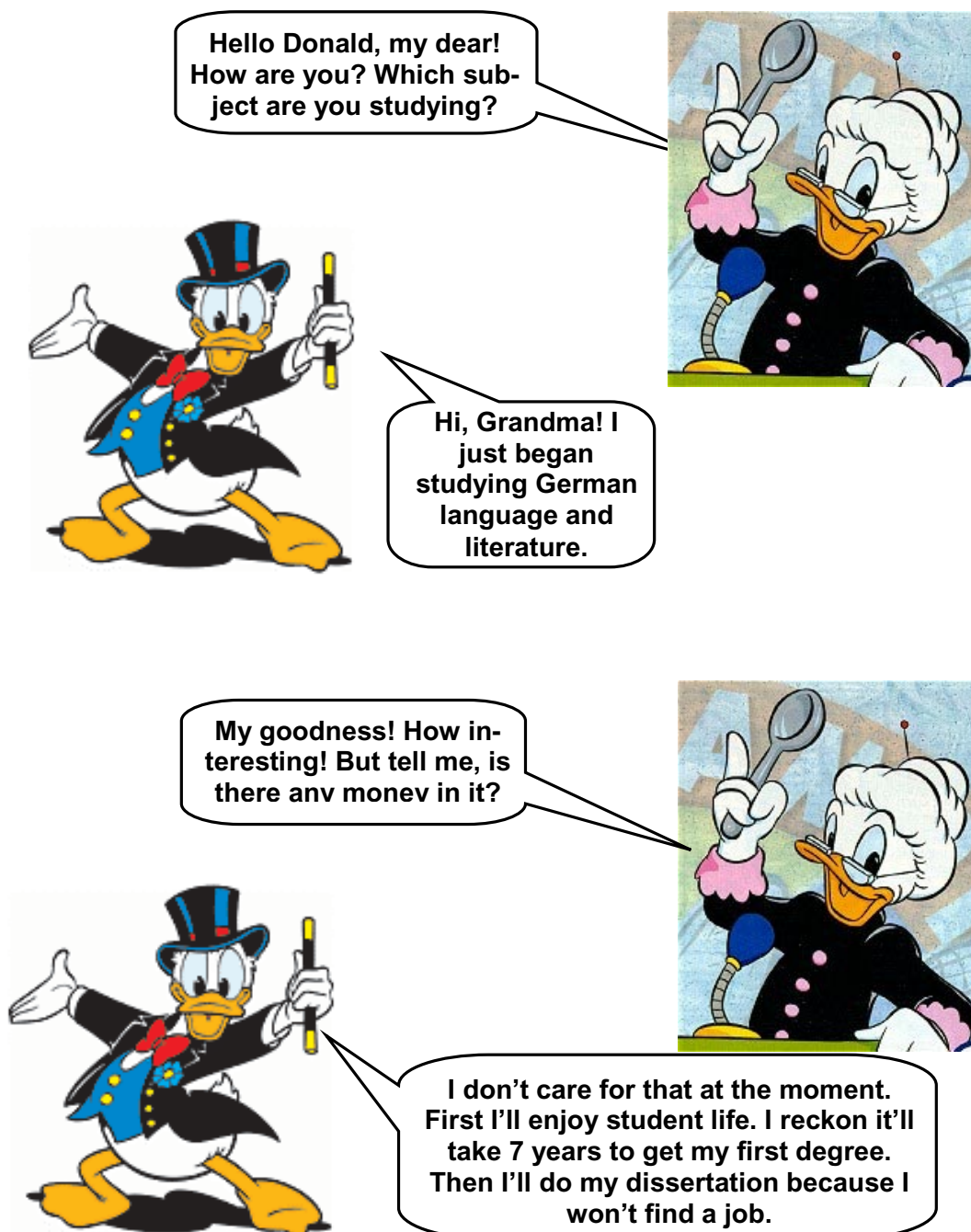
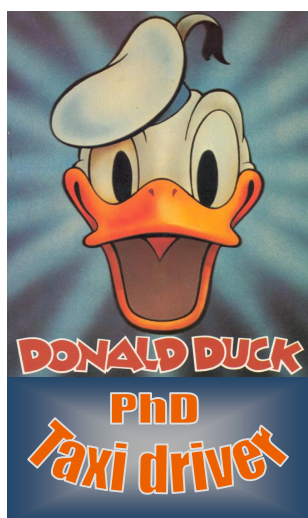


The Labour Market for Humanists and Social Scientists in Germany: Old Barriers and New Opportunities

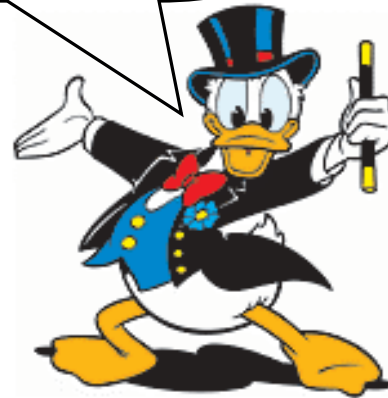
Hildegard Schaeper, Higher Education Information System (HIS), Hannover/Germany

The labour market for humanists and social scientists in Germany – I would like to introduce this topic with a fictitious, yet realistic, conversation between a young man, just enrolled at university, and his grandmother.



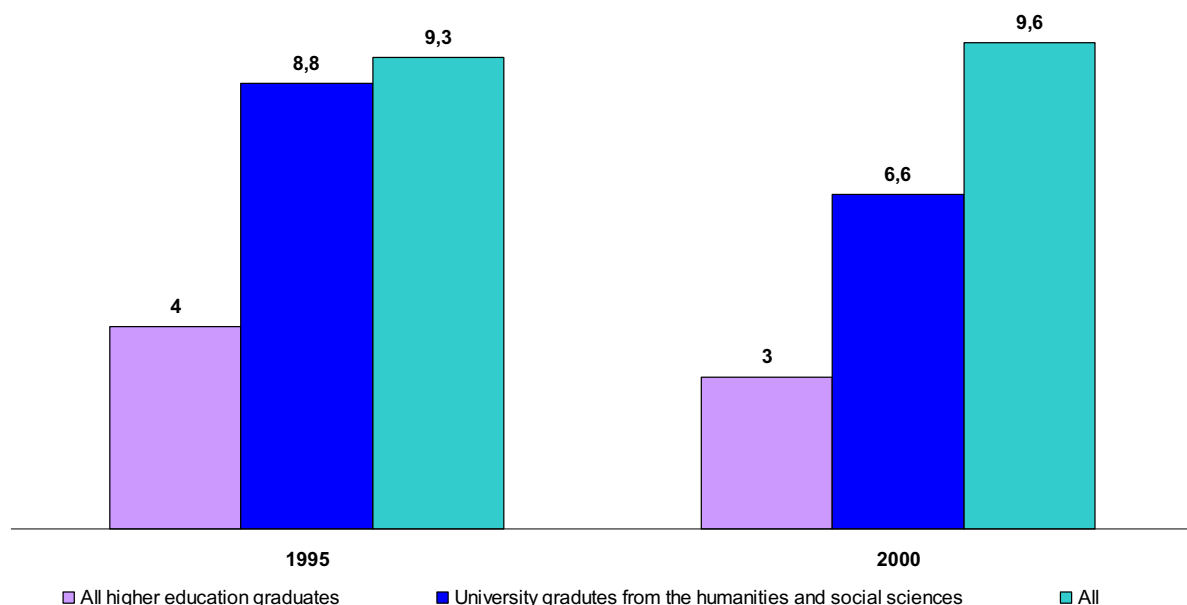


And, finally, I'll become a taxi driver.
Imagine what my business card will say:
"Taxi driver Donald Duck, PhD"!



