WORK PACKAGE 4

THE LOCAL CONTEXT FOR SOCIAL INNOVATION –

POLICY ORIENTATIONS IN BERLIN AND KREUZBERG-FRIEDRICHSHAIN, GERMANY

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INTRODUCTION – AIMS AND APPROACH OF THIS PAPER

General Aims

With respect to social innovations, the WILCO project has a double task. On the one hand, it looks at a broad international sample of social innovations and tries to find out to what degree there are communalities, irrespective of place and context – similarities in addressing users and citizens, with respect to governance and larger issues concerning welfare traditions (see the guidelines for WP5 on describing innovations). On the other hand, it was a given task for this project to study the interplay of innovations with local welfare systems, looking for critical factors and appropriate ways of scaling them up. While institutional givens like legal frameworks and the overall welfare systems have been sketched in the papers for WP I, the task of the following paper was to analyse policy orientations and values that guide the policies in the local political-administrative system (PAS) on behalf of social welfare and cohesion.

In the guidelines for this part of our research (Cattacin, Kakpo and Naegeli 2012) reference has been made to concepts (Majone 1997; Sabatier 1998) that besides all their differences share one basic assumption: Ideas, orientations and values in politics and policies matter much. They make a decisive difference when it comes to the ways local welfare systems and political administrative system (PAS) cope with cultural, social and economic challenges that co-shape the urban context.

Additional concerns

Our study of local policy orientations and values in the WILCO-project is not aiming at giving a global picture but has to be done with an eye on a more specific task already mentioned – to contribute to findings about the role of these orientations, values and policies in the interplay with innovations for social cohesion. As it has been shown by the case studies and their cross cut analysis (Evers and Ewert 2012), most of these innovative approaches are kind of knot-points, where needs, ideas and aspirations take concrete organisational forms that differ from the local mainstream of policies at place. Yet at the same time they are interrelated with them, be it by the fact that an innovation can be as well part of a reform approach in the political administrative system (PAS), co-funded by it or simply linked to it by criticism, suggestions and messages that come from the innovators. Therefore throughout the paper there are recurrent hints about the various forms of links and interplays between policy makers and experts on the one and innovators on the other hand. And the final synthesis in this paper is not only about the values that guide the dominating mainstream discourse, but as well about their interrelations with orientations that show up through the statements of innovators and the practices of innovations.

Studying an interplay

What is presented in the following is therefore an attempt to sketch guiding orientations and values but as well a tentative step to go further, discussing these orientations in relation to what we found as innovative approaches in the field. In such a perspective – while agreeing with the approach set out in the general guideline for WP 4 – there were some peculiar concerns shaping our analysis and presentation:

- *Plurality of discourses*: for understanding the interplay of politics and innovations it is important to see them in a tension field structured by the juxtaposition and rivalry of different discourses (see: Schmidt 2010) – as e.g. one that is very much about classical welfare issues, another that is much more managerial and once

again another where e.g. concerns with autonomy, participation and pluralism are prevailing (Evers 2010).

- *The impact of history:* practices and values that guide action and politics are very much coined by historical developments and experiences; a tableau of co-existing values and policy orientations and reasoning about its possible changes can only be done when one takes account of these historical underpinnings.

- *Differences by policy fields*: It is not only the difference of old and new, left and right orientations to be observed, but as well the specificity of discursive constellations in policy fields. While there may be often a kind of overarching narrative, shaped by national politics and dominating local coalitions, due to a number of factors, situations in policy field may vary quite much; e. g. the impact of a productivist discourse (as it has been sketched for the city of Muenster) may set less limits for innovative concepts in child care, compared to labour market politics. Often innovative ideas, while being backed by the community of experts in a policy field may be restricted by the locally prevailing general discourse. In Berlin, we found that so important, that the discussion of developments in policy fields structured the line of argumentation in our paper.

- *Political administrative system and welfare system*: we understand a welfare system as a large and mixed one, that comprises the fields of family and community, the business sector and the third sector of associations – looking at all of them from the perspective of welfare developments and their role as parts of a mixed welfare system (Evers 1993). In such a perspective, a welfare system is encompassing more than the field of professional politics and welfare administrations, even though the latter usually plays a dominating role in it.

- *PAS-institutions and innovations – different parts of the same reality*: given the aforementioned points we have worked in a perspective that - instead of merely confronting innovations and contexts, or innovators and experts/politicians of the PAS - sees both sides as well as parts of one local plural system; both, welfare traditions and innovations are (inter)nationally and locally embedded and act with different aims and means within the local welfare system at large.

- *In and out of politics*: while many innovations are both restricted and supported by the PAS and its guiding practices, values and traditions, a critical point is always concerning the chances and risks to strive for distance and autonomy and likewise for survival and impact. Alternative social movements are one feature of such attempts; another feature are innovations by social entrepreneurs that try to bypass the PAS by focussing on the social marketing of their new concepts; therefore any analysis of ways of scaling up social innovations should be aware of the role played simultaneously by fields and actors outside the PAS, being sensible for the values and orientations that are prevailing in various other fields and the public opinion.

Structure, empirical basis and central argument of the paper

There are different possibilities to structure the report on our findings from documents of policy programs, public debates etc. We have in the following organized our paper along the policy fields that we found as critical for social cohesion: housing and urban development, labour market policies, child and family care and finally issues about immigration and integration as a cross-cutting issue. With respect to the overall orientations and values that guide local politics in Berlin and in the district of

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Friedrichshain-Kreuzberg we found that the debates around issues of housing and urban development have actually the strongest link with the dominating political and public controversy around Berlins' development and the blend and balance of values that guide it. Therefore this part has been placed first. After that, the parts that follow describe the situation in policy fields such as child and family care, labour market policies and on behalf of migrants and integration. In the summary and conclusions, we have tried then to link and intertwine what we found on orientations and values in the four aforementioned fields.

Empirically, this report is based on 18 interviews with civil servants, policy makers and representatives from third sector organizations and innovative projects in Friedrichshain-Kreuzberg. Additionally, we draw from a document analysis of local newspaper articles, party programs and city council minutes. Moreover, we used the transcript of the grassroots meeting, documenting a lively debate of the above mentioned experts, as a source.

In a nutshell, our findings on local policy orientations and values, their change and their impact on innovations, can be put like this: In Berlin, one could find over years a juxtaposition of traditional local welfare politics and values and a strong scene of innovations and innovators focussing on values that had more to do with personalising welfare systems, opening them up to the concerns with new life-styles and aspirations. Having been in the long times before reunification a city with small growth pressures and "a window of the West", supported by considerable welfare subsidies, made Berlin an affordable and rather secure place for both, the large array of small income groups and those groups that searched alongside of new social and cultural movements for a new quality of life with a different idea about risks and chances.

Now, under the rising pressure of an international dynamic of investments, capitalist dynamics are back and along with that more rich and poor, insecurity and segregation, the classical social problems. There is a government system in a financial crisis that cannot mitigate simply these problems with traditional means of social and urban policies. This altogether endangers space and support for innovators that sought to better quality of life and to refine social support systems bottom up. Welfare politicians and social innovators have to look for interacting differently; and those who stand for the dynamics of markets cannot be let out of this. Our report tries to show where and to what degree one can find signs of a new merger between institutional welfare policies and the culture of new innovative attempts. This process is different from scaling up social innovations insofar it is not only about mainstreaming bottom up ideas and practices but as well about innovators and projects tying themselves into a framework that tries to address those big social questions that cannot be tackled on micro-levels.

2. POLICY DEVELOPMENTS IN BERLIN: A GENERAL OVERVIEW

In 2003 newspaper interview Berlin's now and then mayor, Klaus Wowereit, a centre-left social democrat, described Germany's capital as "poor but sexy". Wowereit's flippantly illustration of Berlin, becoming a famous dictum over the years, largely corresponds with the public perception of the city. The state of Berlin is much less affluent than other federal states such as Bavaria or Hesse. Politically, Berlin's financial scarcity is symbolized by its long-term dependence from outside funding. Started with massive subsidies for West Berlin from the Federal German Republic during the post-war period, also the unified city has been used to substantial financial support (3,3 billion € in 2012) according to a financial equalization scheme among Germany's 16 federal states. Furthermore, Berlin has been traditionally a relatively poor place for people's live and living (Gorning,

Häussermann and Kronauer, 2008). For instance, in average wages in Berlin are about 30 per cent lower than in West Germany while unemployment is significantly higher compared to Germany as a whole (12.4 per cent vs. 7.4 per cent, January 2013).

