

 Germany
 357'112Km2 \* Inhabitants
 81'835'000

 Urban Region
 755Km2 \* Inhabitants
 1'700'000

# Unternehmen Hamburg (Hamburg Incorporated)

With 1.7 million inhabitants, Hamburg is the second largest city of Germany. Immigrants and other persons with non-German citizenship make up about 15% of the local population. With vast areas build up during the 1880ties (Wilhelminian style) and cultural as well as recreational offers such as museums, bars, public parks and lake sides, the inner districts of Hamburg represent a kind of "classical" metropolitan flair. Simultaneously, other areas are in a process of degradation. This is especially true for the modernist housing complexes of the 1970ties and some areas at the city's margins.

The port of Hamburg represents the most important infrastructural hub for the northern part of the country. Located 100 km upstream from the North Sea at the river Elbe, it is the largest German sea port. Here, container handling reaches the second range in Europe. The port and its related industries have been formative to the city's wealth, growth, economic and urban structure since more than five centuries. As a result, a well earning and liberal bourgeoisie of merchants and traders came up, being complemented and contrasted by a poor and partly immigrant working class. Nowadays, less people are employed by harbour-related businesses, even as the importance of container

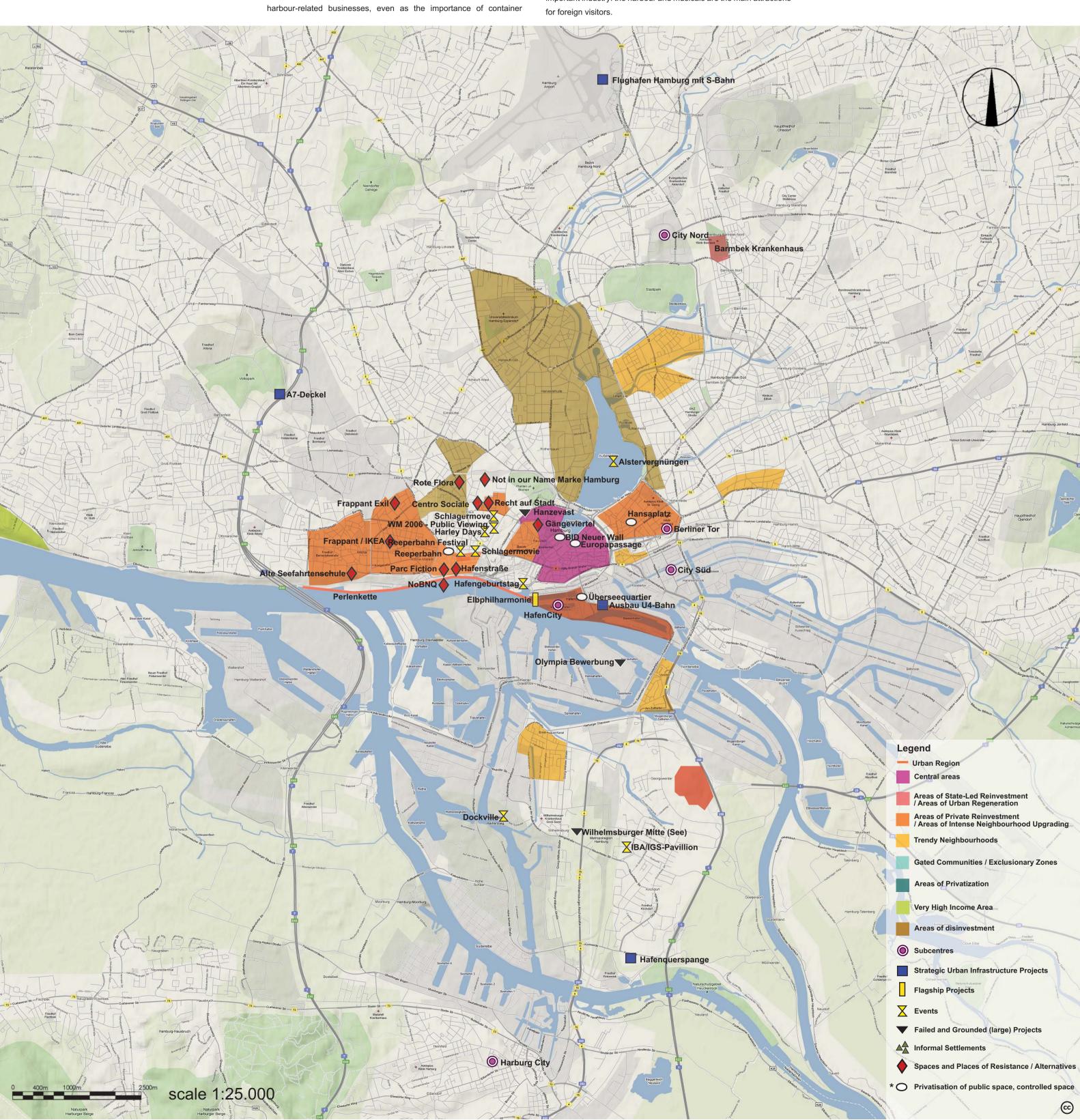
handling is on the rise (though somehow diminished by the recent global crisis).

