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RISE OF MOBILITY PROGRAMS IN GERMANY DUE TO GLOBALISATION<sup>1</sup>

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**Abstract:** Learning has come to the front position of the educational agenda in many countries of the world – the knowledge society, learning society, learning organization and so forth are the common terms

now in the 21st century. The terms come into view in countless publications of the European Union and of

many other countries in and outside the European Community.

The learning society is one of the products of globalisation and knowledge, learning and education

are intertwined with global capitalism. Education is considered as a servant to global capitalism, enabling

trans-boundary companies to gather more effectively in the knowledge society. Learning has become to a

central task in governmental education policy in many countries and it is being treated as investment -

adding value to human and social capital, resulting in employability and then in work, which makes an even

greater distribution to the economy, rather than being treated as a natural human process that results in the

improvement of people as human beings. Profound changes are taking place as a result of globalisation that

is affecting the whole of the educational institution.

The objective of this contribution is to present Germany on its way to a knowledge society by

examining the past and the present situation of Germany concerning mobility and furthermore mobility

programs.

**Keywords**: mobility programs, Germany, globalisation, knowledge society, learning society

**JEL Classification**: F02, O52, I21

1. KNOWLEDGE SOCIETY

Nowadays widely accepted by policy makers is the notion of the paradigm shift from

industrial economy to knowledge-based economy. The generation and exploitation of knowledge is

now the predominant factor in the creation of wealth. For countries in the vanguard of the world

economy, the balance between knowledge and resources has shifted so far towards the former that

knowledge has become perhaps the most important factor determining the standard of living – more

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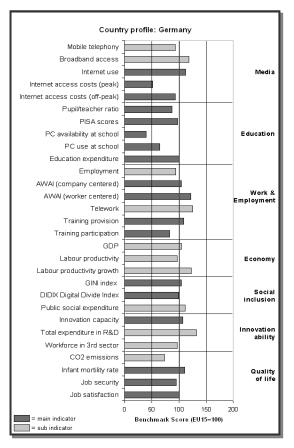
than land, than tools, than labour. Today's most technologically advanced economies are truly knowledge-based (World Bank, 1999).

The central view is that most economic value is now generated by trade in knowledge, rather than manufactured goods. Turn outs can be distinguished in two ways: Through the growth of highly skilled and individualized service industries and by a shift in what makes manufactured goods valuable.

The emergence of the knowledge society, building on the omnipresent influence of modern information and communication technologies, is bringing about a fundamental reshaping of the global economy. We are in a progress of the transformation of our economy and society. Knowledge has always been a factor of production, and a driver of economic and social development. Earlier economies depended, e.g. on knowledge about how to farm, to build or to manufacture. However, the capacity to manipulate, store and transmit large quantities of information reasonably has increased at an astounding rate over recent years. The digitisation of information and the associated pervasiveness of the Internet are facilitating a new intensity in the appliance of knowledge to economic activity, to the extent that it has become the leading factor in the formation of wealth. As much as 70 to 80 percent of economic growth is now said to be due to new and better knowledge (UNESCO, 2005).

Information and communication technologies (ICTs) are also facilitating a rapid globalisation of economic movement. In an increasingly global economy, where knowledge is about how to stand out competitively and information about who stands out, are both more readily available, the effective creation, use and dissemination of knowledge is increasingly the key to success, and thus to sustainable economic and social development that benefits all. Innovation, which stimulates new job creation and economic growth, is rapidly becoming the key factor in global competitiveness. Innovation essentially means the upcoming of new ideas about how to do things better or faster. It is about making a product or offering a service that no one had thought of before. And it is about putting new ideas to work in enterprise and having a skilled work force that can use those new ideas.

Fig. 1 Current situation of the German knowledge society - using Euforia knowledge society advancement indicators



Source: Korte and Meyer, 2003

It is a further feature of the knowledge economy that it increasingly relies on the diffusion and use of information and knowledge, as well as its creation. The success of enterprises, and of national economies, becomes increasingly dependent on the information infrastructure that is necessary for the gathering and utilisation of knowledge. The significance of broadband telecommunications infrastructure in this framework must be recognised. Knowledge has become the key resource (as electricity in the 20<sup>th</sup> century for the industrial economy). Knowledge has value, but so too does knowledge about knowledge. Creating value is about creating new knowledge and capturing its value. The most important property is now intellectual property, not physical property. And it is the hearts and minds of people, rather than traditional labour that are essential to growth and prosperity. Workers at all levels in the 21<sup>st</sup> century knowledge society will need to be lifelong learners, adapting continuously to changed opportunities, work practices, business models and forms of economic and social organisation. In this changing environment, holding the status quo is not an option. We move forwards and embrace the conditions necessary to underpin higher value economic activity, better jobs, and new social prosperity. Or we prepare to fall into relative decline.