The conversation is not unrealistic. The message the conversation communicates, however, is a cliché. It exaggerates reality, but like most clichés it contains a nugget of truth. In my paper I will try to disentangle the truth and to eliminate the myth. I will assess the past, the present and future employment opportunities for humanists and social scientists in Germany and I will give some examples of how universities and students respond to labour market problems.

Figure 1 Unemployment rates 1995 and 2000



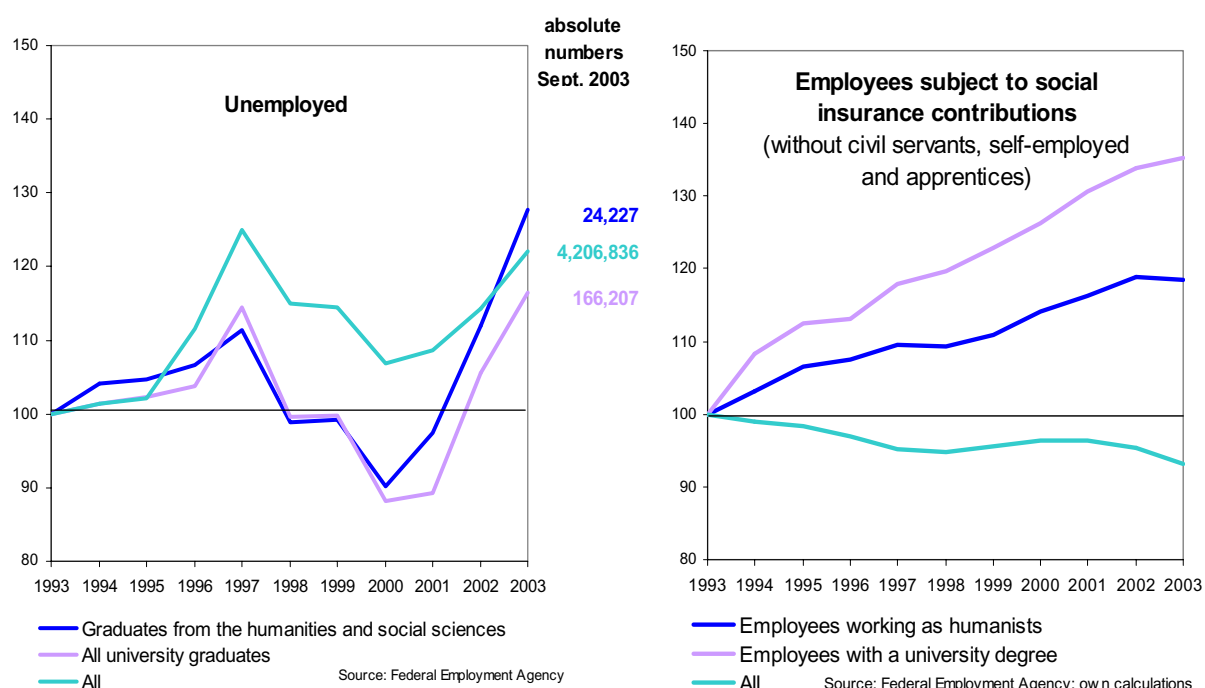
Sources: Federal Employment Agency; Information System Choice of Study and Labour Market

In which sense is the cliché of the humanist who has to make a living from taxi driving correct? It is true that graduates from the humanities and social sciences are facing higher unemployment risks than other higher education graduates (figure 1). The unemployment rate is approximately twice as high as the average. When compared with the overall unemployment rate, however, it becomes obvious that humanists and social scientists are relatively

well off. In addition, unemployment decreased during the nineteen nineties. Unfortunately, older as well as up to date figures for graduates from different disciplines are not available.

But it is for sure that the labour market situation worsened from 2001 on and that the unemployment rate rose. This can be deduced from figures about the number of unemployed and employed persons (see figure 2). As far as the number of unemployed is concerned, we can distinguish three different periods during the last ten years: the period between 1993 and 1997 when the number of unemployed increased, the period between 1997 and 2000 when the number of unemployed declined, and the period from 2001 onward when unemployment once again rose enormously. This pattern applies to different groups of the labour force, but graduates from the humanities and social sciences – as represented by the bright blue line – are more strongly affected by the recent developments. During the entire period, however, the number of employees working as humanists – data for social scientists are not available – went steadily up, whereas the total number of employed persons tended to decline slightly.

Figure 2 **Number of unemployed and number of employees subject to social insurance contributions 1993 to 2003 (Index: 1993=100)**



I would like to go a little bit more into details and examine the transition into employment and the occupational status of university graduates more closely. For this analyses I use longitudinal data on the occupational destinations and careers of higher education graduates. These data are collected at regular intervals by the Higher Education Information System – better known under the acronym HIS (Internet: www.his.de). HIS, by the way, is a non-profit organisation of the Federal Republic of Germany and its federal states. The overall mission of HIS is to assist higher education planning, administrations and policies in fulfilling their tasks.

To date, graduates of the academic years 1989, 1993, 1997, and 2001 are included in these surveys, but because of the changes the unification of the two German states produced I only will use data of the cohorts 1993, 1997 and 2001. These cohorts were surveyed the first time approximately 12 to 18 months after having achieved their first degree. The second panel wave of the graduate studies 1993 and 1997 was carried out roughly five years after

graduation. The sample size amounts to several thousand graduates (table 1). As a result of the low, albeit increasing, proportion of graduates from the humanities and the social sciences in the population, the number of observations in these groups is comparably small, but nonetheless sufficient.

Table 1 Sample size of the HIS graduate surveys

	Cohort 1993	Cohort 1997	Cohort 2001
All graduates	6,737	6,220	8,103
University graduates	5,010	4,565	5,401
Graduates from the humanities ¹⁾	228	346	498
Graduates from the social sciences ²⁾	93	125	229

1) according to ISCED, but excluding religion and theology, including journalism and information

2) sociology and political sciences

In most cases I will not distinguish between humanists and social scientists, because they have much in common. Nonetheless, there are significant differences. Social scientists, by and large, tend to fare better in the labour market. As indicated by the light green bar in figure 3, they more often gain access to regular employment positions, that is to say, to more or less qualified contractual jobs of a certain duration; and they are less often self-employed or perform transitory low-skilled jobs; they more often have regular full-time work contracts (figure 4), and a higher proportion of social scientists occupy higher occupational positions (figure 5).

