



12 Core Messages

Migration and integration represent two sides of the same coin. The Expert Council of German Foundations on Integration and Migration's (SVR) annual reports alternately examines the two sides. The SVR's first annual report 'Immigration Society 2010', which included an integration barometer and was published in May of 2010, presented an inward-looking perspective. The annual report, which was conceived as a status review of integration, analyzed and assessed the status of integration and integration policy in Germany against an international background. The monitoring of processes in specific areas, policy analysis, and the Integration Barometer on the everyday realities of the immigration society revealed that the status of integration and integration policy in Germany are better than their reputation in the country, and by international comparison as well.

The SVR's second annual report 'Migration Country 2011', including the Migration Barometer, is both inward- and outward-looking. It analyzes and assesses the status of immigration, out-migration or emigration, and migration policy in Germany against an international background. Similarly to the integration report and Integration Barometer 2010, the conclusions of the migration report 2011 are cautiously optimistic: In key areas today, Germany's often rightly criticized migration policy is no longer uncertainly following its own course, but occupies a solid European middle ground. The Migration Barometer shows that German society is relatively well-informed about the migration situation. Its views on immigration, out-migration or emigration are largely pragmatic and differentiated, despite some exaggerations in the 'Sarrazin debate', and it has clear-cut expectations of a concept-oriented immigration policy.

The annual report 'Migration Country 2011' places Germany in the context of both international migration and the comparison with national migration management concepts. It analyzes the current status of migration, distinct trends, as well as anticipated future problems, and sets right common misconceptions of global migration. It also determines whether, and if so in what form migration can play a part in tackling existing problems and to what extent this can be achieved with migration policy concepts: What is the magnitude of the future demographic and economic need for new immigration?

How much room for manoeuvring does Germany actually have in managing future immigration? Which immigration management measures does the SVR recommend?

Core Message 1:

Quantitative development – Consolidation of the negative migration balance

Statistically speaking, Germany has long lost its politically controversial status as an immigration country. Today, it is a demographically ageing migration country characterized by high international migration rates and a tendency towards a negative migration balance, and lies in the statistical mean between immigration and emigration country. The migration balance is slipping into the red: A few years ago, it was still slightly positive, then only roughly balanced and now, for the second time in a row (2008 and 2009), the migration balance is negative. Germany's migration balance has been persistently, i.e., increasingly negative for quite some time now, especially compared to other countries with a high wage level such as Switzerland, Norway, Canada, and the U.S. Within 15 years (1994 to 2009), 515,336 more German citizens emigrated abroad than the number of those who immigrated to Germany during that same period. This migration balance is distorted by Ethnic Germans, who in statistical terms are considered German repatriates, and have therefore been subtracted.

Balanced migration, and even more so a migration balance that tends to be negative, poses a serious problem with long-term effects for contribution-based welfare states with a demographically ageing and shrinking labour force potential. In fact, Germany is still in a comparably comfortable situation: Due to the low fertility rate of the war generation, a (still) relatively small group of pensioners is met by the baby boomers, a (still) large economically active population. Concurrently, on account of low fertility rates, the successive generation's social costs for education, schooling, and training are low. Despite these (still) advantageous conditions, the contribution-based welfare state has already begun to decline. Yet the future will be turbulent once the eye of the demographic hurricane has been passed through. Concept-oriented managed immigration can – as a



supplement to educational, social, and labour market policy reforms – make an important contribution to the mitigation of the inevitable lack of skilled workers, which, according to existing calculations, will amount to millions in the medium term.

The SVR calls for the public and political debate to more strongly acknowledge the new migration realities. The suggestion that Germany has to protect itself from immigration on a larger scale is not only empirically false, but downright counterproductive if the objectives of economic growth and a socially responsible and long-term reorganization of the welfare state are to be achieved. Managed immigration is necessary for creating a balanced net migration, curbing the increasing shortage of skilled workers, and keeping the contribution-based welfare state, which is dependent on net contributors, viable.

(For further information and recommendations for action, see Chapters A.1, A.2.)

Core Message 2:

Qualitative tendency – Brain drain from Germany continues

Germany has a high level of education but cannot retain many of its young highly skilled professionals. Skilled workers in their most productive years, in particular, are leaving Germany as out-migrants or emigrants. Among these, the number of well educated young persons with a migrant background, who grew up in Germany, is also rising. The competitors in the global struggle for the 'best minds' appreciate this excellent source of labour supply: According to the results of a survey of 1,200 managers of R&D intensive firms worldwide conducted by the audit firm Ernst & Young, Germany ranks fourth after China, USA, and India in the talent factories of the future. Therefore, an intensification of employee poaching directed at Germany is to be expected.

