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Migration to and from Germany: Both a Model and a Cautionary Tale

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Migration to and from Germany: Both a model and a cautionary tale

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1. Introduction

Within the past four years, the number of immigrants to Germany exceeded the number of emigrants by 2.45 million. According to the United Nations High Commissioner for Refugees (UNHCR), more than 1.5 million refugees from war and crisis zones came to Germany (Ivanov 2019). Europe's most populous country has been experiencing an exceptional wave of immigration. Germany has become an attractive destination for many migrants, but what are the effects on German society? Is Germany coping, or is it unable to shoulder the immigration of a large number of often unskilled people?

In the polarized political debate which has been taking place since 2015, two camps are still irreconcilably opposed to each other and accuse each other of taking a completely misguided view of things. On the one hand, there are the critics of the refugee policy, who consider the disregard for the Dublin rules and the opening of the German border as a serious mistake. On the other hand, the supporters of Merkel's policy emphasize Germany's continuing moral obligation to accept as many refugees as possible. The supporters of the policy of open borders believe that there were no other options in autumn 2015. During the refugee crisis, the numerous supporters of Merkel's policies claimed moral superiority over the critics of unlimited immigration. To this day, the defenders of an open borders policy are either ignoring its consequences for European integration and Germany's role in Europe or consider these effects to be of minor importance. Some are still inspired by the moments of happiness they felt in those days. Numerous citizens professed that for the first time they developed a feeling of pride in the German nation. The long-term consequences, on the other hand, played no role.

In 2015 and 2016, both the German government and German society did not distinguish between the immigration of workers and that of persecuted persons. The ecstatic comment of the Green politician Katrin Göring-Eckardt, who welcomed the mass immigration in November 2015, has remained in memory: "We suddenly get people for free".¹

The political consequences of Merkel's refugee policy have now become abundantly clear. The national-conservative party "Alternative für Deutschland" (AfD) has since gained

¹ In German: „Wir kriegen jetzt plötzlich Menschen geschenkt“.

representation in the German Bundestag and in all 16 state parliaments. The old mainstream parties, the Christian Democrats (CDU) and the Social Democrats (SPD), have suffered dramatic losses in the last elections. Against the backdrop of a flourishing economy, the disenchantment of many citizens can only be explained with migration policy. The latest election in the East German state of Thuringia on 27 October 2019 confirmed that the national-conservative AfD is in the process of establishing itself as a permanent political force in Germany. They received 23.4 percent of the votes, which is more than the combined vote for the Social Democrats, the Greens and the Free Democrats (18.4 percent).

Today, Germany has great difficulties in integrating a significant number of refugees. The Federal Government spends a lot of money to prepare the migrants for the demanding German labor market, but is only successful in isolated cases. In previous phases, Germany was very capable of integrating migrants primarily from Southern Europe. In other words, Germany has a very mixed record: The country has earlier managed to integrate a large number of immigrants into the labor market and society, but today faces massive and hitherto unsolved problems with regard to the integration of the youngest generation of immigrants. It is a model country because millions of immigrants have been integrated into German society via the labor market, and it is a dissuasive example because the integration of the over 1.5 million refugees into German society threatens to fail and the German welfare state could find itself in difficult waters.

We will therefore evaluate the historical background of Germany's migration policies, the refugee crisis of 2015 and 2016 and the economic effects of immigration. Against this background, the questions concerning the integration of refugees are of central importance for German society: Has the integration of refugees been successful so far? Can most refugees be integrated into the labor market? Or will German taxpayers have to bear the costs of Angela Merkel's 2015 decision for many years to come? In addition, Germany is increasingly confronted with a potentially dangerous phenomenon, the emigration of highly skilled talent. Is Germany creating a twin migration problem, the immigration of unskilled and the emigration of highly skilled people?

In this paper, we will first analyse Germany's rather remarkable record prior to 2015, when the country could have been considered a poster child for immigration policies. We will then look at the 2015 refugee crisis, the legal basis of the open border policy and the integration record to date. Subsequently, we will discuss the question which model German society ought to pursue: Is there a need for the development of guiding principles, a "Leitkultur", which will bind today's diverse German society together. The hitherto rather hidden emigration of highly skilled Germans to other countries will be the last section before we conclude.

2. Germany's remarkable record prior to 2015

Over the past 60 years, Germany has repeatedly changed its immigration policy. In the first years after the Second World War, hardly any contemporary observer could imagine that Germany would ever need immigrants. The former refugees from the former German eastern territories - some 15 million people - seemed to overtax the country. The labour force was abundant. Only ten years after the end of the war, the development of the German economy had stabilised to such an extent that the Federal Government concluded an initial agreement with Italy on the recruitment of so-called guest workers. Other countries, including Yugoslavia, Portugal, Greece, Spain, Turkey and South Korea, sent a significant number of workers to Germany in the 1960s.

