

In Search for Meaning: Berlin as National Capital and Global City

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ABSTRACT *After the German reunification, the situation of Berlin has been rapidly and radically changed. As it is the only place where East and West Germany are spatially organizing an urban society, it seems to be obvious that the city has been shaped by processes of national scope. The replacement of the German government from Bonn to Berlin has been a mayor step in the way of reorganizing the total German urban network. Many infrastructural projects are enlisted to be following this trend. At the same time, the city claims to become a "Global City" with an interconnecting position between the west and east of Europe. It is beyond political rhetoric that Berlin has integrated into the world economy and has found some gateway function in the European networks. The paper outlines some major developments of Berlin and debates in how far certain areas of the urban development are more linked to national or global influences. It argues that globalization has a limited effect on urban development in the case of Berlin. It is insufficient to identify Berlin as the "German Global City" as the city is only in some areas and clusters playing a predominate role in comparison to Frankfurt, Munich, and Hamburg. As globalization is assumed also to change the cultural and social architecture of cities, particular attention will be paid on the development of the social and ethnic composition of Berlin.*

It can be said that no other city in the world has experienced as visible an opening up to the world in recent times as has Berlin. When, in 1989, the Berlin Wall came down, it was not only that German reunification was initiated, but that the global gateways frozen during the Cold War period had been reopened. Berlin since then can be seen as a city searching for meaning as both a gateway city between the west and east of Europe and as the new capital city of Germany. The relocation of the German government from Bonn to Berlin has been argued as being a step of symbolic significance. Berlin has been given a political function by the decision of the German parliament to relocate there. The question is whether it is possible to find a social, cultural, and economical importance for the formerly divided city that corresponds with its new political status as a capital city.

This paper will outline some of the major developments taking place in Berlin and debate how far certain areas of its urban development are linked to national or global influences. From an economic perspective, the city representatives have often referred to the debate on the 'Global City' (Sassen, 1991). As it has been intensively argued elsewhere (Krätke, 2001), Berlin can hardly be discussed as being a Global City comparable to

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London or Paris, although the particular interconnecting position that it occupies between the west and east of Europe has often been spoken of as a key advantage for its future integration into the world market. The case of Berlin shows the difficulty of creating a 'Global City' with a principal function, whereas the rest of Germany has already been highly integrated into the world market. Following recent debates concerning the linkages between 'the global' and 'the local' which go beyond the assumption that globalization can be purely analyzed by the integration of a city into the urban hierarchies of the world (Smith, 2003). If globalization is seen as not determining a homogeneity mode of urban development, the 'nesting' of the city into the national and regional context needs to be discussed (Hill & Fujita, 2003). This article will therefore take the research on the integration of Berlin in the global hierarchy only as a starting point for consideration. It works from the general premise that globalization is not directly influencing the recent transformations taking place in Berlin. As more theoretical debates have underlined the necessity to integrate cultural and social processes into the analysis of the global-local nexus (Eade, 2004), the debate on the 'meaning' of Berlin for Germany and the outside-world is regarded as a double process of producing a multiple space where the 'global' and 'the local' can be defined differently and independently from other socially constructed spaces (Lee & Yeoh, 2004: 2296). The main hypothesis of this paper is therefore, that Berlin is influenced by globalization in an indirect manner: spaces of global and national significance are produced in the discourse on urban planning, economic transformation, social mixture and ethnic diversity has been embedded into a global landscape of real or perceived changes of Berlin.

In the first section, the economic position of the new German capital will be reflected on with regard to the basis of the political intention to turn Berlin into a 'global city of knowledge' by 2010 (1). Although the status as achieved by the city concerning industries of culture, media, and science underscores the global scope of economic performance, Berlin has to be primarily considered as part of the highly interactive German urban system (2). The paper will argue that Berlin is an exceptional case in Germany, but the city cannot be regarded as centralizing or pre-dominating the other economically strong urban regions. It will also discuss the urban planning and city governance issues of Berlin that have taken place during recent years (3). As globalization has been assumed to have had substantial influences upon the social fabric of the city, this article will take a closer look at the social inequalities in Berlin immediately after 1989 (4). In particular, the situation of foreigners who are attracted to 'global' cities will be taken into account (5). Finally, the following question will be posited: Has Berlin been successful in symbolically reunifying the inhabitants of the former East and West Berlin?