Germany consequently needs to increase its appeal in two respects: Its appeal internally, on one hand, as a measure against the out-migration or emigration of skilled workers, and its external appeal to promote the immigration of skilled workers, an objective that migration management concepts alone cannot achieve. It will be difficult for Germany to internally retain and externally recruit skilled workers, who are indispensable for the

economy, welfare, and prosperity, without increasing its appeal.

The SVR stipulates that Germany must increase its appeal, not only for foreign, but also for its own highly skilled professionals. It calls both for an end to the conciliatory political whitewash of the obvious brain drain and a proper discussion on solution strategies. This requires a self-critical debate on the motives for out-migration or emigration and readiness to revise the terms and conditions that cause the increase in out-migration or emigration and the low immigration rates. The criticism ranges from overregulation and the insufficient flexibility of pay or of performance-based pay to steep hierarchical organization in hospitals, for example, to culture of envy and an overly complicated tax and contribution system which actually penalizes performance in the upper middle class, just to name a few examples. Germany has to change if it aims to remain sustainable in the face of demographic change and the struggle for the 'best minds'. If this succeeds, the country could become a pilot project.

(For further information and recommendations for action, see Chapters A.1, A.2.)

Core Message 3:

Migration policy in Germany – better, but not yet good enough

Regulations on migration are only one factor among many which determine a country's appeal in the competition for skilled immigrants. Expectations of an immigration management reform alone should therefore not be too high. Attractive rules of admission are nonetheless a necessary technical requirement to be successful in the increasingly fierce competition for skilled workers. A positive change has been observable in recent years: After agonizing decades of implementing an apprehensively defensive migration policy, Germany today possesses an increasingly functioning set of measures for indirect and direct immigration management. The gradually rising immigration of highly skilled professionals from third countries reflects these improvements. The influx of new immigrants is, however, too low and additional reforms are necessary, particularly to promote the immigration of highly skilled professionals.

The SVR calls for a continuous and consistent development of a comprehensive



and concept oriented migration policy that takes account of the brain drain effect and in which both immigration management and the increase in appeal play a leading role. The SVR Migration Barometer shows that the large majority in Germany – with or without a migrant background (58.7% and 57.7%, respectively) – are in favour of higher immigration of skilled workers (Fig. 5). The game of hide and seek being played by political parties and public authorities under the pretext of the supposed concerns of citizens paralyzes activity or legitimizes inactivity and should be given up. The following core messages present building blocks for a comprehensive and conceptually coherent migration management.

(For further information and recommendations for action, see Chapters A.4, A.5, A.6, A.7.)

Core Message 4:

Future immigrants – New countries of origin and recruitment strategies

Immigration does not eliminate the socio-political transformation pressure caused by demographic change. But cohesive immigration management can facilitate the adaptation to the structure of a demographically ageing society. To abandon immigration as a measure to mitigate the socio-political consequences of demographic change would be foolish as would be an overreliance on immigration as a universal remedy.

Germany's European neighbours, i.e., the former leading countries of origin of immigrants, are also undergoing demographic change and will consequently no longer represent a major source of immigration. In the short term, immigration to Germany will continue due to the country's high wage level in comparison with some of its European neighbours. In the long term, however, an increasing number of today's countries of origin of immigrants will 'catch up' and themselves become countries of immigration with a rising labour demand. Germany's immigration policy will therefore have to enter uncharted waters in spatial and strategic terms. The recruitment areas of potential immigrants will in future shift further South and East. Not only will the sources of immigration change, Germany's recruitment strategies will also have to be modified: It is unrealistic to expect that information brochures and forms will sell themselves just because they have been placed on the web.

The SVR calls for a realistic consideration of new possible countries of origin of future immigrants without being blinded by cultural panic: Northern Africa (e.g., Morocco, Egypt), Central Asia (e.g., Uzbekistan) or Southeast Asia (e.g., India), which at present are still insignificant as countries of origin, will probably gain in importance. Institutional links with the countries of origin which will be relevant in future should be expanded, and German institutions that are active in those countries should assume the role of poster child for Germany. This will require an alignment of migration, foreign trade, and in particular foreign cultural policy with its bridge-building function. A potpourri of courses of action can be resorted to: From promoting student mobility to the establishment of migration attachés in the Consulates and supporting the cultural activities of cultural activities of the *Goethe Institute* down to image campaigns, which are not based alone on the visions of public authorities but are developed in collaboration with professional PR agencies. Efforts to establish a network among German highly skilled professionals, in particular researchers, who have out-migrated and the expensive return programmes, which to date have not proven particularly successful, do not represent a substitute.