The European Foundation for the Improvement of Living and Working Conditions has conducted a pilot study (EUFORIA) to promote a better understanding of the knowledge society. The subsequent will give a brief description of the current situation in Germany (Korte and Meyer, 2003).

Germany is well on its way towards the knowledge society. Knowledge society-related indices show that Germany is along with the top ten or fifteen countries worldwide and lines for the most part above or approximately the European average with reverence to a series of relevant performance indicators. The statistic shows that Germany holds an average position along with the EU Member States. Future development in Germany is described as quite high potential, but not being exploited at present. Some of the evaluated indicators appear quite promising regarding the knowledge society in Germany (e.g. willingness to self-directed learning, broadband access), others propose a forthcoming crisis (e.g. education system, unemployment rate). The country profile (Fig. 1) gives a more comprehensive overview of the situation, showing data for Germany along 29 knowledge society-related indicators. The profile indicates that Germany has a well-developed infrastructure and its citizens are progressively more provided with broadband access. The labour market is characterised by an increasing flexibility of work arrangements. Training provision is above average, but participation in training is still low. Nevertheless, there is a great willingness to engage in self-directed learning. Germany is among the best performers in terms of social inclusion<sup>2</sup> and a good performer concerning the digital divide<sup>3</sup>.

Generally speaking Germany accomplishes the average for the most part of the indicators. The country's performance in the area of education is, however, comparatively poor, which is also reflected in the combined PISA score<sup>4</sup>. Furthermore, research and development is threatened by a slow-moving economy and a loss of funds due to budget consolidation.

## 2. GLOBALISATION TRENDS EUROPE

Globalisation is the process whereby worldwide economic and social forces supplant those of nation and locality. It alters the relative economic position of particular countries and economies; it transforms the character of the social interactions and structures; it revolutionizes the requirements of an education and training system; and it changes the competitive position of particular education and training providers.

<sup>&</sup>lt;sup>4</sup> Euforia has measured the average PISA score on reading, mathematical and scientific literacy



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<sup>&</sup>lt;sup>2</sup> evaluated by the GINI index on income disparity, http://hdr.undp.org/hdr2006/statistics/indicators/147.html

sestimated by the DIDIX, the Digital Divide Index – A measure of social inequalities in the adoption of ICT http://www.sibis-eu.org/sibis/publications/articles.htm

Global economic competition comes about as the case of communication and the spread of skills increase the proportion of economic activity that can operate beyond national borders. As work is able to move wherever it is cheapest to hire labour, so individual firms and countries have to identify and battle to sustain their particular niches. In this world countries have to choose between low-value-added, low-skilled and low-paid production and high-value added, highly skilled and highly paid work. And while most developed countries face significant weaknesses in the skills base required to pursue the latter, they see the alternative as economical a socially suicidal.

Globalisation is also a social power. Education has always been one of the primary ways in which nations and communities established and maintained identities and values, but as travel became easier and more common, and telecommunication universal in the developed world, there is increasing contact between people of very different cultures. Europe in the 1950s and 60s saw a progression of waves of global immigration in the wake of the Cold War; the reunification of Germany and the collapse of Yugoslavia started new movements of population and ideas.

To minimize social and political tensions, an altered structure of learning is needed to enable people to understand and work with people with unfamiliar backgrounds and value systems, and to establish common notions of citizenship. While some migrant populations participate strongly in education and training as a way of integration and economic success, other remain apart, either because of cultural resistance or because their previous experience provides little preparation for participation in their new countries. The variety of national qualification systems intensifies this, since immigrants are often handicapped by lack of recognition of their previous qualifications, and the harmonizing of qualification systems through initiative like the "Bologna Process", which aims to create a single European Higher Education Area encompassing 45 countries by 2010, has proved a difficult task, even in Europe. Globalisation is also an issue for the market in education and training. International activity in education is not new.