Berlin as a 'Global City'

Within the framework of global city research, the German capital is not prominently examined as pertaining to its linkages with the global economy (Taylor, 2004). With regard to the criteria used by advanced studies of global city hierarchies, Berlin is often regarded as a gamma city; this is to say that Berlin cannot compete with other urban centers in Europe such as London or Paris. As the categorization of global cities is mostly based on the quantifiable locations of 'headquarters', this analysis of Berlin's position in the world economy might be justified. Authors like Cochrane and Jones (1999) see the city as being positioned between world city, national capital or ordinary place. In the public

debate, critical reflections on the capacities of the economic potentials can be found (e.g., Welzk, 1999) and there has been derision about the 'global city without cosmopolites' (Siedler, 1999). Nevertheless, as the city with the most inhabitants and with regard to its cultural connotation within German history, there is certain valuation for its potential and significance. After reunification, the memory of the 'Golden Twenties' was vivid in some reflections concerning Berlin's potential role in the future. Viewed nostalgically the turbulent period of urban life in pre-War Berlin, was a time when the city could have been readily comparable to London and Paris in its cosmopolitan appeal. And there was an expectation that Berlin would become the new center within the German nation state and urban system.

Some concepts about how this re-establishment of Berlin as a first city was to be realized have a long tradition. One of these perceptions of Berlin leads to the understanding of Germany as a nation between east and west Europe; which requires that Berlin act as the gateway city between both parts of the continent. After the collapse of the Berlin Wall, more substantial opportunities became increasingly available to communicate with the Eastern part of Europe (Schlögel, 1999). Nevertheless, the image of Berlin as a 'gateway' city has been politically used in many official documents to paint a bright future for the city. It is obvious that the historical evidence of its continental function between the different geographical parts of Europe could not so simply be re-established seven decades later. In this way, the reshaping of Berlin as an 'East Meets-West-City'—as visualized on the official homepage of the city—is based on a myth (Tölle, 2003). Its unique position within the German nation lies in the special function it has as a meeting place of West and East Germans in one city. The formerly divided city is the only place where everyday life between both parts of Germany is realized. While there has been a major migration, foremost from the East to the West of Germany, Berlin remains the only place where the encounter takes place without the necessity of residential migration.

In addition to these rather general ideas regarding the position that 'New Berlin' should occupy with regard to its supra-local functions, there have been some basic principles, that have been implicitly or, in fewer cases, explicitly argued for making Berlin, 'once more into a gateway or global city'. These ideas cannot be traced to certain protagonists or the political programs of any specific political or social group within the city, but they appear to be shared by a wider public and also by the outside world.

To start with, the official projects will be taken into consideration in order to arrive at an overview of the strategies implemented in order to realize the self-image of the city. Marketing and the reality of the position achieved by the city with regard to certain areas of urban development are sometimes difficult to differentiate. The so-called 'Berlin Studie' can be seen as an expression of the basic philosophy for the future development of Berlin (Der Regierende Bürgermeister von Berlin, 2000). In the foreword, by then Mayor of Berlin, Eberhard Diepgen, he points out that this document is meant to outline a guide of orientation for Berlin in the following years. The time horizon was framed to overview the period until 2015. After a conceptual introduction, the issues of 'exchange relationships', 'competition and work', 'social cohesion' and 'metropolitan development' were given special attention in each chapter. It is noteworthy that knowledge and culture are seen as basic points of the city's profile. Another objective laid down in the document is the integration of immigrants. Reading this prospective concept of Berlin's future, it seems that in every chapter there are some major issues that are frequently addressed. These are embedded in a strategy for the regeneration of civil society. Under this umbrella term very

heterogeneous interests are submitted, such as the process of the 'Local Agenda 21' for sustainable development, public management reforms, the 'entrepreneurial city' and the merger with the surrounding region of Brandenburg. In its observation of the present state of affairs, the study concludes realistically: 'Berlin will not succeed in reaching the status of a Global City within the next 10–15 years:' (83) The authors come to the conclusion that the city should foster and enlarge its position in the German urban system. When it comes to defining priorities for 'the most Eastern city of the West and the most Western city of the East of Europe' (41), the focus lies on the knowledge and cultural industries.