For a long time, German politicians and society pursued the illusion that this immigration was only temporary. While this was true of some groups, such as the South Korean guest workers, it was not true of all. Over the decades, Germany gradually developed into a country of immigration. The debate about immigration has not yet ended. This is also due to the fact that German society finds it difficult to analyse migration from an interest-led perspective: Are humanitarian considerations, especially the reception of refugees, in the foreground, or is the assessment of immigration a matter of tangible material benefits to German society?

There are currently about ten million people of other nationalities, i.e. with a foreign passport, living in Germany. This figure almost doubles to 19.3 million people if we add those with a so-called migration background.² Almost a quarter of the people living in Germany therefore either have a foreign passport, were born abroad themselves, or have at least one parent that was born abroad. With these numbers, Germany belongs to the group of countries with a high proportion of immigrants, such as Australia and Switzerland, and is ahead of countries such as the United States or Great Britain.

The largest group, around 2.8 million people, has Turkish roots. However, the inhabitants with Polish (2.1 million), Russian (1.4 million), Kazakh (1.2 million) and Romanian (0.9 million) origins are also significant.³

The positive economic development in Germany since 2005 has contributed significantly to the successful integration of immigrants into the labor market. This is particularly clear when comparing unemployment rates. In 2005, 9.8 per cent of adults without a migration background in Germany were unemployed, while the figure for immigrants was 17.9 per cent. Eleven years later, there was still a big difference between Germans and migrants, but the unemployment rate for migrants in 2016 was 7.1 per cent, well below the figure for the

² "Bevölkerung Mit Migrationshintergrund 2017 Um 4,4% Gegenüber Vorjahr Gestiegen," Statistisches Bundesamt, 2018, https://www.destatis.de/DE/Presse/Pressemitteilungen/2018/08/PD18_282_12511.html.

³ Ibid.

German population in 2005. In 2016, the proportion of unemployed among the German population was only 3.4 per cent.⁴

The remarkably positive development on the German labor market has made a significant contribution to the integration of less qualified workers into the labor market. In 2005, the number of employees was 26.3 million and the total number of people in employment, including entrepreneurs and freelancers, was 39.0 million. In 2018, on the other hand, 32.8 million people were employed, an increase of 6.5 million jobs or just under a quarter. The total number of people in employment also rose to a record high of just under 45 million in 2018.⁵

The question now arises as to whether the integration of immigrants into the German labor market would have been comparably successful if Germany had developed less positively. The unambiguous answer is that if the German economy had developed more unfavorably, unemployment and thus the dependency on social security benefits would have remained significantly higher among immigrants. Given Germany's deteriorating economic outlook, it is quite possible that the past few years have marked a peak in employment and that at the same time there will be an increased debate about the costs of immigration for the German welfare state.

But even if an immigrant finds a job this does not mean that he or she contributes to the other citizens' welfare. When analysing the economic effects of migration, the redistribution within the social systems is often overlooked. Many observers believe that simply taking up paid employment leads to an immigrant financing himself. This is not the case. Germany is not only one of the countries with the highest tax burden on labor income, but also one of the countries with the highest social security contributions. For instance, the premiums of a well-earning person currently amount to about 830 euros per month in the statutory health insurance, including the half amount paid by employers. The better paid subsidise the recipients of social benefits and those with lower incomes. In order to make a positive net contribution to the welfare of society, a migrant would have to earn more than the median income of all citizens. This of course is the exception in recent years. Countries like Australia and the USA are avoiding that burden on the income of its citizens by both trying to attract highly skilled people, which potentially earn above average, and by limiting welfare payments. Germany differs on both counts.

To put it bluntly: Germany was able to afford its policy of open borders because it benefited extensively from European integration and integration into the global economy that, on the

⁴ "Integrationsindikatoren 2005-2016: Menschen Mit Migrationshintergrund Haben Weiterhin Nachteile," Statistisches Bundesamt, 2017,

https://www.destatis.de/DE/Presse/Pressemitteilungen/2017/11/PD17_413_12521.html.

⁵ "Erwerbstätige, Sozialversicherungspflichtige Beschäftigte Und Jahresarbeitsvolumen 1992 – 2019," Sozialpolitik aktuell, 2019, http://www.sozialpolitik-aktuell.de/tl_files/sozialpolitik-aktuell/_Politikfelder/Arbeitsmarkt/Datensammlung/PDF-Dateien/abbIV2.pdf.

one hand, there were many new jobs and, on the other, the costs for unemployed immigrants could easily be borne by the bubbling tax revenues. These carefree years could now come to an end as a result of the upheavals in Europe and also in the world economy.

