

California State University, Monterey Bay



Oral History Interviews

Digital Proximities
Covid19 and the transformation of pedagogical practices

Interview with
Carl Heinz Daube
Recorded on May 6, 2020

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Digital Proximities 015 Daube

Carl Heinz Daube

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1 **00:00** [Music]

2 **00:12 Gutiérrez** *Carl Heinz Daube. Did I say your last name correctly? Thank you, so*
3 *much, for taking the time and for sharing some of your experiences and thoughts around Cove it*
4 *19. It's affecting all of us all over the planet. Interestingly we don't know if this is going to really*
5 *go away or if it's going to linger so there's a lot of anxiety and reflection as we as we move into*
6 *our spaces. What's interesting it's all over the place. Why don't we start Carl, so that we get to*
7 *know a little bit about you in your context Where are you? What's your training? What kind of*
8 *school and university you work for? and just your context.*

9 **01:05 Daube** Okay so just let me just give you some insight in my CV. I was born in 1960 so
10 I've quite some experience. I started my career in the bank. I studied Business Administration
11 and Financial Management at the University of Hamburg and I was there working as a research
12 fellow, going for my PhD in Finance. This was in the late eighties, early nineties of the last
13 century. Then I went back to the financial industry. I had several senior management positions: I
14 was head of institutional sales, I was global head of liquidity management so I had some kind of
15 international experience. And I was always in the capital market area, in the broader sense. Now,
16 the greatest challenge of my life was in 2008 when I was appointed the Managing Director of the
17 German Debt Management Office, so at that time I was for five years the “Treasurer” of the
18 Federal Republic of Germany.

19 **02:26** Now, 2008 might click something: it was the financial crisis! I was there until
20 2013. I was involved in the whole issue of the financial crisis - for me, particularly now, this
21 time is interesting because it's like a déjà vu. Unfortunately, yes unfortunately, it was different
22 that time. Also, at that time, our government decided to increase the budget. It was these
23 programs "cash for clunkers" and all these to stimulate our economy. In addition, I was
24 appointed in late 2008 as a member of the Steering Committee to the German Financial Stability
25 Fund. We created at that time a special entity which was responsible to stabilize, or to
26 downwind, some financial institutions in Germany and I was one of the three advisory members.
27 The other guy was at that time was Axel Weber the head at that time of the German Central
28 Bank and Günther Bräunig, at that time member of the board, now the Chief Executive Officer
29 of KfW. So I was very close to the participating ministries, i.e. Ministry of Finance Ministry,
30 Ministry of Economics, Ministry of Justice, the Chancellery ... so there was a lot of meetings.

31 **03:57** Consequently, I got a very deep inside at the border between economics and
32 business and politics. It's not the end so in 2010 a number of European countries get in troubled
33 water. Greece already was, but then Spain, Portugal, Cyprus, Ireland, always close to the ball to
34 this one. The European community set up the EFSF the European Financial Stability Facility so I
35 was involved in rescuing Europe and then you know today's discussion again about the ESM the
36 European Stability Mechanism which was set up in 2010, I and the German Debt Management
37 Office supported Klaus Regling by setting up this entity.

38 **04:48** So and then it's well basically for a couple of years I had three jobs: the head of
39 the DMO, the advisor to the Ministries about the stability, stabilizing the financial industry and
40 to support the Europe program, and the years and now it is again in discussion about supporting
41 some Mediterranean countries and so on. And after that I thought well what's next? So, I said:

42 “okay, there is not much to do about the financial crisis, is not over but there was less to do.”
43 Institutions were more or less stabilized, so I did something completely different: I worked as a
44 consultant by myself, for small and mid-cap industries throughout Germany. But it was a
45 completely different kind of animal but most interesting how this is a way of thinking of the is
46 smaller or smaller family-owned businesses. At the same time, I was invited by some universities
47 around this the area where I live --I'm living close to Hamburg which is in the North of
48 Germany-- and invited me: “Why don't you think, could you imagine holding some lectures
49 about Capital Markets?” So that's the reason why finally, about four years ago, I was appointed
50 Professor of Finance at the NBS Northern Business School. It's a University of Applied Science.
51 NBS Northern Business School is one of the about 20 private universities we have in this area.
52 We are focusing on Business Administration with a number of subjects where you can
53 specialize: Tourism, Financial Management, Human Resources, and the typical issues. In
54 addition we have offer Social Management and another course which is not completely unique
55 but you don't find it very often we offer Security Management. So, this is not only cyber
56 security, but everything about security management of a huge company. So, we offer bachelor
57 and master degrees and last year I was elected by the other professors to be the Vice-President of
58 the university, being responsible for all research activities.

