where parents have a migrant or weak socioeconomic background—irrespective of the actual knowledge or proficiency of the child. These studies found that the chances of a professor's child going on to university are three times higher than those of a construction worker's, because neither the teachers nor the parents trust in the learning abilities of the child.

Kaija Landsberg and Caspar von Schoeler studied Public Policy at the Hertie School of Governance and graduated in 2007. Kaija Landsberg is the Managing Director of Teach First Deutschland. Caspar von Schoeler is responsible for coordinating Government Relations at Teach First Deutschland.

With the homogenisation of urban reality and the segregation of populations into those that have (education and money) and those that do not, inner-city schools face a similar reality. The result is a concentration of schoolchildren at inner-city schools who oftentimes know that they have almost no prospect of social advancement. This problem has been widely reported in the German media, variously described as "Rütli-Skandal", "PISA-Schock" and "UN-Schelte".

These children grow up in quarters that might not be particularly supportive of educational achievement, neighborhoods where people are confronted with difficulties stemming from cultural and linguistic diversity, joblessness, and low prospects in life. Looking at the environment, the necessity to invest in these children and their education is obvious. Helping them to gain a positive attitude and presenting them with positive role models becomes ever more important. How can this be done?

Civil effort for education
Many teachers already work overtime to help their students—but more effort is needed. Looking at the US and the UK, two model organisations capture our attention—Teach For America and Teach First. Both have the fight against the educational achievement gap on their agenda and both raise the support of vast parts of society to reach that goal. Top graduates of the leading universities are being trained to teach for two years in schools in the most challenging areas of the cities; corporations are supporting the organisations and are profiting by recruiting the programme participants, the government is paying the salary of the teachers, foundations and philanthropists sponsor these organisations.

What have these broad-based coalitions achieved? In the short term schools are being strengthened by the engagement of the talented and highly motivated graduates, who help the children invest in their own education. In the long term the programme participants, inspired by their two year commitment, continue to work towards the achievement of educational equality from all societal spheres—the education system, the corporate world, politics, or civil society. Teach First Deutschland is working to implement

It is time to fight for social mobility.

the same model in Germany. Isidre Molas wrote that the city is the "primary setting for social life and [...] for solidarity". We believe that it is time for solidarity; it is time to break the cycle and fight the lack of upward social mobility in many inner-city quarters of Germany.

For more information see:
www.teachfirst.de
www.teachforamerica.org
www.teachfirst.org.uk

Alumni³

The first cohort of students has graduated from the Hertie School of Governance. Three former students give insights into their life after leaving Berlin to Schlossplatz³.

Verena Mauch
vmauch@yahoo.de

Where are you working, what are you doing in your new job and how do you like it?

I am working for KNCV Tuberculosis Foundation, an NGO located in The Hague, Netherlands, as a junior Tuberculosis Consultant. I am learning on the job for 1 ½ years by accompanying and learning from Senior consultants on their missions, attending courses and taking over small projects on my own. After this, I will have to stand on my own feet, advising national tuberculosis programmes (NTP) in one or two countries. Simply speaking, an NTP guides, manages, implements and monitors a country's Tuberculosis programme. Senior KNCV consultants advise 2—3 countries, visiting each of them twice a year for 10 days for routine monitoring. About half of that time is spent in the field, seeing how things are going in the periphery. My first trip started four days after my first day on the job in August. I accompanied one of my two mentors to Kenya. After a couple days in Nairobi, we headed off to Nyanza and Western Province, close to Lake Victoria. We visited tiny health facilities and larger hospitals, some of them built long ago by the British. Needless to say, this is a very interesting, rewarding and exciting job; in fact, it was number one on my wish-list. Being female, young, and a fairly inexperienced non-medic among predominantly male, older, very experienced (and very tall) doctors, also makes it a tough job. We are about 75 people at KNCV, among them 20 consultants active in 43 countries. Most of my colleagues are Dutch, so I am learning Dutch as well. It turns out that the organisation is really my cup of tea. People are friendly, relaxed, professional, hard-working, engaged, and their work is close to their heart.

How is the housing situation in The Hague?

I found a nice apartment, about 2/3 the size of my Berlin apartment but twice the price. Thank god my salary is not at Berlin levels. I miss my spacious, typical Berlin-like apartment, but my typical Dutch apartment also has its advantages: the kitchen sink isn't clogged, the fridge isn't leaking, the floors aren't squeaking, and people don't burn cars outside.