German society may therefore again be forced to recognize that immigration is a social, not a moral problem: In recent decades, it has been not just foreigners who have immigrated, but above all poor people who have competed with the lower third of society in search of housing, jobs and social services.⁶

For a long time, however, German politicians could afford to ignore the costs of immigration. But citizens have noted that time and time again, German policy makers ignored the effects of their generosity on the welfare of German taxpayers. The refugee crisis of 2015 and 2016 was one of three major political events of the last decade. The other two were the crises in the European Monetary Union from 2010 and Germany's decision to end the use of both nuclear and coal-fired power stations after the Fukushima disaster in 2011. The choices made by German policy makers have been resulting in a significant burden on taxpayers, and the declining popularity of mainstream political parties may also result from these costly choices.

Heiko Maas, who was Minister of Justice in Angela Merkel's previous cabinet and today serves as Foreign Minister, argued that the annual cost of 20 billion euros needed for the support of refugees would not be at anybody's expense. There would not be any cuts in social expenditure for the existing population. However, some citizens who observe decaying schools and infrastructure have been asking themselves why policy makers have been tight-fisted for so many years and suddenly show a remarkable level of generosity.⁷

3. The 2015 immigration crisis and its aftermath

For many months from autumn 2015, the Chancellor had been saying that Germany would not have to shoulder the burden of the refugee crisis alone. She continued to announce that there had to be a fair distribution of burdens in Europe. The Federal Government and large sections of German society felt that this was a legitimate demand, because the Federal Republic had always been prepared to bear the burdens of the European integration process. The astonishment in Germany was all the greater when Merkel's demand for a European solution was rejected by all other EU countries. French President Macron also showed no willingness to support Angela Merkel on that issue. Meanwhile, it has become obvious that the solution favored by the German government, of distributing refugees throughout the entire EU, has completely failed. Germany has to solve the problems it has created.

⁶ Herbert, Ulrich, *Geschichte Der Ausländerpolitik in Deutschland*. München: C.H. Beck, 2001, 344.

⁷ Geiger, Klaus, "It's the Economy, Stupid," 2019, 3.

There are currently about 1.7 million people living in Germany for humanitarian reasons.⁸ In August 2018, 6.6 per cent of the total population, but 63.7 per cent of refugees, received the basic social security payments, Hartz IV. Of the 1.7 million refugees registered in Germany, 361,000 are in employment and are subject to social insurance contributions. Since many migrants do not have any qualifications that are in demand on the German labor market, they are left with only auxiliary jobs, which are not very well paid.

The acceptance rate has fallen sharply recently, with fewer and fewer refugees being granted protection status. The recognition rate for all applicants was 62 per cent in 2016, 43 per cent in 2017 and 33 per cent in 2018 (until September). In 2018, two thirds of asylum applications were rejected.

However, a high rejection rate does not lead to more repatriations of rejected asylum seekers. Deportations are only possible in very limited circumstances due to high legal hurdles. Refugees are not permitted under German law to be deported to areas of civil war such as Syria or Afghanistan. Moreover, according to a resolution of the German Bundesrat, Tunisia, Morocco and Algeria, for example, are not considered "safe countries of origin": rejected asylum seekers may not be expelled to these countries. In addition, rejected asylum seekers often hide from the authorities and disappear when expulsion threatens. The number of deportations from Germany therefore remains at a low level. In 2015 20,888 persons were expelled, in the following year 25,375 and in 2017 23,966 persons were repatriated. In the first six months of 2018, the number of deportees was 12,261.⁹

The failure of the federal government to repatriate rejected asylum seekers is a major factor in today's dissatisfaction with the work of the so called "Grand Coalition." Peter Altmaier, then refugee coordinator and now Federal Economics Minister, announced in 2017 that the 300,000 asylum seekers whose applications were rejected in 2016 would have to be "swiftly returned." In reality, less than ten percent of those who had their applications rejected were deported. The Chancellor's announcement that "a national effort" would be necessary to repatriate rejected asylum seekers had no effect.¹⁰

The result of the tricky legal situation is that the credibility of the rule of law has been seriously damaged. Once a citizen of a developing country has managed to reach German soil, he or she has a good chance of being able to stay there and receive long-term support from the German state in the form of welfare payments.

⁸ "Zahl Der Registrierten Schutzsuchenden Im Jahr 2017 Um 5 % Gegenüber Vorjahr Gestiegen," Statistisches Bundesamt, 2018, https://www.destatis.de/DE/Presse/Pressemitteilungen/2018/11/PD18_457_12521.html.

⁹ "Abschiebung Aus Deutschland Bis 2019," Statista Research Department, 2020, <https://de.statista.com/statistik/daten/studie/451861/umfrage/abschiebungen-aus-deutschland/>.