59 **07:25 Gutiérrez** *Fantastic, so this is so, maybe it's not a classic CV but it's quite interesting*
60 *because it's very well connected. So, your students are fortunate, because it's not just the books.*

61 *This is the actual being out there. Is this a private or a public university?*

62 **07:48 Daube** It's a private university, obviously, 100% private university. So, we
63 receive no funds from the government and we have to only survive by the fees the students pay.

64 **07:59 Gutiérrez** *So, What the socio-economic context of your the families of your students?*
65 *Is this upper-class, middle class?*

66 **08:08 Daube** I would say it's mixed, I suppose. Due to the fact that you have to pay, I
67 would suggest that there is quite a number who are in the broad sense middle class or upper class
68 and there's quite something like between 30 and 40% with migration background. But not
69 migration background in the sense that they arrive just a couple of years ago, but the families
70 arrived many years ago in Germany. So, now, it's the second or even the third generation, and
71 they are integrated here. They speak fluent German so you only recognize it sometimes by their
72 names. They are quite a number and yes so, they do pretty well.

73 **09:09 Gutiérrez** *That's fine fantastic. So, how was your transition from the world out there,*
74 *into the classroom? Are you, are they enjoying the teaching.*

75 **09:20 Daube** This is a funny thing - one of my personal beliefs is that life is some kind
76 of cycle. And the cycle sooner or later has to be closed. I started my career within the university,
77 and the academic work. But now, I always enjoy doing research. I enjoy doing lectures at
78 Hamburg University. I did not enjoy all these administrative issues. You know what I mean. So
79 now it's very nice we are a small University because we have something like 30 professors and
80 about 60 freelancer lecturers. We have about 1200 students. It's very small it's very resilient and
81 it's very nice we have small classes. There is a very personal link between the students and the
82 professors, so there they can ask questions anytime, before or after the lectures, or between
83 lectures for the next week. Send an email or whatever so it's very open and they are very nice
84 students and as I mentioned now I feel happy doing this now for four years.

85 **10:35** I'm also a partner of a consultancy company, so I am doing something else in
86 addition. I am with MGRP, this is a young consultancy company exists for a couple of years. We

87 are focusing on consulting in the sense of only in the issues of digital transformation, in sourcing,
88 outsourcing and for site management and project management. All these things.

89 **11:04 Gutiérrez** *Sounds like you got two or three full-time jobs, Carl. So Covid comes to*
90 *place, and I think the response of your government was quite swift and immediate right?*

91 **11:19 Daube** Yes. They were very fast, maybe not fast enough. It was at the very
92 beginning. We all did not know what it really was. So, today, I read that the virus was already in
93 France end of last year, but well, like in Italy, at the beginning, you think it's just any kind of
94 influenza, so you don't know the specific issues. But when they knew that is something very
95 tricky, immediately they took measures. They locked down a lot of things, so we had no context.

96 **11:58** Not like in Italy or Spain, where you had to stay in your house. We were allowed
97 to go out we, however, we had to keep “social distance”, i.e. we were not allowed to meet in
98 public places and a lot of shops were closed. Our government was a little bit too late in certain
99 areas, maybe, you know. In early February we had these carnival sessions, here in Germany, and
100 where you disguise and camouflage, all these things, and in the area of North Rhineland
101 Westphalia so Cologne, Düsseldorf. This area it's very famous to do these activities. Here in the
102 North, we are not enthusiastic about carnival. This was one of the hot spots later because there
103 was a particular session and they were all, well you know what might happen when you are
104 drunk.... The same is true for some places in Bavaria where they had some kinds of beer
105 festivals and they took place and this was another hot spot. Like in Austria where there was this
106 ski area where they all were infected and caused some hot spot when then came to Germany, you
107 know.

