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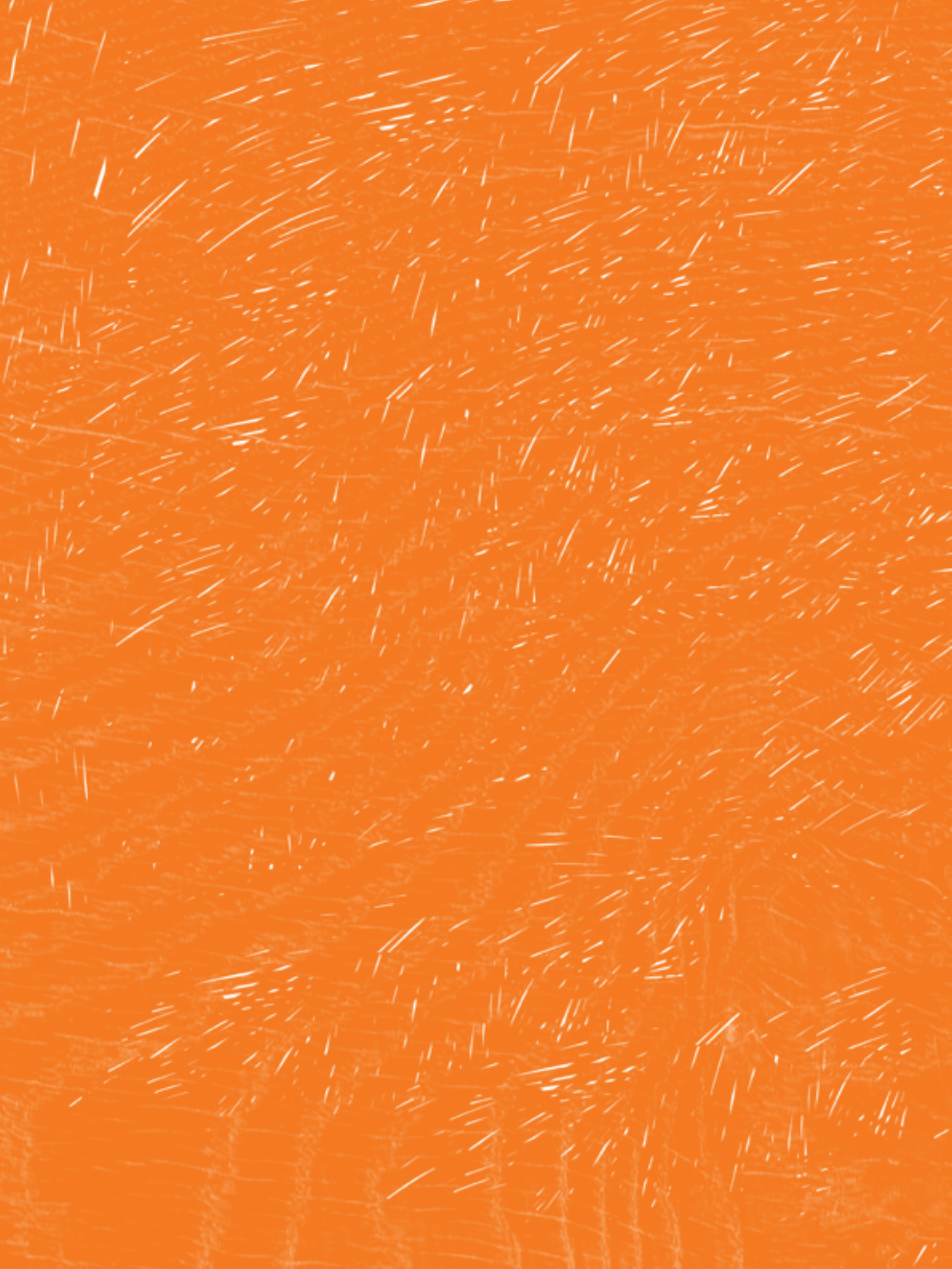
The Future of Labour in Schlossplatz with Anke Hassel, Jim Vaupel and Anika Rasner et al.

Hertie School of Governance



Schlossplatz[3]

Public Sector

Private Sector

Civil Society

Editorial

The world of labour has undergone tremendous changes throughout the last years. Globalisation, de-industrialisation and the constant change of labour environments are posing challenges to labour markets. Schlossplatz³ discusses a number of these challenges and will show different angles of how "The Future of Labour" can be incorporated in policy discourse and policy-making.

Dear Reader,

This issue of Schlossplatz³ looks into "The Future of Labour" — an issue that can be tackled from countless angles, out of which we have selected a number that will hopefully provide for an interesting and possibly inspiring read. This topic deserves heightened attention, not simply as labour is an integral part of our lives, but also as the nature of labour is consistently challenged and transformed.

The transformation of labour is multifaceted to the extent that the possibility for its comprehensive analysis proves difficult. It is important to ask the right questions and address them proactively. For this reason, the current issue is not merely called "labour", but the "future of labour". It is essential to not simply evaluate or understand the current labour situation, but also to provide a perspective on the future. This perspective is bound to reveal the normative core, intrinsic to every form of speculation on "what could be" and "what should be".

One core debate revolves around globalisation and its effects on labour. For developed countries in the OECD, globalisation often goes hand in hand with de-industrialisation, moving to what some social scientists have framed as the 'post-Fordist society'. Service sector jobs, along with those in information and knowledge sectors, take increasing prominence over those in the manufacturing sector. However, while de-industrialisation favours some, it leaves others at a disadvantage. De-industrialisation and job off shoring have led to increasing unemployment and the erosion of the welfare state. In addition, too many people must make a living under the pressure of precarious employment. As a result, societies drift apart. As the state is no longer able to provide decent living standards for those that cannot do so on their own, the divide between the wealthy and the marginalised widens. In that sense, 'McJobs' reduce the individual to an *animal laborens*, yielding neither sufficient income nor fulfilment and meaning in the daily routine. It has become clear that we need to find ways to cope with these problems. These questions will haunt us for years to come. An active attitude should be encouraged, which requires us to think outside of the "boxes", which (neo-) liberal narratives have imposed upon us over the last thirty years.

About us

Schlossplatz³ is a policy magazine run by a student team at the Hertie School of Governance (HSoG). In our studies, we come across myriad fascinating and cross-cutting topics. We pick one of them for Schlossplatz³ and look at it from the perspectives of the public sector, the private sector and civil society—hence the superscript "3" in our name.

At the same time, it should not be forgotten that the deindustrialisation of OECD economies has been accompanied by the growth and increasing industrialisation of developing economies. There are no moral grounds, on which regions that had previously been among the poorest in the world, could be denied this opportunity for development and prosperity. In this regard, questions pertaining to basic labour standards, migration, resource allocation, and the environment will take prominence at the top of the global agenda. These all strongly affect "the future of labour". We must find means to reconcile growth and prosperity with environmental and social justice concerns. Workers in countries outside of the OECD realm, deserve standards of decency no less than those within. Moreover, erecting fortresses, literally and figuratively, does not constitute a viable solution. Although shutting down borders and installing protective measures appear to be a tempting remedy against migration for preserving domestic labour markets, current obsolete structures need a new vision, if we are to address these questions in a comprehensive and sustainable manner.

The issue approaches the "future of labour" from various perspectives: Anke Hassel gives an account of the future of work in the state and the global context, while Wolfgang Heller explains the International Labour Organization's standards for decent work. Maximilian Held looks at the structural causes of unemployment and poverty, arguing that education and—for now—strong fiscal redistribution should be favoured over protectionism. Max Grünig speculates as to how a green economy can serve as a dual remedy, and address both environmental and social problems. In an interview with Jim Vaupel and Anika Rasner, changing demographics and the pressure they exert on labour markets will be examined. John Heywood and Stanley Siebert also address this issue and argue for more flexibility on retirement age regulation. Although the introduction section of this article will be included in print, it will be made available online at our Schlossplatz³ blog in its entirety. David Scheller-Kreinsen and Britta Zander offer insight on the nursing sector, incorporating the unique relationship between patients, nurses and management. Martin Sambauer takes a stand, arguing that ordoliberalism, as a weak structure, should be superseded by—what he names—resonance liberalism. A final section features two unique perspectives of Hertie alumni, shedding light on the lives of Professional Year students, and giving insight on campus life at Hertie.

It is our hope that you find this issue interesting, enjoyable, and that it inspires lively discussion.

Best regards from Berlin,
the editors of Schlossplatz³

The Future of Work

by Anke Hassel

Within the last thirty years, numerous changes have occurred on OECD labour markets. Workers' protection standards have largely been reduced in the wake of globalisation and technologic transformation. However, as Anke Hassel writes, the global financial crisis is likely to spark new debates on how flexibility and security could possibly be reconciled.

In the history of work, the 1980s were a major turning point. The early 1980s marked the peak of working people's rights in the OECD countries. Never before were jobs so secure, working hours so short, labour markets so regulated, trade unions so strong, social benefits for the unemployed so generous, pay and pension entitlements for the low and medium skilled worker so high and retirement ages so low. Sure, these regulations and entitlements mainly benefitted the male full-time worker, and only half of the working-age women had entered the labour market by this time. But as spouses, they benefitted from the relatively high living standards of their partners.

Job security has diminished, as employment protection legislation has loosened and jobs have been eradicated by off-shoring and new technology.

Much has changed since then. The working world has been transformed step by step. Job security has diminished, as employment protection legislation has loosened and jobs have been eradicated by off-shoring and new technology. Working hours for the full-time employee began to increase in the 1990s after some industrial trade unions achieved a 35 hour week. Labour markets were deregulated as collective bargaining decentralised. Trade unions lost members in almost every country and sector and in the wake of this, lost their political clout. Income disparities, which had been narrowing for almost a hundred years, widened again as real pay for the lower middle classes stagnated. Pensions were cut in a partial privatisation and restructuring of schemes. Retirement ages started to increase. Many more workers today are in flexible or atypical employment: their contracts are for a fixed-term and not permanent; they work for temping agencies and part-time. They are now more likely to be self-employed. The standard full-time employment relationship, while still the norm for the majority of employees has become a loose reference point, since the share of workers in non-standard employment is constantly rising. Women and migrant workers have entered the labour market in large numbers and are more likely to be in non-standard employment than men, though for different reasons. For women, flexible employment has remained the main way of reconciling work and family chores, while migrant workers are usually at the bottom of the labour market and have to accept insecure employment.

In the developing world, however, the process has been the reverse. Not that workers in developing countries now enjoy the labour rights of a European or US worker of the 1970s. In many emerging economies, however, the process of low tech industrialisation has meant

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that formal employment has been created in large quantities for the very first time. Factory and office work has emerged in countries such as China, India and Brazil and although conditions are harsh, these jobs are an improvement over the living and working conditions before industrialisation. On a global scale and disregarding the Least Developed Countries of Sub-Saharan Africa, the workers of developing countries are catching up with the West.

