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Elizabeth A. Strom. *Building the New Berlin: The Politics of Urban Development in Germany's Capital City.* Lanham and Oxford: Lexington Books, 2001. xii + 263 pp. $45.00 (cloth), ISBN 978-0-7391-0162-9.

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Throughout the Cold War, Berlin was not just a city, but also a symbol to both the capitalist and the communist regimes of divided Germany. The Berlin Airlift, the Workers Uprising of 1953, the building of the Berlin Wall and the student protests of 1968 were all played out in a city which was as much a prize to the opposing regimes as it was the playing field. With the fall of the Berlin wall and the reunification of the city with the rest of Germany (the *Wende*) and its redesignation as the capital of the Federal Republic, Berlin has reemerged as a symbol of the hopes and failures of the new Germany.

The symbolism of the city–in terms of memory, monuments and identity for the German nation–has been the subject of a body of scholarship in recent years.[1] Elizabeth Strom, in her book *Building the New Berlin: The Politics of Urban Development in Germany's Capital City* , examines a somewhat different set of questions about this symbolic city. Strom, an assistant professor of political science at Rutgers University, looks at what lies beneath the symbolism, the actual planning of a city and the role of the various actors–public, private, residents, experts and politicians–in the planning of post-*Wende* Berlin. Strom's book is a study of urban planning in a rather unique setting, not only with respect to most American cities, but also with respect to most German cities. Berlin's symbolism throughout the Cold War was intimately related to the functioning of the city–more often as a symbol than an actual city. Of course, there were, however, actual residents to this city–residents who worked, lived, played and developed social networks as in any other city. The two functions of Berlin–symbol and city–were not always congruous, and this incongruity had important consequences after the *Wende* in terms of the role of capital investment and urban planning. The book is divided into three parts: a discussion of the political and economic context in which Berlin's development has occurred; a discussion of the economic and political actors who have taken part in the development process; and a final section which evaluates the first two themes in concrete case studies. The research itself is based primarily on interviews of key actors and on journalistic and academic accounts. In the economic and political environment after 1991, Strom identifies three developments affecting the planning of

Berlin, which she terms postsocialist restructuring, capital city planning, and capitalist restructuring. By focusing on these three developments, the author explains the character of Berlin's development in the decade following reunification.

As Strom phrases it, the central question she asks is, "What happens if you insulate a city from most global market forces for years and then suddenly remove barriers to the flow of capital?"(p. 4). Berlin's very symbolism during the Cold War made it impossible in many ways for Berlin to function as part of the global marketplace. In the East, Berlin was to symbolize the triumph of the socialist state as a model for the capitalist west. From the currency reform of 1948 onward, East Berlin was purposely isolated from the market forces of "the west," since integrating this half of the city into the marketplace would be antithetical to Communism. West Berlin, ironically enough, posed a mirror-image of East Berlin in many ways. Strom writes, "Although West Berlin had been portrayed as a showcase for the advantages of capitalism, in fact, the city's comfortable standard of living had little to do with the workings of the free market. West Berlin was a city on the dole. Cut off from its hinterland, surrounded by hostile armies, robbed of its capital functions and its industrial base, West Berlin was not an economically viable city"(p. 79). For West Berlin to survive as capitalist symbol, the government of the Federal Republic of Germany had to infuse it with subsidies in order for the residents of Berlin to maintain their standard of living. Strom shows that between 1970 and 1990, Berlin received over half of its revenue from Federal aid. In addition, there were many other subsidies granted to the city (p. 80). This tended to obscure the basic fact the West half of the city, which after 1945 was to serve as a model of capitalism to the East half of the city, was governed by anything but free-market capitalism.

The *Wende* brought rapid change to Berlin, as both halves were thrown together and expected to function as any other city. The financial impact was devastating, as Berlin in 1991 had little industry and virtually no corporate headquarters. Combined with the recession of the early 90's that followed the Cold War, Berlin experienced a rate of unemployment in 1997 of 17 percent (pp. 80-83). Strom points out that "Berlin's economy has been affected not only by the cyclical downturns that plagued all of the Federal Republic, but also by deeper structural problems, as subsidy-dependent firms in the West had to restructure, and the grossly inefficient East German conglomerates nearly disintegrated" (p. 83). The fact that both the Federal Government and the *wessie*-dominated city council viewed integration as somewhat of an *ossie* (East Berliner) problem led to resentment by East Berliners on every level. Much of the criticism of what Strom terms the "postsocialist restructuring" of Berlin focused on the Treuhand agency. The Federal government created this agency in 1991 to sell off property owned by the former East German Government. The Treuhand was, perhaps predictably, very unpopular in the east, but also received a fair amount of criticism in the west as well.