¹⁰ "Hohe Bleibechance Für Abgelehnte Asylbewerber Aus Afrika," Die Welt, 2018, <https://www.welt.de/politik/deutschland/article181085192/Abschiebungen-Hohe-Bleibechance-fuer-abgelehnte-Asylbewerber-aus-Afrika.html>.

4. Why did Germany open its borders for immigration in 2015?

The right of asylum in Germany has its own history. It had been included in the Basic Law in 1949, Germany's Post-War constitution, under pressure from the Americans - as a reference to the Jewish and non-Jewish Germans who had fled from the Nazis after 1933 and had sought refuge and asylum everywhere in the world but so rarely found it.¹¹ Up until the 1980s, the right to claim asylum in Germany was only of limited importance. There were only some two- to three thousand asylum seekers per year, primarily from the countries under Soviet influence. During the Cold War, those asylum seekers were considered to be looking for political freedom and thus highly regarded.¹²

Since the 1980s, there has been a regular, but not constant, debate on immigration. Typically, rising numbers of immigrants resulted in a heated debate on the effects of migration. Advocates of immigration often stress the economic necessity of immigration and insist on the benefits that German society would derive from immigration. The humanitarian responsibility that Germany has towards war refugees and politically persecuted people continues to be emphasized. On the other hand, there are the critics of immigration, who by no means unreservedly welcome cultural diversity and warn against the negative effects of strong immigration. Especially the party "Alternative für Deutschland", but also individual politicians of the left belong to the warning voices.

Although migration to Germany is by no means a new phenomenon, the effects of the migration crisis of 2015 and 2016 have been exceptional, partly because the events of September 2015 and the subsequent months continue to puzzle many observers. What happened at the German border? Which were the legal regulations that were applied? Was the decision of September 2015 inevitable? And who took it?

In order to answer these questions, it is necessary to consider the legal framework for claiming asylum and refugee status in Germany. There are two distinct reasons for receiving permission to stay in Germany: The first is political asylum, the second is a refugee status.

Political asylum in Germany is granted to those who fulfil three causally linked conditions: firstly, persecution in their home country by the state, secondly, flight to Germany as a result, and thirdly, application for asylum on German territory. In the majority of cases, however, these three factors are not present. To start with, there has to be individual persecution by the state. Even more importantly, the asylum seeker may not travel to Germany from a country where he or she could have applied for protection.

¹¹ Herbert, Ulrich, "Flucht Und Asyl. Zeithistorische Bemerkungen Zu Einem Aktuellem Problem," *Zeitgeschichte-online*, 2015, <https://zeitgeschichte-online.de/themen/flucht-und-asyl>.

¹² *Ibid.*

Persons who do not fulfil all three criteria for political asylum can be granted the legal status of refugees under the Geneva Refugee Convention. Such prerequisites are persecution by non-state actors, leaving one's home country without any current threat, fleeing to Germany only after secure reception in a third country or late filing of an asylum application after entry into the country.¹³

Since Germany is surrounded by countries that are both signatories of the Geneva Refugee Convention and the European Human Rights Convention, German border police should have rejected anybody claiming asylum and arriving by land. Supporters of Chancellor Merkel allege that the police had to be instructed to keep the borders open because a humanitarian catastrophe was looming. At the same time, however, there has never been an order from the German Minister for the Interior to ignore existing legal regulations. To this day, both those policemen, whose job it is to enforce the law, and the German public have not been fully informed about the legal background of the decision of the German government in September 2015. There has not been an inquiry in German Federal Parliament.

The debate on that question is characterized by two positions. Some, including the current Foreign Minister Heiko Maas, insist on Germany's ability to declare itself responsible for asylum seekers that reach the German border. They argue that the "sovereignty clause" in the Dublin II Agreement would explicitly allow states to take over asylum procedures within the EU.¹⁴ Others argue that the government had a legal obligation to reject people at the border. The research services of the German Federal Parliament have looked at the issue in a report published in 2017. According to that report, the German government has not provided the legal basis of its decision to keep the borders open.¹⁵ An exception from the obligation to refuse entry would have been possible, but would have required an order from the Ministry of the Interior. The answer of the Federal Government to an inquiry of the conservative Member of Parliament Stephan Stracke is unclear and vague:

*"The decision not to reject the group of persons concerned was taken in connection with the temporary reintroduction of border controls at the German borders within the framework of the existing competences within the Federal Government."*¹⁶

The unclear legal basis of the migration policies may contribute to erode the confidence of law-abiding citizens in the functioning of the institutions in Germany. The deep division that continues to characterize German society is at least partly the result of the weak and unclear legal basis of the 2015 events.

¹³ Herbert, "Flucht Und Asyl. Zeithistorische Bemerkungen Zu Einem Aktuellem Problem."

