

## ***Boosting Austria's Soft Power – a civil initiative***

Project outline

*Motto: Bella gerunt alii, tu felix Austria erude*

The Project intends (1) to develop a strategic program in Human Capital Development as a basis for increased presence in international markets (2) to deliver its planning, implementation and evaluation, and (3) to boost Austria's soft power. To achieve these interlinked goals, we suggest an approach based on Austria's rich historical experience, unique diplomatic and cultural tradition, as well as the innovative thrust created by its small- and medium business community. In order to create a genuine Austrian brand of development strategies, we call this approach the Camillo Sitte model (cf. below).

### **Introduction**

According to the *US News and World Report*, Austria occupies the twelfth place in global soft power ranking, while Germany occupies the first place. Obviously, there is room for improvement for a traditional continental nation like Austria. Austria possesses, according to the report, a number of important advantages. The nation has a rich tradition of being a continental cultural center. Vienna, the nation's capital, became Europe's center for classical music innovation. Famous composers such as Anton Bruckner and Arnold Schönberg lived in Vienna, and both Ludwig van Beethoven and Wolfgang Amadeus Mozart spent much of their lives in the city.

Our Camillo Sitte model serves a perfect response to the Austria's challenge to achieve an even more prominent place among the top soft power nations.

### **Soft Power**

Soft power is often described as one of the assets of the European approach. As a small country with no credible hard or military power, Austria has to put all stakes on the strengthening of its soft power, and in the first line, intellectual and educational capacities.

Soft power has become one of the key issues within the academic and public policy discussions. Civilizing processes and modern technology have increased the awareness and the opportunities for states and private actors to use non - military tools to ensure the compliance or the cooperation with others. The key theorist of soft power Joseph Nye pointed out, that the state can achieve the desired foreign policy of the result by co-optation rather than coercion, while

other countries have an incentive to follow best practices. Therefore, many contemporary states focus on increasing their own attractiveness as well as shaping a positive image of their country abroad.

### **The Camillo Sitte model**

Camillo Sitte was a noted Austrian architect and urban construction planner at the turn of the 19<sup>th</sup> century. He left an indelible mark on architecture of Vienna and other major urban centers of Europe.

The name of Camillo Sitte is intrinsically linked with the city of Vienna, which is a key component of the image of Austria. In the proposed broader development model, we propose following the foresight and prescriptions of this influential Austrian architect, who exemplified the best of Austria, in that benevolent fusion of caring for history and tradition and adopting the cutting edge technological innovation to produce the best social and economic outcome. The Camillo Sitte brand can symbolize and epitomize Austria and its efforts in the international development. This choice was also suggested by the fact that the Technical College Camillo Sitte in Vienna is a major project partner.

### **Austria's model of Vocational Education has drawn international recognition and is its single most important niche contribution in global markets**

#### **The HTL (College for Higher Technical and Vocational Education / Industrial Master College)**

Austria is a heavily industrialized economy, with some 30 percent of the GDP accounting for this sector. Apprenticeships therefore play a major role in filling the increasingly specialized jobs required to compete in a highly competitive global economy. Similar to other central European countries, a key feature of the Austrian system is the buy-in of private firms to the VET system. All firms in Austria are required to belong to local economic chambers and contribute to the VET system, both financially and in terms of developing curricula for apprenticeship training.

With the cooperation and input of labor representatives, participating companies decide on the skills they need for the future success of their companies and set up the training programs with the help of local and regional educational institutions. Apprenticeships are awarded by each

company, and the successful applicants are hired (at the age of 17-19), paid negotiated salaries, and trained in factories and schools according to the curriculum that is jointly developed.