### 3. GERMAN INTERNATIONALISM

Taking a closer look at Germanys past after the Second World War, German companies already became multinationals in the late 1940s even before major companies of other countries. This was mainly due to foreign occupation. Most of traditional German companies endured major damage to their factories and needed outside investments to flourish again. Two outstanding examples are the "Opel"-factory that was taken over by General Motors and the "Ford Taunus", now part of the Ford conglomerate. These foreign takeovers included furthermore foreign managers, multinational sales and international research teams. Workers had to adjust to new work

practices and to foreign languages. Due to the Marshall Plan, by the early 1950s most of Germany was rebuilt. The huge German Company I.G. Farben, legendary for its connection to the mass murders in the concentration camps as producer of the gas Cyclone B, was broken up by the Allies into smaller companies. Due to the leading role of German companies in chemical and medical research and their access to international markets, all of these smaller companies boomed. The majority of people around the world are aware of names like "Bayer" (drugs), "Hoechst" (synthetic textile fibres) and "BASF" (high quality audio- and videotapes). Stainless steel cutlery and tools, electronics and optical products were sold and copied all around the world.

The high quality of German products opened markets all over the place and by the mid 1950s Germany became a leading export nation. Germany lived and is still living off its exports. Market development influenced the demand for language learning, which also had an impact on the curriculum of every type of school. The German school system has always been admired and imitated by other nations. It resembles a pyramid structure – only the best are allowed to continue towards a university or special school education. From the West of Spain to the East of the Soviet Union, the German gymnasium structure was the norm, rather than the British egalitarian system of public education. Consequences of the pride in the highly-educated people and the academic achievements stimulated a new commitment to scholarship, research and teaching. German teachers and professors, even today, are some of the best-qualified and best-paid in the world.

Germany's greatest poet, J.W. von Goethe. Once affluent enough, beginning in the early 50s, they began to travel to Italy, Spain, Yugoslavia, Greece, Turkey, and later in even more exotic places. From their business or vacation travels, people brought back a hunger for various foods, fashions, literatures, music, etc. Young Germans, probably more then their counterparts in other countries, wanted to break away from tradition, which is easily explained because of the horrific German past.

Breaking the past, Germany is presently experiencing a decrease in population. At the same time, the 21<sup>st</sup> century knowledge society in Germany needs an increasing number of skilled workers and specialists. An additional two million workers approximately are expected to be needed until 2020. At the same time, the best talents can choose their centre of life across the world. They go where the best conditions are provided. It is important that Germany attract these top-class people. This applies to Germans just as it applies to bright minds from abroad. In the global competition is a need of qualified labour and particularly talented people who are willing to bear responsibility in state and society.

The availability of highly qualified labour is a decisive factor for success or failure in an ever stronger competition of the knowledge societies and it applies to Germany as to every other country. An innovation policy which is to live up to the challenges of global competition must

attach great importance to renewing and promoting education and training. Support for young scientists by institutions of higher education and non-university research institutions is therefore of particular importance.

The global influence of information and communication technologies is transforming our economy and society. But these technologies do not produce new ideas. All knowledge and learning ultimately depends on people.

# 4. MOBILITY PROGRAMS GERMANY

The countries that succeed in the 21<sup>st</sup> century will be those with citizens who are creative, adaptive and skilled. Investment in people and skills is fundamental not only for children and young people. The skills required for many conventional occupations are changing rapidly, and it is estimated that 80 percent of people who will be in our workforce in ten years time are in the workforce already. Lifelong learning must become a key public policy focus, and highlights the equally reinforcing importance of the economic and social thread to successful knowledge society development. General familiarity with digital technologies throughout society, and ready availability of the new skills needed by high-tech and knowledge-based enterprises is becoming critical to supporting innovation and underpinning sustainable economic development. And the knowledge society in turn can deliver better jobs and higher standards of living to support enhanced social prosperity.

At present, about two million students worldwide study outside of their home countries, a number that a recent study suggests will increase to eight million by 2025<sup>5</sup>. Nations' interest in student flow across borders has increased in the past couple of decades for a number of reasons. Industrialized countries are recognizing the need to provide their students with a global consciousness and with experience in other countries in order for them to compete in the global economy. The European Union has instituted policies that have increased the numbers of students studying outside of their home countries within the Union. With the expansion of the EU and the implementation of the "Bologna Process", which will harmonize academic structures within the European Union, these numbers should surge.