¹⁴ "Warum Die "Grenzöffnung" 2015 Juristisch Korrekt War," Vorwärts, 2016, <https://www.vorwaerts.de/artikel/fluechtlinge-grenzoeffnung-2015-juristisch-korrekt-war>.

¹⁵ "Gutachten Sieht Unklare Rechtsgrundlage Für Grenzöffnung," Die Welt, 2017, <https://www.welt.de/politik/deutschland/article168900336/Gutachten-sieht-unklare-Rechtsgrundlage-fuer-Grenzoeffnung.html>.

¹⁶ Wissenschaftliche Dienste des Deutschen Bundestags: Einreiseverweigerung und Einreisegestattung nach § 18 Asylgesetz, WD 3 -3000 -109/17, p. 11, own translation.

An additional effect of the migration policies has been the increased isolation of Germany in European affairs. With her unilateral decision of 2015, Chancellor Merkel has done the European integration process a disservice. Old fears of German dominance received new fuel. The trust that former German governments had built up in Europe was destroyed in no time. The policies of former Chancellors had been based on developing a consensus *before* important decisions. Merkel left that path - albeit quite early in her chancellorship - and thus fuelled the scepticism about Germany's leading role in Europe.

5. The 2015 and 2016 immigration wave: will the integration of refugees succeed?

In 2015, hopes were frequently expressed that asylum seekers could be quickly integrated into the German labor market and thus will no longer require welfare benefits. These expectations have not been fulfilled. Since then, surveys of refugees have been conducted to provide information on their educational and training status. This information is important for assessing the prospects of successful integration into the labor market. The large number of low-skilled immigrants has placed a burden on social security systems. This problem is particularly evident among refugees living in Germany.

According to a survey by the Federal Office for Migration and Refugees, the educational level of refugees is low. Many have no vocational training or school qualifications, and the qualifications from their home countries are difficult to compare with those in Germany. 76 per cent of all interviewees have no education, more than half have no or only little or intermediate school education. 40 per cent have no school-leaving qualifications and 85 per cent have no training comparable to German standards.¹⁷ These findings show how difficult the integration into the German labor market will be.

Based on these findings, the Freiburg economist Bernd Raffelhüschen considers the assumption that the period until the integration of refugees into the labor market will be six years to be rather optimistic. Due to the low level of education, he calculates that each refugee will cost the German state and the German social security systems 450,000 euros during his or her lifetime. In view of the number of up to two million immigrants, this adds up to total costs of 900 billion euros.¹⁸

In view of the robust economic situation since 2010 and the resulting high demand for labor, the conditions for integrating refugees into the labor market are actually good. However, a survey conducted at the end of 2017 by the Institute for Employment Research (IAB) confirms the difficulties refugees face on the German labor market. The survey interviewed specialists who are responsible for counselling and placement of refugees in the employment agencies and job centres. The results show that most refugees lack the most important prerequisites, in particular language skills and professional qualifications, to find a

¹⁷ "Arbeitsmarkt Kompakt – Fluchtmigration," news release., 2018.

¹⁸ "Die Flüchtlingskosten Sind Ein Deutsches Tabuthema," Neue Züricher Zeitung, 2017, <https://www.nzz.ch/meinung/kommentare/die-fluechtlingskosten-sind-ein-deutsches-tabuthema-ld.1316333>.

job. In addition, many refugees have an antiquated understanding of the role of women and lack knowledge of the procedures in the German world of work.¹⁹

Since the beginning of the refugee crisis in 2015, countless measures and initiatives for the integration of refugees have been implemented in Germany. Initiatives to promote refugees have been launched at state and federal level, at universities, in city districts, in church institutions, in local authorities and by individual offices. A large proportion of these initiatives were initiated by the government, but many also stem from civic engagement. These citizens' initiatives, for example, offer German courses, help with finding accommodation or support refugees with legal advice.

All recognized refugees, accepted asylum seekers and people who are granted subsidiary protection are entitled to an integration course financed by the state. These three groups receive social benefits and may be obliged by the State to attend the courses. In addition to language courses, the classes provide knowledge about the legal system, culture and history of Germany.

Due to the increase in the number of people who have fled to Germany, both the number of integration courses on offer and the number of participants in integration courses have risen sharply since 2016. From 2015 to 2016, the number of participants in integration courses almost doubled, from 179,000 to 340,000. In 2017, 292,000 participants took part in integration courses. Around 46,000 refugees attended alphabetization courses in 2017.²⁰

In spite of these extensive offers, which cause considerable costs for the state, the results are sobering. According to statistics from the Federal Office for Migration and Refugees, not even one in four refugees has reached a basic level of German that would have allowed them to communicate with locals reasonably well. 75 percent have no basic knowledge of the German language. Only one percent of the participants in language courses reach the level required to survive in the labor market.²¹

In spite of all the difficulties, there are also developments that provide some optimism. In summer 2018, for example, the Federal Employment Agency reported that 216,000 refugees were now working in a job requiring social insurance contributions. The refugees found employment in construction, in the catering trade or as security guards.²²

These are positive developments, but the vast majority of refugees remain dependent on welfare payments. German statistics distinguish between those who are able to work and

¹⁹ "Diese Hemmnisse Erschweren Die Integration Geflüchteter Am Jobmarkt," Die Welt, 2018, <https://www.welt.de/wirtschaft/article183781704/Fluechtlinge-Was-die-Integration-in-den-Jobmarkt-erschwert.html>.