At the end of the two-to-three-years apprenticeship, participants are awarded a nationally recognized skill certificate, if they pass the qualifying exam. A Diploma in Engineering „HTL-Ingenieur“ has been recognized as an undergraduate degree in Austria and has received enhanced international status. On February 20, 2016, the Austrian parliament passed a new law that adopted a National Qualifications Framework that recognizes an HTL diploma in engineering as a regular bachelor degree. If they do well and pass additional exams, they can go on to become master craftsmen or receive advanced university education. Companies benefit by having a pipeline of trained workers (a high percentage of apprentices stay with the sponsoring company) and get increasing output from the students even before they complete the programs. Study in the full-time school VET tracks generally require two to three years of training, with mandatory summer company internships. Michael Landertshammer, head of education policy in the Economic Chamber Austria (WKÖ), predicted: „Die internationale einzigartige Qualifikation ‚Ingenieur‘ wird in Zukunft europaweit vergleichbar und als berufsbezogener Bildungsabschluss auf die Ebene eines Bachelor-Studiums gehoben“ /The internationally unique qualification of an engineer will be comparable Europe-wide and lifted to the bachelor level as a professional education degree/.

Almost 86 percent of those entering the VET track complete the program, a rate much higher than the European Union average. The fact that so many young people enter VET at an early age, contributes to low relatively low youth unemployment in Austria which is only about 8 percent, compared to an EU average of 23 percent and a US rate of 15 percent. Non-VET countries like France, Italy, and Spain have even higher youth unemployment. Austrian firms are generally able to meet their needs for skilled labor — although company executives often report they would like to see a more robust pipeline due to demographic stagnation in Austria. Productivity in the country is about 15 percent higher than the EU average, which authorities attribute at least in part to the success of the VET system.

As an aside, it is perplexing to note that of the 20 percent of those who enter the university system, more than two-thirds do not finish. It is not entirely clear why this is the case, as

financing of higher education in Austria is largely paid by the government, and a university education, like in the United States, generally confers more privilege and advancement opportunities than the VET tracks. Nevertheless, free access to university programs in most faculties seems to explain at least part of the variance.

The VET system is widely accepted in Austria and indeed is a product of the German-led “social market economy,” which emerged in the last century after World War II. It is highly unlikely that it would be imported by the US and other individually-oriented and service-dominated economies, because it places a higher value on college degrees for all students, frowns on making career choices at a young age, and generally values white collar over what are traditionally considered blue collar occupations.

Tom Duesterberg an executive director of the Manufacturing and Society in the 21st Century program at the Aspen Institute studied vocational education in Austria. After observing the Austrian approach to vocational education, Duesterberg gave it top grades. The American businessman observed: "Apart from the problem of the rapidly rising cost of higher education in the US is the question of its impact on employment, stability of careers, and contributions to the health of the overall economy. Austria offers a much different approach to post-primary education in the US — though similar to VET systems in Germany, Switzerland, and Denmark — and one whose success merits a close look for this country."

The paramount virtue of the Austrian approach to technical education is its dual nature, which implies blending theoretical knowledge and the acquisition of appropriate practical skills in companies qualifying for apprenticeship openings. Under the Camillo Sitte model foreign students complete compulsory training internships in partner companies, which will make them business envoys making inroads into home markets after their return.

### **Implementing the Model**

Offering technical education to students abroad is the linchpin of the project, which suggests 2 principal options: 1) To invite foreign students to Austrian technical colleges and schools and 2) to establish suitable institutions abroad.

At this point, we have an informal understanding with dozens of Austrian technical colleges who are ready to admit students from abroad if they can produce the necessary documents

(including a German language requirement of at least A2/Beginner 2/). Costs for the stay in Austria is to be financed on a loan basis, which implies a financial burden of approximately USD 270/month for the students and their families. In addition to the permanent industrial partners of the schools themselves, we have access to export-oriented companies which are interested in upgrading their activities abroad and are willing to train students in their production sites.

The returnees will not only be agents of their Austrian host companies, but also the first generation of trainers in local apprenticeship programs.

To make both approaches viable, an information component must be added. We think of a virtual educational and learning institution, which we have tentatively dubbed Berta von Suttner Institute, which would be a counterpart of the German Goethe Institute. Centered around a web site, this institution would offer

- a) Interactive German language courses via skype and/or social networks (Microsoft provides the Duo Lingo software free of charge)
- b) Information about education/technical training in Austria
- c) Information about Austrian culture, behavioral standards and employment opportunities
- d) Information about the specific opportunities in the framework of this project

We assume that such a setup could also target specifically countries with high rates of Europe-bound out-migration.

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