Signifiers of poverty and urban decay are also apparently for strangers strolling through Berlin's districts and neighbourhoods. Berlin's unpretentiousness contrasts with other European capitals such as Paris or London. However, it was especially Berlin's demonstrative shabbiness and crudity combined with core values such openness and tolerance, comprising a unique image which mayor Wowereit labelled as "sexiness", that contributed most to the city's enormous attraction. In the eyes of creative workers, artists, cosmopolitans and young people from all over the world, Berlin simply "got it" – an exciting, distinctive urban flavour that other metropolis have almost lost. Moreover, for a long time, the city stood for a social compromise, promising "a good life for little money", not least because of low rents. The district of Friedrichshain-Kreuzberg, studied in detail in this project, represents Berlin's features in a nutshell. Being itself a merger of East (Friedrichshain) and West (Kreuzberg) the district has been a battleground for larger processes of change and urban development. For a better understanding of Berlin's value system brief highlights of the city's composition of population and political administration are helpful.

Historically, Berlin's socio-cultural attraction has been boosted by its special position during the times of the division in East and West, its role in the times of the new social and cultural movements of the sixties and seventies and the dynamic that was set free in the aftermath of Germany's reunification (Häußermann and Kapphan, 2009). All three phases stimulated and swept large numbers of people, literally speaking "change agents", into the city that sustainably co-designed Berlin as a place for unconventional life styles and creative solutions for everyday challenges. The former West Berlin, in particular the district of Kreuzberg, became along with the students revolution and the new ecological, feminist and antiauthoritarian movements and their counterculture "the" vanishing point for dropouts, non-conformists and "artists of life" who built up a collective alternative draft to the West German mainstream culture by pursuing innovative social practices such as living in autonomous communities, working in cooperatives or establishing antiauthoritarian forms of childcare (for an overview see: von Saldern 2006).

At each time and under changing conditions the aspirations behind social and cultural innovations changed in colour and composition. For those groups, discussing for instance passionately whether the usage of "state dosh" for projects labelled as "alternative" at that time is morally and politically defensible, autonomy from the state and public authorities has been a key value. No less important for the self image of West Berlin (especially Kreuzberg) is its large share of (Turkish) migrant communities giving the city a distinct multicultural flavour, something that was denounced by conservative critics as a left-liberal fantasy from the beginning but left deep scars in the urban texture. Berlin provides a full-fledged infrastructure, partly coexisting to official politics and policies, partly interwoven with them, of migrant organizations, cultural centres and businesses to its culturally disperse citizenry. Nevertheless, as a huge Berlin survey found out (Gemeinnützige Hertie-Stiftung, 2009), the majority of the inhabitants, even those with a migration background, identify themselves with the city and would, hence, say exactly the same for themselves as John F. Kennedy did in his famous Berlin speech in 1963: "*Ich bin ein Berliner*". Today the rather shallow slogan "*be* Berlin", promoted by the Berlin city marketing, invites visitors and newcomers to become the same.

However, after the breakdown of the Berlin wall in 1989, West Berlin's distinctive subculture has been further differentiated. "Creativity" and "experimentalism" have become orienting values for venturesome people seeking for self-realization and

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independent life styles. In this respect, the interim use of urban space and entrepreneurial projects symbolized the spirit of the time and made Berlin to an extraordinary place. From the mid-1990s onwards, the concentration of creative start-ups, clubs and shops, reclaiming an open development of public space, in Germany were nowhere bigger than in Berlin. For instance, urban gardening (see the example of Princesses Gardens below), one major social innovation of this period, represents an alternative use of urban space, community building and a work integration perspective for a clientele that is much distanced from the labour market. The density of such "cool and unconventional" projects gives Berlin its much-praised flavour.

2.1. Defending the "Berlin mixture"

In addition to Berlin's critical mass of engaged inhabitants, policies of local authorities had have a huge impact on urban development. Largely captured by social democrats (being part of every government since 1945 except one) public servants have worked under the banner of "equality" and "social protection". However, once more Berlin's special status has to keep in mind: While until the 1960s Berlin had been an example for classical, post-war welfare policies, West-Berlin became after the building of the Berlin Wall in 1961 "the front of the Cold War" and was, therefore, heavily subsidized by the federal government in order to compensate the city's weak economic situation and to be competitive with East-Berlin and the German Democratic Republic (GDR). Pursuing large-size development programs called "careful urban renewal" (1979-1987; see below), "urban renewal areas" (since 1994) or "urban redevelopment scheme East and West" (since 2002) authorities attempt to preserve (West) Berlin's distinctive territorial and social mix where on the backdrop of a lower industrial development in the city rich and poor people live loosely together. On the one hand, this mix refers to the sound balance of inhabitants in Berlin's numerous *Kieze*, a local synonym for integrated urban neighbourhoods. On the other hand, the term refers to a specific local settlement structure, supported by authorities, allowing juxtaposition of housing facilities and local business. A combination of both aspects, a mixed structure of residents and settlements in the neighbourhoods, became famous under the term "Berlin mixture" since the years of rapid industrial expansion in Germany in middle of the 19th century.

However, such socially balanced policies came to a rather abrupt end in the early 2000s when the Berlin Senate, no longer enjoying subsidies from the federal government, felt forced to privatize large shares of public housing stocks to pay off public debts (see below). At this time, stimulated by the neoliberal swing in politics and the concept of New Public Management, former core values such as equality and protection became outdated by an obsessive strive for "efficiency" and "control". In Berlin, this general phenomenon of public policy, coinciding with a managerialist reform in the German labour market ("*Hartz IV*"), was embodied by Thilo Sarrazin (Social Democrat), the technocratic and fairly rigid finance senator of this time. Sarrazin perceived the need for austerity as a unique opportunity to discipline Berlin's in his perspective oversupplied, workshy and notoriously wailing inhabitants. Among others things, Sarrazin recommended tenants to wear warmer clothes instead of overusing heating facilities, complained of the people's general unproductiveness and developed a four-euro-everyday-menu for the unemployed. Retrospectively, those missionary attempts to re-educate Berlin's population (in a sense of making them used to real life's inevitabilities and hardships) failed because they ignored the pronounced "social soul" of the city.

Though, according to party programs and citizen initiatives social critique to the conditions of contemporary urban life regain importance in the political discourse (Birke, 2011). Likewise the Berlin Senate increasingly rediscover the symbolic value of more social

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policies: Despite having no financial scope, the government passed a law stipulating a minimum wage of at least 8,50 € per hour.

Taken together, the hope that a lose juxtaposition, officially ennobled as "poor but sexy", between Berlin's structural poverty and its seemingly unlimited sources of creativity and non-conformism is possible has become overburdened. Presently, sharp contrasts regain public awareness that make an easy coexistence of poorness and cultural attraction difficult. Apparently, the poverty has to be counterbalanced by a basic level of social protection in order to maintain a sexy image. Local politics slowly begin to recognize that space for alternative lifestyles and social innovations ("Berlin available for everyone") is limited. Current debates on gentrification and increasing rents put the issue of "social inequality" back to agenda and lead to a comeback of well-known mantras, used as empty signifiers by all stakeholders, such as "the *Kiez* as an integration machine", "Berlin mixture" or "city for all" in the public discourse. However, what is missing so far is a new urban role model for Berlin that integrates values of creativity and social equality. How to combine then concepts for fixing burning social problems such as the displacement of poor people from inner-city districts and likewise for maintaining the inspiring charm of districts and neighbourhoods that allow to hold contrasting groups, lifestyles and concerns together?

3. THE FIELD OF HOUSING AND URBAN PLANNING

Berlin is growing. According to estimations, the city's population (3,53 million in 2013) will increase about 7,2 per cent (250,000 people) until 2030. This trend concerns Friedrichshain-Kreuzberg out of proportion: the district's population will grow in the same time span about 8,6 per cent (23,700 people). The rise of inhabitants leads directly to the question where newcomers should live in the future. Today, there is a lack of about 428,000 affordable housings for Berlin's social assistance recipients. While currently rents are rising everywhere in Germany, the situation in Berlin, where average rents with 7,00 € per square meter are still much lower than in Munich (9,99 € per m^2), Stuttgart (7,42 € per m^2) or Cologne (7,36 € per m^2), is in so far crucial because the city has to defend its long-established reputation as a "paradise for tenants". No other major city in Germany has had such a generous amount of "cheap space" at its disposal – to be available for everyone for live and living but also for realizing own ideas of urbanity through innovative projects.