Guenter Grass's controversial novel *Ein Weites Feld* took on the Treuhand agency. In an interview, when asked about a reference in the novel to the assassination of Detlev Rohwedder (the first chief of the Treuhand agency) by the Red Army Faction in 1991, Grass replied, "No one who helps design such an inhuman institution as the Treuhand can be surprised when it provokes a terrorist reaction," causing a public storm over whether or not he was condoning terrorism.[2] Strom's notes the irony that the Treuhand was initially formed by the East German government just before its first free elections, "less to privatize industry than to preserve it from the designs of the incoming, Christian Democratic-led elected GDR government and the West German policymakers" (p. 62). Later, she states, "At the federal level, the land disposition policies of the Treuhand and its real estate subsidiary, the TLG, have certainly favored market principles over other possible urban planning ideals" (p. 235). Strom notes a common criticism of the Treuhand, though certainly no advocate of its policies, there is little offered in terms of new insights into its workings nor any extended critique of its particular effects on the East. She does, however, place the Treuhand in the larger context of development planning after 1991.

The restructuring of Berlin was complicated by the myriad of agencies involved at each level. The process is further complicated by the fact that, under the German federal structure, Berlin is not merely a city, but one of three "city-states," comparable with the other fifteen German states (Laender). Furthermore, its re-emergent status as Germany's capital has meant the involvement of the Federal Government into the equation. This makes the case of Berlin unique in many aspects, and Strom is clearly aware of both the potential and limitations of comparisons with other cities. Berlin, like many other German cities, has a Byzantine structure of planning bodies and organizations that have a voice in the planning process. (Strom's clarity in explaining this structure will be most appreciated by those familiar with German municipal administration who have had to explain such things in their own research.)[3] This has led to con-

tests over a number of different issues, particularly from neighborhood councils known as *Bezirke*. The *Bezirke* have been able to assert their concerns in the planning process merely by the threat of holding up the building process with objections that, under Berlin law, can slow the process to a snail's pace. While allowing local voices to be heard, this process has also meant the fragmentation of planning policy–an issue complicated by the two other main forces Strom posits: capital city planning and capitalist restructuring.

The choice of Berlin to once again be the site of the capital of Germany has brought about another set of challenges for planners. Predictably, the move of the capital has lead to bureaucratic infighting about office space, which ministers will move to Berlin and which might stay in Bonn and how much of each ministry will move. Strom discusses these turf battles in brief, and also briefly addresses the reconstruction of the Reichstag and its use by the German Parliament, and some space is also devoted to the battle over the East German *Palast der Republik*. Strom touches on themes familiar to students of Berlin's recent history–in particular, the attempts to reconcile the Nazi past of the city with the current democratic regime–the so called "*Vergangenheitsbewaeltigung*." The key chapter addressing this issue contains a number of observations about this struggle, but one feels that the author might have more fully addressed all of these issues. To be sure, Strom's primary focus in the book is the conflict between public use and private ownership in the city; however, as so much of the actual city planning in Berlin is tied up in debates about the past, the *Vergangenheitsbewaeltigung* itself is part of the built environment of Berlin, and much of this particular debate has been about public buildings. Also, in the case of Berlin, it is not only the Nazi past that is at issue, but also the past of the GDR. This was evident even in private sector designs for buildings in the center of the city, the former "no-man's-land." Both the Sony and the Damlier Chrysler corporate buildings are equipped with a state-of-the-art security systems, causing some to be concerned about the potential "anti-democratic" character of these buildings.

This leads to Strom's third and final point of analysis, the capitalist restructuring of the city, and this is, indeed, the strongest point of her book. Berlin's unique layout, from a planning perspective, has meant that since the *Wende*, Berlin has a large, undeveloped area at its center, where previously the wall and "no-man's-land" stood. The existence of this area, along with the choice of Berlin as Germany's capital, has made the city an attractive site for capitalist investment. Here, Strom's argument comes fully together, as she places Berlin's very unique circumstances in a global context. The infusion of capital was welcome, but the planning process did not facilitate capital investment. A number of different actors, from planning experts (who have a strong voice in many urban planning debates in German cities) and national politicians to local activists and the *Bezirke* (and the many municipal offices and federal offices in between that can lay some claim to an interest in Berlin's urban planning) can and do have a say in how buildings should be built and to what use land should be put.

The process for input, however, has varied depending upon the land and the character of conflicts over its use. Strom examines three areas in particular to show how this takes place–the contentious battle over the Damlier Chrysler and Sony buildings on Potsdamerplatz, the debates over usage in Alexanderplatz in the east, and the comparatively less contentious planning of Friederichstrasse. Each case allows Strom to show how each of her three themes are woven together in Berlin, and they provide a good backdrop for her to show how these forces play out in concrete ways - in particular in showing the relationship between postsocialist restructuring and capitalist structuring in the context of capital city planning.