Berlin within the German Urban System

Capital cities usually fulfill a particular role within their national urban-system which legitimizes their status. In the case of Berlin, the capital function has not derived over a long historical period and was taken by a symbolic decision to represent visually the German unification (Lutz, 2002). Whether Berlin can gain 'meaning' in its role as capital city needs therefore to be discussed against the background of the city in the German urban system in general. The decline of the traditional industries of Berlin certainly has to be linked to the world market integration of an urban economy that has been so far protected. While the East Berlin economy was under the regime of a socialist economy that was assumed not to follow the market dynamics of global exchange but politically determined planning, the West Berlin economy was strongly supported by West German tax regulation to maintain a certain infrastructure and economic representation. In both parts of the city, the opening up to competition with the outside world showed just how little economic potential artificially supported industries had. Within a period of 10 years, Berlin industry lost more than 150,000 jobs (Der Regierende Bürgermeister, 2000). Newly created enterprises in the service sector branches have not even come close to compensating for the loss of these jobs. Traditional industries like textiles, metal processing, vehicle manufacturing or others have been able to maintain a certain position within the urban economy, although they employ considerably smaller work forces and are benefiting from the indirect support of local politics.

It is important to notice that Berlin has been de-industrialized in a rather different way than compared to other parts of the German urban landscape. Firstly, Berlin has not moved its industrial capacities to its hinterland, as is the case in the other important economic centers of Germany such as Frankfurt, Munich, Stuttgart, and Hamburg. If production sites have been closed within the city, they have not been reopened in the peripheral region of the city, which in this case means in neighboring Brandenburg. Secondly, the deindustrialization has been very abrupt and has taken place over a relatively short period of time. In comparison to regions of the second industrialization, like the Ruhrgebiet, this process with regard to East German industries came as a shock.

The early—and perhaps premature—hopes after reunification of quickly establishing Berlin as a central headquarters have ended in resignation. There is still the assumption circulating in public debates that Berlin, as the capital, would 'by nature' attract certain management functions of the big companies. The reinstallation of the German political center in Berlin has not led to any spin-off for the economical elite's to follow. Instead, the main national and international economic players have established some types of representation in Berlin. The long established economic clusters in the German economy

(e.g., Frankfurt: banks; Hamburg/Cologne: media; Munich: assurances; Stuttgart, etc.: car manufacturing) have not been challenged by the new opportunities offered by Berlin. Although there has been a certain drift toward the newly rising capital and some major projects, like the building of an international 'Willy Brandt Airport' or the opening of a stock market, are intended to compete directly with the other German cities. Only in a few cases, such as the relocation of Popmart, the biggest music fair in Europe, has Berlin been able to show any success. With regard to the media industries, it has been argued that Berlin could have the potential to develop into a 'global media city' (Krätke, 2002). Within the highly competitive urban system of Germany, urban governments are under pressure to offer as many advantages as possible to potential new investors. This has led to a situation where many hard competitive factors are often no longer considered as being decisive. Local taxation of revenues has been lowered in many cities so that this no longer has much influence upon making the decision to relocate an enterprise. Berlin and its surrounding region could be more easily seen as competing with other eastern German cities such as Leipzig or Dresden, because they are in a comparable situation regarding their territorial capacities for hosting new companies. East Berlin has by no means been disfavored in the financial transfers from West Germany, but it seems that it has been easier to reorganize the spatial infrastructure in certain East German regions.

A disadvantage of Berlin is that the city has a relatively small skilled work force that is unable to compete with other West German cities. This is especially true for those workers formerly employed by East German industries who have not been able to re-enter the labor market, but who have had to be trained and professionally re-educated to meet the international standards of technological innovation. Concerning soft factors, the turbulence of political life in Berlin and its image of being the biggest 'construction site in Europe' has not contributed to making it easy to attractively market the city. On the contrary, the city has developed a dubious reputation as being administered by a corrupt elite, and hosting political radicals who provoke authoritarian responses by the police (Rucht, 2001). Critical voices from representatives of economic interest groups have been heard, especially after the arrival of the former socialist party (PDS) into governmental power in 2002. The 'red-red' government of the social-democratic mayor Klaus Wowereit was elected because he was regarded as someone who 'wants to clean the house' after the enormous crash of the government-owned Bank of Berlin, which caused a public deficit of four billion Euros and was caused by a corrupt structural system of local politics and economic players.