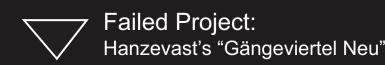
The economic importance of the harbour has shaped a specific landscape. Today, the port covers more than 7000 hectares. At HafenCity, a former part of the harbour is converted into an inner-city district, marking one of the biggest redevelopment projects in Europe. Hereby, the creation of a new urban identity for Hamburg is intended. While referring to its tradition as a harbour city, it also longs to represent a visionary modern metropolis with high living standards attracting the headquarters and talented of the world as well as tourists. To help flourish the idea of HafenCity, the municipality sold huge amounts of public land and invested in a new cruise terminal, cultural events and the construction of the Elbphilharmonie.

Hamburg tries to face the decline of the harbour with the aviation industry: With 12.000 employees, Airbus is the second largest employer after the municipality. In publishing and press, Hamburg is competing with Berlin. Once called the "city of media", Hamburg now aims to convert itself into a "creative city". City tourism is another important industry: the harbour and musicals are the main attractions for foreign visitors.

The local housing markets are very tense: The average citizen spends one third of household income on accommodation. At present, Hamburg faces a shortage of 65.000 dwellings after continually disregarding socially acceptable housing policies. Even by the public housing company, social housing units are being sold or rents deregulated. While the population of Hamburg is growing, the number of rent-regulated housing units decreased from 211.000 to 116.000 since 1993.

Urban conflicts are well known in Hamburg: In the 1980s, squatting and riots against the official development plans dominated the public agenda. In 2003, huge protests spread in reaction to the clearance of an alternative trailer park (Bambule) located near the fairgrounds. Currently, harsh disputes are taking place, reflecting the contrast between urban renewal, marketing and development strategies and deficient social (housing) policies. From 2009 on, this gave rise to a huge and powerful local 'Right to the City' movement in Hamburg.





Real estate development, including renewal, Purpose upgrading and demolishing of ancient buildings in central Hamburg

4.500m2 (plot); about 15.000m2 (floor-space)

planned for habitation, trade, gastronomy and

Projets costs Ca. € 50 million,

**Dimensions** 

Architects

including about € 2.8 million purchase price

Hanzevast & Implan Concept GmbH & Co. KG Investors

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#### Description / Reason for this choice / Background / context

"Gängeviertel" is the name for the remainings of a predominantly medieval ensemble of workers' dwellings and factories in the core of Hamburg. The 12 buildings, which are surrounded by post-modern office and trade buildings, were deteriorating as council estate, when Hanzevast's tender for the objects was accepted as the highest bid by Hamburg Municipality in 2008 (€ 2.8 million). At that time, all tenancy contracts were terminated. Since 2009 on, the land owner has been planning to demolish most of the buildings, restore where legally binding arrangements were given and construct new buildings.