Figure 3 Labour market activities of university graduates 2001 at the time of the first panel wave approximately 18 months after graduation (percentages, multiple responses possible)

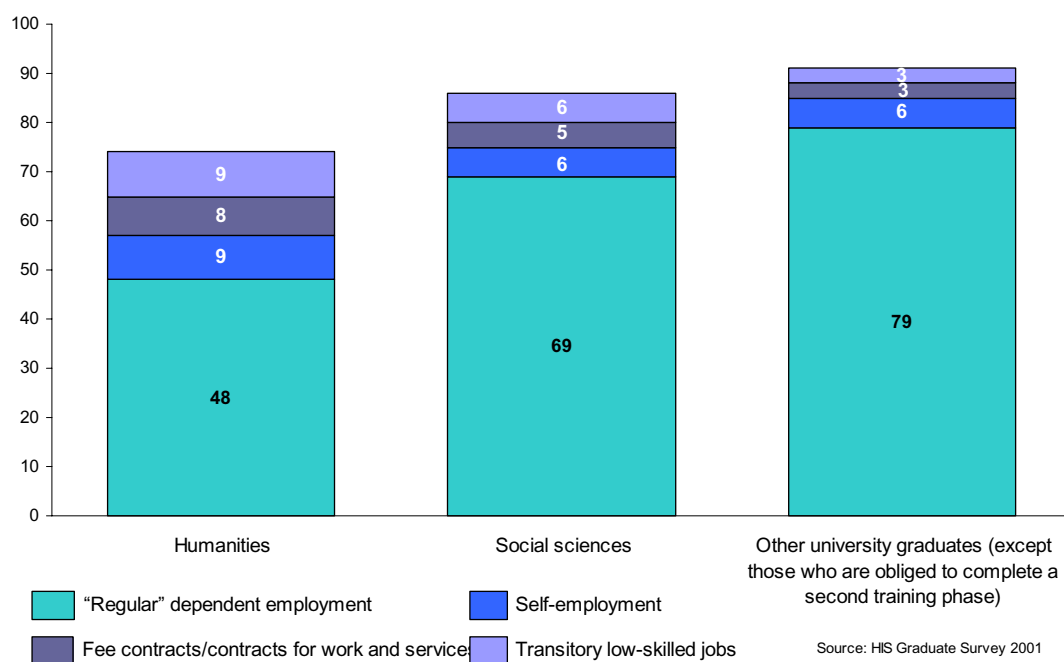


Figure 4 University graduates 2001: Type of employment (percentages)

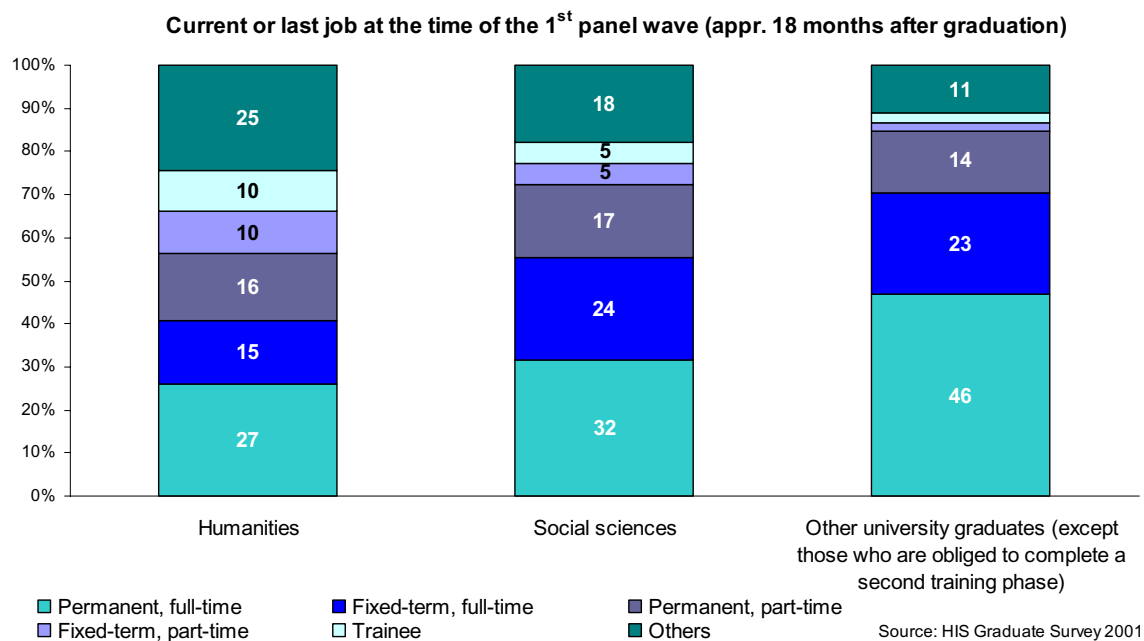
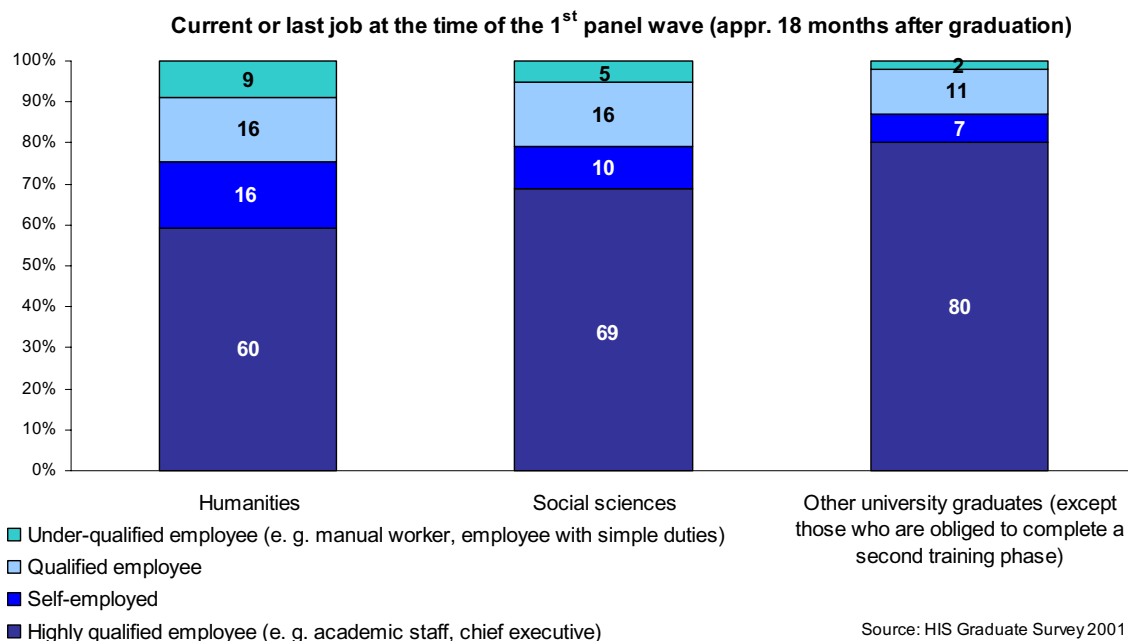


Figure 5 University graduates 2001: Occupational position (percentages)