The city's deficits have to be regarded as a structural problem caused by its evolution from an industrial to a post-industrial economy (Krätke, 2004). These deficits are causing not only serious fiscal problems, but are a competitive disadvantage. The low degree of public spending no longer allows for the substantial support of infrastructure innovations or investment in new large-scale projects. Berlin therefore remains in a very precarious economic situation that is not likely to improve in the near future. Referring to a study by the German Institute for the Economy that published a ranking of 50 German cities, Berlin is lounging in the third from last position. In this evaluation, which is considered to be the most intensively empirical research on the competitiveness of German cities, 109 factors have been researched and evaluated. Innovative in its approach, the study evaluated factors of economic dynamics. To capture this part of the research, a survey on the different potentials has been carried out. Berlin is seen to be a city with low potential and little dynamic and sustainable developments (IW Consult, 2004).

Urban Planning for Globalization

The political construction of 'meaning' takes shape in many forums, policy papers, day-to-day decision-making and political and public debates. The numerous voices and narratives do not allow for a general conclusion on the question, of whether the processes defining the significance of Berlin are following certain tracks. To provide, however, an insight into the area of the political search for meaning, the development of urban planning in Berlin might give an important example. Between the fall of the Berlin Wall in November 1989 and the decision of the National Parliament to relocate to Berlin, was a time of confusion, dreams, uncertainty, and wild speculations (Strom, 2001). It was only in 1991 that the decision was taken that Berlin would regain its former status of national capital. The price of land spiraled upwards after Berlin had been re-established as the German capital and urban planners were confronted with many opportunities, needs, and different interests. In 1991, the 'Stadtforum' was established as a platform for debates on the future development of Berlin, and produced many interesting ideas. The contribution of this innovative element of urban planning has been widely appreciated as having introduced a new planning culture with a discursive, networking, and participative character. Nevertheless, closer examination exposes serious problems with the 'Stadtforum' (City Forum), because it paid little attention to the international, regional and practical aspects (Kleger *et al.*, 1996). The later developed 'Planwerk Innenstadt' (Inner city planning committee) has been adopted as a result of the 'Stadtforum' by the Berlin Senate.

It must be said that the discourse on the type of urban development the city should plan for came too late. Major national and international investors had already made up their mind as to how they wanted to position themselves in the New Berlin. Only the reshaping and rebuilding of the Potsdamer Platz can be regarded as being a flagship project realized 'on time' and can be said to have contributed to the global city image of Berlin (Pabsch, 1998).

Behind their activities of re-hosting their offices and firms in the inner city stands a perception of Berlin that is quite similar to the mapping of the 'Golden Twenties'. The new centrality of Berlin was primarily shaped by those private decisions that had priorities of re-establishing a certain area between Pariser Platz and Alexanderplatz as the main field of their investments. While the institutions of urban planning in the Berlin administration were still discussing principles, the powerful economic actors had been already looking for the best pieces of the cake. Only a few parts of the city have finally been influenced by the results of those principle debates on the urban planning of the future Berlin (Häußermann & Simons, 2000).

The outcomes of this first phase of urban planning have to be considered as a consequence of the expectation that Berlin would really become the 'Global City' as foreseen. Growth was the paradigm on all subjects, be it housing or investments in infrastructure. A psychological barrier might have caused a lack of consciousness that the development of two inner centers should be abandoned for a single Berlin center. In the first land use plan of the reunified Berlin of 1994, the spatial structure gave most attention to the decentralized development of those areas related to the stops of the over-ground light rail system.

Since 2002, urban development plans (UDP) have been introduced as instruments of informal structural city planning. Urban development plans are designed for the whole city of Berlin and include directives and objectives for different functions such as work, living,

social infrastructure, transport, supply and waste disposal. They are declared as the basis for all future planning and solidify the land use plan by defining spatial and temporal priorities and pointing out the necessary measures to be taken.