Obviously, times are over where space seemed unlimited. Berlin's housing associations recently reported a vacancy level of merely 3 per cent. In addition, rents increased about 8 per cent in average in 2012. All in all, housing, relatively ignored as a policy field for a decade, has moved on the top of the political agenda and with it a lot of unsolved conflicts. The complexity of the issue concerns its interconnected dimensions of equality questions (housing as a social right), social cohesion (depending on mixed neighbourhoods) and general priorities of urban planning (based on citizens' involvement or on prospects for economical profits?). For a long time (approx. 1980s to 2000s), Berlin's political administration succeeded in reconciling all three dimensions quite smoothly due to historical grown neighbourhoods with a sound mix of rich and poor inhabitants and local business, federal subsidies that guaranteed comparatively low rents and participatory models of urban restructuring containing conflicts of use at an early stage. How much the situation has changed demonstrates a statement by mayor Wowereit from 2011 in which he simply declared, without referring to Berlin's much praised level of social coherence, "there is no right to live in the city centre".

3.1. Old and new challenges of urban planning

In the early 1980s, in the aftermath of violent clashes between the police and squatters that occupied deteriorated housings, West-Berlin (particularly Kreuzberg) was an experimental site for a planning approach called "cautious urban renewal". The approach, a major social innovation of its time developed by the planning board of the International Building Exhibition in 1982 and confirmed by the Berlin parliament, was based on twelve guiding principles for urban renewal. It's progressive character was illustrated a.o. by the obligation to involve inhabitants, the local economy and employers in the process of urban renewal (principle 1), the building of trust through careful reconstruction measures in areas of urban decay (principle 3), the creation of new types of living situations (principle 5) and a sustainable protection and permanent application of the concept in the future (principle 12). Cautious urban renewal sought to replace "the violent character, bureaucratic paternalism and inscrutability" (Homuth, 1984) of previous urban policies in Berlin by a set of new values. Retrospectively, it has to be noted that this fairly progressive approach had been developed in "pre-globalized" times, where an economic exploitation of urban space was not in the focus of international investment companies. However, participatory schemes of urban development, being sensible to the social fabric of districts and neighbourhoods, became a central theme in Berlin. Actually, "cautious urban renewal" served as a blueprint, however in a slightly changed form, for the reconstruction of 180,000 old buildings in East Berlin starting in 1993. Though times changed and, therewith, modes of consensus finding.

Most significantly, the renewal of East Berlin's inner-city districts was "financed first and foremost by property owners" (Holm and Kuhn, 2011) and therefore put urban planners in the role of supervisors imposing legal restrictions for rehabilitation and environmental protection. As a result, urban renewal on a large-scale was removed by "multifaceted systems of negotiation between tenants, property owners and urban authorities" (ibid.). This shift from collective forms of regulation to smaller units of decision-making readjusted also the value set of urban planning. Although the aim to preserve equal living conditions maintained rhetorically, the process of modernizing buildings in the 1990s was highly influenced by individualized negotiations and contracts. Hence, the former rather bold model of "cautious urban renewal" faded; instead more autonomous solutions, including renovations that upgraded buildings to luxury status, became the norm and gave an advantage to better educated, socially networked and wealthier tenants, able to improve the status quo of their living conditions through voice. Furthermore, in 2001 the Berlin Senate decided to downsize their social housing programs to zero (see above) and embarked on a rigid austerity policy. Practically, the follow-up funding of social housing by the federal state of Berlin, substituting West Germany's subsidies after 1989, was stopped and housing stocks became privatized on a large scale. From 1990 till 2010 the number of state-owned dwellings shrunk dramatically from 480,000 to 270,000 and therewith Berlin Senate's impact on the local housing market (Holm, 2011).

Officially, this critical juncture (end of subsidies and privatization of dwellings) was legitimized by the insight that "Berlin has no housing but a poverty problem". In 1999 the Berlin Senate reacted to early signs of urban decay and two-tier neighbourhoods by implementing "neighbourhood management" areas, an approach for "soft urban renewal" and social cohesion, belonging to the federal program "Social city" (financed by the EU, the federal government and the federal states). In a sense, neighbourhood management (NM), rebuked by critics as a helpless attempt to compensate the former social housing policy, was ought to be a remedy for the assumed losers of neoliberal urban development processes: the long-term unemployed, poor and/or low educated people, the elderly and migrants. By concentrating more on qualitative ("social and economic conditions of neighbourhoods") than on quantitative problems ("more social housing"), NMs have been marked a paradigm shift in urban development policies. To put it bluntly: NM insists that social housing has a wider meaning than "cheap dwellings for everyone". Convinced by its

approach, housing companies supported NMs as a long-term investment in their housing stock. However, NM has been a rather "toothless instrument" in terms of crucial housing issues regaining importance in times of financial crisis. Hot topics such as the level of rents, settlement strategies and the realization of new building projects are beyond the scope of what has been the core idea of the instrument: a networked approach of urban development within predefined social spaces.

Looking back NM in Berlin, recently awarded with the „RegioStars Award" as an urban development innovation by the EU commission, has been partly successful. While the general atmosphere and mutual support among residents and stakeholders improved significantly in the 34 NM areas, less has been achieved in terms of recovering the local economy and enhancing administrative cooperation. To improve the latter, the Berlin Senate has established, additionally to NM areas, five so-called "action areas plus" (*Aktionsräume plus*) where Senate and district authorities should bundle their resources with regard to specific needs in the social space. However, "a real 'networked' urban policy has taken place nowhere in Berlin yet", criticizes Andrej Holm, an urban sociologist at Berlin's Humboldt University. Often local authorities remain isolated silos, having difficulties to leave routine paths. Furthermore, with 100 million euro per year, Berlin's overall financial resources for "networked" urban policies are fairly modest – especially, compared to large infrastructural projects of the city as the new airport in Berlin-Schönefeld: the present delay in constructing the airport causing additional cost of 15 million euro per month.

In terms of housing policies, the 2000s were, retrospectively, almost "wasted years" in which cost containment outdated any attempts to regulate rents or to expand social housing capacities. Thus explosive social consequences, first of all the displacement of long-term residents from inner-city districts (a process that started in 2011), have hit politics in Berlin quite unprepared. Suddenly, the official line of reasoning, calming down the existence of any problems by referring to the (relatively low) average level of rents and housing vacancies in outskirts of the city, collided heavily with the public perception: the lingering loss of neighbours and friends, forced to move in cheaper flats. Facing the social tragedy of displacement, Wowereit's motto "there is no right to live in the city centre" seemed rather cynical, while the need for a new, post-austerity housing policy emerged blatantly. But how is it possible to reinvent social housing in a city that is simply "broke" and that has only 270,000 flats at its disposal?

Rhetorically, all stakeholders demonstrate their awareness by stylizing themselves as defenders of Berlin's social mixture and *Kieze*. Apparently, these concepts lost its legitimizing effects due to a lack of workable solutions. The only concrete outcome so far is a "coalition for social rents" between the Berlin Senate, state-owned housing companies and tenants associations who agreed to cap rents on a level of 30 per cent of tenant's incomes. However, the reform, concerning anyway just a minority of Berlin's tenants, is restricted by many requirements related to maximum flat sizes and annual incomes. "This is a merely poor imitation of old social housing programs", commented Andrej Holm. Furthermore, the coalition is relatively helpless to fix the deeper core of the problem: the overall scarcity of flats. An additional purchase of 30,000 dwellings, as agreed, will be nothing more than the proverbial "drop in the ocean".

Critical local architectures, as Dieter Hoffmann-Axthelm, member of the "public planning circle city centre" in the mid 1990s, approach Berlin's housing problem from a different angle: the concrete city planning. According Hoffmann-Axthelm former large-size, rather "mechanical master plans" are deemed to fail because of their inability to react to the diversity of the urban landscape. Instead Berlin's inner-city districts have to be spatially condensed by piecemeal restructuring processes. "Using space resources more efficiently

requires arduous detail work", states Hoffmann-Axthelm. In order to create more dwellings, Hoffmann-Axthelm prompts the Berlin Senate, starting negotiations with the whole range of urban property owners. Private housing associations, public utility companies or allotment associations should make a contribution for more housing space in the inner-city. Moreover, creativity is needed when it comes to the realization of new housing projects. Here the impact of private citizens, small construction assemblies and cooperatives should be increased while the impact of large investors has to be decreased. Interestingly, similar suggestions for a restructuring of the city have been made repeatedly in the past but remained largely unheard in the view of the city's powerful mainstream coalition consisting of politicians, local authorities and state-owned housing companies.

The latter have failed to develop an integrated mission statement for the whole city bringing together key elements such as cautious and cooperative forms of urban planning, participatory governance and a modernized image of Berlin. Insofar, the Senate's current "coalition for social rents" represents first of all a usual reflex by reducing the complex challenges in the field of housing and urban development to the aspect of "affordable space for everyone". This rather one-dimensional policy reminds to the "good-old-times" when more social housing and the revitalization of city quarters was possible due to a moderate but stable economic development and the fact that West-Berlin was pampered by generous federal subsides. Today, an enormous economic dynamism, especially in the housing sector, shifts the perspective to an old question: How to handle public space?