#### Significance for New Metropolitan Mainstream

The investor tried to copy "Hackesche Höfe, Berlin" by mainly leaving facades of the historic buildings to host upscale residential, trade and office areas. Privatisation of communal housing, together with demolition of historic building caused by a market-oriented historic site protection policies, a pressing need of low-prized and centrally located residential space as well as heavy gentrification tendencies in the core of Hamburg, ignited heavy opposition to this project. The initiative "Komm in die Gänge" of mainly artists and scientists squatted the area and organised public campaigns to rescue the area from profit oriented upgrading. They were supported by different groups, as local (art) patrons and even by the conservative media (against demolition of old Hamburg).

#### Stakeholders and their interests

HIC planned to develop the "Gängeviertel" as an international investment project with middle-term profit rates.

Hamburg Municipality had to arrange the sale to and the re-buy from the investor. "Komm in die Gänge" tries to preserve the buildings, especially to receive low-cost artist rooms, gallery spaces, flats, and seminary rooms, according to their own and public needs.

### Deals

The Municipality tried to avoid communal costs for restoration of the buildings by selling the site completely and finally abandoned the building regulations. Public participation took not place during this process. After squatting by the initiative, common talks together with the Municipality and HIC, and lastly the re-buy of the area by the city council, a public developer and a mixture of financing instruments shall be found for aining the area. "Komm in die Gänge concept for the different aspired types of use for these buildings as well as its financing and also the process of practical restructuring. The initiative is now cooperating with municipal bodies to manage the ensemble under the roof of an organizational structure.

## Impacts

HIC had no financial loss.

The Municipality does not want to favour the highest-bid-concept anymore, but rather wants to focuse more on the "quality" of the concept. The Gängeviertel initiative will most probably get public funding. Social housing and budget creative spaces will be provided. Diversification of the rather mono-structured core of Hamburg is advocated by the multifunctional concept of the initiative. The neighbourhood will for sure be upgraded and for social purposes. The "creative" initiative has now to be aware not to be taken over by the marketing of the neoliberal city.



### Alternative: Bündnis Recht auf Stadt (Network Right To The City)

Purpose

Redirecting the city's spatial, social, and real estate politics. By activating and linking protests and initiatives in the city, the movement claims the right to design and develop the city by its very citizens and users, thereby sabotaging neoliberal city politics and projects.

**Dimensions** 

Awide range (unseen before) of different grassroots movements throughout the whole city - from the radical left to groups from the middle class. About 27 initiatives are involved (www.rechtaufstadt.net).

Investors citizens / activists



Description / Reason for this choice / Background / context

In June 2009, some activists launched an open call to meet for a weekend in order to discuss new forms of city development, city imagination, and "The Right to the City". The outcome of this workshop was a street parade claiming the "right to the city", which was organized by a wide range of different local and urban initiatives and activists. Meanwhile, a group of artists squatted a historical building complex in the central business district that was sold to a private investor (see failed project Hanzevast). Claiming a right to work space, they also joined in with the social and political claims of the Right to the City movement. In a quite dynamic process, the Right to the City alliance became a very effective form of catalysing, cross linking, and generating new forms of protest and initiatives within the city. Being not just another initiative, which would protest for its demands, it is now the alliance as a whole that is protesting. The loose alliance therefore became a relevant player intervening in the city's official politics.

#### Significance for New Metropolitan Mainstream

Over the past two decades, the City of Hamburg was a precursor in neoliberal strategies of housing and real estate politics. According to the common trend, it also started to fancy the idea of the "creative city". But in contrast to the officials' strategy of integrating the cultural workers as figureheads into their marketing conceptions, artists and creative workers protested against the overall neoliberal political strategy. Instead, cultural workers and social initiatives allied in order to expose the municipality the incurred long-termed social and cultural deficits concerning spatial politics. In this sense, the Right to the City movement is consequently crisscrossing the mainstream of Florida's creative city concept - naming and bringing back political and social issues/terms of condition into this discourse and counterattacking official strategies with inventive, unpredictable, and charismatic forms of activism, organizing, and events

#### Stakeholders and their interests

Different initiatives are claiming their right to design their environment and particular way of living in the city. This means real participation, which includes the power of decision and real participation instead of neoliberal mechanisms. All initiatives pose their specific demands as well as "the social question."