Which subject at the HSoG is most relevant to your work and how?

One of the reasons KNCV employed me is that I have a different background from most other Hertie students. This has advantages and disadvantages. On one hand, I can really use micro- and macroeconomics for my project; I can understand the challenges of TB programmes in the wider political and economic context and I explain to my Dutch colleagues what Dutch Disease is. On the other hand, public policy is such a broad term that expectations about my competencies can be high. As we all know, some problems are very difficult to solve, such as making the semi-autonomous periphery accept central policies.

What's the job you'd love to have in 15 years?

I concentrate so much on what I need to learn right now that I can't even think three years ahead, let alone 15. In the very long-run I could imagine working for a hub closely linking the health and political spheres of development.

Shirley Henderson
hendersons@who.int

I started as a Technical Officer at the World Health Organisation headquarters in Geneva. The pace of the semesters at Hertie School of Governance, juggling various demands and deadlines, is something I now happily do for real. Of course, the surrounding experience is very different in Geneva: instead of looking out over Berlin's Schlossplatz, I get to admire Swiss Mountains; instead of sitting in Honecker's diplomats' lounge with 10 other students, I share an open space office with 10 colleagues. However, old habits die hard—as a result of going for daily coffee at 3 p.m. with John and Nick (where we'd regularly discuss if we'd ever find jobs), I now often find myself going for a caffeine fix (now with pain au chocolat) at about the same time.

Nick Menzies
nick_menzies@yahoo.com.au

In the lead-up to Australia's federal election on November 24, I have been helping to (peacefully) overthrow eleven and a half years of conservative government in Australia, whilst working at a socially progressive online campaigning organisation—GetUp.org.au. Thanks to HSoG I feel deeply connected with the concurrent urges for political change in Tiko's Georgia and Rizwan's Pakistan, and can only be thankful that Australia's democratic system can manage this peacefully. With our old government finally gone, I am now off to Cambodia to do some work for the World Bank.

Campus Spotlight

This section explores student life at the Hertie School of Governance: Who are the students? What is happening on Campus?

Shaughn McArthur

Schlossplatz³: What did you do before coming to HSoG?

After finishing college I spent about three years travelling through Southeast Asia, Burma, India, Latin America, Europe, and back to Burma again. When I finally wore my nomadic soul down enough to return to Montreal, it was to study journalism and communications. I figured that journalists get to travel a lot, and I had been writing all those years anyway, so I figured I'd give that field a shot. I had been particularly touched by the lack of an information economy in Burma. So, I combined my passion for travel, human rights and development with my education in journalism and launched a newsletter for the NGO Voices for Burma. I wrote a lot about Burma, amongst myriad other issues, for newspapers and magazines during those years. It was a way for me to keep travelling without moving.

What exactly did you spend your time on in Uganda?

In my last year of journalism school I won a grant from the Canadian International Development Agency for a documentary I had proposed to shoot in Uganda. I spent the past summer in northern Uganda hearing about peoples' lives and experiences living in the centre of a war zone over the past 21 years. The documentary is about the international development effort taking off there now that the war is over. After doing all that research I became convinced microfinance was the best way to help the people living in this region, while breaking the cycle of dependency. I met some great people, was invited onto the board of directors of a microfinance company there, and now I'm in the process of launching an NGO to do the same, but with a slightly different approach.

Tell a little bit about your documentary?

The documentary isn't really about my work in Uganda, though I do find myself in front of the camera in a few scenes. Really it is about a group of Canadian undergrads who have set up and financed this development initiative with student funds. It's the first project of its kind, and doesn't rely on grants, so all of its resources are committed to the region and its empowerment.

You could show it at our film series at the HSoG?!

I'd love to show a rough cut to my fellow students. What an opportunity—to get feedback from people studying on a very formal level some of the issues we grapple with on a really grassroots level in the film.

Out of all that, what had a special impact on you?

You meet all these people that have had their limbs cut off by the Lords' Resistance Army, children that have been abducted into their ranks, families torn apart—yet they're all still so positive. They have nothing, but they smile all the time. It makes you feel like you have to do something with the privilege you just happened, by fluke, to be born into. I know kids that would do literally anything to get the education I'm getting. It puts everything into context.

Currently, you are living with your girlfriend and your son in Berlin. What are the plans after graduating?