Overall, Strom is critical of the lack of a governing regime - a coalition of political leadership and capital that could formulate a workable development strategy for Berlin (pp. 226-229). As she points out, the relationship of a governing regime is more necessary for the residents of Berlin than it is for the capitalist investors, and she shows how different Berlin is from most American cities (those which she is also familiar, and presumably her intended audience) where capitalists make use of political alliances to guarantee predictable land use regulations and, therefore, property values. In the case of Berlin, investors have not needed such a regime, and have operated rather well without it (pp. 235-237). In the case of Daimler and Sony, corporations were able to acquire land that was not under a *Bezirk* per se and force through their own visions for what was, in a newly unified Berlin, suddenly prime real estate. In both cases, the corporate buildings were criticized for their architecture, but both corporations built anyway with only minor changes to the buildings. What the lack of such a regime has meant, according to Strom, is the development of a city that its planners imagine "will house cultured professionals, exclusive shops, major business headquarters and a big airport with direct flights to major cities" (p. 238). She continues, however, "In these efforts, the majority of Berlin-

ers, who are losing their industrial or public sector jobs and find it difficult to hold on to their subsidized apartments, play no role" (p. 239). Her call at the end is for a more inclusive development scheme.

It is hard to find fault with this basic concept, and certainly capital investors have acted rather imperiously in forcing their own visions onto Berlin. One would like to see, however, the important empirical work displayed in the book as well as her conclusions take more into account the role of the debate over history in Berlin. Strom does mention this in her conclusion, writing "The debates in the city, and the city's use of its authority, have been found largely on the symbolic level, attempting to regulate what the city should look like. They have imbued the aesthetic with tremendous power, assuming a city that looks democratic will remain democratic, or that recreating the style of a better time will bring on a better time. At a time when control of the city's economic and political resources is becoming less indigenous, leaders frame this as a battle for the real, the authentic Berlin. Their "authentic" Berlin, of course, is really the Berlin of a very specific era, the decades around the turn of the last century, when Berlin was no longer provincial, but not yet politically suspect. This Berlin remains eternal, embedded in the psyche of its planners" (p. 238). Throughout her argument, one could get the sense that the historical arguments are lurking at the periphery, behind much more important issues of capital investment.

In reality, the city is a symbol–for better or worse–precisely because of its history. This was the capital of Germany between 1871 and 1945, and later of the East German Government. History and the use of history has very important consequences for capital investment and postsocialist restructuring. Perhaps more could be said about the connection that some ossies feel exists between the infusion of capital from the west as part of an overall ideology of capitalist victory in the cold war. From this perspective, one might see Berlin as a city once again occupied after a war, only this time it is occupied by global capital after the "loss" in the Cold War. That ideology permeated the West's treatment of East Germany. And, of course, there is the issue of how to commemorate and remember the Nazi regime and the Second World War. This period in history is fraught with difficulty, and explains a great deal about why Berliners might "imbue the aesthetic with tremendous power." Finally, the book contains some helpful photographs to assist in visualizing Strom's key three case studies; however a map of Berlin–and in particular, the old city (*Altstadt*) that lays at the center of much of the controversy–would be helpful to her argument.

Overall, Strom's work is necessarily a work in progress, for her topic itself–the ongoing construction of Berlin–is a work in progress. Having said this, this book is a necessary book to have at this time, for we have seen a decade of Berlin's transformation, and Strom's attention to the planning and investment issues occurring within this restructuring are a necessary addition to the numerous books on the commemorative issues occurring in Berlin. Strom captures the key themes that have come together in a rather unique city going through a rather unique period in its history. In sum, the book is a very helpful volume in assessing the current state of urban planning in Berlin, and offers a number of useful insights into the inflow of capital into the city, and its effects upon the environs, opening up a number of new possibilities for further research.

NOTES

[1]. Of interest are Brian Ladd, *The Ghosts of Berlin: Confronting German History in the Urban Landscape* [Editor's note. see the author's H-Urban review of *The Ghosts of Berlin* at `http://www2.h-net.msu.edu/reviews/showrev.cgi?path=3204889475323];` Alexandra Richie, *Faust's Metropolis: A History of Berlin*; and Michael Wise, *Capital Dilemma: Germany's Search for a New Architecture of Democracy.*

[2]. Stephen Kinzer, "Guenter Grass, Germany's Last Heretic," *New York Times on the Web*, `http://www.nytimes.com/books/99/12/19/specials/grass-heretic.html`

[3]. See in particular Chapter 6.

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