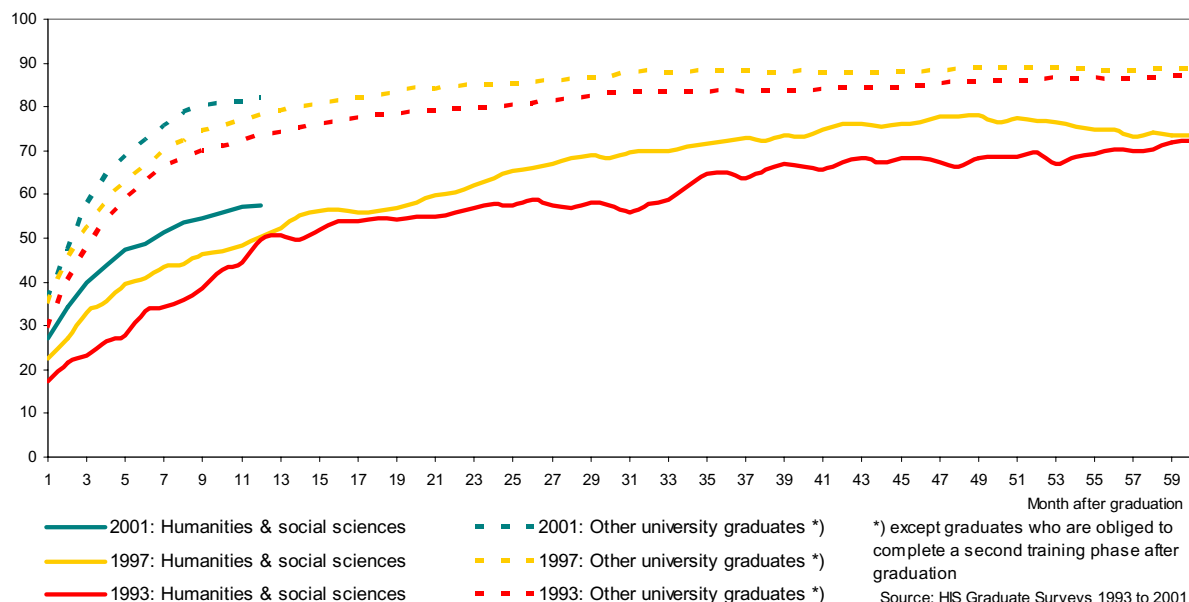


Of course, when compared with other university graduates social scientists, too, are disadvantaged. Other university graduates more often succeed in finding a regular dependent employment, in getting full-time jobs, and in occupying high professional positions.

In short, it is beyond all question that for many humanists and social scientists the transition into employment is not as smooth as for other graduates. In the long run most of them will be integrated in the labour market, but the route into a qualified job is littered with obstacles and passes through under-qualified positions, short-term temporary jobs and self-employment.

But once again, this is only one side of the coin. The other side of the coin reveals that the situation improved considerably during the nineteen nineties: The 1997 graduates from the humanities and the social sciences entered regular employment more quickly than the 1993 graduates (figure 6). And the 2001 graduates were even faster than the cohort 1993.

Figure 6 “Regular” dependent employment and self-employment¹⁾ of university graduates 1993 to 2001 up to 60 months after graduation (percentages)



1) exclusive of fee contracts/contracts for work and services and transitory low-skilled jobs

The same applies to the chance of entering a so-called normal employment relationship: The proportion of humanists and social scientists getting a permanent full-time job increased with each cohort (figure 7), as does the proportion of graduates occupying high professional positions (figure 8).

Figure 7 University graduates 1993 to 2001 from the humanities and social sciences: Permanent full-time employment (percentages)

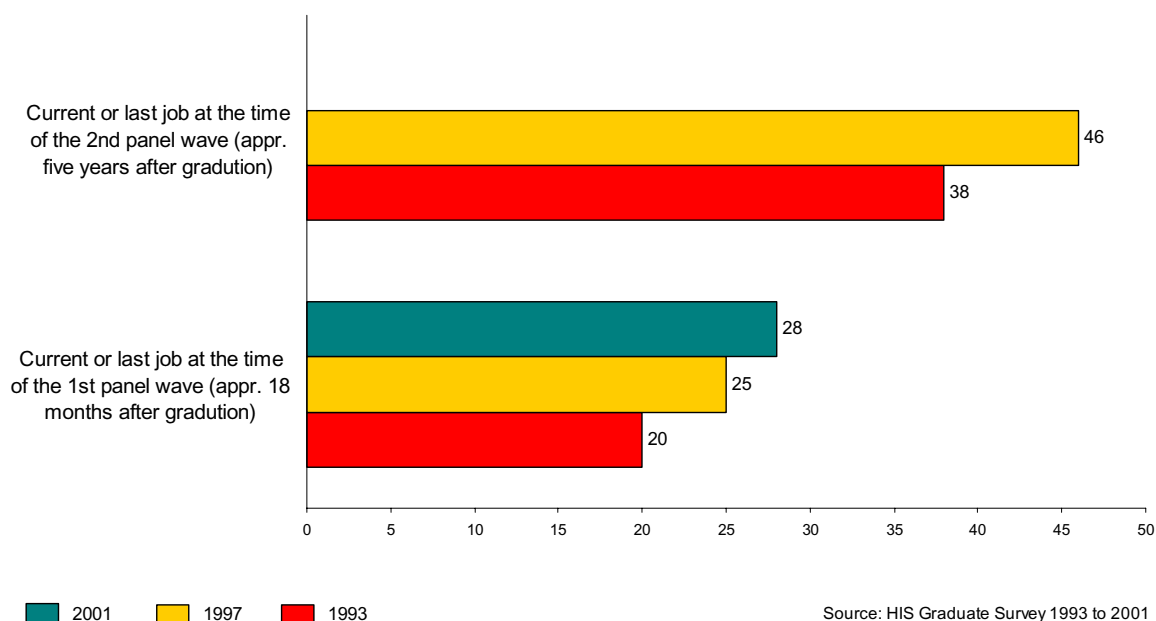
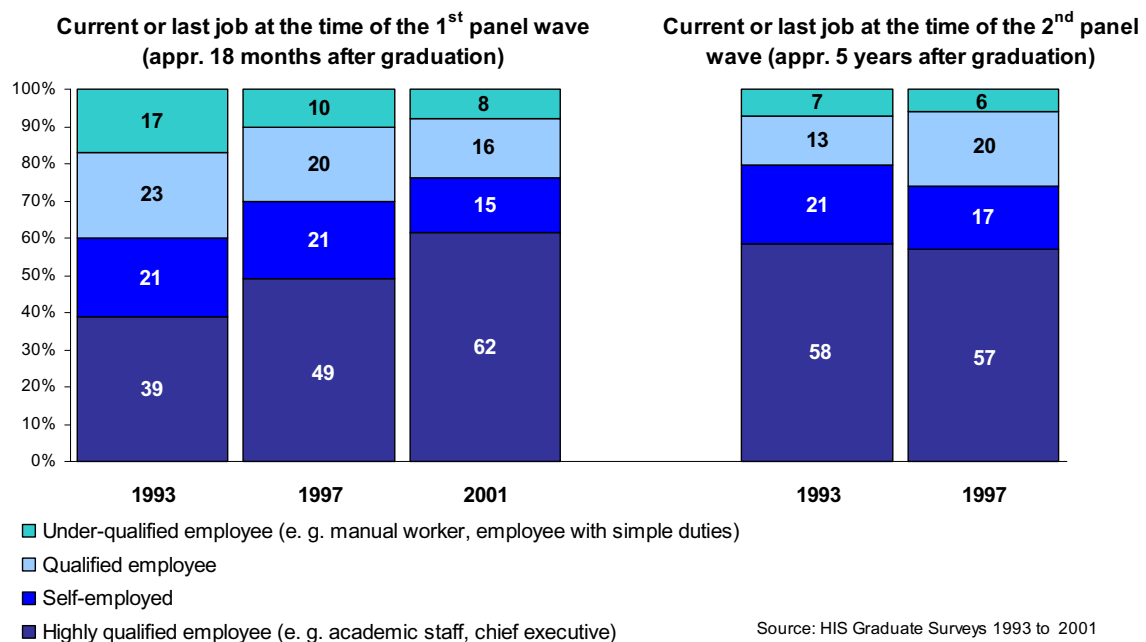