Naya. If I've learnt anything in my quarter-century on this planet it's that life happens. You can only plan on a very limited level. I'd love to spend a few years applying what I learn at Hertie in the field. I'd love to take my family to Africa, to turn my NGO into something big-time. Then, if I ever get the notion I'd like to settle down somewhere, I suppose I might go back to Canada to get some political sense into the demagogues and dinosaurs running that oil well. Then again, I hope that by then some respectable public policy graduate will have beat me to the job.

Resources are scarce, we were told. Especially, time and attention are highly valued among professionals and politicians who can rarely fit a decent lunch into life's business. Looking around at school though reveals a totally different picture. Time is relative and, mixed with energy, a vibrant atmosphere has emerged. Here you find six episodes from the previous semester full of good karma.

Johannes Staemmler

1. Art at Think Tank 24
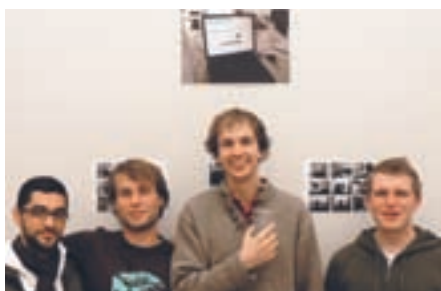
Informally created as a retreat for post-lunch sleepiness, Think Tank 24 has transformed into an into an cutting edge art forum for future artists. Through the reflexivity of modern life, visitors and artists cross frontiers without feeling the change of gravity. Exhibitions like "Things that are too small", "T'art" and "Noraville" made life easier.

2. Sports
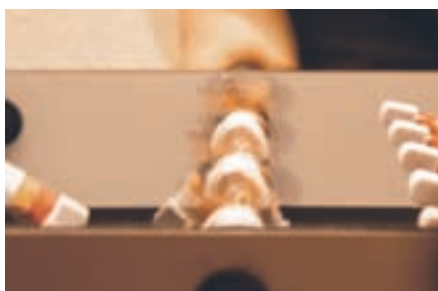
Lunch is not exactly an exercise, but it has lead to increased demand for it. So, every Thursday, half of the Hertian population makes its pilgrimage to ritual soccer sessions, and spends the other 10 days of the week with the collectively financed kicker table. Concentration is not an issue anymore.

3. Paperwork
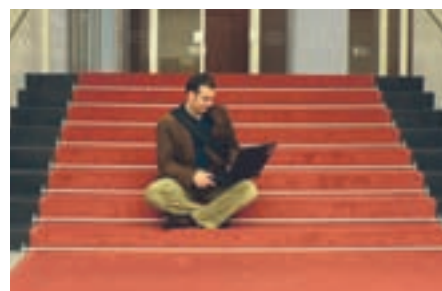
Paper is an issue, especially with the printers being on strike. Extensive printing has exhausted our copy machines quite frequently. The most creative penalty was found: one week reading on laptop screens only.

4. Schlossplatz³

Why do 15 people put 6 months of work into 40 pages that are printed 2000 times to be distributed for free? Well, they either don't need much sleep or they see that there is no better way to connect people.

5. Family

Some work at night, and others don't. Welcome children, or better: children welcome! The Hertie School community for the year 2032 is growing.

6. Field Trips

When it gets cold in Berlin, hardened Hertians go to even colder places. Tallinn is thanked for its cosy old town, its hostel, the almonds, and a weekend away from all of the above.

For four days in October 2007, the Hertie School of Governance (HSoG) was a scene of debate, experience-sharing and networking, as the school hosted the second annual conference of the Global Public Policy Network. Entirely organised by students of the HSoG, the conference attracted more than 40 of their fellow students from the London School of Economics (LSE), Columbia's School of International and Public Affairs, Sciences Po, and Singapore's Lee Kuan Yew School of Public Policy to discuss and hear from distinguished speakers on the topic of "Development within Governance in the 21st Century".

In his keynote speech on "Democratization in the Muslim World", Cem Özdemir, Member of the European Parliament, stated "We're not just talking about our neighbouring countries – we're talking about our neighbours in our own country." Mr. Özdemir addressed a full auditorium on Turkey's potential accession to the EU, and the many policy challenges it entails.