Will we see a further decline of workers' rights and entitlements in the developed world and more formalised employment in the south?

Both processes are directly linked. The high labour costs that emerged from strong workers' protection led companies to off-shore their production as globalisation, new technology and trade liberalisation made this possible. In the West, the need to create new employment for the low-skilled put pressure on governments to lower costs and deregulate labour markets. Off-shoring, on the other hand, created employment opportunities in emerging economies. Often the gain in employment in developing countries created more demand for manufactured goods from the West.

Where do we go from here? Is the future of work a continuation of past trends? Will we see a further decline of workers' rights and entitlements in the developed world and more formalised employment in the South? Or are we facing another turning point? And what is the role of policy in the process?

The most likely scenario combines both. We will not see a development away from an approach of more flexibility, deregulation and privatisation of social risks as has taken place within the last two decades. Those manufacturing jobs which were lost to off-shoring and new technologies will not return. New employment will be in the service economy and be less regulated and less standard.

But the tone of the discussion might change. As a response to the financial crisis, a shift in the trend towards a more balanced development, which puts less emphasis on dismantling workers' rights and more emphasis on reconciling flexibility with economic security, is not only highly desirable but also more likely than before. Why?

◇ First, because economic insecurity has become a major political theme in the West and potentially undermines the political legitimacy of governments — not just of the centre-left. With shares of workers in flexible and insecure employment reaching historically high numbers, the call on democratic governments to protect these workers will emerge more strongly, as we can see in the rise of new socialist parties in a number of European countries.

- Second, because unequal income distribution has been identified as a major cause of the instability of financial markets and of the lack of demand in developed countries.
- Third, because there is also a limit to the expansion of insecure and flexible employment in terms of the protection of the skill base of developed countries. Flexible labour markets, unless accompanied with strong social security as in Denmark, find it difficult to build up the necessary skill-base below high end tertiary education. Liberal economies such as the Anglo-Saxon countries have found it very hard to establish medium-level skills. With demographic changes and the imminent skill-shortage in Europe, a further increase in flexibility will exacerbate the problem rather than solve it.
- Fourth, because emerging economies should be encouraged to build up a regulated labour market and welfare state around the pockets of industrialisation to foster the rise of a middle-class in these countries. The recent trends in the West should not serve as a role model.
- Fifth, because new technologies, digitalisation and virtual workplaces enable a combination of employment security, labour regulation and flexible work patterns, much more than in the past. There is an intricate relationship between embracing a new type of economic activity through new technologies and providing economic security for all.

However, there is still a political battle to be fought. Many decision-makers fear that rethinking flexibility and activation might lead us straight back to the rigidities of the 1970s. Other key players in the financial and political world yearn to return to the casino world economy before the financial crisis. Proposing stronger workers' protection and rights is still seen as a radical proposal. Only political demands by the increasingly vulnerable lower middle class will push governments to take these issues more seriously. In the process, we can hope to see a trend towards more refined arguments about the right mixture of workers' rights and efficient labour markets. If we are lucky, we will see a consensus emerge that both are complementary. In efficient markets, workers' rights can raise productivity and skills and vice versa. This would be the optimistic scenario. The pessimists fear that an ever-increasing insecurity will bring skills and productivity down. The verdict is still out.

Only political demands by the increasingly vulnerable lower middle class will push governments to take these issues more seriously.

Structural Unemployment and Working Poverty Are Not Inevitable—Let's Share the Burden of Economic Transformation

by Maximilian Held

Maximilian Held is taking a close look at the causes of structural unemployment and working poverty in developed economies. He argues that neither capitalism nor liberalization as such are to blame. To alleviate economic hardship in the long run, only better education will help, but for now, robust fiscal redistribution is required.

The plight of structural unemployment and gaggles of working poor, it appears, are here to stay. But are they the inevitable consequence of economic liberalisation?

They are not. If we balance the burden of economic transformation on labour and capital, and strengthen progression, we can have it both: near full employment and open borders.

No, the answer is not a minimum wage. No, it's not protectionism. No, it won't hurt growth. But yes, it will require fundamental reform, hard work and international cooperation.

Structural unemployment and working poverty require honest, if politically incorrect explanations. The questions they pose are not trivial: economic theory holds that perfectly competitive markets clear. At equilibrium prices, every worker should find employment. And yet, they do not, and if they do, frequently under dire conditions and low pay. What happened?

At least three mechanisms are at play. The first is exploitation. If workers are not organised and able to credibly threaten strike, their collective bargaining power breaks down. Employers, larger and better organised, can exploit the collective action problem of labour and pay lower wages than they otherwise would be ready to accept. This is the dynamic that plagued early, Manchester-style capitalism: *individual* workers, faced with the alternative of being replaced by someone else, will accept almost any wage, irrespective of their productivities. We may witness a sad resurgence of this dynamic in some sectors of the service economy (think security, cleaning, labour leasing). This is an outrage, to be sure. We need to ensure fair, collective bargaining as much we can and otherwise threaten with direct intervention (sectoral minimum wages). And yet, while exploitation is an easy-sell politically, it is only a part of the story. The following argument concentrates on that other part.

The second culprit is trade and capital mobility. As borders become permeable, the global economy specialises, each according to national comparative advantage. In developed economies, this means that labour-intensive production of tradable goods is frequently outsourced or off-shored (FDI) abroad, where workers are in ample supply and willing to work for lower pay. Deindustrialisation sets workers free in the rich world, or forces them to accept lower real

incomes. Again, a culprit that looks good on campaign posters. And yet, we have known since David Ricardo (1772 — 1823) that, at least in principle, trade increases overall welfare, and we have seen it work in practice. Ricardo of course assumed complete factor mobility, thereby ruling out structural unemployment. Our understanding of international economic transformation has grown since his time, and revealed more complex dynamics and empirical findings, featuring agglomeration effects, proximity to target markets, dependency theory, and costs of moving, to name just a few. But still, whatever happens in our labour markets occurs under the constraint of someone else, somewhere else being able to get it done for less.

The third is economic and technological modernisation. Fewer, but more productive workers replace many, less educated workers. This invisible hand of specialisation takes many forms. Sometimes, a machine is invented that renders human beings redundant in production (think microchip, not paper). Sometimes, organisations grow, integrate and evolve to do more with less people (think lean management, not Fordism). Sometimes, better educated workers find new, more efficient ways to do things (think engineering, not trial-and-error). Since early-industrial rage against the machine, specialisation has receded into the background of political conflict.

It may be inopportune to say out loud, but it is nonetheless true: the latter two dynamics of trade and domestic specialisation are *unambiguously positive* for our economies as a whole. These painful throes of transition are the very carrots and sticks that make us prosper. Specialisation is, indeed, the key to the "Wealth of our Nations" (Smith 1776).

Structural unemployment and working poverty emerge from the dysfunctional interaction of economic transition and an inaptly intervening welfare state. Where precariously low wages are not a product of bargaining power asymmetries, they suggest that some people just do not produce enough value to partake in the riches of our economies. Similarly, structural unemployment arises when some workers are not productive enough to warrant pay at whatever we collectively deem a socially acceptable minimum income. Whether this minimum is implemented as a statutory minimum wage or as welfare transfers makes little difference. Whoever is below either of the two will not find a job.

> *"It's a recession when your neighbor loses his job; it's a depression when you lose yours."*
> Harry Truman (1884—1972)

The only genuine cure for the twin societal illnesses of structural unemployment and working poverty is education, and fostering social mobility. The first political imperative must be to ensure that at least the children of those struck in precarious conditions today will once be able to earn their living without the transfer payments, hardship and stigma of their parents. This will require colossal public resources, but also, fresh ideas.

But there is a second political and moral imperative, really: relief for those suffering from the symptoms of structural unemployment and working poverty *today*. Additionally, unemployment and poverty today will make it harder for some families and children to ever escape their conditions in the future: structural unemployment and working poverty have a negative dynamic effect on future inequality and productivity.

Likely (hopefully), low productivity as the cause of unemployment and poverty will never make it to the campaign posters, and rightfully so. The very notion is too easily perceived as an insult to human equality, or at best, as shoulder-shrugging cynicism. To escape the politics of TINA (there is no alternative), and to arrive at normatively justifiable suggestions how to move forward, we must deconstruct the basic economic categories of productivity, capital and labour and understand the choices of redistributive taxation.

> The question still stands, however: just how large does the carrot have to be to incentivise desirable behavior?

Productivity is the amount of output created for any amount of input. For labour that means output per hour of work — and yet it has little to do with being lazy or diligent. Rather, labour-productivity is determined by human capital or education (think programming skills) and physical capital (think computer) available in production. Compared to a fully electronic invoicing solution, typing away even really fast on your pocket calculator will get you only so far in terms of productivity. It seems dubious to construe productivity as a matter of individual responsibility. In unequal societies with limited social mobility (like Germany), it is not.

Capital and labour feature prominently in production functions: to get anything done, at minimum, you need some instruments to do it, and some people to handle them. Labour is self-explanatory — whereas capital is not. It easily conjures up images of greedy sharks, private equity locusts, or otherwise dehumanised demons, from Marx to, sadly, today's campaign posters.

Structural unemployment and working poverty require honest, if politically incorrect explanations.

Today, "capital" is less of a class, and more of an abstracted promise for later consumption, a consumption cheque ideally backed by some kind of physical or human capital. It is helpful to remember that the world economy, in the last instance, works like a household, only with a cast of billions. In a household, capital can take the form of pre-cooked meals in the fridge to allow members to devote their time to refurnishing for a couple of days, in turn creating new, enhanced capital. For this mechanism to function, two conditions must be met: household members must believe that they will actually gain access to the pre-cooked meals (property rights), and they must be able in the first place to devote resources to pre-cooking meals (capital accumulation).

Again, these two things are *unambiguously positive*, in spite of capital's bad name: property rights are but another way of organising cooperation, and capital accumulation means to enrich our world, with powerful factories, liberating technologies and empowering education.

> *"Poverty has no utility."*
> Ferdinand Lasalle (1825—1864)

In other words, capital as such is not the problem. The problem lies in the (re)distribution of consumption cheques, and in the incentives and taxes we place on different kinds of activities. Obviously, hard productive work and risky investment need their carrots: in a household of *homo oeconomicus,* if you receive no reward for refurnishing a room and living off pre-cooked meals, you are unlikely to do so. This battle of "efficiency vs. equity" has raged for decades, on the subject of structural unemployment, working poverty and elsewhere. The question still stands, however: just how large does the carrot have to be to incentivise desirable behavior?

The hardships of structural unemployment and working poverty are good reasons to redistribute the carrots a little, to strengthen tax progression, both for normative and instrumental reasons. Where do we stand today?