108 **13:18** But anyhow the measures taken by our government basically were two things: First of all
109 they shut down and at the same, Second they said: “okay we take care about those who have now

110 are not able to work.” So we have something particular. If you are not allowed to work because
 111 with the company is in shutdown, then the government is paying 60, 70 % of your salary.
 112 Otherwise a company might have to fire its employees; this schemes were introduced many years
 113 ago say okay you are still with the company, you don't have to leave. When everything is up and
 114 running again then immediately you can come back and then the company is paying you. So
 115 that's to circumvent these guys get unemployed. In additions, it's to keep their knowledge and
 116 how to keep them close to the company. So, this was implemented immediately and there was a
 117 huge amount available for these measures.

118 **14:38** And then, within a very short time they said that for self-employed people, for very small
 119 business, and just to generate some liquidity for you, there is in the internet, there's a PDF. You
 120 just fill it in, you sign it, and send it. You are transferred 9,000 euros within the next couple of
 121 days on your account. Very un-bureaucratic. And these payments, you don't have to pay them
 122 back. They are just for you to support your living expenses. Interestingly enough, you have to
 123 pay taxes on this, so it's 9,000 euros but after checks is 4,500 euros. But anyhow,

124 **15:14 Gutiérrez** *You have to here you're receiving a salary right so...*

125 **15:16 Daube** Yeah, it's just for the smaller and smallest companies no mid-sized
 126 companies to give them some kind of liquidity so that they can survive the next day, weeks...

127 **15:31 Gutiérrez** *In the microcosm of your own school, how did it pan out at different levels
 128 not just the maintenance of the employment but your relationship with the students, the classes?
 129 How did the Covid impacted of your practice? Did you have to stop teaching altogether from one
 130 day to the next?*

131 **15:54 Daube** We were in the lucky position that like all universities around Germany that in
 132 February we all have holidays. It's between in the winter semester and the summer semester. And

133 we were going to start around 15 of March, and of course we knew that there was something
134 going on and then we came together and we set up a task force was with me and some other guys
135 and we said okay: “obviously we can't do any classic lecturers in room” So students can't come
136 you are not allowed to stay together so we said: “okay what can we do?” So, we decided we try
137 to do online lectures and our IT department within one week and congratulations to this
138 wonderful team, within one week they set up the complete infrastructure using Microsoft Teams,
139 the complete infrastructure and all classes could start in point on the schedule for the semester
140 but just online.

141 **17:02** So, they set up Teams with all the classes and they can log in and we did it right from the
142 beginning, but of course, it's a different kind of animal. If you do online lecturers you have no
143 whiteboard you can't write anything like I'm used to showing sometimes video clips or
144 something like this doesn't work so nice so I invited students to look at this later on. Anyhow all
145 scripts, all exercises, all digital material is always online available for our student. This was also
146 the case in the past. We have network called Moodle, where everything is available so that they
147 always download the material whatever they need. So, now well we do more or less in the same
148 style, yet I experience that it's more or less challenging if you have 20, 25 students. You don't see
149 them. You don't hear them and so, how we do it? We share the presentation of the materials, we
150 talk about this, and aside as my mobile phone, and there is a chat function. And then I invite the
151 students, with their anguish, anything just sent me. And always looking. Doing like this! Looking
152 whether there's something... And they ask questions or you might be slower or faster, whatever.

153 **18:40** And then I can say: Okay mister or miss whatever, please step in, and share your idea,
154 your question with all of us. And that's what they do. Also, and therefore, it works quite well and
155 of course I'm focusing more on access status. Then I say: “Okay, this is a small case study. Now

156 it's half an hour time for you. Each by yourself help yourself with a coffee at home.” And then
157 we meet again, on this platform, and we try to share the results, and discuss it.