3.2. Space for innovations

While questions of city planning remain an issue for professionals, a more public and more general debate on a revised property policy for Berlin has recently started. Calls for a structural policy change, claiming a balanced set of criteria for the tendering of urban property, solely based on profit maximation in the past, came from actors outside the established political arena. Ad-hoc groups of tenants, endangered to lose their dwellings, and a citizen initiative called "Rethinking the city" have evoked a fresh discussion on the old question "who owns the city". As a first success, Berlin's senator of finance announced a pilot project, providing the selling of up to 14 state-owned properties for a fair market value to non-profit housing companies. However, much far-reaching goals, e.g. more participation of citizens in the development of public property and a moratorium on all current property sales, are requested by the initiative. "It's impossible to change Berlin's property policy at once; therefore we need a moratorium that allows public reasoning", says a speaker of the initiative, fearing that "the city gambles away its future".

The issue of ownerships concerns not only housing but also non-profit projects, promising "social dividends" instead of easy money, such as urban gardening. In this respect, "Princesses Gardens" in Kreuzberg are a shining example for creative urban renewal. The project, using urban waste land on a temporarily basis (which means that the project may end abruptly, if the city council decides to sell the area to an investor), generated multi-dimensional returns for the district such as providing a green oasis, educating urbanites in the basics of gardening and bringing very different people together. "This is what it takes to maintain the *Kiez*", states Robert Shaw, co-founder of the "Princesses Gardens", who claims planning security for the project. Convinced by projects like this one, Franz Schulz, district mayor of Friedrichshain-Kreuzberg, supports the idea of changing public property policies. "Urban property has to be sold with regard to investors' concepts for neighbourhood development and requires dialogue with the citizens concerned in advance", says Schulz. The mayor refers to pioneering projects in his district such as the art and creative quarter *Südliche Friedrichstadt*. There, tendering for vacant lots is based on the quality of the investors' concepts for urban renewal in the first place and is automatically linked to a structured dialogue procedure among residents, applicants and

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decision makers. The actual amount of the respective bid plays a role as well but makes up merely 40 per cent of the final decision.

A new attempt for a more sustainable urban development in Friedrichshain-Kreuzberg tries to bridge concerns of saving spaces and diversifying the local economy. For instance, a so-called "owner salon" has been invented - a regular occasion where small owners of distinctive neighbourhoods gather informally under the patronage of the unit for business promotion. The goal of such meetings is to sensitize owners, who normally have little "real" contact to the district and its residents, for social and economic concerns in the neighbourhood, in particular the loss of diversity in the local settlement structure due to the process of gentrification. "Nowadays, letting a building to rich tenants and investment firms is much more lucrative than letting it to local businesses", states Martina Nowak, head of the district's unit for business promotion. Consequently, the district's colourful collection of residents, retail shops and service providers is endangered to disappear, which in turn may affect homeowners' long-term returns of investment. "Nobody, moves to Friedrichshain-Kreuzberg because of its uniformity; it's the district's vivid mixture that inspires newcomers", adds Ms Nowak whose unit is searching for blank spots and vacant premises that might be interesting for start-ups and creative businesses. As the potential has been largely exhausted, local owners' commitment to co-design the future of the district is from utmost importance. In this respect, "*Planet Modulor*" is a local role model: the alliance of small and medium-size companies from the hobby and crafts sector has been revitalized the local economy by building a huge "creative store" at the *Moritzplatz* in Kreuzberg. Furthermore, *Planet Modulor* is part of a creative network that aims to integrate economic, social and cultural projects into the urban environment.

To sum up, what are the conclusions concerning housing policies and urban development in Berlin? Which values and coalitions determine the field? Clear answers are not available. As the report has illustrated, the relaxed coexistence of relative poverty, balanced by cheap housing, and sufficient space for creative life-styles and projects has come to an end. Instead, the present is characterized by transition and contested conflicts concerning the usage of urban space. Unfortunately, integrated concepts for urban development do not exist yet. However, there is a variety of low-scale initiatives and local alliances promoting alternative approaches that are sensitive to socio-spatial contexts and local communities. Currently, those creative attempts to bring about change at the local level clash with rather clumsy efforts by the Senate to revive traditional social housing policies.

4. THE FIELD OF CHILD AND FAMILY POLICY

In a nutshell, the local public discourse on child and family policy in Berlin confirm federal policy guidelines. Accordingly, an extension of crèches and day-care places combined with family-minded approaches such as family centres are almost without alternative. Hence, local policies have been evaluated solely to the extent to which they fulfil these asserted factors of "good practice" by newspapers and parliamentary public. Critique and/or a genuinely local debate – where contradictory statements are reciprocally related to one another – do not exist; instead local particularities or rather obstacles to achieve the policy goals mentioned become reported from time to time. In this respect, three facts make Berlin (respective Friedrichshain-Kreuzberg) distinctively: First, Berlin is the "city of babies" with the highest birth rate among German metropolis. Among Berlin's districts, Friedrichshain-Kreuzberg's baby boom is top (with 11,9 births per 1,000 inhabitants), second, one third of all families in Berlin are so-called "one-parent-families" that in almost all cases are socioeconomically deprived and third, about one fifth of the families are considered as "low uneducated" and, therewith, as reliant on supportive measures. As a result, questions of sufficient provision and (equal) access to child care facilities make up local contributions to the general German debate on child and family policy. Key values

in this context, expressed by interviewees and in official statements by stakeholders, are "equal opportunities", "choice", "early childhood education" and "more flexible time schedules and regulations" of child-care facilities.

At a first glance, the situation concerning child care arrangements in Berlin seems much better than elsewhere in Germany. The city charges merely minimal fees for child care places. Moreover, the percentage of children being cared in a kindergarten or crèche in Berlin is very high: 94 per cent among children aged 3-6, 77 per cent among children in the age of two and 49 per cent among one year old children. Hence, Berlin is pioneering countrywide with regard to children aged 0-3 visiting a crèche. Apparently, the controversial question, much debated in more rural areas of Germany, whether children under the age of three should be better cared at home, has no public appeal in Berlin. On the other hand, extreme solutions as Berlin's first recently opened "24/7-kindergarten", an innovation that is at least debatable from a pedagogical point of view, remains an exception from the rule. However, local problems concern the distribution of child-care places available, flexible caring arrangements and low-threshold support for families under stress. With a special view on Friedrichshain-Kreuzberg, one can certify that district authorities pursue strong "family-oriented" policies.

The diversity of local needs is regularly assessed by a very detailed social space analysis. For instance, the child and youth welfare office has built up a standing working group called "baby boom", after having miscalculated the need of kindergartens in the early 2000s, in order to react to the district's increasing birth rates. In addition, the district pioneers Berlin-wide by pursuing integrated concepts such as family centres, a social innovation (analysed in the WILCO project) that rooted in international and professional debates (see e.g. Lewis 2011). Being asked for the district's overall approach for child and family issues, Monika Herrmann, district councillor for family affairs, answers as follows: "All of our child care facilities work according to the 'early excellence approach' involving parents at arms' length. Lower educated parents and troubled families should be activated through special offers by family centres", states Herrmann. Though, this rather uncritical self-testimony, sounding like a passage of a textbook for future professionals of child and family care, belies persistent local problems concerning the provision of services. Lack of supply exists equally with regard to crèches, kindergartens and family centres. "Currently, we are unable to satisfy families' demand on services", admits Thomas Harkenthal, head of the child and youth welfare office. The department has projected a lack of about 1,600 child care places till 2015.

In practice, this scarcity undermines the claim for equal opportunities among all children – a key value of the district government, lead by the Green party. Some local childcare providers take advantage from the imbalance of demand and supply by charging parents just to put them on the waiting list for a place at their facility or asking for admission fees (which are untypical) up to 500 €. Others collect fees, up to 300 € per month, for "additional services" such as early language support, music or sport lessons. Although this de facto practice of social selection violates public law, many (more affluent) parents are willingly to pay extra charges. A campaign recently started by the district authority ought to inform parents as users of child care facilities about their legal rights through flyers and hotlines. Likewise, Berlin's supervisory authority for child-care facilities provides a model contract (as a download on its webpage) for insecure parents. Thus, while being unable to solve the problem of missing child-care places structurally, authorities attempt to protect parents as entitled customers of child care services. Moreover, there are many legal requirements, making a swift extension of child-care places in Friedrichshain-Kreuzberg complicated. For instance, an upgrade of smaller kindergartens to day-care centres often fails in practice due to the level of fire protection and hygiene standards. Other facilities fulfil those requirements but do not have the personnel to expand their services.