### **Impacts**

Because many a variety of topics are brought to the table now by the initiatives, resistance has acquired a new quality with regard to the forms and levels of action. From single, often local topics, the discussions have evolved towards debates on (neoliberal) urban development strategies at different spatial levels – even at the level of the whole city.

After months of harsh protests in various parts of town, the city officials felt obligated to compromise in some cases. Most prominent is the



"Gängeviertel", but "Centro Sociale" (a non-commercial, community based centre) also succeeded in becoming publicly accepted and fostered. Other initiatives have also gained a lot of public interest. The movement catalyses a common sense of critique towards real estate and city development strategies so that big parts of the so called middle class or liberal-bourgeois citizens start to sympathize with the movement and its creative forms of protest. In some cases. even leading media had to include more moderate perspectives. The Right to the City alliance

has shown that one big voice is louder than many small voices.

## Flagship Project: Elbphilharmonie

Projets costs

A new concert hall is built on top of the old and Purpose altered depository "Kaispeicher A" - a prominent industrial dock of the harbour

Three concert halls (2,150/250/170 seats), a hotel Dimensions (250 rooms) with conference area, apartments

(45), plaza, wellness area, and a large number of parking spaces (515)

In total approximately € 500 million, thereof approximately € 323 million public costs (estimated total costs when renderings of the building were presented to the public in 2003: € 40 million)

Investors Public Private Partnership, but main investment

and responsibility by the City of Hamburg Architects Herzog & de Meuron, Basel, Switzerland



Description / Reason for this choice / Background / context

In June 2003, Swiss architects Herzog & de Meuron presented their plans for a concert auditorium on top of the Warehouse. They were commissioned and instructed by Alexandre Gérard (developer) and Jana Marko (art historian) in order to make up alternatives for the former planned "Media Tower" (office building for new media industry). The computer-animated illustrations had a phenomenal effect. The public identified with the illustration enormously and instantly supported the idea of the Elbphilharmonie as an architectural landmark and cultural highlight. The citizenry not only promoted the idea but even started to collect money in high amounts. After countless re-plannings, additions, construction and communication problems, and thereby cumulating of costs and delaying the construction process, the people became more and more indignant. Public costs rose from € 77 to € 323 million (over 400% of the initially calculated sum). Doubt and anger is rising in the city and even within the city government, who once voted concordantly for the realisation of the project.

#### Significance for New Metropolitan Mainstream



A new cultural "highlight" is proposed as a major "impulse" for the enormous infrastructure project HafenCity (Europe's argest inner-city development roject). Then HafenCity is nainly perceived as a highand marketing the HafenCitv into an important cultural area. The Elbphilharmonie is

furthermore perceived as a symbol and major step towards the city's overall marketing strategy as a cultural and creative city. The flagship is an important attraction for international tourists and musicians. Its imagery circulates in major magazines worldwide to promote Hamburg across the culturally "distinguished" audience.

The hybrid of cultural institution, private living, hotel and public space (the "Plaza") combines private investments with public and cultural functions, but also very high public risks - which is typical for NMMflagship-projects.

### Stakeholders and their interests

The Laiszhalle (former music-hall) is interested because of international attention, and eventually growing cultural budgets.

The HafenCity needs drivers of success and reliable investors. The Elbphilharmonie serves as reputation vehicle and attraction to new

Hamburg is longing for specificity and identity apart from the former harbour industry. They will profit for prestige reasons ("urban and maritime - cultural and creative").

The main contractor HochTief profits from the enormous accumulations of costs caused by delays and additional planning. Also, the investors involved will surely profit with the retail of luxury apartments and the revenues from the hotel.

### Deals

As in the general development process in the HafenCity, the municipality itself is taking most of the financial risk to guarantee the overall realisation of the projects. For example, public authorities give guarantees of renting office space in central HafenCity if private clients are not found – even though rental prices are higher (€ 15.84/m2 per month instead of € 7.5/m2). In order to make the HafenCity as successful as possible and not to lose face, the municipality is ready to subsidise projects in an exceptional manner. Because of these high investments money is not available for other residential areas that are less visible and attractive to "international" and financially strong target groups.