(For further information and recommendations for action, see Chapter A.3.)

Core Message 5:

Foreign students – Underestimated yet ideal immigrants

Little attention has been paid to an ideal group of immigrants, which has expanded like no other and in the last ten years has doubled to include over 27,000 persons. Foreign Graduates possess all the qualities that have to usually first be determined through complex admission procedures: They are young, university educated, generally have good German skills, are familiar with the country's institutions, and may even already have contacts with potential employers. They possess all requirements for a successful integration in the labour market. If these university graduates out-migrate or move on, however, considerable fiscal costs for education will arise due to the absence of or low tuition fees without a reinvestment in the country. Consequently, a successful 'residence



policy' for international university graduates should also be at the centre of a migration concept that is based on the immigration country's interests. Some progress has already been made in this regard, for example, the abolishment of the priority principle. This path should continue to be vigorously pursued.

The SVR recommends the development of an effective and sustainable 'residence policy' for international university graduates by doubling the duration of stay granted to recent graduates to find a job, from one to two years. Furthermore, the provision that the work performed by the university graduate must correspond to his/her acquired qualifications should be relaxed.

(For further information and recommendations for action, see Chapters A.1, A.7.)

Core Message 6:

Reform of the recruitment of skilled workers – The SVR's Three Pillar Model

The measures for the recruitment of foreign highly skilled professionals have gradually been revised in recent years. However, they are still too insufficiently grounded in the realities of the labour market, the priority principle process is too bureaucratic and cumbersome, and predominantly focuses on the employer, and they are thus overly cautious. Immigration to Germany requires the individual to have an employment contract in his/her pocket and to adapt to the given employment structure. The procedure as such is not necessarily problematic, but its exclusivism is. If only migrants, whose full integration in the employment structure has already been contractually agreed in advance are admitted, it should not come as a surprise that others do not follow suit. Not everything can be planned in advance; Innovations, successful new products, the establishment of a business, and new employment perspectives cannot simply be predetermined at the drawing board. Spontaneity needs room to evolve, including on the labour market.

The SVR recommends introducing a Three Pillar Model in relation to highly skilled professionals, which modifies Germany's currently one-sided, employer-oriented immigration management policy and supplements it with management measures that focus on human capital: The first pillar encompasses the reduction of the minimum gross annual income required to obtain a permanent residence permit from currently €

64,800 to approx. € 40,000, as well as the facilitation and acceleration of the priority principle process, which is still mandatory for the majority of temporary immigrants. The second pillar comprises improved residence options for international students upon graduating in Germany. The third pillar includes an initially restricted point system which is tailored to the clear present needs in the fields of engineering, mathematics, informatics and natural science.

(For further information and recommendations for action, see Chapters A.7, A.10.)

Core Message 7:

Temporary immigration for low skilled jobs – Migration management's success story

The public debate is dominated by the recruitment of highly skilled professionals. The temporary immigration of low skilled workers is far more expansive (2009: 294,828). A detailed and extensive catalogue of exceptions, which has been applicable since 1973 when the general recruitment ban was introduced, permits a temporary influx of low skilled workers. Largely unnoticed by the general public, temporary and seasonal recruitment in Germany functions almost de facto like circular migration programmes. These services are used, on the one hand, by employers in labour-intensive sectors such as agriculture, construction and construction-related industries, as well as private households in Germany, and by workers primarily from Eastern Europe, on the other.

The protectionist decision to fully exploit the transition period granted by the EU for the free movement of workers after EU enlargement in 2004 could have resulted in serious problems in terms of staffing and, consequently, to considerable competitive disadvantages, particularly for businesses in agriculture and the hotel and catering industry. The comprehensive and refined management system for the temporary admission of seasonal and contract workers in particular, which was installed quite some time ago, prevented this from happening in low skilled occupations.

The SVR recommends keeping the established measures for immigration management for low skilled workers. The majority of these programmes will lose significance once the free movement of workers from the new EU member states comes into effect in 2011 or 2014, respectively. The programmes as an



established management measure should, however, be retained, so they can be activated without legislative or administrative effort in case new shortages arise in this area.

(For further information and recommendations for action, see Chapter A.8.)

Core Message 8:

Family reunification – Integration and restriction

Those who immigrate to Germany to be reunified with their family traditionally represent the strongest immigrant group in Germany, following the group of temporary migrant workers in low skilled occupations. The subsequent flipside of a migration management that was focused more strongly on skilled immigrants was the restriction of family reunification in 2007. The triangle of requirements for family reunification, namely an adequate income, adequate living space, and a minimum knowledge of the German language, was frequently criticized in the public debate as a unique German severity and a contradiction to the protection of the family as guaranteed in the Constitution. In the meantime, however, this has become part of standard European migration policy. The discussion was additionally distorted by claims that the restrictions were introduced to promote preventive integration and to thwart forced marriages. Moreover, this regulation did not apply equally to all third countries.