Although the economic indication for the 'Global City' status of Berlin is much weaker than assumed, the planning of the urban center of Berlin has kept upright a vision of the development of the inner city that will attract more and more economically strong partners and 'global players'. A growth of 4.5 million meters of office space is expected. The number of office workers is also expected to increase by approximately 90,000 by 2010. This is the year when Berlin is intending to have achieved the status of a 'city of knowledge' of global importance (Heuer, 2000). The demand for office space will focus on inner city locations (57%)—primarily in Berlin-Mitte and the 'City-West'. Global Players and New Economy sectors are seen as gaining importance. Whether these expectations are based on a realistic perspective could be doubtful as, already in the year 2001, Berlin had more office space to offer than Brussels and Vienna combined. Especially regarding its weak position in the German urban system, it is not easy to understand why Berlin should need more office space, while the city already has twice as much space to offer as Frankfurt or Munich. It is for this reason that the present office market is already suffering from the lack of a strong demand (Altrock, 2003).

Berlin in Global Colors

As the cultural industries are regarded as being an important ingredient in the German and European competition between cities to attract investors and tourist, the need to create the image of a cosmopolite city plays a major factor for the self-image of the city. Cosmopolitan urban areas are intrinsically related to cultural diversity which is reflected in the 'global flow' of people and cultures (Rundell/Bauböck 1998; Schuck 1998; Rogers, 2001). The societal construction of significance is hereby meeting both, the internal and external perspective of the 'meaning' of Berlin.

Berlin has experienced international migration since the early 1960s and does not differ in this aspect from other industrialized areas in Germany. This has led to a certain concentration of ethnic minorities in some areas of the city (Gesemann, 2001). Kreuzberg developed as a major area of housing for the first generation of 'guest workers', where nearly every fourth Non-German inhabitant of West-Berlin found residence. Larger groups of immigrants have also concentrated in regenerated areas in Charlottenburg, Tiergarten, Wedding and Schöneberg. In the 1970s, there were neighborhoods with 15% of the inhabitants having foreign backgrounds (9% average in West-Berlin). This ethnic segregation has been perceived as problematic and regulations have been initiated to equalize the spread of foreigners throughout the city. In effect, these decisions have not worked (Häußermann/Kapphan, 2002: 84).

As these developments have caused political debates they have produced a certain image of Berlin as a city of ethnic diversity, although the real number of foreigners resident in Berlin before German reunification was fewer than in many other German cities. Nevertheless Kreuzberg has developed as one of the neighborhoods with a higher percentage of Non-German citizens. It is estimated that one out of three inhabitants are of foreign origin and 75% have a Turkish passport. In this way, Kreuzberg has become a nation-wide cliché known as 'Little Istanbul'.

Already in the 1980s the character of immigration was beginning to change. In the 1990s, Berlin had become a major destination for immigrants from the former socialist countries, especially from the collapsing Soviet Union and the satellite states. A particular group within this new migration was formed by immigrants from Eastern Europe who, on the basis of the particular German principle of citizenship, claimed to be of German origin. These so-called 'Aussiedler' had been living, for two or three generations, outside Germany and had been socialized under different social conditions. This is particularly evident with regard to their language skills, which can usually be considered as inadequate for immediate integration into the labor market and the educational system. Invisible as an ethnic minority in a statistical sense, as they can claim German citizenship without delay, the socio-economic status of this group is comparable to other immigrant groups.

Once established economically, the Turkish 'Gastarbeiter' (guest workers) have brought their families to Germany, this led to a further wave of immigration in the 1990s. The Turkish minority remains the largest ethnic group in Berlin. Their methods of integration produced a diverse form of cultural interaction and heterogeneous types of identities (Kaya, 2001). With regard to the different forms of integration and diversity of the immigrant groups, the city has developed a certain tolerance and curiosity. The 'carnival of cultures' attracts more spectators every year and has become a major event on cultural and tourist agendas. The exotic perception of the ethnic minorities allows them to be more accepted within Berlin society (Frei, 2003).

Global City, Divided City?