Sharing experience

In the first student presentation, Patricia Lapointe from Sciences Po spoke about a distance learning project that brings Canadian university professors to African students in Senegal. Olilver Ullrich of LSE presented his study on the effectiveness of health aid in sub-Saharan Africa. Shaila Parikh from SIPA took the audience on a photo tour of a small Indian slum within the context of her smokeless stove initiative, and Caroline Lavoie (Sciences Po) talked about her experience in trying to bring about education development in Haiti via PPP.

Other student contributions gave the audience the chance to hear about the Asian Journal of Public Affairs a new student initiative at the Lee Kuan Yew School of Public Policy. The vivid exchange of ideas and suggestions helped the editorial team (Akshar Saxena, Maciej Drozd, James Sheppard) significantly in forming a clearer picture of the demands of such a journal. Future co-operation

with other GPPN student journals and magazines was agreed upon. Afterwards, Yi Lu from the same institution introduced students to the regulatory and supervisory regime of China's banking sector and its developments. The vivid discussion afterwards indicated the desire for more knowledge on a topic not often covered in Western curricula. The session was closed by Shabnam Mirsaeedi (Sciences Po) with her analysis of economic efficiency arguments for the privatization of warfare a controversial but highly relevant discussion for governance in the future.

The last round of student presentations featured three students of HSoG. Felix Rübke presented his model on strategic decision making, while Mihaly Fazekas talked about urban planning in Hungary. Resident HSoG mathematician, Gerrit Reininghaus, explained the new formula he devised for the Ministry of Finance to better distribute funds to local unemployment offices. His idea was recently signed by the relevant minister and will soon be implemented.

Engaging professionals

On the first panel, "New Approaches to Development", Dr. Inge Kaul, Dr. Jan Martin Witte of Global Public Policy Institute, and Dr. Monica Lüke of GTZ (Gesellschaft fuer technische Zusammenarbeit) discussed new trends and challenges in the field of development. Later, Berlin-based attorney Wolfgang Kaleck elaborated in the panel on "Human Rights and International Law in Practice" on his work in the field of international law, including the case he filed against Donald Rumsfeld and other US officials on behalf of prisoners at Abu Ghraib.

Henry Haaker moderated the third panel "Public Relations in State Building and Transformation" consisting of Rwandan Ambassador H.E. Eugene-Richard Gasana, Professor Andrei Pippidi, and Günter Bormann who heads the secretariat of the Federal Commissioner for the Stasi files. The speakers addressed the topic of public reconciliation in three very different contexts, namely post-1994 Rwanda, post-communist Romania, and reunited Germany.

The final panel of the conference, titled "Public Private Partnerships as a Governance Model for Everything?" featured Mario Walther from Arvato Government Services, Professor Jobst Fiedler, and HSoG graduate Kaija Landsberg, who now heads Teach First Deutschland.

And next?
As if life in London, Washington, Singapore, and Paris were not enough, the guests and their hosts took time after long conference days to explore Berlin's nightlife. "What started as an informal get together in London last year has developed into conference with content and still many social components", one student remarked after her Saturday night at Berlin's Orient Lounge.

Michael Kalilu and Johannes Staemmler

The Global Public Policy Network (GPPN) is a partnership formed between the London School of Economics, Sciences Po in Paris, Columbia University's SIPA, the Lee Kuan Yew School in Singapore, and the Hertie School of Governance. The GPPN aims to increase cooperation between these programmes through academic exchanges and dual degree programmes.

In early 2007 students from the LSE decided to strengthen the partnership further by hosting a conference in London where students could get to know each other and the LSE program: the first student conference was established.

The first GPPN conference was held in March 2007 at the LSE.

For more information see:
http://www.hertie-school.org
http://www.gppn.net

Schlossplatz³ Blog

In January 2008, Schlossplatz³ went online with its own blog. The first entry was an interview with Moisés Naím, editor-in-chief of *Foreign Policy* magazine. Since then, the editors of the blog have regularly written about policy perspectives from students and faculty of the Hertie School of Governance.

Bloggers introduce their research work and comment on current developments and events on and off campus. Edited by the Schlossplatz³ team, the blog features monthly podcasts with faculty members as well as interviews with and posts from external contributors and visitors to the Hertie School of Governance.

You can find the Schlossplatz³ blog at

www.hertie-school.org/schlossplatz3

The fifth issue of the printed version of Schlossplatz³ will appear in fall 2008. The topic will soon be announced on the blog.

If you would like to become a regular reader or contribute to Schlossplatz³ , please contact us at sp3@mpp.hertie-school.org.

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