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To the point!

Cross-Asset- and Strategy-Research

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We is learning little

German students' skills keep falling. Its PISA decline deepens.

Every three years, the OECD's PISA study delivers grim news for Germany. It compares the abilities of 15-year-olds around the world in reading, maths and science. Germany's dismal results in the recently released survey will no doubt have caught your attention.

Three years ago, German policymakers could still argue that the assessment had taken place during the COVID-19 pandemic, when schools were partly closed or at least not teaching in person. That excuse no longer holds. The OECD collected the results last year, when it was business as usual.

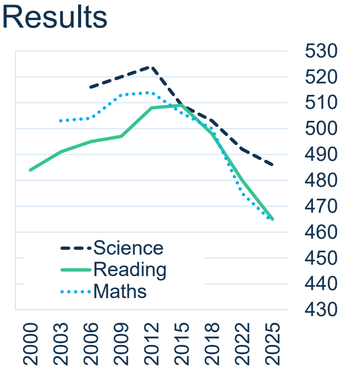
There are no excuses

What the latest PISA study shows

Yet Germany's performance is plunging – in every category measured (see fig. 1). Worse, the results are the weakest since 2001, when the OECD first published its international PISA rankings. Germany – whose school system had until then enjoyed a strong reputation both at home and abroad – suffered its first "PISA shock": a public reckoning with poor education results. Germany's federal states, which largely control education policy, responded, and results did improve over the following decade. But ever since – for more than ten years now – German students' performance has been in free fall. The share of students lacking even basic proficiency continues to rise (see fig. 2).

There may be scant comfort for Germany in the fact that the EU average is even worse. But being less bad than the dismal EU average is hardly a reason for complacency. What German students do not know would be enough to fail three students in Singapore. Across Asia, results are consistently better than Germany's and Europe's, lifting the OECD average.

Fig. 1: Germany's Pisa Results



Source: OECD, LBBW Research

Germany's results are exceptionally unequal

Only a closer look reveals the full extent of Germany's malaise. Average scores have a flaw: they conceal the spread of results (see fig. 3). In few places is one's socioeconomic background as decisive as it is in Germany. If parents are university graduates and their child can attend Germany's university-preparatory secondary school track, results are quite respectable. But disadvantaged children – especially those from immigrant families – fall dramatically behind in international comparisons.

And while results across countries are tending to converge, the gap between high and low achievers in Germany is widening further. That is a sobering finding for anyone who believes Germany is a meritocratic society, where hard work enables everyone to climb the ladder.

What must be done

These results should, at last, prompt a national response. For a resource-poor economy such as Germany's, its greatest asset is what happens between people's ears. Above all, the large share of young people who lack even basic skills must fall. A country facing demographic pressures as severe as Germany's simply cannot afford to send a substantial proportion of its already limited cohort of young people into working life without the skills they need. Leaving these children and teenagers behind is irresponsible, particularly given the shortage of skilled workers. At a minimum, Germany now needs a coordinated push to improve education. That the AfD, Germany's right-wing populist party, which recently won the state election in Saxony-Anhalt and Mecklenburg-Vorpommern, two eastern German states, wants to abolish compulsory schooling is, given PISA's devastating findings, beyond belief.

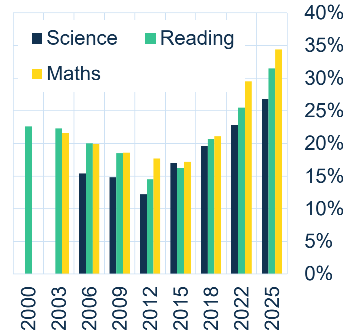
I often hear anecdotes about school classes in which a large share of pupils speak little or no German. But where else are they meant to learn it, if not at school? And what alternative do these young people have but to end up in segregated communities, increasingly cut off from mainstream society – which, in turn, frighten parts of the more bourgeois public?

Early childhood education is the key

In fact, the educational process begins much earlier. The foundations are laid in early childhood. This is where Germany is falling especially short. Germany lacks more than 300,000 places in early-childhood education and care nationwide, especially in western Germany. That harms not only children but also the economy. In few other countries does women's part-time employment rise as sharply after the birth of a child as it does in Germany.

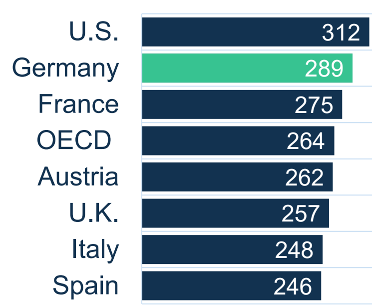
Germany urgently needs to do better. Internationally, there are plenty of models to emulate. Otherwise, it will erode both its economic and social prospects.

Fig. 2: Germany: Youths without basic proficiency (%)



Source: OECD, LBBW Research
Lacking basic proficiency is defined as scoring at Level 2 or below (a maximum of 410 points).

Fig. 3: Top 10% performers minus bottom 10%



Source: OECD, LBBW Research

The problem starts in early childhood

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