Over the past decades, in many industrial countries, we have seen a shift towards regressive schedules on immobile tax bases. Taxes on capital (capital gains and associated corporate income taxes) have decreased, and the progression of the income tax has been reduced — mostly for fear of capital flight abroad. Taxes on labour (payroll) and, most dramatically, consumption taxes (VAT), have increased — because these tax bases cannot emigrate.

This fiscal configuration may not only be regarded as unjust, it also exacerbates structural unemployment and working poverty. Payroll taxes and social insurance contributions further widen the gap between actual labour productivity and gross wages. Even fewer people will find gainful, let alone adequate employment. VAT hikes increase the effective socially

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acceptable minimum income by raising the costs of living. VAT is also, in truth, a regressive tax because poorer people spend more (all) of their income generating ability on consumption that richer people do, who can generate untaxed interest with their surpluses.

The solution to structural unemployment and working poverty lies in boosting progressive components of taxation. The least productive person must be taxed so little that she will still find gainful employment at adequate pay. For many, this may necessitate a negative tax rate (read transfers), as the prominently suggested (Friedman 1961) but never implemented negative income tax. Under the NIT, workers would receive progressive transfer payments for hourly market wages below the socially acceptable minimum. However, in contrast to current income supplements, real market wage increases are not entirely eaten up by transfer cuts: at any given level of income, earning more on the market will leave you with more net in the bank. For example, under a minimum acceptable hourly income of €7.50 (current minimum wage proposal in Germany), moving from a €2.00 market price to a €4.00 market price job could increase your post-tax income from €7.50 (transfer €5.50) to €8.50 (transfer €4.50), always maintaining your incentives to earn more on the market. This may also help to counteract rent-seeking exploitation by low-paying firms.

The NIT is one promising proposal to shift the burden of economic transformation from the unemployed and working poor who now bear its brunt. It will get us closer to welfare-maximising full employment. Yet, it will be very costly, and, to the extent that it alleviates the material hardship of the working poor, it will include a zero-sum redistributive component.

Deciding who should bear more of the burden and designing how to pay for it will not be easy. Just taxing capital and investment across the board would depress growth and redistribute from the future to today. If anything, progressive taxation of assets (read expropriation, estate tax) and consumption (think conspicuous consumption) appear to be promising candidates to maintain incentives and still raise enough revenue to redistribute. Either way, more progressive taxation will require strong international cooperation to avoid capital flight. Also, whenever resources are channeled from investment to people who are ill-equipped to be sufficiently productive that very redistribution of consumption may alleviate the very pressures we all need to adapt.
For the goal must ultimately be to enable all people to participate gainfully in the mainstream of social and economic life, to enable them to earn their living. As Marx wrote, *man lives to work,* meaningfully and adequately paid, one might add. No one should *work to live,* certainly not under some decommodifying transfer scheme that grants sustenance, but not gratification.

For the goal must ultimately be to enable all people to participate gainfully in the mainstream of social and economic life, to enable them to earn their living.

And yet, for the time being, transfer is the answer. The plight of structural unemployment and hardship of working poverty are not inevitable, for no one. Balancing the burden of economic transformation with progressive taxation is of our own, collective choosing. If we do it right *today,* and never cease to improve education and social mobility for *tomorrow,* we can have it all: to prosperity and opportunity.

Decent Work in a Globalising World

The interview with Wolfgang Heller
was conducted by Michael Foerster and Jost Geimer

In the aftermath of the financial crisis and rising unemployment the oldest UN organisation aims at securing workplaces and fights for the social dimension of globalisation.

Hello Mr. Heller. Coming to our first question, could you quickly describe the International Labour Organization (ILO) and its tasks in a few sentences.

Thank you for your interest in our work. The ILO is the oldest UN organisation. It was founded in 1919 in the context of the Treaty of Versailles. To put it in a nutshell, we are the UN organisation that is concerned with improving working conditions worldwide, with raising employment levels and with employment that enables people to feed their families and to find productive work — under humane conditions. The slogan, the ILO stands for is "Decent Work" — humane work with a focus on compliance with the core labour norms: abolition of child labour and forced labour, prevention of discrimination and the demand for union rights.

We would like to follow-up on „decent work". How can decent work be realised in the context of globalisation and which protective measures would the ILO regard as appropriate for workers and jobholders?

The term decent work can be linked easily with the social dimension of globalisation. The ILO's main task in a globalising world is to help shape the inevitable process of globalisation in a social manner. This means that there should be social "guide rails" erected in a way that the employees are not the bereaved within this process from which only a few benefit. Instead, globalisation should be an inclusive process in industrialised as well as in developing countries.

As we witness not only globalisation but also a de-industrialisation in the developed countries, we would like to know how the ILO incorporates the demands posed towards what social scientists have named post-Fordist society and its labour environments.

Post-Fordism and de-nationalisation have various facets and the ILO is, among other things, challenged by the question on the social security of employees. We strongly witness the state increasingly retracting from the field of social security. We are moving towards the privatisation of this field. Furthermore, we simultaneously witness the accelerating pace of de-regulation. The ILO's task in this regard is to advocate a basic social safety network in developing countries that are developed on a context basis and that are compatible with the local or regional conditions. We have to overcome the old antagonisms of Fordism and post-Fordism in the best interest of the local populations and we have to comprehend the possibilities in the country in which the ILO is conducting projects. We conduct decent work programmes in which we build context-dependent social security systems in cooperation with governments and organisations. The Global Financial Crisis has shown that too much de-regulation can also be problematic. The Scandinavian countries serve as a different example. Some of them have traded freely while at the same time not completely de-regulating social security and have shown thereby that the opening of domestic markets to trade does not have to juxtapose social security in the best interest of the people.

> It cannot be called fair if people lose their employment simply because the high finance has played roulette

Since you have mentioned the Global Financial Crisis, we would like to ask about its effects on employees and about the demands the ILO has with regards to this crisis.

The crisis has, with some considerable time lag, also hit labour markets globally. At the beginning of 2010, there were 212 million people unemployed worldwide, according to our estimates. This was an increase of 34 million compared to 2007. The ILO wishes labour markets to be secured with the same pace and decidedness by national governments as have been the banks and financial markets. This is just as well a matter of justice as it cannot be called fair if people lose their employment simply because the high finance has played roulette. Securing jobs is also smart economic acting as the labour forces will be needed once the economies pick up momentum again. Companies appear to have understood this compared to the situation of the New Economy. The ILO's demands are evident: governments should show the same commitment to labour markets they have shown for the financial markets. Furthermore, decent work — humane employment- has to be created. This does not simply mean that people keep their employment but that jobs are being safeguarded at reasonable conditions with wages people can actually live on.

In this context: why has Germany's labour market been comparatively untroubled? Is there a German "recipe for success"?

Within the international context, we speak of the German "job miracle". Germany had been named the "sick man of Europe" before, not least due to the immense difficulties in the new Länder after the reunification. And now it has grown from the sick man into a role model — an impressive observation! What are the reasons for this? One would be the government-funded short time work programme, a means that has produced visible effects quickly and that has prevented worse distortions in the labour market. Against this background short time work programmes is a quick and effective means that has found international recognition and that is also deemed quick and useful by the ILO. Notwithstanding it is not a miracle cure in the framework of the national context. Apparently employers have learned that it is wise to maintain jobs and to be equipped with sufficient skilled labour once the economy resumes

> "Within the international context, we speak of the German 'job miracle'."

Wolfgang Heller is the director of the German branch of the International Labour Organisation (ILO). He holds a degree in law and has worked for the German Federal Court as well as the German Ministry of Labour and Social Affairs where he has led the department of International Social Policy before his position at the ILO. The main focus of his work is on social policy under globalisation as well as international cooperation on labour and labour standards and the transformation countries of Central and Eastern Europe

growth. Against this background one can reasonably commend German employers' sensibility. Looking at the last rounds of collective bargaining, we see a positive example for responsible action on both sides. In the public sector, this action was strongly marked by the desire to secure employment and the final agreement did not contain problematic demands with regards to the exorbitant public debt as was the case in other Euro countries.

What else would have to happen in favour of employment protection in Germany?

Moving back to short term labour, we see that while it is a successful instrument, we currently see, for the first time since the Second World War a decrease of gross wages. This is—among others—a consequence of short term labour. Short term labour is partially being financed via contributions and taxes that will lead to budget deficits. The aftermath of budget deficits is evident. Hence we see: a good means, but not a universal remedy. This should be mentioned yet again. Concerning the situation in Germany, the ILO is observing the poignant and tense discussion between raising wages on the one hand, or raising welfare benefits on the Hartz IV level on the other hand. The low-wage sector is an important aspect. Labour should lead to income beyond welfare benefit levels. We must to talk about the situation of those earning a mere €2.50 an hour. We should not forget that wages need be humane wages. We also have to mention wage supplement payments that have to be paid by the state and the tax payers. We need a much more intensive discussion on the question if the state possible acts as a substitute employer or if not we might need regulation that aim at eliminating wages that are simply against public policy. In doing so, we also need to address the question if we can only speak of those wages as being against public policy if these are insufficient or if there is a grey zone in which employers are required to pay decent wages without the state having to take action. We need to dive much deeper into the discussion if people that are employed make enough money to feed themselves and their families. There is an immense need also with regards to minimum wages. We do have minimum wages in Germany, but they are highly complicated and sector-dependent. Yet we have to ask ourselves now more than ever how to allow for low-wage earners to live a decent life. Politics should, much more than before ask this question and establish serious and earnest discourse with regards to this.

"The ILO's demands are evident: governments should show the same commitment to labour markets they have shown for the financial markets."

Thank you very much for this interview, Mr. Heller.

Green Jobs and Prosperity — Can a Greener Economy Lead Us Towards Sustainability?

by Max Grünig

Green Jobs and green stimulus packages are on the rise worldwide. The underlying premise is to create an environment of constant economic growth and prosperity whilst preventing an ecological doomsday, be it water scarcity, air quality or climate change. But are green jobs the silver bullet everyone is looking for? Will a greener economy lead us to economic, social, and environmental sustainability?

Sustainability aims to provide future generations with the opportunities for development we enjoy today. However, the world's natural resources are finite. Even renewable resources such as fish can be depleted if we fail to apply responsible methods of resource management. While the world's economy grew by a factor of five over the last fifty years, we have also degraded 60% of the world's ecosystems. The potential for future economic growth is clearly dependent on the availability of natural resources. Technological advancements can delay the effects of poor resource management, but will not prevent the inevitable degradation of ecosystems and, ultimately, the end of economic growth.