With regard to the districts eight family centres, being recognized as very effective facilities for children and parents in the neighbourhood, the situation is different. Family centres are still widely perceived as add-on arrangements than as regular service providers by authorities. Nevertheless, family centres' services – for instance additional educational offers for children or occasions for informal meetings of parents – require continuous financing. The current practice of precarious one-year-contracts makes a consolidation of the relatively new approach difficult. However, a better funding for family centres depends foremost on the political will of the Berlin Senate, providing the overall budget for family-minded policies. The same holds true for the "neighbourhood mother" project, driven by the *Diakonie*, a welfare association. The project – migrants as mentors, bridging the gap between troubled (migrant) families and public life requirements – is a flagship project of the district. After initial scepticism on the side of district authorities, neighbourhood mothers' work is nowadays welcomed as complementing support concerning the integration of migrant families.

Furthermore, district authorities committed themselves to take over (some) neighbourhood mothers, completing a vocational training as "social assistants", after the project runs out. Women, especially lone mothers, are also supported by *Frieda*, a local women's centre. Similar to the neighbourhood mothers, *Frieda* pursues an approach of informal help, based on the assumption that clients need more than a kindergarten place. Therefore, *Frieda* not only advise lone mothers but provide several low-threshold offers such as a café, regular breakfast meetings and joint trips where women that often suffer from isolation could forge new social contacts.

Overall, there is a local coalition among public servants and civil society actors in Friedrichshain-Kreuzberg to use the given political leeway in child care policies in favour of more complex and innovative approaches such as family centres and neighbourhood mothers despite insufficient funding. As interviewees report almost unanimously, cooperation with district authorities and councillors and, vice versa, with child and family care providers is marked by mutual understanding and much focused on issues and the solving of problems. For example, Monika Herrmann, district councillor for family affairs, reacted to the local scarcity on kindergarten places by claiming, in an open letter to Berlin's mayor Klaus Wowereit, more investments in the infrastructure of child care facilities by the Senate. Conversely, heads of family centres and project leaders praise district authorities for their support and local pragmatism (e.g. when dealing with legal requirements) but accuse the Senate for being inactive. Actually, the political clout of this coalition for child and family issues at the district level remains rather weak. Both, project operators and district authorities are equally "supplicants" of the Senate that cannot do much but putting forward arguments for more financial support. On the other hand, their powerlessness in terms of budget planning reinforces the bonding effect among local actors, perceiving themselves equally as victims of the Senate's austerity policy that is regarded as family-unfriendly.

5. THE FIELD OF EMPLOYMENT

Generally, the discourse on employment is dominated, even more than the field of child and family policy, by federal policies and decisions. Reasons for that are, on the one hand, the fact that the employment field is centrally regulated by the Federal Employment Agency (FEA) and its local branches and job centres and, on the other hand, the enormous impact of the so-called *Hartz* reforms that came into force in 2003. Especially, *Hartz IV*, a federal law that merged unemployment and social assistance and forces job seekers to accept any job being offered, represents a paradigm shift of the German labour market. As a result, almost any discourse on employment in Germany revolves around consequences of

the *Hartz* reforms such as the realization of activation schemes, the punishment of those who refused to cooperate, the quality of labour and the special needs of children and youngsters from unemployed parents. Moreover, *Hartz IV* recipients face strict housing regulations: For a single household, rent subsidies are capped to 394 € in Berlin. In the view of an overstretched housing market, this "frozen subsidy" banishes the long-term unemployed de facto from better neighbourhoods in the city-centre.

Beyond controversies on these issues, there is relatively little space for debates on distinctive features of the local labour market, likewise, policy programs giving employment issues a local flavour are rarely found. Browsing through articles of Berlin newspapers, one gets easily the impression that the city combines many negative aspects of the contested labour market reform in 2003. Attributions such as "capital of the long-term unemployed" or "capital of the poor and uneducated" are popular and (more or less) underpinned by data: In 2011, 20,7 per cent of Berlin's population received *Hartz IV* benefits. Particularly problematic is the situation for youngsters, facing a local unemployment rate of 13 per cent (twice as high as the German average) and children, since every third child has to live from social transfer money. In addition, in 2012, 126,000 employees depended on substituting social benefits despite having a job, indicating a massive extension of the low-pay sector during the last years. Finally, Berlin leads in another category: nowhere else were more unemployed (4,7 per cent) punished due to "incompliant behaviour" such as failing to appear at the job centre or rejecting "reasonable work". In the following, three Berlin-wide job initiatives – the promotion of the public employment sector, the so-called "job offensive" and the creative economy – will be discussed; finally, a special view will be taken on the situation in Friedrichshain-Kreuzberg.

Public employment sector

Labelled as a flagship project of the party "*Die Linke*", being a coalition partner of the Social democrats from 2001 to 2011, establishing a public employment sector was an attempt to provide a local impetus for combating long-term unemployment. Thereby, Berlin's former left-wing Senate pursued a so-called "productive alternative" to unemployment and *Hartz IV* that has to be perceived foremost as political concession to "*Die Linke*" within the governing coalition at that time. Instead of a rather one-dimensional employability perspective, the senate promised in 2007 to create 10,000 new jobs in the local non-profit sector that are fully subject to social insurance. In order to finance these jobs, the Senate combined two federal labour programs for reintegrating the long-term unemployed and topped up the wages with its own budget. By doing so, employees in the public employment sector, for instance neighbourhood mothers but also local interpreters working on the behalf of district authorities, earned 1,300 € gross based on a hourly wage of 7,50 € - a level that in Berlin is neither reached in the low-pay sector nor in activation schemes of the job centres (e.g. "one-euro-jobs").

Furthermore, jobs in the public employment sector were on a voluntary basis. Hence, long-term unemployed were not forced to participate – a crucial point, as the practice of the job centre to coerce jobseekers taking up every job offered is much contested. All in all, the party "*Die Linke*" put much effort to demonstrate that a different, literally speaking "fairer" and "more human", employment policy remains possible. Though, the opposition rebuked the public employment sector from the beginning as a costly prestige project. For instance, the Christian Democrats argued that Berlin has to use its scarce budget more efficiently to concentrate on every one of its 200,000 long-term unemployed instead of pampering merely a minority of less than 7,000 people. Politically, the project came to an end with the election of a new government of Social and Christian Democrats in 2001.

Berlin's "job offensive"

After taking office in November 2011, the new government announced a Berlin-wide "job offensive". As a kind of policy change, the "job offensive" should bring an immediate easing on the labour market by a strategy that could be described as "creaming the poor". The initiative, developed in cooperation with the Federal Employment Agency (FEA), aims primarily at "customers close to the labour market", a target group that normally do not belong to the long-term unemployed. In consequence, the Senate readjusted its focus in terms of employment from the "public sector" back to the first labour market and, therewith, its guiding principles: the "job offensive" is much more based on employability than on the idea of "good labour" and "fair wages". Until May 2013, 20,000 jobseekers should be integrated in a regular job. In order to reach this ambitious goal, 300 additional employment officers have been hired within Berlin's twelve job centres improving the ratio of agent to jobseekers significantly from 1 to 200 to 1 to 100.

In a nutshell, the "job offensive" allows more time and personal support, comprising training and further education, for "the-better-of-unemployed", namely those, who already completed a vocational training or temporarily do not work due to maternity leave or illness. More difficult cases, e.g. unemployed people who have not worked for years, should be additionally accompanied by a personal coach for a one year period. Particularly, the latter idea evoked critique, leading an awkward question: Who qualifies the qualifiers? Personal coaches intervene massively into private issues and life-styles of the unemployed such as their public appearance and manners in order to achieve the goal that matters most: to bring them back to work. The rather rigid character of the "job offensive" is proved by the extraordinary high number of unemployed sanctioned by the job centre due to misbehaviour in 2012 (see above). Thus, according to the dogma of employability, more employment agents mean in practice not only intense advocacy for but also more control of the jobless.

Creative economy

Visions outlined for the whole city, attempting to reposition Germany's capital among global metropolitan areas, suggest e.g. a „new industrialization of Berlin", or the building of a „creative and sustainable city", where good labour is equally shared between all inhabitants. Berlin's creative economy has its cultural roots as well in the new social movements emanating from the 1970s that promoted new forms of micro solidarities and participatory concepts as an alternative to the much criticized traditional forms of state-based solidarity (Evers 2010, p. 52f.). In contrast to initiatives for employment, as discussed above, such a perspective, focusing on new concepts of growth and economic development, revolves only indirect on the creation of jobs. Instead, discourses like the one on the "creative economy" aim to change the dynamic of doing business and business promotion in a post-industrial age. However, there is a big gap, not yet filled by political concepts of urban and social change, between the vague, cultural ideas of Berlin's future and the vast number of promising local projects (Schneekloth, 2009).

