Chapter 6

Concluding Remarks

Since the Second World War Germany has been – despite contrary declarations – de facto an immigration country and it is likely that it will remain an immigration country. Immigration has great potential to benefit German society and economy. However, whether this potential is used hinges crucially on the design of the migration and integration policy.

The first part of this thesis reveals deficiencies in the integration process of migrants and their descendants. Due to intergenerational correlations, current problems, such as poor educational and labor market outcomes of first- and second-generation migrants, are a result of past migration policy which was characterized by the deliberate and intentionally temporary recruitment of low-skilled workers and a lack of accompanying integration measures.

Economic research is important to identify decisive parameters for a well-targeted policy which attracts high-skilled migrants and which creates an institutional framework that eliminates obstacles to a smooth integration process – for present migrants as well as for newly arrived migrants. The success of this ambitious contribution of economic research depends, however, entirely on the availability of adequate and comprehensive data. This is a necessary precondition for causal inference.

Past labor migration regulations were to a large extend guided by short-term considerations (e.g. labor shortages in the 1950s). It is important to introduce a paradigm shift in immigration policy to survive in the growing global competition for qualified migrants. The last part of this thesis has shown that natives do not have to fear adverse labor market effects from immigration. In contrast, migrants may constitute valuable complements to German natives on the labor market.
At the beginning of the new millennium, the German Federal Ministry of the Interior introduced an independent commission which proposed a concept for the regulation of immigration to Germany and for the integration of migrants in Germany. Among other things, the commission proposed the introduction of a point system – like it has been successfully established in traditional immigration countries, such as Canada or Australia – which could flexibly regulate immigration depending on the developments and needs of the German labor market (Unabhängige Kommission “Zuwanderung”, 2001).

Even though this concept was not implemented, it has stimulated the political debate on migration and there have been several policy reforms which have modified the migration and integration conditions in Germany. An important step was the new German Immigration Act in 2005. With respect to immigration regulations, the new Immigration Act has facilitated, for example, access to the German labor market for high-skilled workers and has improved the prospects of foreign graduates from German universities for a permanent residence permit in Germany. For migrants, so-called Integration Courses were introduced. These courses comprise language courses as well as general orientation courses which provide knowledge about the German legal system, culture and history.

During the last years, these reforms have been gradually promoted. On the whole, these efforts suggest that the need for action has been recognized and that Germany is on the right track to meet the requirements of an immigration country.