Figure 8 University graduates 1993 to 2001 from the humanities and social sciences: Occupational position (percentages)



You may have noticed that in the long run even the more disadvantaged cohorts have the chance to catch up with the more advantaged, albeit not in every respect. Five years after graduation the share of graduates in high professional positions and the proportions in regular employment do not differ any longer between the cohorts.

Of course, this finding may not be generalised. The short-term and long-term employment opportunities are affected by multiple factors (figure 9): On the demand side we have to take into account the general economic situation which has an impact on the overall demand of labour. Looking at two main indicators of the overall economic development, the gross domestic product and the number of persons in employment, we notice a relatively weak economic growth and a declining labour market participation between 1993 and 1997, followed by an economic upturn which lasted until the beginning of the new millennium and resulted in an increasing labour demand. In the subsequent years the German economy faced an economic downturn, but recovered a little bit in 2004 (figure 10).

When the graduate cohort of 1993 entered the labour market, its starting position was quite poor. But they could profit from the economic upturn which took place shortly before or at the time of the second panel wave. The graduates of the academic year 2001, on the other hand, were seeking for their first job after graduation in a period of an economic upturn, but afterwards were confronted with a weakening economy. The next survey of the cohort 2001 will show to which extent the professional careers were affected by these developments and in how far the initial labour market conditions have long-term implications for the occupational life course.

As far as the labour market for graduates from the humanities and the social sciences is concerned, the financial situation of the public budgets is another important factor (figure 9). Traditionally, the public sector has been the major employer for humanists and social scientists, and graduates from the humanities and the social sciences traditionally have been seeking employment in the public sector, for example in arts or educational and cultural organisations such as the Goethe institute. Due to the tight financial public budget, however, access to this occupational field is very restricted nowadays.

Figure 9 Some factors affecting employment opportunities for humanists and social scientists

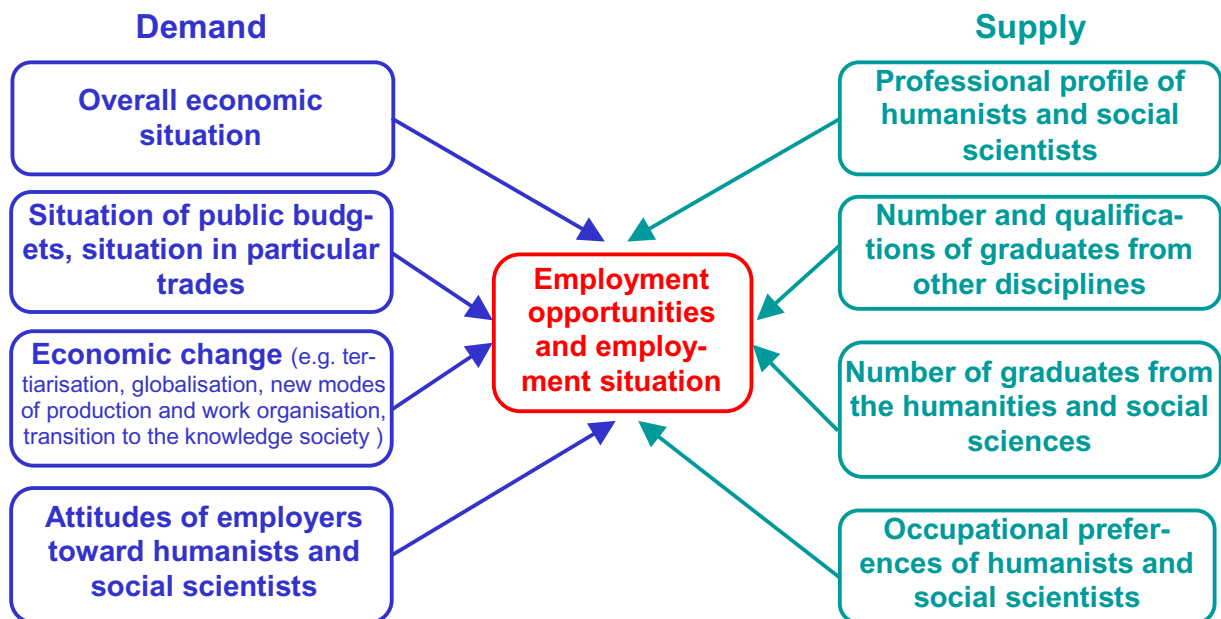
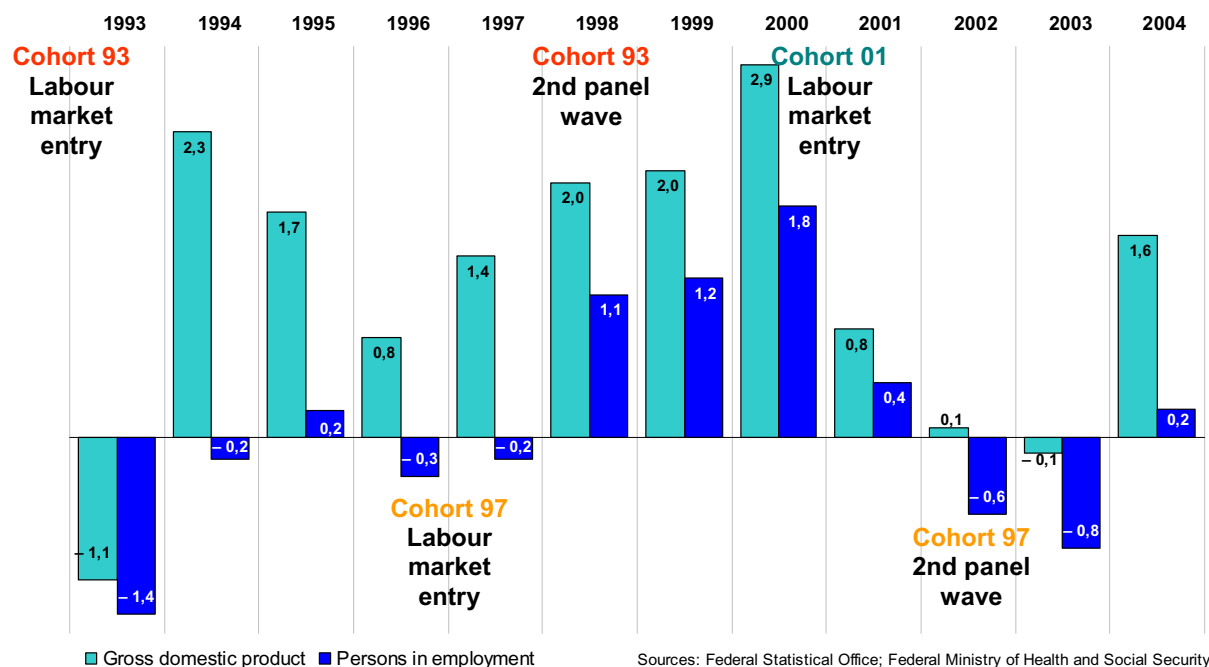