Boosting Berlin's creative class – e.g. music and fashion labels, clubs, ateliers but also IT start-ups and (social) media companies – has become a strategy of the local economic policy since the 2000s. In absence of strong traditional industry sectors, local politics embrace "creativity" as a value and a vehicle for future economic growth. According to Senate authorities, Berlin's rising "creative cluster", generating 16 per cent of the city's overall turnout per year (25 billion euro), employs about 200,000 people. In order to consolidate this positive trend, a steering group, built up by the Senate, develops integrated policy recommendations and provides an online portal where entrepreneurs and creative workers can network across sectors. Though, the problem of the Senate's "cluster management" is its relative blindness for local preconditions for creative entrepreneurialism. A "creative urban wonderland", as one interviewee remarked mockingly, needs more than an "ultimate master plan"; foremost, a flourishing of creative

business ideas needs local spaces for entrepreneurial leeway. However, the creative economy plays already a crucial role for Berlin's city marketing agency promoting the capital as an experimental site for high potentials with the slogan "city of chances".

The situation in Friedrichshain-Kreuzberg

While Friedrichshain-Kreuzberg mirrors Berlin's problems in terms of employment, the district features joint ventures, small-size initiatives and innovative projects that make a difference to the main discourse on "employability" and "*Hartz IV*". Though, it should be recalled that all this takes place within the limits of the federal employment framework. Local action against unemployment concentrates mainly on three target groups that make up the bulk of the job centres' customers: youngsters aged 16-25, lone mothers and migrants (see next part). Concerning the three target groups mentioned above, there is local consensus that support has to be hands-on and pragmatic. For example, tailored projects such as "job explorer", matching local companies and pupils at an early stage, response to the specific needs of youngsters whose parents are often much distant from working life realities. Likewise, local support for lone parents is also project-based as the example of *abba* demonstrates. Emerged from the competition "Good work for lone parents" of the European Social Fund (ESF), *abba* (German abbreviation for activation, accompany and employment for lone parents) attempts to establish a consistent local monitoring system regarding the reintegration of single mothers (and fathers) into the labour market. Significantly, such fairly successful projects – praised by almost all interviewees in Friedrichshain-Kreuzberg as necessary and effective – are at least half financed by EU budget. Thus, continuation of work cannot be guaranteed but depends on many variables: e.g. eligibility criteria of the ESF and negotiations between the Senate and the district how to distribute European money Berlin-wide. In other words: Despite local agreement and willingness to put a special focus on target groups, respective projects remain quite often temporarily offers.

According to district authorities, more conventional, "institutionalized" local policies in the field of employment are based on the principles of "cooperation", "partnership" and "diversity". Ideally, all local stakeholders (e.g. politics, authorities, schools, companies, chamber of trades, unions, job centre and project operators) should shape jointly the conditions of the local labour market. The latter is defined rather broad, ranging from skilled craft (e.g. hairdressing) to start-up entrepreneurs and creative businesses. Though, as stated by representatives from the district's economic council and the local job centre, practice could not keep up with this claim. "We need more piecemeal approaches and concrete projects instead of routinized forms of cooperation", states Stephan Felisiak, head of the local job centre. Felisiak has some doubts whether large networks such as the "district's alliance for economy and labour" fits its purpose and favours more informal exchange and agreements among local decision-makers instead.

In this vein, additional places for vocational training could be negotiated, when needed, directly by the chambers of trade and the job centre. Such a pragmatic attitude ("let's see what works and what doesn't") is rather typical for the job centre that, as a federal agency vested with directive power, is not bounded by local patterns of policy-making. In contrast, other actors, as for instance the district unit for business promotion, depend on established working groups and task forces in order to fulfil their mission. "We won't risk a mismatch between our work and the district's needs", says Marina Nowak, head of the unit. Therefore, Ms Nowak and her team built up networks, such as the "creative board", and develop strategies how local jobseekers could benefit from booming sectors of the local economy (e.g. tourism). Particularly, entrepreneurs and creative start ups have to be provided with infrastructural support, e.g. affordable office buildings that allow exchange between creative workers, by district authorities. Due to the enormous dynamism of the

creative economy, exiting to another, more favourable, business location is a permanent option for start-up companies.

In conclusion one may say, that the example of Berlin demonstrates that unemployment as an issue can be tackled from a number of perspectives: as a side effect of a missing economic dynamic, as a structural problem that has a long local history, as a challenge to create better transitions from schools and vocational trainings to the labour market and finally, from a perspective of reintegrating people into the existing labour market (public and private). In Berlin, employment policy is much focused on the employability-oriented jobcentre approach, while more complex approaches working on new concepts for growth and sustainable jobs are so far secondary. What are the main differences between innovative projects as "job explorer" and mainstream employment policies?

First, projects for labour market integration operate at the district level and pay attention to the particularities of the local context, while the job centre pursues large-scale and standardized programs. Second, local approaches deal with unemployed people in groups, acknowledging that they are part of a local community, while mainstream policies address jobseekers as individuals whose social relations are irrelevant. Third, complex approaches offer tailor-made and personalized support packages, while the portfolio of the job centre is limited to managerialist and impersonal devices. To sum up, the key difference concerns the overall perspective of the employment policy: Does it combine aspects of social and labour market integration or is it reduced to the principle of employability? So far, points of contact between innovative approaches and official policies in the field of employment are rare. Here, the "job explorer" project, originally conceptualized and initiated in co-production with the job centre in Friedrichshain-Kreuzberg, is an exception from the rule. Finally, facing the enormous impact of the EU in funding new approaches for labour market integration, it has to be asked: Can social innovation be outsourced?

6. INTEGRATING MIGRANTS: A CROSSCUTTING ISSUE

The situation of migrants is a cross-cutting issue; therefore we decided to pay special attention to it. In all three policy fields, migrants' needs are distinctive because they cannot be addressed without touching on the question of integration and (equal) participation. In the field of housing and urban renewal migrants are particularly endangered by gentrification processes because they are often more vulnerable than Germans with a comparative level of income and securities. If rents in a district like Kreuzberg, a stronghold of Turks and Kurds, suddenly double, migrants belong to the first group facing displacement. For many of them, moving to another district where costs of living are affordable can be equalled with "moving to another country" because they lose the social environment where they achieved over years to feel "home and safe". Furthermore, migrants' capacities to prevent displacement through effective lobbying are comparatively weak. In Kreuzberg, Turks and Kurds, at least those without German citizenship, are excluded from local elections and have to rely on the support of migrant organizations. "Displacement is in most of the cases a creeping and almost invisible process", says a speaker of the local housing department, adding that this "holds particular true for migrants".

In the recent past, though two, albeit small-size, counter examples attract public attention in Kreuzberg. First, within the protest initiative *Kotti & Co*, building up a permanent camp at the *Kottbusser Tor* in order to denounce massive rent increases in bordering neighbourhoods, Turkish migrants play a prominent role. *Kotti & Co* differs much from traditional tenants associations, which, as a speaker of *Kotti & Co* reported, "showed no interest to intervene in the conflict because their clientele is not concerned". Second, the eviction of a Turkish family after losing legal proceedings concerning a rent increase of

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100 € per month evoked a local wave of solidarity expressions and acts of civil disobedience by neighbours. However, the socio-economic mechanisms on work may destroy what has been achieved in a more permeable housing market.

In the field of child and family care migrants are, on the one hand, main addressees of support and, on the other hand, as demonstrated by the "neighbourhood mothers", also a source for promoting integration and participation in society. Interestingly, the project "neighbourhood mothers", an innovation that is by and large supported by all stakeholders, attracts some criticism by migrants. For instance, Fadi Saad, neighbourhood manager in Berlin and author of two recent books on integration and the prevention of youth violence, criticizes that in the public discourse "neighbourhood mothers" are solely responsible for "poor and incompetent" migrant families while their German counterparts seemingly do not need such kind of out-reach counselling and support. Therefore, Saad raises the question how much intervention in private affairs, such as education, migrant parents have to accept. However, in practice, all local child care facilities and family centres offer special services for migrants such as language courses for children and parents, mother-tongue advocacy or integration courses including child care on a temporarily basis. Offers exist even for small minorities as it is proved by the example of an Estonian and Latvian parent-child-group. However, the crucial point is whether existing offers are appropriate in terms of integration.