Also the national vocational training systems are increasingly subject to the principle of competition. Vocational training systems must have the ability to innovate, and remain flexible, but without losing sight of the needs for constant quality assurance, if they are to make their contribution to ensuring the international competitiveness of the economy and the businesses they

<sup>&</sup>lt;sup>5</sup> Student Mobility on the Map: Tertiary Education Exchange in the Commonwealth on the Threshold of the 21st Century (2000). London: UKCOSA: The Council for International Education

serve. For the European Union, the promotion of trans-boundary mobility in vocational training is thus a central element in the creation of a European education area. Mobility programs in vocation training tackle different levels of trans-boundary learning and innovation processes. Germany is facing the competition in the rapidly expanding world. The Federal Government is prepared with national policies relating to international study and cross-border higher education initiatives. They have been setting goals and putting policies into place.

Namely the largest funding organisation in Germany is the DAAD<sup>6</sup>. It provides considerable public funds at its disposal, simultaneously fulfils responsibilities in the fields of foreign cultural and education policy, development policy and national higher education policy, with the latter addressing the internationalisation of research, teaching and study as its main objective. Additionally, the DAAD performs several intermediary roles within the scope of European education policy – especially with regard to the European Union's exchange and mobility programmes – and in implementing the "Bologna Process".

The DAAD runs over 200 programmes, ranging from short-term research and teaching exchanges through to doctoral scholarships for (post)graduates and professionals from developing countries lasting several years, and from information visits by delegations of foreign university heads through to long-term regional programmes aimed at establishing efficient higher education structures in the Third World. A brief overview about major funds and programmes of the DAAD will establish the impression that Germany is well aware of the great importance of mobility programmes:

The Federal Ministry of Education and Research provides funds to the DAAD, which are intended to support German students and (post)graduates abroad, bilateral university lecturer exchange, programmes to promote the "Project-related Exchange of Academics" and "German Study Programmes Abroad". Funding also goes to special programmes, including the model programme of "International Degree Programmes", PROFIS and the "Funding for the Continuing Development of Higher Education and Science" programme (PHD). The Federal Ministry for Economic Cooperation and Development grants to promote young and junior academics as well as researchers to provide in-service training for experts and professionals from developing countries. The European Commission is the third largest source of funding, in particular with its mobility programme SOCRATES/ERASMUS. The funds provided by the Federal Institute for Vocational Training intend to make information, advice, evaluations and analyses available. Furthermore, the Institute serve as the national coordination centre for the university/industry cooperation in the EU programme LEONARDO DA VINCI II.

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<sup>&</sup>lt;sup>6</sup> Deutscher Akademischer Austauschdienst

Additional to the mentioned programmes, the European Commission invented a new action programme in the field of education and training called "Lifelong Learning Programme" <sup>7</sup>. For the first time, a single programme will cover learning opportunities from childhood to old age. The Lifelong Learning Programme will be for the period 2007 - 2013, and is the successor to the current Socrates, Leonardo da Vinci and eLearning programmes. It has a budget of seven billion Euros to support projects and activities that foster interchange, cooperation and mobility between education and training systems within the EU, so that they become a world quality reference.

The Lifelong Learning Programme is an over-arching structure that is built on four sub-programmes – school education (Comenius), higher education (Erasmus), vocational training (Leonardo da Vinci) and adult education (Grundtvig). Grants and subsidies will be awarded to projects under each of these that enhance the trans-national mobility of individuals, promote bi- and multilateral partnerships, or improve quality in education and training systems through multilateral projects encouraging innovation. The targets have already been quantified and set in order to ensure a significant, identifiable and measurable impact for the programme. The numbers speak for themselves: Comenius: at least three million pupils in joint educational activities, over the period of the programme; Erasmus: three million individual participants in student mobility by 2012; Leonardo da Vinci: increasing placements in enterprises to 80,000 per year by the end of the programme; Grundtvig: 7,000 individuals involved in adult education per year.

Taking due account of the above outlined example programmes and strategies, Germany identifies and responds to most of the main challenges facing, namely the knowledge society; market functioning and competitiveness. Germany moves forward and embraces the conditions necessary to underpin higher value economic activity and new social prosperity.

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<sup>&</sup>lt;sup>7</sup> http://ec.europa.eu/education/programmes/newprog/index\_en.html

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