158 **19:03 Gutiérrez** *What is your sense, Carl, as to how the students are perceiving the quality*
159 *of the experience they. Are you sensing that they are a little bit on a disappointing side, because*
160 *it's not what they are used to? Or, are they energized because it's just a different way of doing*
161 *things?*

162 **19:23 Daube** Well, first and above all they were happy that we started in time so they don't lose
163 time like other universities... my eldest daughter is at the public university and she lost three or
164 four weeks as they try to organize themselves, and now they have some kind of online tools and
165 get a lot of materials. So, our students, overall, were very happy that they could start as they
166 started. And it's in a way the same style as we use to do it. And one tricky thing was there, to
167 write some exams. And as they could not meet, we said: “okay, we decided instead of having a
168 written kind of test or exam, you might present it right in small thesis.” This was good news for
169 our students, no delay. And we interact with the students via a chat function or via our email and
170 so on, so this is quite well received and particularly with my master students, which is only a
171 small class, just maybe 7 or 6.

172 **20:27** So, we have always our microphones on, we have the cameras on. We can interact like
173 we do right now. You heard there they are more advanced. Also, they said: “it's great, it's perfect,
174 we can do -and they do- their presentations online” as well and so they are familiarized with this
175 this technical tool. So, then, they share with all of us their presentation, and learn from my
176 colleagues, as well as that it works pretty well, and the whole academic team accepted
177 immediately to do this online. And also, the lecturers, but only two said: “No, please, I don't
178 want.” But, basically, next to 100% said “OK, I start immediately, let's have a try.” We had some

179 introductory lectures, how to use Microsoft Teams, yeah, perfectly. Yet, one thing each lecture is
180 recorded so for those who cannot participate, later on, they can have a look at the lecture.

181 **24:42 Gutiérrez** *So, after, it's both synchronous and asynchronous. And it brings flexibility,*
182 *right?*

183 **21:52 Daube** It's not perfect but for the time being, other circumstances and then a couple of
184 weeks ago we decided because we did not know what's going to happen, we said: "OK to have a
185 clear focus and a clear strategy, we will do online lectures until June, July, to the end of the
186 semester." So that everybody knows what's the matter. We are having the classical exam then,
187 because we have space and can have a lot of distance in the classrooms for the written exams.
188 The online lectures until the end of the semester

189 **22:23 Gutiérrez** *So, your faculty is feeling this as a double burden? Like they have an*
190 *increase in their load or are they functioning well? Are they... in terms of the faculty perspective,*
191 *How are they managing?*

192 **22:33 Daube** Yes I think that they are all fine. It's something different now because we have,
193 well like me, a lot of colleagues have now more papers to have a look at more assignments and
194 also to advise the students what to do, but it doesn't matter. Maybe that's a little bit less time for
195 research activities. I did some papers, at the beginning of the semester, about this coronavirus,
196 and the stock market crash, and we in addition, because we have a very close link to the local the
197 local businesses, so we put some webinars for free on Security Management, on Risk
198 Management, and on Liquidity Management. What I did, so NBS invited a number of CFOs,
199 also whatever from, not from the local companies around Hamburg, and I said: "OK, if you want
200 at that time we give you some practical inside, and some advices what you can do now to
201 manage your liquidity."

202 **23:48 Gutiérrez** *That's fantastic a quite challenging time but it seems like you're efficient is*
203 *is adapting quite well how do you feel about the fall semester do you think things are going to*
204 *come back to a a normal or do you have a feeling that is might linger a little longer while we get*
205 *the vaccine?*

206 **24:07 Daube** Yeah, this is a very interesting question, because today our government decided
207 that we are getting in. We're taking some steps back to normal life, and in the next day's all shops
208 are going to open again. So far, only shops with a certain size were allowed open now. Every
209 shop can open and, in some areas, also restaurants and some bars might open again. If they... I
210 don't know the details, they have to keep the distance so less people inside and you have to do a
211 reservation before you come and so on. So, it may be not so nice, and so spontaneously as
212 before, and so far, we were only allowed to meet one person, which that does not belong to your
213 same household. Now, it's five or ten, so you can meet with more people in public places.