The current financial and economic crises have led to large-scale government interventions worldwide. Total recovery spending is estimated at $2.8 trillion, a significant share of which can be attributed to green topics: HSBC found that $430 billion of fiscal stimulus were linked to climate change issues. The countries that spend most on green stimulus in absolute terms are China and the US with $221 and $112 billion respectively. Europe has been more conserva-

tive, intending to spend just $54.2 billion for green issues, see also figure 1. When looking at the relative shares, South Korea has the highest share of green spending in its stimulus package: 80.5%. Values for other countries were considerably lower: EU (16.7%), US (12%), and China (37.8%). The motivation behind such massive spending measures is the creation of new economic growth and new green jobs in sectors such as renewable energies, energy efficiency, and sustainable transportation.

> Globalisation drives heavy industries and manufacturing jobs abroad, independent of domestic greening policies.

But what makes a job green? Is an oil worker in a refinery with zero accidents and zero spills a green job? Is a scientist writing articles and reports about climate change and sustainability a green job? Is a maintenance technician on a wind farm a green job? How far can we stretch the definition? Do we aim for real, measurable impacts or potential future change? Green jobs mean different things to different people.

While the United Nations Environment Program (UNEP) and the International Labour Organisation (ILO) define "Green Jobs" "as work in agriculture, industry, services and administration that contributes to preserving or restoring the quality of the environment," there is a wide range of differing variations. The German Association of Employers (BDA) refers to a broader definition of green jobs as those having "employment and social dimension of climate change." The main issue is to identify which sectors can generate green jobs. The safest answer is to refer solely to jobs in renewable industries. Therefore, most available statistics on green jobs primarily cite jobs in renewable energies. Specifically, there were 278,000 jobs in renewable energies in Germany in 2008, i.e. 0.7% of the workforce, compared to only 78,000 in 1998. In Denmark, the wind energy sector alone employs 28,400 persons, a little more than 1% of the workforce in 2008.

On the other hand, every job in the economy has the potential to become greener. A trucker can drive more environmentally friendly, an office worker can refrain from printing reports, and a restaurant owner can send food waste to a biofuel refinery. It is simply not enough to create green jobs. All jobs must become greener. Greener jobs are less harmful for the environment and consume fewer natural resources per unit of GDP created. Thus, combining the potential benefit of green jobs and the immediate improvements offered through greener jobs allows an economy to maintain growth while consuming fewer natural resources per unit of GDP or even fewer natural resources in absolute terms.

> Is an oil worker in a refinery with zero accidents and zero spills a green job?

When it comes to discussing jobs and job creation, it's the net balance that counts. Media, politicians and the public want to know that more jobs will be created than lost due to the greening of the economy. In fact, countries such as Denmark and Germany report huge increases in green jobs. In 2006, long before the various recovery acts, 1.767 million green jobs existed in Germany alone, representing 4.5% of the entire German workforce. These figures include

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all jobs dealing in some way with environmental themes and encompass wastewater treatment and waste collection. But how many jobs have been lost in the meantime in sectors such as steel manufacturing, electronics, or textiles?

In Spain, for every job created in renewable energies, 2.2 were lost in other sectors. Each job in renewable energies benefitted from €571,000 in subsidies, and jobs in wind energy even received more than one million Euros per position. The crowding-out and lock-in effects were not considered. The main argument of their assessment is the lower economic growth due to higher energy prices caused by the introduction of a feed-in tariff. Comparable figures can be found for Germany: while clearly gross job creation occurs, this is only possible due to massive subsidies which led to the conclusion that this "bubble" would burst as the subsidies were withdrawn.

It is, therefore, questionable, whether these investments "jump-start our economy and build the clean energy jobs of tomorrow," as President Barack Obama hopes, or whether they will really lead to a "win-win solution for our country — it helps to address the threat of global warming and it builds the foundation for long-term recovery and prosperity", as Senator Barbara Boxer claimed.

The European Trade Union Confederation (ETUC) expressed regret about "the lack of accompaniment measures for workers affected by the consequences." CEPOS estimates that approximately 10% of the jobs in the wind energy sector in Denmark can be interpreted as net job creations, i.e. 2,840 jobs. Moreover, are the same people who lost their jobs in non-green sectors now being employed in the green economy? This cannot be determined for certain, since many other influences overlap the greening of the economy. Globalisation, for example, drives heavy industries and manufacturing jobs abroad, independent of domestic greening policies. Furthermore, ever-increasing labour productivity, combined with relatively low economic growth rates, leads to job losses in underperforming sectors. Our current economies rely heavily on constant economic growth and expansion. Without growth, our societies cannot sustain themselves. With growing labour productivity, zero growth leads to unemployment, leading to lower demand and lower tax revenues, undermining the government's ability to pay for its debt service.

Renewable energies, however, show a silver lining at the horizon, as they produce a given amount of electricity with more workers than traditional energy sources. This opens a new application for renewables: slowing down the increase of labour productivity and, thus, slowing down overall economic growth to more sustainable levels.

Are the same people who lost their jobs in non-green sectors now being employed in the green economy?

Green and greener jobs are only part of the solution. They may help ease the transition from environmentally harmful sectors to a more sustainable economy. In the end, however, they serve the same growth paradigm as all other traditional economic policies and will not lead to long-term sustainability. Therefore, we need more fundamental changes both in our conception and our administration of economic policies. Growth, be it green or any other colour, is ultimately unsustainable.

The Future of Labour in Nursing — a Question of Life and Death

by David Scheller-Kreinsen *and* Britta Zander

The nursing sector is fundamentally different from other sectors in its unique relationship between management, workers, and customers. Research has merely begun tackling this difference within the last years. Yet, as David Scheller-Kreinsen and Britta Zander advocate, rethinking the sector is of utmost importance. Read here, how current research projects yield promising new insights.

Current thinking about nursing suffers from two interrelated deficiencies: a false concept of a) the nature of the employment relationship in nursing and b) the nature of outputs in nursing. Increasingly research indicates that misconceptions on these issues may imply fatal outcomes and therefore they must be treated as a question of life and death.

The nature of the employment relationship in nursing

When economists discuss the future of labour, they tend to talk about productivity, profits, wage levels or the distributional consequences of labour market arrangements. Sociologists and psychologists on the other hand have a tendency to focus on (the erosion of) collective labour market institutions or issues such as employee participation or work satisfaction. Research on nursing for a long time was conducted along similar lines. It concentrated either on the management perspective and scrutinised issues such as efficiency, profits and absenteeism or it focused on the perspective of nurses and analysed burn-out, job satisfaction or their material status.

However, over the last two decades, it has been established that "there are unique factors in service work [such as nursing] that make its separate analysis essential". The most important factor is that there is direct contact of workers with customers. Taking this perspective it becomes clear that discussing the future of nursing narrowly in the context of the (antagonistic) relationship between nurses and management is misleading. Instead, employment relations in nursing have to be understood as a three way relationship between workers, management, and customers (in this case: patients). As a consequence of this, analyses of the management practices in nursing not only need to take account of the economic implications or the impact on nurses' well-being, but must in addition scrutinize the effect on patients' health. Similarly, the well-being of nurses cannot solely be understood in terms of the relationship with management as their well-being is also influenced by their relationship with patients.

Research from the United States by Linda Aiken confirms that taking account of the three-way employment relations in health care settings is of utmost importance. She finds that the approaches towards human resource management in nursing, the wellbeing or job satisfaction of nurses, and the quality of care delivered to patients substantially correlate and mutually influence each other. Furthermore, more recent studies explicitly reveal the importance of nurse staffing, education, and management practice in determining hospital mortality. Surgical patients in hospitals with better nursing work environment, better staffing (fewer patients per nurse), and better educated nurses have roughly 30% lower prospects of dying. Hence, evidence suggests that the future of labour in nursing increasingly needs to be understood as a vital question of life and death.

The nature of outputs in nursing

> *"The services generally perish in the very instant of their performance, and seldom leave any trace or value behind them"*
>
> Adam Smith

Adam Smith in 1776 famously argued that "The services [of the service worker] generally perish in the very instant of their performance, and seldom leave any trace or value behind them". Current management practices in nursing seem to be greatly inspired by this early and famous theorist of the emerging capitalist system. They focus on easily measurable quantitative aspects of nursing work, which include for example the number of patients given a bath per shift, length of stay in a hospital bed or the delivery of medical procedures—just as if their services would perish in the moment of their performance without being directed towards higher goods. Nevertheless, health service research has for long established that delivery of activities or medical procedures in itself can hardly be considered the output or goal of nursing. Rather the value of the work of nurses is expressed in the contributions of these activities to health or to the well-being of patients. By concentrating on easily measurable activity measures, current management

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Britta Zander works as a research assistant in the department Health Care Management/WHO Collaborating Centre for Health Systems at the TU Berlin and is responsible for the project "RN4Cast". She has a Master of Science in Economics and Management Science from the TU Berlin and has furthermore worked and studied at the National University of Singapore.

approaches therefore tend to prioritize routinisation, rationalisation, and efficient delivery of tasks over the logic and outputs related to patients.

A starting point for re-assessing the future of labour in nursing — the RN4Cast project

To develop a better understanding of the patterns and implications of the three-way employment relationship and to account for patient centred outputs in nursing European nursing researchers and health economists have joint forces in a pan-European project. In January 2009 the 3-year RN4Cast (Registered Nurse Forecasting) project started to scrutinise the effects of different human resource management approaches (staffing levels, work organisation, education and training) on nurse job satisfaction and specific patient outcomes such as mortality. The project is funded by the European Commission's Seventh Framework Programme and coordinated by the Centre for Health Services and Nursing Research from the Katholieke Universiteit Leuven (Belgium). Beyond fostering the understanding of the employment relationship in nursing, the project also aims at developing new management approaches that take account of patient outcomes and nurses' needs. The consortium consists of representatives from 11 European countries who currently collect data on nursing staff deployment as well as work environment by surveying a minimum of 15000 nurses in more than 350 hospitals within the participating countries. The information from the nurse surveys as well as hospital characteristics will subsequently be linked with patient outcomes data which is extracted from routinely collected hospital discharge data. This approach allows to explore to what extent various characteristics of the nursing work environment, nursing staff deployment and hospital characteristic influence nurse recruitment, retention, quality of patient care, and patients outcomes (e. g. mortality; failure to rescue). Furthermore, by combining the nurse survey information with patient discharge data, the project investigates whether certain clinical patient outcomes (e. g. high mortality rates among young patients) influence the burnout risk of the nurses and vice versa. By 2011 the project intends to enable policymakers across Europe to formulate more appropriate management approaches that take account of the three-way employment relationship in nursing and that define organisational goals in terms of patient outcomes.

Employment relations in health care settings is of utmost importance.

Understanding the complexity of disaster risk reduction and mainstreaming its practice across society is an immense task, but the integration of indigenous knowledge into disaster management policy and practice will make that task a lot more achievable. To fully realise the benefits of this information, however, disaster management practitioners will have to don a pack and head on out—remembering that whatever the challenges faced in the field, time spent there is rarely wasted.