Figure 10 Gross domestic product at prices of 1995 and persons in employment 1993 to 2004: Percentage change on the previous year

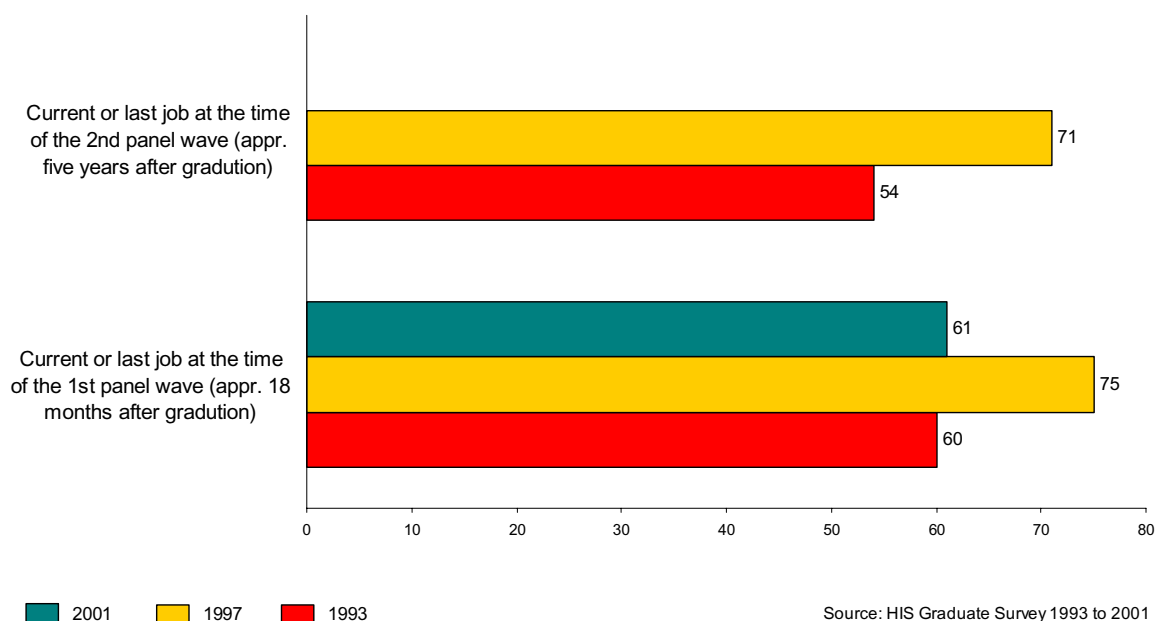


The media and the advertising industry is another popular employment segment for humanists and social scientists. During the nineteen nineties employment opportunities in this sector expanded enormously, but the weak economic development at the beginning of the new millennium left a significant mark on this employment segment and reduced the demand for publicists, journalists, and advertising experts considerably.

The same holds true for the new economy which appreciated the creativity and imagination of humanists and offered jobs for lateral hires with IT skills; but when the dot com market collapsed in 2000, the demand for computer specialists also broke down and vacancies were filled by appropriately qualified personnel.

The transformation of the economy and the restructuring of production and work processes is another important factor on the demand side, which may have far-reaching consequences for qualification requirements. The globalisation of the economy stimulates the need for intercultural competencies and foreign language skills. The expansion of the tertiary sector requires a workforce who possesses a high degree of communication skills and interpersonal competencies. New modes of production and work organisation with flat hierarchies, cross-functional work teams and a high degree of self-direction call for employees who are used to cross-disciplinary, networked thinking and interdisciplinary work, who are socially competent, who have learned to work autonomously, to plan, organise, and control the work process by themselves, and who are willing to take responsibility. Finally, I would like to turn to a phenomenon mentioned in the title of this conference: the evolving knowledge-based economy, where knowledge replaces capital and labour as the major forces of productivity and where knowledge is becoming the major factor of production. The knowledge society, on the one hand, gives rise to an increased demand for highly qualified personnel. On the other hand, it requires particular competencies: the ability to efficiently process information, the competence to organise, re-organise, create and disseminate knowledge, the capability to use information and communication technologies proficiently, and the potential to learn.

Figure 11 University graduates 1993 to 2001 from the humanities and social sciences: Employment in the private sector (percentages)

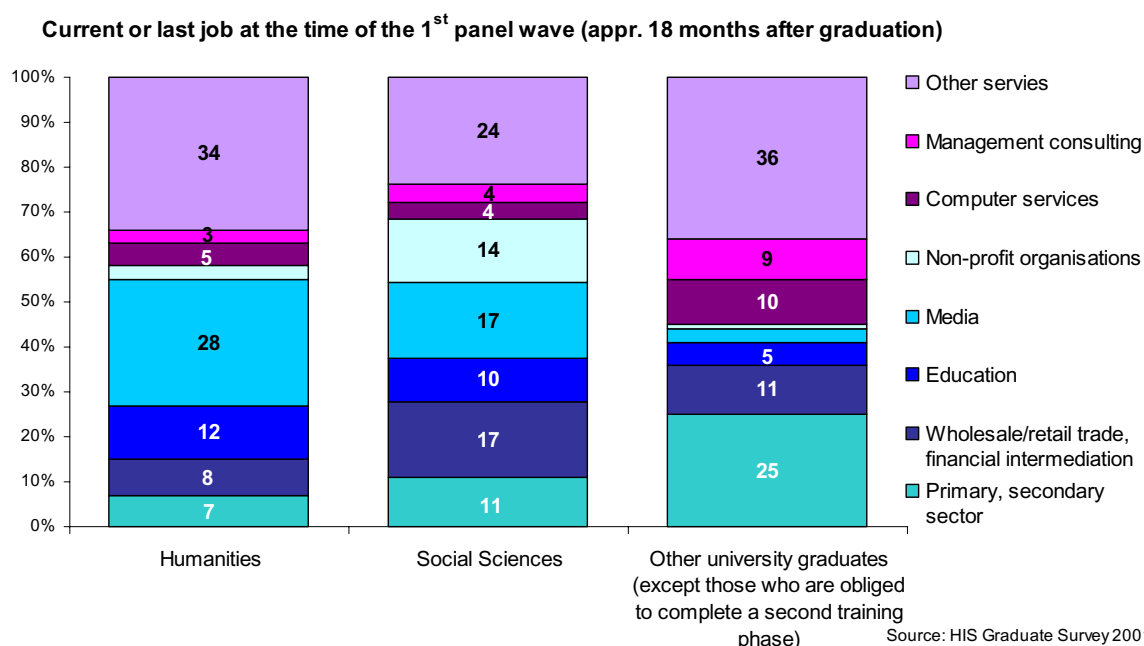


In view of these developments it is reasonable to assume that the job characteristics and occupational activities of humanists and social scientists changed considerably, that, for example, employment in the private sector increased at the cost of employment in the public sector. This, in fact, is the case, when comparing the 1993 and 1997 cohort (figure 11). But there seems to be no linear trend. At least at the time of the first panel wave, the 2001 graduates were employed by public employers as often as the 1993 graduates. We have to wait for the data of the second panel wave in order to assess the long-term stability of the reported trend. Then most of the graduates who are working as temporary academic staff at

universities while doing their dissertation will have earned their doctorate and will seek or will have found another employment.