The legislator's room for manoeuvring in relation to the reunification of family members with EU and third country citizens is severely limited on account of EU legislative provisions and obligations under international and constitutional law. In practice, the efforts to introduce restrictive regulations on family reunification seem to have been largely ineffective, considering that the number of visas issued has nearly reached the former level before the measure was introduced (2009: 42,756 visas). The result seems to indicate that the preventive rather than the restrictive element is dominant in family reunifications in contrast to the effects of language testing of ethnic Germans and the 'integration prognosis' of Jewish immigrants from the CIS, not including the number of those who may have been deterred by the courses and tests and who are difficult to estimate.

The SVR cautions about the widespread illusion that family reunification could be managed similarly to the immigration of highly skilled professionals, for example.

Family reunification takes place, even if it is only grudgingly acknowledged by some. Provisions for preventative integration in the countries of origin as well as accompanying and compensatory integration in the host country are in any case useful for facilitating the integration of partners who subsequently immigrate to Germany. Preventative integration activities should be monitored, evaluated and, if required, readjusted.

(For further information and recommendations for action, see Chapters B.1, B.2, B.3, B.4.)

Core Message 9:

Flight and asylum – National and international tasks

Increasingly more people worldwide are affected by so-called new wars and political crises, by life threatening environmental changes, and poverty in the face of rapid population growth. These individual factors do not usually cause an immediate migration, with the exception of direct dangers or expulsions. In fact, many different factors have an impact on refugee movements. This contradicts the notion of monocausal reasons for flight ('economic' or 'poverty refugee') and that of a mass refugee movement to Europe. The greater part of global refugee movements, in fact, take place within the region or even within the country of origin ('internally displaced persons'). Moreover, refugees arriving in Europe are unequally distributed among the Union's member states.

The SVR calls for reinforced solidarity among the European states in the admission and assistance of refugees and asylum seekers. In this context, a functioning 'burden sharing' in Europe is indispensable. Germany should furthermore introduce a resettlement programme and thus establish a flexible instrument for the admission of particularly vulnerable refugees from countries of first asylum.

Finally, the national government's remaining room for manoeuvring should be exploited to offer individuals with tolerated stay (Duldung), who are well integrated, and who cannot return home permanently prospects for residence in Germany. Persons who have been granted subsidiary protection should be allowed to take up work sooner. This would reflect the insight that the refugee's personal interest in assured prospects for residence coincides with the



state's interest in the advancement of integration.

(For further information and recommendations for action, see Chapters C.1–C.10.)

Core Message 10:

Irregularity – The limits of formulation

It is estimated that today there are relatively few illegally resident or employed foreigners in Germany by international comparison. This is attributable to the EU enlargement and a high degree of control, but also to the well-functioning temporary and seasonal agreements with Eastern European countries in particular. With their help, Germany has been able to avoid a great deal of problems with illegal immigration.

There are many reasons for illegal immigration and/or employment: That a country's demand for labour cannot be met by the domestic labour force for the asking price; that there are no adequate possibilities for long-term legal immigration for the purpose of gainful employment; that businesses which employ illegal workers do not pay social insurance contributions, increase their own profit margin, and consequently cause distortions of competition, which may compel other businesses to follow suit; and that finally, illegally employed workers establish a competitive advantage in relation to legally employed persons, particularly in agriculture, construction and construction-related industries, as well as in private households, by waiving their right to social security and collective wages – despite being underpaid for their work, they actually receive higher wages than they would if they were legally employed and had to pay taxes and social insurance contributions.

Prohibitions or intimidating penalties might restrict but not abolish the illegal immigration and employment of foreigners. Moreover, Germany's control structure is already quite high by international comparison. Expectations to achieve restrictive effects through an even higher density of controls are costly illusions. Irregularity is in fact a structural phenomenon. It is closely tied to the traits of European states as welfare states and is also a manifestation of an irrevocable, imminent deficit of immigration management. A combination of different steps can help minimize the illegal employment of foreigners and ensure that migrants without a residence permit are not exploited.