The Future of Labour

discussed with Jim Vaupel *and* Anika Rasner, *interview carried out by Zoë Robaey and Jost Geimer*

Children born today will celebrate their 100th birthday but need to live with outdated and unfeasible labour market policies from the past. Some countries changed their systems already, whereas others seem unwilling to reform this sector.

How will demographic change impacts the labour market?

Jim Vaupel: The basic bottom line is that people are going to live longer. For instance, most children in Germany will celebrate their 100th birthday. So if you know you are going to live 100 years, you will probably want to spend your time differently than you have been doing it today. Spending time being educated and spending 40 years doing nothing does not make a lot of sense then. The main idea would therefore be for younger people to work more years of life and fewer hours per week on average. As long as the person puts in enough work over the course of a life to generate enough economy to pay for her own consumption then it does not matter whether she works 30 hours a week for 40 years or 40 hours a week for 30 years. Most younger people would like to combine work life with family and education and have free time when they have young children!

How would this look?

J. V.: There are different ways. One way is to make retirement more flexible. Denmark banned retirement based on age in 2008 and the US did this 20 years ago. The person then stops working when she can no longer do the work. An incentive for working longer, when the person can work, is the pension. The earlier you retire the less money you will receive.

Would working fewer hours a week not mean a reduced income?

J. V.: No, not necessarily! If more people work, including older people, then there would be less need for transfer payments from workers to non workers. These are complicated details that have to be worked out but in principle, after-tax, people could make the same amount as now.

Wouldn't it be difficult to get this program started in terms of politics?

J.V.: The good thing about a country like Denmark is that it is like a small boat that can change direction quickly, whereas Germany is like a big ship. There has to be a lot of public discussion and education and it has only been very recently that Germans have started thinking about demography. The system has to be introduced gradually. One way is to say you can retire at retirement age or you can work longer, and if you work longer your pension, will go up. Another thing you can do is raise the age where people qualify for pensions or you can do both. You will not want to raise it 5 years at once, but rather raise it 1 month per year starting from here on out. I think it is possible to introduce policies gradually so younger people would be compensated by being allowed to work fewer hours a week but they would pay to work more years of life. The details still have to be worked out.

"If you know you are going to live 100 years, you will probably want to spend your time differently than you have been doing it today."

If the older population stays in the labour market, wouldn't this have a negative impact on the younger population trying to get into the job market?

J.V.: No, not at all! Axel Börsch-Supan from Mannheim University undertook studies showing a very strong correlation between lower employment of old people and lower employment of young people. One of the reasons is that if unemployment is lower among older people, then taxes are not so high and if taxes are not so high, then companies have more money to hire people. Moreover younger people are not substitutes for older people. If you fire a 60 year old, a job is more likely to open up for a 55 year old than for a 20 year old.

You paint a very positive image for the burden of tax, why has this idea not taken up more quickly?

J.V.: So the basic question is why Germany and France have such stupid systems—compared to US and Denmark for instance—and one thing I learned studying public policy is that you should never underestimate the stupidity of governments. More generally the system that was put in place stems from a time when people were not living very long. The motion for the retirement age at 65 came from Bismarck when people had to do jobs that required physical labour. In that context it made sense; wages would go up with age and older workers were very expensive for companies. But the world has changed radically. Now most people are in information-related work, as opposed to manual labour. So the world has changed a lot but the labour regulations have not changed. Over the course of the next few decades there will be a movement towards more rational labour market practices that better fit the modern world.

Will there be a difference between genders taking into account that women live longer than men on average?

A.R.: There is a big potential in gender redistribution. In Germany there are still too many policies that keep women at home or in part time jobs. On the one hand, this puts a lot of pressure on men to work a lot in order to care for the whole family; on the other hand, it also puts women in a very weak position because they have to depend on their husbands. Redistributing between genders might help women to have higher pensions. At the moment there is a big gender pension gap. This is simply a result of the incentives that are set for women. The details are always hard to imagine because we have this system where all the taxes and contributions we pay has been grown for a very long time. These things are hard to change against the background of the ageing population.

Jim Vaupel is the founding Director of the Max Planck Institute for Demographic Research in Rostock, Germany. Instead of simply focusing on statistics in this field of research he takes a multidisciplinary approach combining human and non-human biology, mathematics, genetics, and public policy.

Anika Rasner is currently a PhD researcher at the Max Planck Institute finishing her dissertation which deals with the impact of women's labour market participation on their future retirement income.

Would shifting in work hours per week and delaying the retirement age be the only solution?

J. V.: It's complicated. Nobel Prize winner in economics Robert Vogel once said to me, "Jim, you know, there are more cars than there are drivers and there are more radios than there are ears! Productivity is going up and as a result income per capita is going up. What are people going to spend their money on?" He thought that people would spend on spiritual goods, i.e. non-materialistic goods like friends and family. He thought that people would really enjoy living a really long period of time, work really hard over a shorter period of time and then enjoy life. But other people, it seems to me, would prefer not work very hard and spend more time with their family and when they are older work hard. People have different tastes, thus there is no need any more to have uniform standards for everybody. Society is flexible enough to have different policies for different sorts of people so that people do what they would like to do.

"Society is flexible enough to have different policies for different sorts of people so that people do what they would like to do."

Round up: Where does the future of labour lie?

J. V.: Right now, in Europe, people work 8% of their lives, so you have to put labour in perspective. Secondly, that small fraction of your life is even further diminishing. You have to put labour in context of education, leisure and family, so labour is not this dominant part of life and it makes much more sense to spread it over a life rather than concentrate labour in the few years where you can have children.

Thank you for the interview.

Understanding the Labour Market for Older Workers: A Survey

by John S. Heywood *and* Stanley Siebert

What is to be done about retirement age? In order to avoid a pension shock and to use the capacities of older workers, John S. Heywood argues, flexible measures should be put in place. Please find the full article online at our SP3 blog: www.hertie-school.org/schlossplatz3/

Why is retirement so abrupt? Does it make sense for it to be, and if not, what can we do about it? Are the UK's new Employment Equality (Age) Regulations, which attempt to reduce "age discrimination", likely to help the functioning of the market for older workers? These are important questions, because retirement affects the working lives and happiness of so many

> One third of those aged 50 to 70 years claim they would postpone full retirement if offered a phased retirement.

people. About 3 million men and women move out of the workforce between the ages of 55 and 70 each year in the UK. This means that about half the productive capacity of this group is unused. Things could be different—in Japan, the unused capacity figure is only 20%.

Normally we would expect a gradual transition from long hours to shorter and shorter hours. Indeed, happiness studies indicate those individuals "out of the labour force" are less happy, and would have presumably preferred such a transition. Survey evidence confirms this with fully 1/3 of those aged 50 to 70 years claiming they would postpone full retirement if offered a phased retirement. Meadows gives further survey evidence from a range of countries including the US, UK, France, Germany and Scandinavia that older workers are more likely to experience redundancy and hence involuntary early retirement—perhaps as a result of "collusion" between unions, employers and the state to massage unemployment statistics. A recent survey shows that 59% of over 50s would like to work beyond the statutory pension age. Delsen talks of "pension shock", and joins many in calling for a "staged" retirement. Moreover, in Japan we do in fact see something like a gradual transition for many "retirees". Therefore, a gradual transition is possible, and many retired desire it. The fact that we do not observe such a transition reflects in part the constraint imposed on individuals by pension rules such as the mandatory retirement mentioned in the opening quotation. Mandatory retirement is not permitted in the US, which is said to have the "symbolic effect" of indicating "the propriety of continuing to work". To ask a further question, then, should we have these rules?

In fact, it may be the employment protection rules of age discrimination legislation, rather than mandatory retirement that are problematic for older workers wishing to continue. We discuss mandatory retirement and its link with efficient long-term contracts in detail below. But the fact that the USA has had no mandatory retirement since 1986, while Japan permits it and has a higher participation of older workers would seem to indicate that mandatory retirement is not central. On the other hand, employment protection legislation could be central because, in general, raising the firing costs of workers is likely to make firms averse to the risk of hiring older workers. Therefore, age discrimination law which specifically protects the job rights of older workers could make firms even less likely to hire them.

Stanley Siebert gained his BA from the University of Cape Town, and his PhD from the LSE. He has published widely in the major economics and industrial relations journals. He is the author of two texts on labour economics The Market for Labor: An Analytical Treatment (with John Addison) and The Economics of Earnings (with Solomon Polachek). He has also edited a survey of European labour market regulation Labour Markets in Europe: Issues of Harmonisation and Regulation (co-edited with John Addison). Outside of Birmingham, Stan is a research fellow at the Institute for Labour Research (IZA) in Bonn.

John S. Heywood is a distinguished professor of economics as well as the director of the Masters in Human Resources and Labor Relations Program at the University of Wisconsin-Milwaukee. He received a B.A. in Economics from Swarthmore College, and a M.A. and Ph.D. in Economics from the University of Michigan. Since 1999, he has been a senior research fellow at the University of Birmingham. He has served as a visting professor at the University of Hannover, Lancaster University Management School, the University of Melborne and Gissen University. He has received numerous awards and honors for excellence in both teaching and research.

Raising the firing costs of workers is likely to make firms averse to the risk of hiring older workers.

Silence of the Lambs
or Why We Need Resonance in Liberalism

by Martin Sambauer

In the current economic culture taboos hinder a culture of sustainable communication, Martin Sambauer elaborates. In the clashing logics of market and democracy only open communication and participation of employees can bring a resonant relationship of markets and democracy — eventually allowing companies to create inestimably public value.

Every company has a neuralgic field, where it touches ethically critical phenomena through its entrepreneurial activity. This is not only true for the problematic relationship of car manufacturers or airlines with climate change, but also in highly respectable organisations like NGOs or hospitals where we can find such neuralgic fields. It could be a medical system tiered according to economic class, profit-maximisation in the medical sector or with some NGOs, their painful basic paradox, that the very phenomenon, which they want to fight, is their very right of existence at the same time. The consequence is a structural corruptibility, which of course could quickly threaten the existence especially of NGOs, if publically announced. One can find things such as this everywhere.

I call these multiple subject areas "neuralgic fields", because it hurts touching them. Human beings accede such fields only with utmost caution — if they do it at all. The annoyed look of a supervisor, the hysteric-chuckling snicker of a co-worker, the embarrassed silence of an evening-company — all these are reactions which teach us unconsciously to avoid neuralgic fields. If there is no culture of openness in handling painful subjects, taboos evolve and the affected organisations change into totemistic[1] hushed-societies, in which major aspects of self-evaluation dug in the fog of tabooisation. At the same time promotional communication often transforms product and company in a hopelessly superelevated fetish and creates a "pressure to worship" for the employees. The higher the pressure, the more rigid the taboos automatically become, along with the prohibition to speak and think. It is obviously dangerous for companies. They will become system-blinded; employees more and more will become followers instead of innovators. Dangerous changes in the environment of the company then take place under the cloak of invisibility of the taboo, and lead in dramatic cases to an ostensible spontaneous, but in reality structural, collapse. I would consider the case of Detroit in the last 15 years to be an example of this phenomenon. The structural ability of companies to communicate openly is crucial for their long-term survival and thus constitutional for every definition of sustainability. Unfortunately this aspect is seldom disputed, because it is itself under a deeper, more general taboo: the ability of employees and citizens to think and articulate—is this actually appreciated or are we looking from an antidromic tradition?