²⁰ "Arbeitsmarkt Kompakt – Fluchtmigration," 7.

²¹ Raffelhüschen, Bernd, "Einführung: Offene Grenzen Oder Generöser Sozialstaat: Beides Geht Nicht?," Ifo schnelldienst 71, no. 18 (2018): 24.

²² "Jeder Vierte Flüchtling in Arbeit," Frankfurter Allgemeine Zeitung, 2018.

those who are not. The first group can basically work, the second is not available to the labor market, for example because of illness. Children or people of pension age are also not available to the labor market.

In July 2018, 4.15 million people in Germany received welfare payments from the employment offices as persons of working age. 15 percent of this group, 615,000 people, were refugees. In addition, there were 310,000 refugees who received social benefits from the state but were not considered fit for work. In July 2018, a total of 925,000 refugees received benefits from the German state.

The welfare payments of the German state are considerable. A family with two underage children is entitled to a monthly cash allowance of 1,340 euros. In addition, recipients of welfare allowances receive housing, the cost of which, including heating, is borne by the state. All recipients of welfare payments are also covered by statutory health insurance free of charge. In this case, better-earning members of the statutory health insurance funds subsidize the social benefit recipients because the state pays the health insurance funds only 100 euros per person and month, while the costs per person and month amount to 290 euros.²³

6. Which model for German society?

The search for a socially acceptable and economically sustainable migration policy runs through German post-war history without there being a breakthrough in the form of a clear immigration law or a social consensus on immigration. To this day, the central question remains unanswered: How should the coexistence of locals and foreigners be organized? Is there a German interest in immigration, and if so, what is it? Should Germany become a multicultural society in which immigrants continue their traditions largely unchanged in Germany?²⁴

It is remarkable how long Germany has been discussing the issue of immigration. Back in the 1970s, Social Democratic Chancellor Helmut Schmidt warned Germany of the consequences of immigration of people from Turkey. In 2005, he cautioned against further immigration from "foreign cultures". Immigration was unsuitable as a means against an ageing German society. The immigration of people from the poor parts of Turkey or from sub-Saharan Africa would not solve any problems, but would create serious new difficulties.²⁵ In 2011 he said it had been a mistake to attract the guest workers to the country in the first place.²⁶

²³ "Staat Zahlt Krankenkassen Zehn Milliarden Zu Wenig," Spiegel Online, 2017, <http://www.spiegel.de/wirtschaft/soziales/hartz-iv-empfaenger-staat-zahlt-krankenkassen-zehn-milliarden-euro-zu-wenig-a-1183423.html>.

²⁴ Herbert, *Geschichte Der Ausländerpolitik in Deutschland*, 322.

²⁵ Schmidt, Helmut, "Weitere Zuwanderung Unterbinden," Focus Online, 2005, https://www.focus.de/politik/deutschland/helmut-schmidt-ii_aid_95473.html.

²⁶ "Zehn Millionen Türken: Die Furcht Des Helmut Schmidt," Die Zeit, 2011, <https://www.zeit.de/2011/43/50-Jahre-Migration-Schmidt>.

These positions of the former Chancellor are today no longer supported by the very large coalition of immigration supporters in German politics. The Social Democrats and the Left Party in particular have abandoned their former doubts about immigration. In the refugee crisis of 2015 and 2016 sceptical voices were repeatedly vilified.

The then chairman of the Social Democrats, Sigmar Gabriel, changed his views several times. In autumn 2015, he first said that Germany was a rich country and could cope well with the consequences of the refugee crisis. He then praised Germany's deeply rooted humanity, followed by the assessment that Germany could make good use of immigration in view of the country's demographic change. In the 2017 election campaign, Gabriel then forgot all the arguments in favor of immigration and suddenly called for the protection of the EU's external borders.²⁷

In view of the problems described above, in Germany a broad social debate on immigration and integration would be sensible. This discussion is only being conducted in rudimentary form by politicians. Christian Democrats, Greens, Social Democrats and the Left Party are still opposed to the "Alternative für Deutschland". Christian Lindner's Free Democrats stand between these camps.