Globalization is often not only a key-word in the official statements, documents, debates and perspectives, but raises concerns and remarks about the social effects of the developing integration into global networks. In public, the anti-globalization movement has taken up this issue with the German media, and has found a certain attention being given to it within political debates in Berlin. In this way, the aspect of the socially divided city creates another narrative wherein Berlin is considered to have achieved a Global city status but will lose its social balance. However the position of Berlin might be seen in the context of the inter-urban competition and the fear that the rapid changes in the German capital are leading to a higher degree of social inequalities are very high on the public agenda. It has been a major issue in election campaigns, although the concern of social polarization has not been decisive. Already under the conservative government of Diepgen, a highly appreciated study about the changing social landscape of the city has been undertaken (Hermann *et al.*, 1998). Furthermore, the realization of some projects with regard to the social cohesion of less-favored neighborhoods within a special cooperative program undertaken by the national, regional (Land) and the local level ('Soziale Stadt') have been realized with a wide support coming from all political parties. In this way, the advanced debate in the Global City discourse as to whether the globalization of urban societies will lead to more social polarization was taken seriously.

As a result of intensified research with regard to the social division of spaces in Berlin, the obvious changes in Berlin after the German reunification are more complex than a simplified hypothesis about the relationship between global change and social polarization are able to explain (Häußermann/Kaplan, 2002: 237-240):

1. Inner city mobility has been increasing constantly since 1990. With population growth stagnating and an ongoing process of migration to the surrounding suburbs, Berlin has lost its population density in the inner city.
2. Certain inner city areas have not followed this general trend and are regarded as having been upgraded. Unmarried couples and singles are more frequently found to be living there and are creating a special urban atmosphere with their particular lifestyle.
3. Urban regeneration programs, especially in the East, have given value to certain areas and made them attractive for a wide range of 'users', including tourists and nighttime visitors.
4. In the former housing estates of the Socialist period, the social composition in those prefabricated high-rise estates has also changed. While the families of the better off are leaving for the suburban areas, the less financially strong groups remain.

In analyzing the re-composition of the social groups of Berlin, the enormous effects of deindustrialization must be taken into account. The decline of the old industries has affected the lives first and foremost of the less professionally educated inhabitants who have fallen into a dynamic of social decline. As new work that requires the skills of manufacturing workers is not re-established, the unemployment in this group has become especially persistent and hard to address with re-education programs. The number of unemployed people has not only doubled from 1991 until today, but this social situation has developed its own cycle of problem accumulation. As a consequence, the inner city has created small pockets of complex social deprivation, which are for the most part not present in the statistics concerning residential segregation (Knecht, 1999).

The impoverishment of certain central neighborhoods in Berlin has been addressed by a special political initiative that is based upon a concept of 'quarter management'. This newly invented form of political intervention can be said to be two-faced. It is certainly implemented by politicians sensitive to the social problems of the concerned areas. Researchers close to the project evaluation of these 'quarter management's' have stressed that the quarter manager could have an important function in the empowerment of a neighborhood, which has lost not only job opportunities but also social competencies. In this way, quarter managers could contribute to the upgrading of the social capital of their area by functioning as a meeting point of the local networks and as an informal spokesperson for the interests of the community (Schnur, 2003).

The Reunified Berlin

After the reunification of the city, a boom of novels on the new situation expresses the need of many intellectuals and their public to find terms to give a certain meaning to the significance of spaces in Berlin. Often seen as the laboratory of the German reunification, the city nevertheless still faces important differences between the Eastern and Western parts with regard to many aspects of its urban life. Although the city provides unique opportunities to socially experience the 'other' Germany, this process of exchange is developing slowly. In daily life, East and West Berliners are still producing, to a certain extent, a particular mental map for their spaces for housing, work and leisure time (Scheiner, 2000). The consequences of urban planning that directs its major efforts to

achieve a status as 'Global City' also have been perceived critically with regard to the objectives of German reunification. Especially the development of the former East German quarters, which has had a social impact that was received by many inhabitants as putting extra burdens on them, so that many no longer felt welcome in their own neighborhood. The gentrification by mostly West Berlin yuppies has expelled and disadvantaged many East Berliners (Rada, 1997). As the inability of local politics to protect the socially mixed composition of gentrified neighborhoods becomes evident, the example of the Prenzlauer Berg has evoked questions about the political ability to influence and govern the changes taking place within the urban structure in general. While new forms of negotiation and mediation could be described as another phase of urban regeneration, where the house owners play a crucial role, the margins of political decision-making are moving closer together (Häußermann *et al.*, 2002). On the background of a general wave of international privatization politics, the political opportunities to govern important features of public life are being discussed in Berlin as well (Nissen, 2002).