On a societal level such mentioned taboos are harmful. On the one hand companies will be destabilised in the long run through taboos, which they create themselves because of a lack of sustainable culture of communication. They loose competitiveness and innovation and thus hurt the economy. On the other hand is a basically discourse-weakened society system-blinded through tabooisation. Important developments are not perceived consciously, they are overlooked. The Society cannot react, except if such developments escalate to a big crash in the background. Even then, those who have the last word on public opinions could interpret them blurrily.

To counteract this situation I suggest the examination of the basic construction of our economic order and to adapt it to the changing systemic conditions of the present. In Germany we have the rare case that, caused by the collapse of the Nazi-dictatorship and the foundation of the Federal Republic of Germany, we have exceptionally good documentation of the emergence our current economic order. Thus we know which intentions and under which conditions the social market economy was introduced.

In its essence, this new founded economic order was called "Ordoliberalism". The basic idea behind it is to use the emerging forces of the free market to create welfare and knowledge, but the socially-destructive side of the market, as observed in Manchester-liberalism, is to be tamed by a regulatory framework. This construction however possesses asymmetries with heavy consequences, which are currently felt. After the war Germany had to reconstruct its infrastructure — this meant full employment. Additionally, at this time there was much less capital, less knowledge, less competition and less specialisation. The productivity was only a fraction. Even though sixty years ago the German people were poor, emerging from a terrible war and were faced with a completely destroyed country, the economic system-pressure was much lesser than today. Quite the contrary, there was something like a maelstrom. Everybody had the chance to become something. In contrast, we currently have an army of unemployed— and have had for decades. On a continuous basis people are removed from the market, because their qualifications no longer meet requirements. Thus the pressure on single people continuously grows.

This increasing pressure causes the weak spots of the ordoliberal construction to fall apart. There are two systems brought together into a resonant relationship. One system is the free market and its economic logic. The other system is democracy. In a large number of cases both systems exist in the same person, when people are actors of the free market. The bulk of the population is affected by this mechanism. They find themselves in the structural decision-conflict to decide either as a democrat/citizen or as an economic actor. In case of conflict between these two ethical-moral systems, it is manifest that decisions are made in favor of the economic system, as eventually the factual demanding pressure is much larger and more direct. Statistically one can assume in case of conflict, that democratic election-decisions are decided in favor of the logic of the free market and not in favor of a different, maybe more democratic logic. The regulation framework thus looses its power to regulate in case of an ethical-moral conflict in elections. The logic of the free market start thus to dominate democracy, not the democracy of the free market, as it was originally designed in ordoliberalism.

> "The structural ability of companies to communicate openly is crucial for their long-term survival and thus constitutional for every definition of sustainability."

The modern human being thus acts on the one hand — afflicted by economic coercion — in a tabooized reality of labour full of diffuse prohibitions to speak and think, and should on the other hand as democrat make ethically correcting decisions in election, which should lead to a powerful framing order. This cannot succeed. This framework of regulation will become naturally thinner and powerless. The Resonance-liberalism, which I propose here, assumes that it is basically useful to work within a framework of regulation. It also assumes that the individual is endangered to be weakened by the superior system and exploited by it. Because of this, Resonance-liberalism anchors

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effective instruments in the framework of regulation, which strengthen the human being in his/her autonomy and encourages thinking ahead and to articulate him/herself. In order to do so, new resources must be provided. Room, money, time and information to qualify and to speak unsanctioned at any time is needed — also and especially about the concern of work and it's consequences on the ecological, social and economical surroundings. Resonance-liberalism enables its citizens to interfere and demands them to do so. This mature citizen acts in resonance with his regulatory framework and steers them over to democratic processes in a sustainable manner, because they received higher civic action qualifications compared to citizens in Ordoliberalism.

On a micro-economic level the reservation towards a structural forward-thinking employee are often remarkable. However, whoever takes a look at the foreseeable human-resource-developments of the upcoming decade knows, that motivation vectors of future successful companies lean towards intrinsic motivation.

Employees which, on the basis of free opinion and participation, produce an ideal product that is optimally anchored in its current surroundings are much more likely to conform to this tendency as compared to the obedient, those frightened through taboos, and silent lambs[2], producing ecological-social dinosaurs. Thus, who fosters in his/her company a modern, deliberative, network-like culture of communication, does not only make him/herself sustainable, but also contributes to a functioning economic order. Communication and forethought are becoming factors of Corporate Social Responsibility. CSR thus leaves its marginal importance and becomes an integral part of entrepreneurial action. Companies create an inestimably public value[3]: the structural ability for democracy, while at the same time strengthening their own competitiveness. This is the central function of Resonance-liberalism.

"At the same time promotional communication often transforms product and company in a hopelessly superelevated fetish and creates a 'pressure to worship' for the employees. The higher the pressure, the more rigid the taboos automatically become, along with the prohibition to speak and think."

1) Especially in companies of American origin, it is true even for the typical totem principle of "Exogamy", which is described by Sigmund Freud in "Totem and Taboo" in detail. In "Ethical guidelines" it is defined that employees are not to enter into relationships, and are not even allowed to go out together.

2) I refer to the investigations of Michel Foucault on the Christian ministry (Geschichte der Gouvernmentalität, Band 1) and the ratio of the silent and obedient lambs/sheep/faithful to the shepherd — an understanding of hierarchy, which is still handed down in education.

3) I am referring to the work of Mark Moore (Harvard Kennedy School) and as an outcome of Timo and Jörg Meynhardt Metelmann (University of St. Gallen).

The Future of Labour...Parties

by Michael Förster

We have seen the decline of labour parties throughout Europe — particularly within the last decade. The number of possible causes is vast. While each labour party does indeed have its own battle to fight against decline, there are major trends observable in all of Europe. Michael Förster will identify these trends and discuss in how far these have influenced labour parties — and what the parties could do about them.

When looking at the 2009 German federal election results, the attentive follower of German politics can't help but be stunned: the Social Democratic Party (SPD) lost more than 11 percentage points, receiving an historically low 23%. Election results in other European states have oscillated between "less favourable" and "crushing defeat" for social democrats. There's an abundance of examples for defeats and only a few notable exceptions, such as Spain or Greece. Furthermore, if we look at the political landscape of the European Union as of March 2010, we find Social Democratic heads-of-government in a mere 8 of 25 EU Member States, along with three junior partners in other governments. The European Parliamentary elections of 2009 were also interpreted as the manifestation of "the crisis of labour parties". The French Socialists almost fell to third place as did the UK Labour Party; the Dutch Labour Party was handily overtaken by the right-wing populist Freedom Party, and the Danish and Swedish social democrats had their hopes of scoring a victory over the governing coalitions crushed.

What has happened? How is it possible that labour parties all over Europe have slipped into such a crisis? The theses presented here address different dimensions of the crisis. These are by no means exhaustive, as every country and every party system has its idiosyncrasies that cannot possibly be addressed here. Yet it is possible to identify major trends, which will be discussed in the following.

1. The slow death of the traditional working classes and the decline of Fordism

In Western Europe the working classes have mostly formed the core for centre-left and left-wing parties ever since the advent of democratic elections. The European party systems consisted of relatively statist groupings that mostly aimed at mobilising their core constituencies. For Labour parties, these were members of the working classes, the less-privileged and often public service. However, with the decline of the industrial sector all over Western Europe and the offshoring of jobs abroad, working-class unemployment did not only rise, but their numbers literally shrank relative to the overall population. At the same time, electoral volatility has increased. With the traditional voter bases shrinking, aging and increasingly marginalised economically, the social democratic parties faced a dilemma: How to combine demands tailored to the needs of the lower income groups while at the same time reaching out to new voters outside the core-voter bases?

2. The outreach to the centre has alienated traditional voter bases

After labour parties suffered through a period of relative powerlessness in the 1980s, their strategy of success for the 1990s was based on abandoning hard-left policy platforms and increasing their appeal to the middle classes. By forming progressive coalitions, social democrats managed to take over governments in many European countries, often working out welfare reform combined with progressive social policies. This progressive appeal was combined with charismatic leadership figures — Blair, Schröder or Persson. Another good example is the Kok government in the Netherlands between 1994 and 2002. It installed a more flexible welfare state while at the same time introducing social reforms such as euthanasia and gay marriage. Similar progressive reforms have occurred in Germany, Belgium, Denmark, Sweden and the UK from the mid-1990s onwards, and successively in Spain and Portugal in the 2000s (which became known as the "Third Way"). However, the combination of progressive policies on social issues—including immigration—and more liberal economic and welfare policies drove many members of the traditional left into the arms of other parties. Considering the position of these traditional voter bases, we can reasonably speak of a "reformist overreach" by centre-left parties. We have witnessed the surge of populist parties on both sides of the political spectrum and most of these populist parties compete for those voters that were formerly ardent labour party supporters. It is not a coincidence that working class districts in formerly "red" cities like Vienna, Rotterdam or Antwerp see social democratic parties competing with right-wing populists rather than conservative parties. These parties have often managed to combine economic populism with a fierce anti-immigration and socially conservative rhetoric. Additionally, progressive coalitions have broken apart — on a societal as well as on a political level. At the voter level, we have witnessed centrist-minded voters turning towards liberal or conservative parties while, at the parliamentary level the centrist parties have often turned their favours to the right — see Denmark, Finland, the Netherlands (until 2006) or Sweden.

> Furthermore, if we look at the political landscape of the European Union as of March 2010, we find Social Democratic heads-of-government in a mere 8 of 25 EU Member States...

3. Party immobility and the failure to integrate (new) social movements

With the advent of the "New Left" after 1968 and its stronger focus on progressive social issues (feminism, gay rights, environmentalism, pacifism, etc.), the labour parties were, for the first time, confronted with competition that posed an alternative to the "traditional left". Green parties all over Western Europe sprung up and many communist parties abandoned old-style communism in favour of "eurocommunism"[1]. The past few years have shown that social democratic parties have hardly learned from this first wave of diversification in party systems. The diverse array of new social movements, ranging from alter-globalists to human rights groups to climate or digital rights activists has not caught on in the party programmes of social democratic parties. The chances for activists from these movements to make themselves heard are further prevented by rigid party hierarchies. These activists do not turn to social democrats, but to liberal or green parties that can more credibly combine the demands of these diverse movements with their party rhetoric and that offer more prominent spots in the party hierarchies. One can reasonably assume that the social democrats—as has been proven in recent elections, in Austria or Germany for instance—are losing complete generations by not addressing the issues they are concerned with.