The SVR recommends reducing the incentives for employers to illegally employ foreigners. Accordingly, contributions to

social security for low-skilled and low-paid jobs should be kept as low as possible. Furthermore, it is recommended to make use of the well-functioning legal options for recruiting employees for low skilled occupations. Structural reforms in the social services sector, particularly higher availability of all-day child care and affordable options for home nursing of the sick and elderly are also necessary. Illegal residents should not have to waive their existing rights out of fear of detection or deportation, for example, the right to physical integrity, to the wage agreed to for work performed, as well as to education for children and youths.

(For further information and recommendations for action, see Chapters A.9, D.2.)

Core Message 11:

Humanity and state sovereignty – 'Fortress Europe'

The illegal path to Europe is not only costly because it typically involves traffickers, but also often life threatening. 'Fortress Europe' is increasingly surrounding itself with an effective, partially visible and partially invisible protective wall that is fortified with state-of-the-art technology. It turns away immigrants who have no opportunity for legal admission and therefore use illegal means to evade the control and defence mechanisms. This leads to increasingly dangerous routes and to an increasing rise in the already high death toll outside the gates of Europe.

Germany's refugee policy has largely been transferred to the EU level. The unpleasant task of border security, which often clashes with humanitarian positions, is being assigned to third countries, in part by European, in part by bilateral agreements. The securing of the EU's external borders thus often comes at the expense of questionable collaborations with states or regimes that violate human rights standards. The 'defence' of European borders against any 'violation' by illegal immigrants and refugees, particularly in the Mediterranean and the Atlantic region, is not only being relocated to international waters, but also in part to the coastal waters of third countries.

The EU regularly bemoans the abuse of human and refugee rights in its defence against illegal immigrants seeking to enter Europe via and with the aid of third countries, which – in part – have not signed the Geneva Convention on Refugees. At the same time, the EU does not consider itself



responsible for binational agreements such as that signed between Italy and Libya under Gaddafi. Moreover, although all do not agree with the methods being used, they all undeniably approve of their effect: The defence against illegal immigration to Europe. The looming collapse of the autocratic regimes in Northern Africa when this report went to press, which backed the European defence strategies, will unearth the challenges Fortress Europe will face with a possibly exposed Mediterranean flank.

The SVR calls for border security by third countries based on the rule of law and social norms. The same applies for the strongly expanding European border security agency Frontex, which beyond its own evaluation reports is only subject to marginal parliamentary control.

Despite the intensified relocation of defence strategies closer to the countries of origin, the humanitarian objective to protect individuals who are in danger and are being persecuted must be ensured. Precisely because illegal immigration to Europe represents a multitude of individual cases, each case must be checked individually to determine whether he or she is a refugee or an asylum seeker who has a right to legal proceedings. This cannot be sufficiently achieved aboard the interception fleet operating off the coasts of Europe. It must either take place in Europe itself or outside of Europe in facilities under the supervision of the UNHCR.

The game of political hide and seek behind the majority population's alleged 'the boat is full' attitude should come to an end; according to the Migration Barometer, 48.5% of Germans without a migration background support a higher admission of refugees and asylum seekers (Fig. 5).

(For further information and recommendations for action, see Chapters C.8, C.10, D.1.)

Core Message 12:

Migration and global development – Migration management to everyone's benefit?

Migration policy instruments have found their way into conventional development policy, whose legitimacy in turn has come under increasing pressure. 'Migration optimists' involved in development policy anticipate that aligning the two policy areas, particularly in the form of circular

migration programmes, will bring improved management possibilities, a reduction in illegal migration to the EU, and above all, an improvement of the situation in the countries of origin through retransfers and transfers of technology.

A scenario simulation developed on behalf of the SVR shows that circular migration programmes are possible legally and can generate positive effects for the country of origin. These benefits are, however, minor and depend in particular on the number of returnees, the capital they transfer or bring back with them, and the increase in productivity they trigger. Corresponding framework conditions must be established in the countries of origin if circular migrants are to return and actively participate in their own country's economic process again. Legal certainty, a bureaucracy free of corruption, and positive economic framework conditions represent the fundamental building blocks of this process.

The SVR ascertains that concept-oriented migration management can contribute towards a more efficient development policy. In light of the EU's increasing separation of low skilled workers and refugees, migration and development policies should – for normative reasons as well – be tied more closely together. As regards, circular migration programmes, Europe and Germany have room for manoeuvring and should emphatically be used. Circular migration programmes must be embedded in mobility partnerships which do not only reflect the interests of the countries of origin and the host countries, but also those of the migrants themselves; only then can their preparedness to collaborate be expected and circular migration guaranteed. Circular migration is, however, only one building block in an overall global migration management concept that ought to be capable of adequately dealing with all foreseeable challenges in the future.

(For further information and recommendations for action, see Chapters E.1, E.2, E.3, E.4.)