Hamburg made huge public investments. It sold enormous amounts of land in public ownership to private developers and the HafenCity GmbH as a development company. It also invested in the new cruise terminal, a number of cultural events, and the construction of the Elbphilharmonie. Selling land was initially supposed to create revenues to be reinvested in the further development of the harbour (€ 500 million for the Container Terminal Altenwerder), a plan given up soon.

Landowners and developers, architects and builders, and the musichall are all likely profiting.

But the negative impacts would force high costs for the government without direct return of investment. Reputation is coming back via tourism and new economic impulses, but there is no direct reflow.

### Event / Masterplan: **IBA Hamburg**

Investors

Architects

An urban regeneration project involving the districts Purpose of Wilhelmsburg, Veddel, and parts of Harburg

28 km<sup>2</sup>, 55,000 inhabitants, duration 2006-2013 **Dimensions** 

Corporate Design of "IBA"

Projets costs € 100 million of initial public funding plus an estimated € 485 million by (only partly confirmed)

private investors

Municipality of Hamburg plus several private investors

Brand: feldmann + schultchen design studios; Campaign: Scholz & Friends Agenda/Brand Affairs



Description / Reason for this choice / Background / context

In recent years, International Building Exhibitions (Internationale Bau Ausstellungen, IBA) have gained importance as instruments of urban (re)development. In Hamburg, IBA consists of 37 punctual interventions backed by an overall concept that draws upon public urban discourses such as the challenges of a multicultural city or climate change. The target areas are regarded as deprived working-class and migrant housing areas, mixed with all kinds of so called "disturbing" land-uses such as refineries and container handling. By connecting these undervalued urban areas south of the river Elbe to the central and more upscale districts in the north, IBA aims to realize the municipality's urbanist vision "Leap across the Elbe".

#### Significance for New Metropolitan Mainstream

By temporarily concentrating spatial interventions under a brand image, IBA may represent the pinnacle of the "eventisation" of urban policies. It can be understood as a German equivalent to urban redevelopment policies, akin to those that arose with the 1992 Olympics in Barcelona. The apparent openness of such informal planning instruments is starkly contrasted by the process-related restrictions implicated by the necessity of showcasing development achievements within a limited period. Locals are confronted with a huge quantity of participatory events, which turn out to be mere infotainment shows. IBA is paralleled by an international gardening exhibition (IGS) with entail further investments of € 70 million. 2,800 trees were cut in preparation for this "green" sister of IBA. It will fulfil its exhibition character by fencing off public parks and charging an entrance fee during the "year of presentation"

#### Stakeholders and their interests

Managing, mediating, and partly funding the urban regeneration process, the publicly owned IBA Hamburg GmbH acts as an urban think tank parallely to the administrative units in charge. Another major stakeholder is the public housing company (SAGA) which owns 10,000 rental apartments in Wilhelmsburg – about half of the local housing stock. The Hamburg Port Authority and other harbour-linked businesses are concerned in keeping open certain areas for their interests. Moderate middle class citizens' initiatives are regarding the processes initiated by IBA as the long-awaited answer to their, "urgent call for improvement". However, these high hopes have been choked by the enlargement plan that will include a major highway cutting through the area of Wilhelmsburg.

### Deals

By providing conceptual and material funds the IBA Hamburg GmbH addressed a broad variety of stakeholders. For example, partners for the IBA were recruited from public and private housing companies, local businesses, schools, NGOs, and artists. In exchange for much needed public funds, these "cooperation partners" are to focus their actions on project goals set up by IBA, and spread the IBA philosophy. Recently, this induced the SAGA to try to discharge a tenancy agreement with a local leftist infoshop for their being too "hypercritical towards IBA".