Michael Foerster is currently doing a Master's degree at the Hertie School of Governance and is one of the two chief editors of Schlossplatz[3]. He holds a BA in European Studies from the University of Maastricht. His main fields of interest are urban governance issues—particularly socio-economic aspects of urban development—as well as political communication, and comparative politics. He has previously done an internship at the Berlin Senate Department for Urban Development and has done voluntary work in several civil society organisations.

4. The absence of social democracy in Central and Eastern Europe

With only relatively recently "consolidated" democracies, the developmental course has been quite distinct in the CEE region. This is well-reflected in national party systems that have failed to stabilise within the last twenty years (except for possibly Estonia and, up to recently, the Czech Republic). The case of Hungary is probably the most illustrative in addressing the demise of social democracy in the region. We will likely witness a landslide victory by the conservative FIDESZ in this year's national election. This is not only due to the controversies that have revolved around the Gyurcsany government in 2006 and 2007, but is also a consequence of a longer-term trend in Hungarian politics. The social democratic MSZP has largely followed the "Third Way" model, often being described as "cosmopolitan" due to its largely liberal outlook on both economic and social issues. FIDESZ has developed from a liberal into a conservative party, particularly under the leadership of Viktor Orban. In a new swing, this party proposes populist left-wing economic policies (such as the renationalisation of key industrial sectors) combined with fierce social conservatism and increasingly nationalist rhetoric. Other states witness similar patterns—think of Poland's Law and Justice or the Slovakian government's coalition of social democrats and two hard-right parties. It appears that while "Western-style" left-wing parties are suspicious of fostering "socialism" it has become much easier to sell economic populism under conservative and nationalist rhetoric. It remains to be seen if this new branch of conservatism may also become the new branch of labour parties in the region.

How labour parties will further develop is difficult to tell. This year's elections in the UK may bring a less-crushing defeat for Labour than expected only three months ago. Similar accounts may be told for the Dutch Labour Party; the Swedish Social Democrats, under Mona Sahlin, even have good chances to win back the Prime Minister's office. Yet, these developments do not result from the pure strength of their respective national parties, but rather from dissatisfaction with their opponents. Meanwhile, social democratic parties need to address new issues in order to gain new voters. However, it appears that the labour parties lack "vision" in hopelessly trying to balance pragmatism with discursive left-wing ideals. If labour parties aim to have genuine success in the future they will need to develop new visions. The policy issues are out there—precarious employment relationships, the direction of the welfare state, international labour rights, the effect of economic integration on labour markets, etc. These would, however, have to be identified and be incorporated into coherent platforms, along with a more open culture of communication. After all, labour parties will not be successful if they do not manage to incorporate their addressees in developing these visions.

> By forming progressive coalitions, social democrats managed to take over governments in many European countries, often working out welfare reform combined with progressive social policies.

1) Eurocommunism, as opposed to Maoism or Stalinism, that had marked Western European communist parties before the 1970s, is a more progressive brand, combining socialist economic policies with progressive social issues and ecologic thinking.

Hertie School of Governance and Professional Year Opportunities

The Hertie School of Governance offers students with the possibility to undertake a professional year. Four students share their impressions with Schlossplatz³.

Johannes Haenicke

Currently doing a Professional Year at?

German Federal Ministry of Health: Unit for General EU-Affairs and EU-Coordination

What were the main challenges in the first months?

Getting acquainted with the hierarchical ministerial administration and work patterns and trying to become quickly an expert on several relevant technical issues I was suddenly responsible for.

What in your opinion are the three main advantages of doing a Professional Year?

(1) Real work experience in a professional environment (not another internship)
(2) Practical insights into policy and law making and how government works
(3) It is limited to one year — so it is an advanced "tryout" if you can imagine to work in such a job after graduating from Hertie

How do you think having done a Professional Year will influence your academic work next year, especially your thesis?

I will try to use some of the insights I gained during the professional year for my thesis. I think my thesis will definitely be stronger and more relevant through the experiences I am currently making.

Are you looking forward to coming back to Hertie in September?

Yes and no. I like my work, enjoy financial independence and to have work-free evenings and especially free weekends. On the other hand I also miss the general freedom you have as a student. So I am looking forward to be a full-time student again but I am very aware that I will miss my work when the first Hertie deadlines arrive!

Noor Naqschbandi

Currently doing a Professional Year at?

Corporate Social Responsibility Project, GTZ (German Development Cooperation) in New Delhi, India

What were the main challenges in the first months?

To adapt to the different (working) culture. In a lot of situations I got to know that what I expected to be standard procedure is not always the same in India.
Pollution in Delhi is health-threatening. It is still a daily challenge — as well as the never ending honking of drivers.

What in your opinion are the three main advantages of doing a Professional Year?

You can go into the depth of one topic and explore it from various sides. If you have not specialised your knowledge yet, it is a very good opportunity to do so.
You experience Professional life which is quite different than writing memos for Prof. Jachtenfuchs or learning about the evils of corruption in one of Alina (Mungiu Pippidi)'s courses.
Especially in a different country, you are forced to learn more about the conditions and characteristics of your host-country if you want to work well. This can make you more tolerant — also for the time back in Berlin.

How do you think having done a Professional Year will influence your academic work next year, especially your thesis?

I have a clearer picture of what is important for my progress and what courses I should take at Hertie. For example, even though I denied the importance throughout the first year, Prof. Wegrich's Public Management course and the topic itself was crucial for my work here. I would like to do more in this area.
I have not a clear thesis question; it will — however — definitely deal with my work here in Delhi.

Are you looking forward to coming back to Hertie in September?

Yes. I am motivated to study one more year and live in the greatest city on earth.

Monika Rimmele

Currently doing a Professional Year at?

German Federal Ministry of Health, Department of European and International Health Policy, Division Bilateral Cooperation in the Field of Health

What were the main challenges in the first months?

To quickly become familiar with working in a new bureaucratic environment with its own rules, procedures and hierarchy as well as a wide range of new topics as diverse as the health insurance structure in Mongolia, the restructuring of the French local health agencies, the structure of the Russian health care system and basics of foreign health economics.

What in your opinion are the three main advantages of doing a Professional Year?

(1) Working experience in a professional working environment
(2) Possibility to deal with specific policy topics, in my case health care systems and international health relations, and to have access to confidential insider material to these topics
(3) Working together with experienced colleagues, national and international, from international organisations or ministries

How do you think having done a Professional Year will influence your academic work next year, especially your thesis?

I will write my thesis in collaboration with the German Federal Ministry of Health and hopefully other institutions on a topic I worked on intensively during this year. I also learned a lot by writing memos for the Head of Department, State Secretaries and the Minister.

Are you looking forward to coming back to Hertie in September?

On the one hand, I will be sad leaving my colleagues and the pleasures of a regular working schedule (leisure-time and free weekends, interesting tasks, responsibility and business trips). On the other hand I am also looking forward focusing for 9 more months on my studies and finally finishing them.

Simone Stelten

Currently doing a Professional Year at?

German Federal Ministry of Labour and Social Affairs, Department for European employment and social policy, Berlin

What were the main challenges in the first months?

Quickly becoming acquainted with several issues such as different active labour market policies as well as with very specific legal questions e.g. of European labour law. And working in the framework of complex power relations and decision making processes which are prevalent within the German government and the EU.

What in your opinion are the three main advantages of doing a Professional Year?

(1) To improve one's expertise regarding a specific policy field from a practical and hence much more realistic perspective which often differs from the insights that you get from an academic point of view.
(2) The possibility to work together with so many diverse colleagues (which changed my opinion about public servants drastically); and in my case, to get to know and work together with colleagues from other German and European ministries and other EU institutions.
(3) Getting to know the many little but important particularities of a ministry as possible future employer — including the way of working, the question of work life balance, an idea of relevant skills of good public servants as well as insights into the influence of individual public servants.

How do you think having done a Professional Year will influence your academic work next year, especially your thesis?

My academic work will profit from a more focussed, target-oriented, and practically oriented approach when it comes to issues of EU governance, public management and the policy fields of employment and social policies. In my thesis, I will analyse one of the dossiers which I am responsible for in the ministry, while I will use information and contacts that I would hardly have had without the professional year.

Are you looking forward to coming back to Hertie in September?

The work in the ministry is ad hoc and tasks have to be finished immediately. I am looking forward to dealing with some of these topics in more detail during my second year at HSoG. In addition, I am looking forward to meeting my fellow students more regularly when I will study again. At the same time, I will miss many of my colleagues, business trips, and especially many of my current responsibilities for issues I dealt with.

Alumni3

Hertie graduates work around the globe in diverse jobs. Here, Marianne J. Hartman and Carlos Guizàr share their views on "The Future of Labour" and offer insights from the perspective of their work.

Mexican Immigrants and the Future of the American Labour Market

by Carlos J. Guízar Rivas

According to estimates of the UN Population Division, in the last two decades the population living and working outside their home country has increased from 155 to 213 million people.
By mid-2010, North America will have almost 25% of the world's immigrant population, of which 42,813,281 will live in the United States, the majority being Mexican. From 1994 to 2004, on average 400,000 Mexicans immigrated to the US every year; 25% of California's current population has Mexican roots.
Mexicans are increasingly important for the American labour market. One of every four foreign workers in the United States is Mexican, representing 65% and 92% of all the Hispanics working in Services and Agricultural sectors respectively.
Mexican migration to the United States has been an issue between both countries for decades, due to the economic, social, cultural and political implications. No matter how important the role played by Mexican immigrants in the United States is, their legal status is still seen as a burden for American authorities.
Trends show that Mexican immigrants will play an increasingly significant role in the American labour market, not only related to services and agricultural sectors, as in 1994, 63% had less than 10 years of education while in 2007 the number reduced to 47%.
In 2003, companies owned by Mexicans represented more than 44% of all the Hispanic companies, hence in 2007 the contribution made by the population of Mexican origin to the American economy was US$ 635 billion, equal to 5% of the U.S. GDP. Even though Mexican immigrants represented 4.7% of the labour force in 2006, they received US$ 165 billion equivalent to 2.2%.
The debate on the future of the American labour market and its linkage to Mexican migrants has two main perspectives:
1) to follow the previous trends and current migration policies: closing borders and strengthening legislation against Mexican immigrants; or 2) follow examples from around the world, which grant immigrants social protection and integration through a legal status and provide a selection mechanism, which attracts talented and skilled migrants, as is the case in some European countries.

Provisional, temporary and permanent visas represent a great option for both countries because: they prevent illegal immigration to the US; protect their rights, interests and working conditions of workers and employers; promote social integration; give certainty to the immigrants and their families; and help to overcome the needs of the future labour flow of the American labour market.