The 1990s have brought forward a new type of urban development and regeneration management, which follows 'post Fordist' logic. The end of the so-called 'cautious urban regeneration politics' (Behutsame Stadterneuerung) of the 1980s, for which Berlin was famous in German urban planning, has been developed to allow for more flexibility. In place of a rigid corporatist planning culture, urban development has been organized into a multiplayer network with mutual dependencies. These cooperative ventures between a manifold of players can have a sincere and contractual basis or are linked up in a rather loss and fragile way. Urban planning in Berlin continued to a large extent in a manner known as the 'cautious way' which had been established before 1989. As a consequence in East Berlin parts of the city, the former civil society movement and other social groups of the East were not included. Moreover, property owners were only occasionally integrated into the urban regeneration practices of Berlin (Bernt, 2003).

Certain areas, which were of significance during the Socialist republic and their transformation in the 'New Berlin', have met with disapproval from the East German inhabitants of Berlin. Central places like the Alexanderplatz have received symbolic importance. The way in which East German interests have been treated can be summarized as being of little importance (Lenhart, 2001: 282).

As a special case therefore, the debate on the re-building of the former Schloßplatz has been heatedly discussed in public. The Socialist regime had destroyed the remains of the inner city castle and then constructed the German Socialist Parliament on the same spot (Steinmeyer, 2002; Swoboda, 2002). Here, the heritage of the pre-War period was weighed against the value of the memories of those East Berliners who want to maintain a visible place for their memory of a time 'when not everything was wrong' (Frantz, 2004).

Another important point of symbolic integration of the East Berlin population into the German political system can be made with regard to the new buildings of the government offices after the re-capitalization of Berlin. In general, the process has been an impressive 'show of performance of the German inclusion mechanism' (Welch Guerra, 1999). In addition to the analysis of performance and procedural integration, the visibility of the new power relationships—embodied by the government buildings and the economy—must be considered within the framework of integration. The placement of the new office of the chancellor and other ministries alongside the Spree River is intended to be outside the established centers of power from the Prussian, Weimar Republic, Nazi, and Socialist periods of time and to create a 'bridge between the East and the West' (Häußermann,

2003: 147). Two old Nazi buildings have been reused and the German Reichstag has been symbolically renamed as the Bundestag and given a domed roof of glass to express, according to its architect Norman Foster, the 'transparency of a democratic building'. These buildings and their reuse have been accompanied by a policy that led the old Socialist places of significance.

Conclusion

Understanding Berlin seems to be a challenge with regard to some major assumptions in urban studies. It has been a misleading point of departure to define Berlin as a 'Global City', if only the city's position as host of the worldwide headquarters economy is taken into account. The development of Berlin in spatial terms, such as suburbanization and gentrification, has much in common with patterns observable in many urban regions of Europe. Nevertheless, the particular historical situation of the political transformation from a divided city to the capital of the reunified nation is unique.

This article argues that globalization has had a limited effect on urban development in the case of Berlin. It shows that it is insufficient to identify Berlin as the 'German Global City' because it is only in some areas and clusters that the city plays a predominant role when compared to other German cities. Berlin lacks specific potentials to compete with these other strong urban centers (low skill levels, little international investments and international migration). Focusing on specific strategies of urban governance to face perceived Global challenges, Berlin has entered a new phase of urban development. A new pattern of urban settlement, social cohesion, ethnic diversity, and a role within the reunification of Germany can be observed. These changes are only to some extent linked to the worldwide processes of exchanges and global competitiveness. Other important 'home-made' factors such as the dis-functional political elites and the restructuring of the German welfare state are to be considered of equal importance. Major decisions about the rebuilding of the new Berlin have already been undertaken and the progressive forms of urban planning introduced later seem not to have influenced these interest-led developments. On the other hand, the urban politics of Berlin after 1989 have not been very successful in re-establishing Berlin on the map of the European and German networks. As a place where the East meets the West (and vice versa), Berlin has first and foremost started bridging the two parts of the formerly divided German capital.

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