7. Is Germany losing highly-skilled talent, resulting in an unsustainable welfare state?

Considering the above mentioned developments, the German "welcome culture" of 2015 is proving to be extremely costly. Germany cannot be regarded as a model for other countries simply because hardly any other society would accept these high costs. Other immigration societies, such as Australia or the USA, grant lower welfare benefits to immigrants and have a much lower level of social benefits anyway. In Germany, on the other hand, the working population is heavily burdened with taxes and levies. According to the OECD, the average burden of taxes and social security contributions in Germany in 2018 was almost 40 percent. The average figure for all OECD countries was 25 per cent of gross income and even lower in the immigration countries such as Australia, Canada and the USA.²⁸

Beneficiaries of this policy are immigrants, the German Minister of Finance, who is pleased about falling public debt, and German companies whose tax burden is quite low by international standards. Today, Germany is both an immigration country and a welfare state. This is an extremely rare and fragile constellation. It is probably the weight of German history that ensures that many German citizens accept these high burdens for the financing of immigration. However, there is a danger that the pendulum will swing in the other direction. Already today the grumbling of some people about the alleged preferential treatment of immigrants can be heard.

²⁷ Sandner, Wolfgang, "Wie Man Eine Deftige Suppe Kocht," Frankfurter Allgemeine Zeitung, 2018, 9.

²⁸ "Deutsche Steuerlast Ist "Weltspitze" - Doch Die Infrastrukture Verfällt," Die Welt, 2019, <https://www.welt.de/wirtschaft/article191736757/OECD-Studie-Bei-der-Steuerlast-gehört-Deutschland-zur-Weltspitze.html>.

But the flip side of the coin is that Germany ceases to be an attractive place for highly skilled people. As in the 19th century, Germany is once again a country of emigration, without this phenomenon being discussed in the German public. There the debate on immigration, its consequences and regulation dominate.

However, it is not German farm hands, but highly qualified people who work in foreign countries today. German doctors in Switzerland and Norway, but also engineers in Australia and software specialists in Silicon Valley belong to these silent emigrants. Data on German emigrants are somewhat hidden in the 21st century, partly because the decision to emigrate, often temporarily, is of course less serious today than it was in the 19th century. Apartments are temporarily sublet and the contact with the old homeland is maintained. Economically, this export of human capital remains a remarkable phenomenon. Since today's emigrants are not low-skilled, even a small number of people have considerable economic effects.

It is possible to measure the remittances of citizens working abroad. The World Bank defines people who have been working abroad for more than twelve months as emigrants and calculates their remittances. In 2017, according to World Bank data, Germany ranked 9th in this category, after traditional emigration countries such as India, China or the Philippines. A total of 16.6 billion US dollars were transferred home by Germans working abroad. Americans, despite a population four times as large, transferred only 6 billion US dollars home in 2017.

Not surprisingly, the U.S. ranks number one among the countries from which money is remitted home: in 2017, U.S. residents of other nationality remitted \$66.6 billion home, followed by Saudi Arabia with \$37.8 billion in remittances. Switzerland ranks third on the list with 26.3 billion dollars, followed by Germany with 20.6 billion dollars.

Germany thus differs markedly from traditional immigration countries. Neither Australia, Canada nor the USA have a significant volume of remittances from their own citizens. This is not surprising: these countries want to improve the economic prospects of their own population through immigration. They seem to succeed, because the citizens of those immigration countries obviously have a low tendency to leave their own country temporarily or permanently and seek better paid employment abroad. Classical immigration countries create economic incentive structures for highly qualified immigrants *and* the local population.

Germany, on the other hand, combines the emigration of highly qualified workers with the immigration of low-skilled workers. The doctors and engineers trained at the expense of German taxpayers maximise their personal benefit, which is understandable and legitimate. If, for example, the working and income conditions of doctors in the German health system are compared with those in Australia or Switzerland, it can be seen that incomes in Germany are significantly lower and working conditions are often worse. In Germany, executive

doctors earn a third of what is paid for comparable positions in Australia or the USA. In the U.S., annual salaries of employed doctors of up to half a million US-dollars can be achieved. In Denmark or Switzerland, salaries are at least twice as high as in Germany.

Keeping highly qualified people in Germany will be difficult as long as there is much more to be earned abroad. The salaries of employed doctors, for example, are modest in Germany, at least by international standards. Even the low-skilled earn similar salaries in other countries: in 2018, an assistant doctor at a German hospital earned around 81,000 euros a year gross, just 4,300 euros more than a truck driver working for Walmart in the USA. After taxes and social security contributions, the American truck driver has a higher net income than the German physician, who has mastered a highly demanding education lasting at least six years.