When looking at the industrial sector of employment in the private economy (figure 12), we notice that the media – displayed in medium blue – and publishing, which is categorised under other services, continue to be among the most important employment segments for graduates from the humanities and the social sciences. A considerable proportion of social scientists also work in non-profit organisations such as unions or in sales and financial intermediation.

Figure 12 University graduates 2001: Industrial sector of employment in the private economy (percentages)

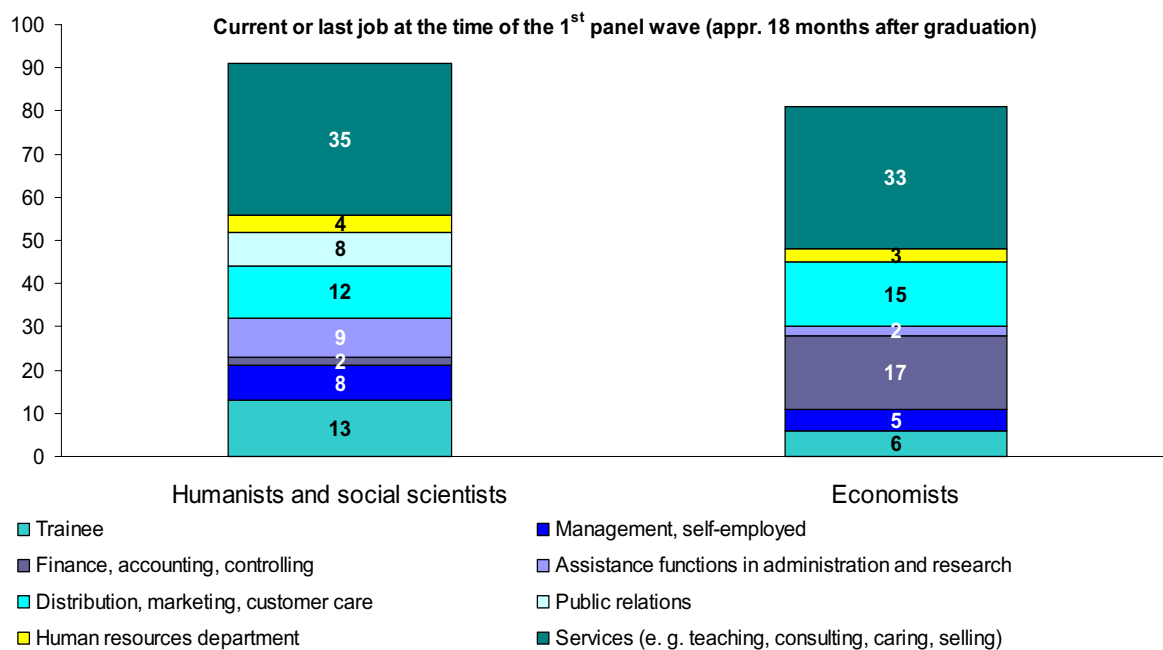


Unfortunately, the data on industrial sectors are not completely comparable between cohorts. I therefore can only verbally report some general developments. We can, for example, observe a tendency towards increasing employment in the media, in management consulting and computer services – though the latter segments still play a minor role. It is, however, too early to adequately judge this trend. We must have in mind that the crash of the new economy and the media crisis, which occurred at the beginning of the new millennium, did not strongly affect the labour market entry of the 2001 graduates, but will have more severe consequences in the subsequent years.

Before turning to other factors influencing the labour market for humanists and social scientists in Germany, I would like to present one last figure concerning the employment situation (figure 13). The graph deals with the functional area of employment within private companies, that is to say with the departments, where graduates are working, or the scope of their tasks and responsibilities. In order to figure out which functions in the private economy humanists and social scientists perform and for whom they may substitute, I considered it interesting to contrast the functional sectors of humanists and social scientists with those of economists. First, I would like to draw your attention to the field of finance, accounting and controlling, coloured in light purple, which clearly is the area of expertise of economists. Second, I want to point to the area of public relations, coloured in pale blue, which is dominated by humanists and social scientists. Economists hardly work in this field. Finally, I would like to refer to the proportion of graduates working in the functional area of distribution, marketing

and customer care, coloured in medium blue, and the proportion of graduates working in the human resources department, coloured in yellow. These proportions are, as you notice, quite similar.

Figure 13 University graduates 2001 from the humanities/social sciences and economics: Functional sector of employment in the private economy (percentages)



In my view, there are two main messages in this data. First: Humanists and social scientists working in private companies often perform tasks which require a high degree of social skills. They serve as a medium between the company and the clients, between the company and the public, between the company and its employees or between different divisions of the company. Second message: Humanists and social scientists could scarcely challenge economists in the field of finance, accounting and controlling; economists, on the other hand, hardly compete with humanists in the field of public relations. As far as human resources and marketing are concerned, however, the situation is different: Here, humanists and social scientists have considerable employment opportunities; and, when compared with the older cohorts, they gained ground. Because the corresponding data are not completely compatible, I once again can't provide exact figures.

Let us come back to the determinants of employment chances and directly move to the supply side (figure 9). In times when the traditional employment opportunities for humanists and social scientists are declining, it is most important to open up access to other, non-traditional occupational fields by, inter alia, broadening the qualification profile of graduates.

In this regard, there are many initiatives in Germany, but there exist no nationwide initiatives which are tailored to the specific needs of humanists and social scientists. That has partly to do with the allocation of responsibilities in the German education system. As you may know, the German constitution grants autonomy in educational and cultural matters to the federal states. There are, however, career counselling services for all students and graduates in larger cities which are provided and financed by the Federal Employment Agency.

As just mentioned, there are many initiatives at the university level. Basically, two different approaches can be distinguished: new educational programmes and add-on programmes for career orientation, career preparation and additional qualifications.

The new educational programmes (applied humanities, applied social sciences) aim at integrating professional practice or areas of professional application into the curriculum and at orientating the study programme towards existing and new requirements of the labour market.

Here is a very short list of examples: technical communication, technical translation, European culture and economy, philosophy and economics, economics and cultural studies, clinical linguistics, international information management, Modern German literature and media science, media economics. As you notice, many of these study programmes combine the pure subject, such as linguistics and philosophy, with a more applied one, for example economics, new technologies, medicine, and media. Other programmes integrate the international dimension or are explicitly directed at the needs of the evolving knowledge society. Most of the programmes are orientated towards new or growing sectors of the economy.