### Impacts

While many promised positive effects on living conditions are still awaited, IBA has attracted a lot of interest in the area as a whole. A process of gentrification is in an early stage at some limited parts of Wilhelmsburg, where rent levels are on the rise in private as well as public housing. Interestingly, the vast public ownership of housing units in the area has not slowed down this process of valorisation. With SAGA creating a surplus of € 100 in 2009 alone, the increase in revenues for the municipality's budget gained from public housing can be reinvested into other prestigious projects such as Elbphilharmonie. Forms of local resistance have spread over the last three years and vary from individual denial of tenement restructuring and self-organized workshops on tenancy law to continuous demonstrations.



### Synthesis over all four projects and outlook

Already in 1983, the former mayor of Hamburg, Klaus von Dohnanyi, postulated the idea of "Unternehmen Hamburg" ("Hamburg Inc.") as a new policy to govern the city. Hamburg became a sort of "role model" for neoliberal governance in Germany and still today those ideas are present in the city's urban development policies. It has been developed since then and has been supplemented by terms like "growing city" (while most German cities are shrinking) or "creative city". Image based politics and marketing also became more and more dominant in urban development. In this context, Hamburg tries to grab international attention by erecting spectacular architecture (Elbphilharmonie) or carrying out large scale urban redevelopment projects in an event-oriented manner (IBA Hamburg), both financed with large public

This strategy is often implemented through public-private partnerships, where the financial risk is taken by the public side (e.g. so called "Überseequartier" in HafenCity).

investments.

Hamburg's real estate and urban development politics – e.g. the municipality's practice of selling communal land to the highest bidder – led to severe social polarities across the city and within neighbourhoods. Rents are traditionally high in Hamburg, but the housing situation is still worsening due to cutbacks in social housing and waves of gentrification in central neighbourhoods. Coming with little time-lag, the financial crisis is hitting Hamburg right now very hard. At the moment, Hamburg is facing a € 500 million budget gap thanks to the costly bailout of Hamburg's federal state bank HSH, but also due to the prestigious flagship-projects of the recent years. The necessity for cuts in public expenditure in combination with investments in prestigious landmarks while social polarities are ever growing - present a fertile ground for social movements right now. Perhaps for the first time, various initiatives and groups from

all over the city are gathering and cooperating under the label "Recht auf Stadt" ("Right to the City"), linking different topics,

places, experiences and forms of action in dissent to the current neoliberal restructuring and homogenisation of the city. Therefore, the "Recht auf Stadt" alliance does not focus their criticism and actions on one certain topic or one certain neighbourhood, but tries to pose the social question on a citywide level. It combines the bottom-up production and articulation of demands to the urban space with the critical questioning of ongoing policies in order to intervene in current development processes. The "Recht auf Stadt" alliance has achieved a lot of regional and even national attention by the media, making the municipality's neoliberal policies a public topic and forcing the stakeholders in power to act carefully. Against this background, some policies and projects could be scandalised and were withdrawn (see Hanzevast or the "sell-at-highest-bid-policy").

Despite of the achievements, awareness is appropriate – it is a common strategy of neoliberal politics to "integrate" certain "creative" counter ideas or places of resistance and use them

for the marketing of the neoliberal city, especially when those movements are heard by the media. It is important that the counter movements always keep on posing the social question and demanding real participation in decision making.

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01: Failed Project: Hanzevast. Gängeviertel buildings rescued (in front) & new offices (in the background). Picture by Sarah C. Schreine March 2010

02: Failed Project: Hanzevast. Today's entrance & logo of the initiative "Komm in die Gänge". Picture by Sarah C. Schreiner, March 2010. 03: Alternative: Bürdnis Recht auf Stadt (Network Right To The City). Demonstration of the Network Recht auf Stadt. Picture by Theo Bruns December 2009.

04: Alternative: Bündnis Recht auf Stadt (Network Right To The City). Poster for the Conference "Right to the City" from the Network Recht auf Stadt Design by Stefan Marx, June 2009.

05: Flagship Project: Elbphilharmonie. Conceptual Design. Image by Herzog & de Meuror

06: Flagship Project: Elbphilharmonie. Picture by Elbe&Flut, 2009.

07: Event / Masterplan: IBA Hamburg. Opening "Weltquartier". Picture by Johannes Arlt, IBA Hamburg GmbH, June 2009.