214 **25:08** And of course, a number of factories were up and running again now. At the coastline so
215 at the Baltic Sea, and at the North Sea, the beaches are going to be open again, and the first
216 hotels and private houses and so on, are going to open again as well they have just filled with
217 fifty percent of the capacity. I'm not sure whether I'm reporting all the details correctly, no, like
218 this, but this is now the way how it's going on. And what they did in addition, they said: "okay,
219 there are regional differences." Yes, well there are hotspots and now the responsibility for how to
220 go on is basically within our 16 federal states and 16 local governments, yeah, like you have 50
221 local governments. And the rule is, or what I understood is, if the rate of your infected people
222 goes up again up to a certain level, then immediately they might shut down everything again.

223 **26:14 Gutiérrez** *Let me bring you back to the pedagogical arena --and we need to bring*
224 *this to a close so unfortunately because I'm really enjoying the conversation and learning so*

225 *much about what's going on in Germany now. But I'm wondering if you're seeing some*
226 *opportunities here in the midst of all these critical issues that are happening, as an educator. Are*
227 *there efficiencies to be gained out of this experience? Are there things that we can change for*
228 *good and instead of trying to go back to the way we were doing things before? How do you feel*
229 *about the scenario in terms of an important area of opportunity?*

230 **26:54 Daube** Okay, thanks for this question because I think a crisis is always a wonderful
231 chance. Now first of all if I look at our academic work now. We have been thinking whether we
232 could provide online lectures, because we have part-time students which work and then on
233 Friday on Saturday they come. Maybe now we are going to do a lot of more online lectures with
234 them, so they do not have to come, they don't have to travel. I also I would be happy because I
235 save a lot of time not driving to the University. So maybe we can change it to keep it, so all this
236 style of teaching will be different. And now we have the empirical proof that it works, so I'm
237 very interested in the evaluation of the students at the end of the semester. The students always
238 have to evaluate us, and see how the lectures were, so I'm very curious to see the results.

239 **27:57** In addition, for me this crisis or coronavirus is some kind of accelerator. If I am taking a
240 broader view at the economy, so home-office in Germany was always a critical issue, They said:
241 “Yeah it would be nice,” but we do not allow it. Now, they see how wonderful home office
242 works sometimes more efficient than staying in your company, because there is no time for
243 chatting with your colleagues and having the coffee or something like this. You're concentrating.
244 It's nice for the environment, because much less pollution, because you don't trash, and for my
245 consultancy, I can tell you that a lot of business are now thinking about restructuring their
246 organization. Think about their design if I had 100 employees, do I really need 100 working
247 places, office space, or maybe 50 is enough?

248 **29:00** So, we change every two days come so and we see that even top management meetings
249 it's possible doing online. if you know each other, but even though we never meet we can do it
250 this way. So, this is a great opportunity to be more efficient and also from an environmental
251 perspective, less traveling for meetings, by the way... yes. And so, this could be a very good
252 thing. And, the digitization will grow much faster at least in Germany. But I could imagine, also
253 in other places, because all are well saw how wonderful it works. So, this also puts pressure on
254 the government to improve the fiber network so that the Internet is faster, yet faster, and faster,
255 and all these things, so these are the positive aspects.

256 **30:00** So, work life must change. Work-life balance, as well, might change to the positive. You
257 can play, more home work for one, and you have maybe less traveling, less cars, less pollution,
258 and more efficiency. And that is a wonderful challenge in particular for the management level
259 too. We think that what they have been doing so far, so once upon a sudden they realize all
260 things are possible, which we have never imagined, or which we were reluctant to get up and
261 running.

262 **30:29 Gutiérrez** *Unfortunately I'm going to have to bring the the conversation to a close.*
263 *But I really like the fact that we've finished the conversation on this note: a note that we're going*
264 *to be forced by the facts on the ground to resort to what we do best as a species, that is, to*
265 *imagine a different future, and to transform our ways of doing things, so that we can remain, and*
266 *stay healthy, and stay sound as communities, and as individuals.*
267 *So, thank you for that thank you for your wisdom for your information for your perspective. I*
268 *look forward to have an opportunity to continue our conversations later on, as opportunity*
269 *arises.*

270 **31:11 Daube** I would appreciate that, thank you very much

271 **31:13** **Gutiérrez** *Thank You Carl*

272 **31:26** [Music]