8. Conclusion

Hardly any other topic stirs up the German public as much as the question of how Angela Merkel's government is shaping immigration and refugee policies. Even the Chancellor herself, who has always defended her policies on refugees, admitted in a newspaper interview in September 2018 that "the issue of refugees divides this country to some extent".²⁹

And not just Germany: One of the side effects of German refugee policy is Britain's withdrawal from the European Union. It was a fatal mistake of the Federal Government not to take this aspect into account when Germany opened its borders in 2015. The British historian Niall Ferguson, who describes himself as a supporter of European integration, has underlined the connection between the opening of the German borders and Britain's withdrawal from the European Union quite clearly. Ferguson argues that the British people's concern about uncontrolled immigration was absolutely justified.³⁰ German unilateralism should have been a thing of the past, but unfortunately is not.

There is a broad agreement in Germany that the German economy needs immigration in order to maintain today's positive development. Today, the immigration of skilled workers from non-EU countries is low. A clear distinction could be made, in immigration law, between refugees and immigrants. This lack of distinction is the cardinal error of the debate, as the former President of the Federal Constitutional Court, Hans-Jürgen Papier, has reiterated.³¹

²⁹ Merkel, Angela, Frankfurter Allgemeine Zeitung, 2018.

³⁰ "Aus Großbritannien Wird Eine Schweiz," Neue Züricher Zeitung, 2018, <https://www.nzz.ch/international/der-brexit-sollte-grossbritannien-wieder-gross-machen-aber-er-macht-es-zu-einer-schweiz-ld.1365871>.

³¹ Papier, Hans-Jürgen, "Perspektive Des Rechts: Offene Grenzen Und Generöser Sozialstaat - Die Flüchtlings- Und Migrationskrise," Ifo schnellendienst 71, no. 18 (2018): 30.

The complex asylum procedure in Germany, which is designed to examine each applicant individually, is not suitable and not designed for mass immigration. Prominent lawyers have repeatedly called for a distinction between refugees and migrant workers. Policy makers have failed to implement that advice. Germany, following the example of classic immigration countries such as Australia and Canada, would have to distinguish between a regulated immigration characterized by considerations of utility and a policy of protection for those persecuted based on humanitarian considerations (Papier 2018).³²

Since the refugee crisis in 2015, the country has changed considerably. The attack on the Christmas market at Breitscheidplatz in Berlin in December 2015, frequent stabbings, murders and rapes have repeatedly caused headlines and heated debates. Many of these crimes were committed by asylum seekers who had already committed criminal offences or who should have been deported long ago because their asylum applications had already been rejected. Over the past four years, Germany has continued to radicalize and polarize itself. Numerous cases prove the excessive burden imposed upon the authorities and the police and show a country that has long ceased to apply the same standards as it did some time ago.

At the same time, resistance to migration policy has radicalized. In June 2019, a politician, Walter Lübcke, was murdered by a right-wing radical, likely due to his support for a generous migration policy. The political climate in Germany has become harsh and relentless among both migration advocates and critics. German politics has failed to prepare the German population for the changes in society and to develop a model for living together in Germany. What is still lacking is what in the American system of government is referred to as the "consent of the governed".

Ideas for the development of a "Leitkultur", which Bassam Tibi, a university professor born in Syria, called for twenty years ago, find no support in the camp of supporters of migration. The right-wing conservative AfD rejects immigration outright anyway. Tibi has long argued for an inclusive citizen identity. Tibi propagates hybrid identities and rejects an exclusive demarcation from the majority society. He thus proposes that migrants connect their own culture with the culture of the host society. To this end, the members of the host society and the immigrants would have to change and move towards each other (Tibi 2018).³³ The debate in the German public demanded by Tibi is not yet recognizable. Rather, a culture of tabooing can be observed.

The political majority has problems with the development of a "Leitkultur" because this would have to be related to Germany and would thus strengthen the position of the German

³² Papier, "Perspektive Des Rechts."

³³ "Die Veredelung Des Fremden Ist Ebenso Falsch Wie Seine Verteufelung: Hilfreich Wäre Hingegen Ein Nüchterner Blick Auf Die Migration," Neue Züricher Zeitung, 2018, <https://www.nzz.ch/feuilleton/die-veredelung-des-fremden-ist-ebenso-falsch-wie-seine-verteufelung-hilfreich-waere-hingegen-ein-nuechterner-blick-auf-die-migration-ld.1422946>.

nation state. However, the Greens, the Left and the Social Democrats in particular are preferring to abandon, rather than strengthen, the nation state. Immigrants would therefore have to develop a post-national identity, which in reality overburdens most people and therefore leads them to retain their previous identity.

Even without a clear immigration policy, Germany was quite successful in integrating immigrants into the labor market until 2015 against the backdrop of very robust economic development. But this equation can no longer work out in an economic crisis. The call for a unifying social model, a "Leitkultur", remains unanswered.

9. References

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