For more than one decade, Mexico has argued in favour of a migratory agreement, in order to prevent the undesirable consequences which migration causes. One possible option for this matter could be the implementation of provisional visas for Mexican workers. Nevertheless, the main interest of the Mexican government is to protect its population through better legislation, and to promote the recognition of the great contribution Mexican labourers make to both countries.

Carlos J. Guízar Rivas is currently working as the Sub-Coordinator of the Office of the Coordinator for International Affairs at the Partido Acción Nacional Headquartes. He has worked as a personal assistant and consultant at the Mexican Congress, was a lecturer at the 2nd and 3rd bi-national (USA—MEX) migration forums "El Mexico Migrante" held at the Mexican Congress ,has been a member of the Mexican Delegation to the United Nations General Assembly and the Inter-Parliamentary Union, and as a member and advisor of Mexican Delegations, he has primarily worked on migration, as well as democracy and gender equality issues. He is currently an advisor to the Mexican Delegation to the Parliamentary Confederation of the Americas.

Marianne J. Hartmann graduated from Hertie in May 2009. She has since been working in the Counter-Trafficking Unit of the International Organization for Migration (IOM) in Germany, with a focus on Human Trafficking for Labor Exploitation. In the past she has done internships at the German Federal Ministry for Labor and Social Affairs (BMAS), Atlantic Council of the US in Washington DC, and Catholic Charities/ Legal and Immigration Services in Dallas.

Human Trafficking for Labour Exploitation

by Marianne J. Hartmann

The struggle against trafficking for sexual exploitation has been on the agenda of many policy-makers and NGOs for decades. In Germany, for example, structures on federal and state levels have been put into place in order to bring together relevant actors, sensitize them for the subject of trafficking in women and forced prostitution and develop methods of better identifying and providing essential medical, social and psychological support as well as helping them enforce their claims before court.

Only recently has awareness increased of the phenomenon of trafficking for labour exploitation. The adoption of the Palermo Protocol to Prevent, Suppress and Punish Trafficking in Persons, especially Women and Children in 2003 prompted many countries to revise their penal code and introduce trafficking for sexual exploitation and trafficking for labour exploitation as two separate punishable offenses. The implementation of these new laws, however, is another question. Many laws only entail vague, if any, definitions of the elements of trafficking for labour exploitation, such as the use of force, exploitation and vulnerability of the person in question. In addition, law enforcement has had little-to-no experience in identifying victims of trafficking for labour exploitation.

Persons identified as victims of trafficking for labour exploitation had usually been working in the construction sector, agricultural sector, household work or the hotel and catering industry. Informal and relatively unsupervised industrial structures facilitate the easy exploitation of their workers. Many workers lack a written contract, receive a lower hourly wage than agreed upon and sometimes they find themselves having to work under such conditions in a foreign country, without knowing the language and unaware of their legal status and (labour) rights. In case of a police or labour inspection, these workers are more likely to get punished for a migration violation or illicit employment before they can even be identified as victims of trafficking for labour exploitation, much less receive information on any legal and social support measures in place in the country for victims of trafficking.

One way to address this situation is the sensitising of relevant actors in the field for trafficking for labour exploitation. Authorities, organisations and institutions on a national and local level usually boast a diverse array of tasks and responsibilities that target the identification, support and legal defence of victims of trafficking as a in various direct and indirect ways. Sensitising them for trafficking for labour exploitation, providing them with the opportunity to exchange their views and experiences with other actors in the field and initiating cooperation structures to facilitate the continued exchange on this topic could help ensure the assistance of victims of trafficking for labour exploitation as well as the protection of their human and labour rights in the future.

The Hertie School of Governance developed a lively and extensive net of extra-curricular activities. Next to the Editorial Team Schlossplatz³, there are also various political groups, such as Macht Morgen (Hertie's Young Politicans Series), environmental rounds and sports groups such as the Berlin Marathon, Basketball and Soccer team. Hertians do not simply stay inside their school's walls but take part in events and the life outside. Read here two accounts of the busy life around Hertie.

The Hertie Student Association Project

by Jost Geimer *and* Mauro Mondino

Since the first Master of Public Policy students started their studies at the Hertie School of Governance in 2005, a lot of things have changed! Five years from this point, the School has moved, a new Dean took office, programmes were expanded and the number of students has risen. Consequently, over time, the scope of extracurricular activities has increased, diversified and continually enriched the students' lives next to their daily academic education.
This constantly-growing range of student-driven activities stretched from soccer tournaments, basketball sessions, retreats, international film evenings and language classes to international conferences organised with partner universities or evening debates with ambassadors, young professional businessmen and national or foreign politicians. All events were driven by the talent and entrepreneurial spirit of current students or alumni and had effects stretching far beyond the Hertie School community.

With the experience from the past semesters and enthusiasm for the following years, the time has come to pool the students' creativity and commitment through a coordinated structure that channels information and resources in the most effective way: a Student Association of the Hertie School students.

Currently numerous students have gathered to tackle the challenge of the perpetuation of student activities and the establishment of a stable experience and contact base, which could best be addressed by founding a student association. The purpose of such an organisation is to offer students and alumni a stable platform of communication and coordination for the initiatives that individuals or groups within the Hertie School have organised or will establish in the future.

The student association will neither seek to centralise the organisation of all the initiatives nor to expropriate individuals' entrepreneurial spirit. On the contrary, setting up a stable structure where tasks are divided into different thematic areas will help individual students and groups to initiate the projects in joint cooperation with the student association, which might be able to provide contacts and experience to the organisation of new or old activities.

Thus, prospective and current students from all years, alumni and even people outside the Hertie community can profit from such organisation by being able to continue great initiatives, introduce new ideas, take part in events, connect with fellow students and constantly enrich the life of students with intellectual, sportive and cultural activities in the best way possible.

LIMUN 2010: A Weekend in London

by Lena Bringenberg

After the extremely successful participation of the Hertie School Delegation at the London Model United Nations last year, where they nearly scooped the market of all winnable awards, a bunch of brave followers tried to continue along in their footsteps this February.
Our main task was to represent a country in several UN or UN-affiliated committees, such as the Security Council, the UN Development Program or the International Atomic Energy Agency. The difficulty largely depended on the exact country we would be assigned, which was China. What a shock! The hugely successful Hertians at the conference last year had obviously increased the organizers' expectations of our school.
As the weekend drew closer, suspense grew. Shortly before the start however, problems began to mount: Many of us had no previous MUN experience and did not really know how best to prepare, and our delegation shrank in size as some team members could not accompany us due to a strike of airline personnell.

Our smaller group still met on Friday for the opening ceremony at the Institute of Education, where the first Prosecutor of the International Criminal Court, Dr. Luis Moreno-Ocampo, gave some thrilling insights into his work (once one got used to his strong Argentinian Spanish accent). The first committee sessions started the very same day. Whereas the more advanced players in NATO, the Security Council, etc. met at the beautiful Canada House directly on Trafalgar Square, the not-so-fancy committees were hosted by the King's College at Waterloo, which however provided for a cheap (at least according to London standards) lunch.

Followed by the session was an international party evening, where each delegation was supposed to introduce its country to others, using stalls which should could be supplied with local food, traditional clothing, and — the usual — alcoholic beverages. Unfortunately, we weren't able to stuff a representative array of Chinese groceries, textiles, etc. into our hand luggage, as Ryanair is quite picky about its one-bag limit, and thus, in absence of other possibilities, we decided to free-ride on the UK delegations which did not have the transport problem. However, this evening turned out as the picture-perfect example of a collective action problem: Almost every university team decided on the free-ride option and in the end, 900 participants shared two self-baked cakes and a little bit of wine.
The next day was full of different discussions in the committees: What impact did the financial crisis have on achieving the MDGs? How could a crisis between Colombia and Venezuela be resolved peacefully? Is it possible to restrain Iran from building its own nuclear weapons? And how can the rise of organised crime be combated?

China's position on these issues was not easily determinable, but we tried hard to give bold speeches, strike compromises between antagonised member states and gather supporters around proposed resolutions to the problems at hand. Unfortunately, a Belgian team of Model- UN junkies, who participate at all possibile Model UNs across the globe which they can lay their hands on, was using the UNs possibilities to their best advantage. To say it frankly — our rather inexperienced team struggled to compete with the force of such professionalism.
The second evening was spent at a fancy ball — which due to the rather pricey drinks and especially food, but mostly because of rather early closing times of UK clubs (bars often close around midnight — for someone from Berlin, this was rather difficult to comprehend), wasn't such a success as hoped for. However, an investigation into social theory concerning the use of extravagant evening dress by young members of British higher society made the evening still very entertaining. Another unraveled mystery of humanity.
The nice thing about such weekends is that they solve the world's problems in only 2 days. On Sunday, a lot of the delegation members needed to leave quite early, but some of us were still able to witness the passing of a resolution after several intense hours of discussion. Mostly it went rather peacefully — only the SC was high on drama, as China hired NATO to kill the US delegate after chaos struck when the Venezuelan President died in the Russian Embassy.
All in all, it was an interesting and fun weekend — with new acquaintances from all over the world and a visit in one of the most vibrant cities in Europe. And as we're now all acquainted with the peculiarities of a Model UN conference, we can return to winning the medals of honor next year — when Hertian charm and spirit will outshine Belgian professionalism

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Schlossplatz³ in the Blogosphere

In January 2008, Schlossplatz³ went online with its own blog. The blog regularly features articles and interviews by prominent policy experts from around the world, as well as contributions from students, faculty and visitors of the Hertie School of Governance. Readers can also comment on articles in the blog, print edition, or other policy topics by e-mailing us at sp3@mpp.hertie-school.org . You can find the Schlossplatz³ blog at www.hertie-school.org/schlossplatz3

Next Issue

The ninth issue of Schlossplatz³ will revolve around a hot-button issue: 'Sex'. We set out to discover the various facets that sex has — not least the policy issues surrounding it. What role do sex and sexuality play in policy-making? Where do issues surface and at what point does regulatory power come into play? We might think of the question of sex workers, their legal protections and the differing regulations. Consider the HIV/AIDS crisis that has haunted humanity for nearly three decades — and the role of religion in defining sexual dos and don'ts. Think of the suppression of sexuality we find in all parts of the world and the consequences for those breaking with societal norms. After all, even biological definitions which have shaped the understanding of sex and sexuality so very deeply remain disputed. While appearing provocative and daring to take up this issue, we deem it necessary to pursue discussion.
The issue of sex in policy is not unknown territory, yet several facets of 'sex' deserve more attention than they currently receive to tackle pressing societal and health issues. Schlossplatz³ wants to talk about these questions and wants to spark discussions on—yes—sex!
The ninth issue of Schlossplatz³ will appear in autumn 2010. Submissions may be sent until 15 September 2010 at sp3@mpp.hertie-school.org