As it turned out in our interviews, changing people's mind-sets is a complex task. For integration to succeed it needs a two-level process: First a basic willingness and orientation towards integration and second services that take up such aspirations and reinforce them. In this respect, migrant organizations, offering integration courses, are a telling example. Given the fact that migrants have to pay a fee between 100 and 150 € for participating in those courses, migrant organizations have become competitors in a Berlin-wide market for integration support. According to Fevzi Aktas, head of a Kurdish organisation, the quality of integration courses' providers varies widely. "Many organizations are profit-oriented, using the fees for promoting folkloric and religious events that are exclusively addressed to their own community", states Mr Aktas. One should add that according to Mr Aktas many of them work first of all in the perspective of strengthening their members' ties with their country and of upholding the culture of hierarchies in clans and communities safeguarding that the traditional senior leaders are as well the spokesmen of these communities and associations in their new place of living, i.e. Berlin. From that perspective there emanates a basic distance towards the various services for integration/assimilation, offered by the Berlin welfare authorities. In the face of that he claims the need of a process or reorientation, accepting Berlin as a place to stay rather than an "exile", a value orientation that is needed for an opening-up of migrant organizations towards host societies and vice versa.

Therefore, the Kurdish "association for culture and help" puts its main emphasis on services supplementing integration courses such as advice in all areas concerning life in Germany and the provision of child care. Being a member of the *Paritätischer Wohlfahrtsverband*, an umbrella of welfare organizations, the association perceives facilitating integration as its most important task. Though, collective rethinking is a long-term process that just as much concerns Germans. Here, parents' choices of kindergarten and schools are central leverages for or against integration. Despite Friedrichshain-Kreuzberg's intercultural spirit, underscored by anti-racism campaigns of the district council and the celebration of mutual tolerance, many German parents still refuse to subscribe their children to local kindergarten and/or schools due to the high percentage of migrants (up to 90 per cent). This phenomenon of failed integration in practice is widely ignored in the public debate on this issue that is characterized by conflict prevention instead of a serious discussion on the meanings of integration.

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The same holds true in the field of employment where "tough questions" concerning integration are not raised publicly. For instance, why do youngsters with a migrant background face still more difficulties finding a vocational training than Germans in the same age – despite having the same qualifications? Or: Should employers, especially those from shops and retailers, accept young women wearing a scarf? On the other hand, employers from migrants' local economy have to be asked: Do migrant companies, service providers and shops provide vocational training and apprenticeship? Or are they merely a possibility for young migrants to be active and to earn some money within their own community? Currently those critical points are merely touched by a few people working in the field, being confronted with its every-day problems. For instance, according to a speaker of the association of small and medium-size businesses in Friedrichshain-Kreuzberg "the local economy of the district has no future, if they do not approach migrant youngsters more openly as qualified future workers". Practically, this leads to a question that still sounds provocatively for many local employers: "Should a young Turkish woman work in a construction market or at the fire department?" Similarly, small labour integration projects as "job explorer" claim cultural rethinking and a more experimental attitude by both, migrant youngsters and employers. In this respect, a recent campaign called "Berlin needs you" addresses migrant youngsters in order to intrigue them for jobs in the public sector (e.g. police, hospital etc.). This and other attempts are based on the assumption that practical experience with each other is much more instructive in terms of dismantling prejudices than obligatory diversity trainings for employers or integration courses for migrants.

Finally, the role of the Berlin Senate concerning the integration of migrants has to be critically reflected. On the backdrop of official statements, one gets the impression that politics do not tackle hot issues of integration in order to avoid conflict or rather to uphold the positive image of Berlin as a cosmopolitan city. The rather superficial treatment of integration issues can be underscored by three current observations: First, much energy is invested in public campaigns as "Berlin needs you" or "Respect wins", a promotion against discrimination. Most recently, large billboards show a picture of mayor Wowereit subtitled with the slogan "I am a migrant" – a problematic wording, taking into account that most migrants in Berlin are borne in the city and, therefore, reject the term "migrant" but perceive themselves as "Berliner". Second, the local challenge of integration, as it occurs in neighbourhoods and schools, becomes belittled, if leading politicians as Dilek Kolat, senator of integration affairs with a Turkish origin, announce merely imprecise goals such as making Berlin to a "diversity-oriented" and "racism-free" city but neglect a real discussion of the issue. Those rather "empty intentions" are in contradiction to statements of practice-proofed politicians and local figures, claiming a public discourse on the meanings of and conditions for integration.

In this respect, two local Social Democrats fuelled the debate: An extreme position was put forward by Thilo Sarrazin, Berlin's former finance senator, who insisted on the need for technocratic policies and questioned migrants' economic value and positive contributions to the city's overall development. Another position is hold by Heinz Buschkowsky, district mayor of Berlin-Neukölln and author of a recent bestseller on migration issues called *"Neukölln ist überall"* (Neukölln is everywhere; Buschkowsky 2012), claiming that there is a need to combine elements of duty (e.g. the duty so send children to schools regularly) and elements of "soft" and innovative social support like the neighbourhood mothers, in order to tackle the hardships of integration. Third, the worth of political bodies as the "board for integration" is questionable, if participation of representatives from migrant organizations in those bodies, having anyway no decision-making power, serves foremost as an alibi. Recently, 13 from 14 migrant members of the board for integration stood away from the presentation of Berlin's new integration

commissioner because they were not involved in the selection process. To sum up, there is a stark discrepancy between the official framing of integration issues, committed to diversity and participation of migrants, at the Senate level and migrants' experiences and conflicts at the local level.

7. SUMMARY AND CONCLUSIONS

We have organized our overview on the context of social innovations in Berlin and Friedrichshain-Kreuzberg by presenting findings related to policy fields with a key impact for issues of social cohesion. Let us finally conclude what these findings and observations mean with respect to the impact of a socio-political context - such as the Berlin one - on innovations and their development. Doing so we draw on the topics that we see as key elements of a policy-oriented context analysis of innovation dynamics, listed in the introduction of this paper.

The specificity of a context and the impact of traditions

Berlin is a special example of two very different traditions of thinking and acting on matters of welfare and well-being that have an impact up until today. On the one hand, it has been shaped as a former *Frontstadt* (front-line city) by a big welfare system that dealt with a rather slow dynamic of economic dynamics and development. Berlin's tradition as a kind of "affordable city" that offers space in a broad sense of the word - not only but as well - for social innovations, was since long time attractive for creative forces from the whole of Germany and beyond. Traditions and value orientations of a counterculture inspired as well the realms of urban development and welfare. As it has been showed, this happened not only by "alternative" cultural and social projects and forms of living but as well by co-shaping approaches in welfare and social services such as concepts of personalizing them, of upgrading user participation, choice and co-production and of changing the values of urban planning, increasing the sensibility for the impact of good neighbourhoods and the complex biodiversity of those many factors that create a lively open but as well cohesive urban space (see: Evers 2010, 52f.; Evers 2010a). What is nowadays a very multicultural city is however as well due to the very old traditions and values of living together in a *Kiez*, although there are different groups of people, different incomes, habits and lifestyles. Mixing different activities at place and caring for a mix of social groups is a concept with long traditions in the urban planning policies of Berlin.

However this combination of being "poor and sexy" that resulted from all that has broken up in the last years. Berlin is now a city, where the established welfare institutions are under financial stress and where an enormous dynamic of investments has resulted not only in much sharper contrasts between rich and poor but as well in a questioning of spaces that allow different groups to live together in one place. There is neither a welfare concept and urban planning policy for dealing with the new socio-economic dynamics nor anymore an easy to find and affordable place for the many social innovative projects. The dynamics of housing markets and gentrification are questioning the cohesive reserves of a city that had and still has many mixed and fairly integrative areas. Poverty and insecurity may make "sexy" innovations stale once their concerns and levels of operation are seen as insufficient in face of the urgent social questions that are back on the agenda – questions that call for central regulations, measures and state action out of reach for dispersed innovative spots, such as regulating housing markets or making economic dynamic pay off as well in terms of jobs and social security.

Competing discourses and values

There are different and competing values to be found alongside these processes and no easy formula anymore for politicians to bring them together. On the one hand there are

still the traditional values that helped to build and sustain local welfare institutions: concerns with social security and sharp (in)equality; then there are the more recent liberal values of multiculturalism and managerialism. Each for these policy orientations that can be found in the PAS of Berlin has its own difficulties to meet the spirits and needs of a new generation that calls for less bureaucratic types of welfare, mistrusts the easy talk on integration and find the new authoritarianism of managerial welfare such as embodied by the Jobcentres unacceptable. The change of contexts in Berlin has put both sides under stress – those who operate in the PAS and those that have looked in various ways for alternative less standardized concepts of welfare and wellbeing.