Let us turn to the second approach, add-on programmes for career orientation, career preparation and additional qualifications (“business administration with Marx and Goethe”, “from Kant to accounting”, “with Luhmann and Giddens into the business world”). In Germany, more than 60 programmes of this type exist. Most of them are initiated by the universities or university departments and are supported and sponsored by the employment office, the chamber of industry and commerce, and other employers’ associations. This form of organisation guarantees a close link between universities and the business world. Some of these programmes are founded and run by students.

Just let me mention three initiatives: The university of Hannover offers a programme called “From Leibniz to Bahlsen”. Leibniz is a German philosopher, who lived for several years in Hannover, and Bahlsen is a manufacturer of cakes and biscuits. The company has its headquarters in Hannover and produces a biscuit called Leibniz. “Students and the labour market” of the university of Munich is the oldest of these programmes and was founded in 1985. Ariadne is a students’ initiative in Leipzig, that tries – as the name suggests – to provide a thread in the labyrinth of the labour market.

The programmes include a wide range of activities: They give information about job opportunities beyond the traditional occupational fields by inviting speakers from the business world and by offering factory tours. They arrange mentoring programmes with personal mentors who provide occupational guidance and advice. They offer the opportunity to acquire additional qualifications that are appreciated in the labour market, for example basic knowledge in economics, foreign language skills, and ITC knowledge. And, last but not least, they support students in gaining practical experiences in the business world.

These programmes have several effects. Of course, they qualify humanists and social scientists in subjects they are not acquainted with. These qualifications are a prerequisite for having the chance to enter non-traditional occupational sectors. As an evaluation study showed, the programmes, indeed, succeed in increasing the job opportunities for humanists and social scientists.

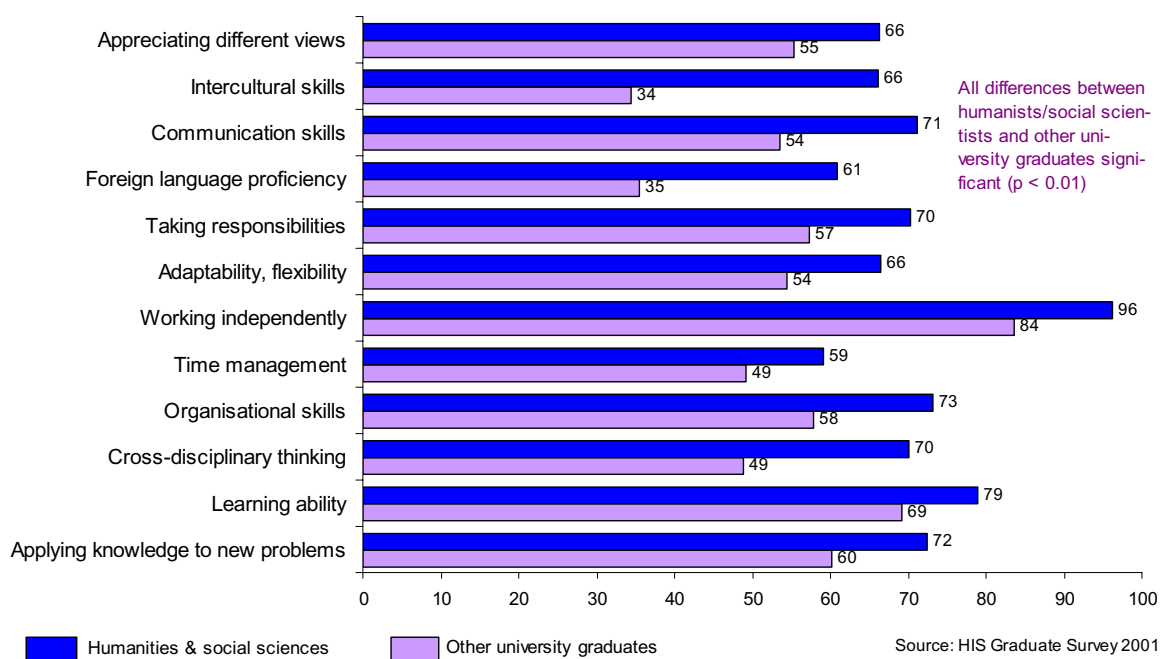
Another major effect has to do with the attitudes of employers towards humanists and social scientists which is the last factor to mention on the demand side (figure 9).

In the business world, humanists and social scientists used to have the image of being excellent theorists of little practical use. This image, which partly was based on ignorance, is changing more and more. By participating in practice-oriented initiatives employers have the

opportunity to get to know the real potential of humanists and social scientists. As a consequence, reservations about hiring these graduates were reduced.

What is the particular potential of humanists and social scientists? The employers attribute a high degree of key competencies or soft skills to these academics. And employers, indeed, are right in doing so (figure 14). Among humanists and social scientists, the level of social competencies, such as intercultural and communication skills, is significantly higher than among other university graduates. Humanists and social scientist also more often claim to have a high degree of the so-called methodical competence. Methodical competence means the ability to select, plan and realise adequate problem solving strategies and includes, inter alia, learning ability, transfer skills, and organisational skills. In short, humanists and social scientists possess those competencies which are crucial in the knowledge society and under new modes of production and work organisation.

Figure 14 University graduates 2001: Competencies possessed at time of graduation (percentages of “high” ratings)¹⁾



1) value 1 (“to a very high extent”) and 2 in a five-point rating scale combined

Although it is not necessary anymore to convince employers of the virtues of humanists and social scientists, graduates of these disciplines need more than key competencies. As already mentioned, employers in addition require further qualifications, in particular ICT skills, basic economic knowledge, and professional experiences.

The broadly qualified and trained humanist and social scientist certainly has all advantages on her or his side. But in periods of weak economic development employers prefer to hire graduates with unambiguous, familiar, and specialised qualifications, that is to say, employers, who often are economists, hire economists.

This is all the more the case as students of other subjects – and universities in general – also have realised the significance of key competencies and try to develop them. That implies that the employment opportunities of humanists and social scientists also depend on the number and qualifications of graduates from other disciplines (figure 9).

Let me complete the enumeration of parameters influencing employment opportunities by merely listing the number of graduates from the humanities and the social sciences and by saying a few word about their occupational preferences.

Surveys on students' occupational aspirations yielded the result that humanists and social scientists have reoriented themselves and are more and more seriously considering employment in the private economy. On the one hand this can be attributed to the restricted employment opportunities in the traditional sectors – the media, the publishing industry, advertising, non-profit organisations, arts, culture, and education. On the other hand this also may be a result of experiences the graduates made in practice-oriented programmes.

I hope that my presentation gave an impression of the employment opportunities of humanists and social scientists in Germany and of measures taken to improve the labour market situation. There is only one more issue or question left: What will happen in the future? In view of the complex nature of the labour market, it is difficult to answer this question. In the previous sections I outlined several factors which may increase the demand for humanists and social scientists. The most important one is the structural changes of society and economy which generates the need for a new type of professional: the knowledge worker. I also identified factors which may negatively affect employment opportunities for humanists and social scientists, for example weak economic growth or even recession.

An attempt to anticipate the prevailing constellation und to forecast future prospects would be a little bit like reading tea leaves. Instead of reading tea leaves, for which I am not qualified, I want to conclude my presentation with an advice. In my opinion we are well advised not to convert humanists and social scientists into economists with a humanist or social science background, but to preserve their genuine strengths and to compensate for their weaknesses.