A kind of macro-concept may help in clarifying the background of our argument about the situation in Berlin both for welfare politicians and professionals within the mainstream and the innovative voices and attempts. Boltanski and Chiapello have in their much debated study on "The new spirit of capitalism"(2005) argued, that there have always been two different traditions of critique of capitalist development: on the one hand there is what they call the "social critique" focussing on the contrasts between richness and misery, the wealthy and the poor, the secured and endangered classes. On the other hand there is what they call the "artistic critique", that is about alienation, loss of sense and respect by a capitalist dynamic that turns everything into marketized relations. It is the first concern of the "social critique" that has become powerful by the institutionalisation of welfare states and welfare policies and it was the second concern that had a revival in the times of the new social movements and the panorama of "postmaterialistic" values (Inglehart 1995) taking shape. Boltanski and Chiapello argue that even though many of these concerns with autonomy, individual freedom etc. have been taken up and simultaneously perverted in the new culture of capitalism, they are still alive. How to get to a broadly acceptable fusion of both concerns, the "social" and the "artistic" seems to be essential from their point of view. It should by the way be noted that in various studies on the nature and roots of todays' social innovations the special impact of "art and creativity sciences" (Moulaert a.o. 2005, 1976f.) gets underlined

Now we would argue that many of the social innovations to be found in Berlin are much influenced by the tradition of the "artistic" critique with their quest for different lifestyles and soft and responsive ways of welfare action and social services. The more the quest and search for respecting one´s own "thing" and individual autonomy get impact, traditional standardizing solutions are questionable (Evers 2010, 52f.). However as we have tried to show the concern with more liveable urban spaces in Berlin and with welfare services that are not so much about protection but about empowering and respect, has to face now increasingly that the very material problems, the longstanding tradition of the social critique of capitalism had articulated - inequality, insecurity, poor wages – are back on the agenda. Moreover it shows how much a better life is not only about changing life-styles and cultures but about the power of institutionalised living-conditions that call again for an actively intervening welfare state. However a near bankrupt the local welfare system, new social risks and the distinct aspirations of so many innovators make a simple "come-back" of a protective welfare state as we knew it unrealistic.

Defining the challenge

In a nutshell our sketch of the local context and situation in Berlin is arguing that Berlin has moved from a situation where (a) traditional ways to curb poverty and insecurity and (b) more recent attempts to give space for creativity and lifestyle change and the respective expectations and values of both streams could co-exist quite easily, to a situation of impasse. Welfare state action on structural challenges to inclusion is more needed than formerly but difficult to be set into motion; the spirit of innovation and searching for better qualities of life is still there, but losing ground. A traditional and

weakened welfare state is coexisting with a dynamic marketization of Berlin, possibly hijacking the meanings of values such as autonomy, flexibility and self-responsibility.

This would mean that a better link between politics of welfare reform and those groups and movements that stand for "social innovations" is of considerable importance. Given the different traditions with respect to values, priorities and their impact for action that have so far characterized both sides, scaling up innovations is a difficult task. In terms of values this is about new balances of e. g. central top down action and diversity, clear-cut rules and flexibility. Words like flexicurity or multilevel governance point at such challenges. There are so far few consented rules how to make the taking up of grassroots innovations part of the task of welfare systems while for some social innovators the market might look more attractive as a partner than the welfare state.

The overview that we have given for four policy fields may be read as a way to provide examples of this problematic situation but as well as an attempt to give sketches that illustrate how and where it has been achieved to merge the various discourses, practices and values in some way, preparing new reformed answers in local welfare and urban policies.

Different policy fields – different constellations of values systems and discourses

In the policy fields our findings on policies and value orientations but as well what we know about innovations (see the respective WP 5-paper) have shown the following:

- conflicts and challenges actually concentrate in the debates on *housing and urban development*; supporting innovative forms of neighbourhood revitalization is only part of the game; there is a need for public regulations to sustain what has been inherited and achieved when it comes to mixed urban settings and neighbourhoods; however, it has to be considered that the value placed on mixed urban settings and working neighbourhoods has itself been co-produced by the many innovative grassroots movements of the last decades; the concepts of urban planning, housing policy and regulation have, as it has been shown, given a new role to respective movements and initiatives as part of the respective planning system. There is, as we have shown, a variety of local alliances promoting new forms of action and of regulation suggesting various divisions of labour between urban planning and welfare experts on the one and initiatives of tenants and active neighbourhoods on the other hand

- in the field of *labour market policies,* the situation is different insofar as the guiding managerial approach is neither a prolongation of the old protective welfare concepts nor do these practices of managing singularized cases and customers give much room for innovative initiatives that address people as members of communities, groups and networks; so far there are only few initiatives that take challenges of work integration into regard not only from a narrow perspective on employability but by tying together concerns with peoples´ networks in the community and the wide array of other services that are needed in order to get to a working merger of social and occupational integration; the few links between job centres and innovative initiatives and the ways different concerns and values meet there have been described

- the situation in the field of *child care* is once again different; the wide reaching consensus is on both, classical issues such as the need for more child care places, but as well as on the need for innovative qualities - an approach, that addresses not just children but as well parents and families; at least in Friedrichshain-Kreuzberg this has resulted in a lively back and forth in the process of building up family

centres that bring welfare services nearer to families that are not only much in need but as well only to be reached by innovative ways of reaching out .

- when it comes to the cross-cut issue of multiculturalism and *integration,* the general problem is that basic harsh social questions have come back about income, pay, a job and a place to live – issues that tend to reinforce hierarchies and segregations on material levels and in the minds of different parts of the citizenry. Innovative services offered e.g. by PAS-supported projects and some of the associations of Kurdish or Turkish communities can only mitigate such structural problems; the central value and buzz-word "integration" itself gets controversial meanings by different sides. Finally all piecemeal innovations are hampered as long as there is little agreement on general perspectives about how much change of expectation and attitudes both sides are willing to undergo for the sake of getting real co-citizens.

The difficulty with getting to new discourses on the social and the city

Our overview has made visible that besides the difficulties to get together different discourses about acting in the fields of housing, work integration, families and children, migrant and long-time inhabitants, there are throughout additional challenges. They stem from limited financial resources not only of initiatives but as well on the side of the public authorities; an additional restriction is the enormous impact of institutional traditions that show a. o. by thorny sets of juridical rules and barriers and moreover concerns with clientilism and rivalry.

Furthermore it has been shown that different values are not easy to be brought together. Key issues and buzzwords mean different things in different discourses of different groups; i. e. they are "overdetermined". This does not only hold true for such items as "security" and "integration" but as well for quarrels over what a "social" development/ambition could mean. We have shown with respect to urban planning and housing market policy in Berlin that the debate on this gets in many instances a new meaning. It was e. g. for a long time seen as "social" to sell public property to the one who offers most, irrespective to the use of the land that is envisaged, this being social by bettering the financial situation of the city's finances. Nowadays, "social" increasingly means to give the land to those actors that propose a use of the land with the best social dividend for the development of the whole neighbourhood and city quarter. As it has been shown, this can help to save places for actors that do differently – e.g. social entrepreneurs with business plans that entail social innovations. The meaning of making a city or an urban development more "social" can shift then: it is not only about the size of the city's social budget but as well about the sensitivity of urban planning for social concerns and finally about the importance attached to the social (side) effects of private investments on the city's terrain. This is just a case in point how societal learning and discourse change can work.

Another central topic for a new discourse is "participation". At least in the vocabulary of Berlin's administration and political parties, citizen participation has got more mentioning than ever. When it comes to innovative approaches and how to address and deal with them, the picture varies. It can reach from benign neglect over to strong support, guidance and exchange with the respective managers of services and their addressees; the field of family centres is an example in this respect. As it has been shown, there are now in all policy-fields exchanges, negotiations and contacts to be found, informal and formal. Giving "state dosh" (cash from the state) to projects and associations claiming to offer something useful and innovative has a tradition that reaches back to the 1970s. Yet in Berlin, so far many of these ways of networked governance and public (co)funding are limited to special sub-field of politics; they get mostly not debated under an explicit label such as

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"strengthening a participative democracy" nor have they resulted in an overall new style of governance.

As we have tried to show, the context of Berlin, a city where different discourses coexist and rival each other is characterized by a broad scope of attitudes and attempts of linking the dominating performance and concerns of the PAS with innovations in and outside of it. Once one acknowledges that innovations are not simply about doing "better" but moreover about doing "different", it becomes questionable to label such processes simply by words like "diffusion" or "scaling up". And since there is a plurality of ways and strategies of making innovations work in local urban welfare systems, it is very difficult to develop something like a "general theory" of the dynamics of social innovation.

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