www.fmreview.org/economies

June 2018

Obstacles to refugees' self-reliance in Germany

Elizabeth Ekren

The majority of Germany's refugees and asylum seekers rely on government welfare and face serious obstacles to self-reliance. Integration policies must eliminate these obstacles to promote mutual long-term benefits for refugees and their new communities.

Since the height of the so-called refugee crisis in 2015, Germany has accepted around 830,000 asylum applications.¹ Given the country's ageing population, falling birth rate and decreasing availability of skilled workers, fully utilising refugees' capacities in the labour market has the potential to result in wide-scale socio-economic benefits.

Research suggests that it may take 10–15 years before refugees produce a positive effect on national budgets, but they also have the potential to help strengthen fiscal sustainability in the long term, providing they are well integrated.2 Unfortunately, current trends indicate a slow start to such integration in Germany, with little more than 100,000 refugees in full- or part-time employment and the vast majority reliant on government welfare benefits. In 2016, costs to provide these benefits (in the form of housing, health care, food, basic daily provisions, language training and spending money) were higher than planned, reaching over €20 billion. If the current trajectory does not change, costs will continue to grow exponentially, and long-term welfare dependency in refugee communities could also drive long-lasting cycles of poverty and social discontent.3

Self-reliance and its benefits

In accepting the highest number of asylum applications of any European Union (EU) country, Germany has embraced a position of humanitarian leadership within the bloc. It is important, however, that Germany does not fall into the trap of viewing refugees as a homogenous collective of victims who have no capacity (or desire) for self-help. In reality, refugees have diverse educational backgrounds, professional experiences, technical skills, social networks and creativity to draw upon in building new lives. When policies encourage refugees

to capitalise on these diverse capabilities, refugees have far greater potential to become autonomous and self-reliant, driving their own positive socio-economic outcomes.⁴

The reality is that large numbers of refugees will remain in the long term. Germany must therefore focus on policies that promote refugees' lasting self-reliance. Despite some attempts at this, refugees' access to work opportunities and potential self-reliance is still precarious, impeded by institutional structures, practical constraints and the extreme uncertainty that still characterises their daily lives.

Practical barriers to work

In July 2016, Germany's Integration Act improved labour market access criteria – in theory at least – for both asylum seekers and those whose applications have been accepted. The law shortened work prohibition periods, reduced the extent of citizen priority checks for job applications and guaranteed a right to stay for the duration of a job training programme. Despite the reforms, finding a job and independently meeting material needs remain fraught with legal and practical complications.

Receiving acceptance of an asylum application can take upwards of six months, and the accompanying employment restrictions and benefits vary according to the type of status awarded. For those still awaiting decisions, their country of origin and the likelihood of their application being successful determine their access to government language courses, employment programmes and job offers. Some localities, due to their high unemployment rates or their concentrations of specific technical jobs, can still require citizen priority checks when refugees apply for jobs, meaning that the employer will first check whether a

June 2018

www.fmreview.org/economies

suitably qualified German or EU candidate is available. The local authorities who conduct these checks have a high degree of autonomy and little obligation to justify the decisions they make. State and municipal residency requirements for refugees prohibit them from moving away from areas in which it is difficult to find employment unless they can find jobs in advance of moving that meet legally defined minimum salary requirements.

Even lower-skilled jobs tend to require a working knowledge of German and, given the varying waiting times for access to a government language course and the time it takes to complete (12–24 months), immediate access to even the most basic jobs is limited. Furthermore, the official government-provided language integration course does not provide the specialised language training required for higher-skilled jobs. With little disposable income, engaging in private study to overcome these barriers is often financially impossible for refugees.

The rigid structure of the German education and employment training systems adds additional complexity for refugees with foreign qualifications. As a part of employment readiness procedures, job centres and local guilds assess whether or not refugees' credentials meet German standards, for both technical and nontechnical jobs. Even when refugees' skills are evident, there is little possibility of avoiding these long bureaucratic review processes or taking simple practical skills tests to enter directly into work; where alternatives do exist, they are offered at the discretion of local government authorities and businesses. Given the difficulties around qualification recognition, entering the job market through formal apprenticeships and employer-run training courses is often one of the only viable routes to access many professions. However, job centres are under no obligation to find ways for refugees to fill perceived skills gaps so they can practise or retrain in their previous professions. Even surpassing such hurdles to find and complete such an apprenticeship or training programme does not guarantee any follow-on employment or the legal right to remain in Germany.

Due to housing shortages and difficulties finding private rentals, refugees tend to live in shelters for far longer than policies stipulate they should. Crowded living conditions can cause constant noise and residential conflict that hamper daily routines and disrupt bathing, studying, eating and sleeping on a schedule that is compatible with working hours. Shelters in smaller cities are often poorly connected to public transport, creating difficulties commuting to jobs in metropolitan areas. Further discouraging the search for work is the fact that once they report income, refugees become responsible for paying their own accommodation costs in shelters, which are frequently unaffordable.

Unreliable resources, unpredictable needs

While their asylum applications are being assessed, refugees living in shelters receive a nominal monthly allowance (€81–145, depending on age). Shelters may also provide additional in-kind benefits such as catered food, hygiene items or clothing. After 15 months, or once their asylum applications are approved, refugees receive a slightly higher monthly amount (€237–409). With most or all of their material resources having been depleted in flight, until they can earn income refugees have little else to draw upon, making moving beyond subsistence difficult.

Already complex benefits schemes change rapidly at both federal and local levels, resulting in implementation delays, inconsistent payments and incorrect disbursements. Frequent, forced (and often unannounced) moves to new shelters often mean that either refugees must find or purchase new household items or furniture when they are not provided, or have to abandon what they have already accumulated but cannot take with them due to differing shelter rules or the inability to afford moving services.

Without other reliable means of connectivity, refugees must use large portions of their allowances to pay for phones and data (vital for contacting family, friends and services). They must also pay for other expenses related to their asylum claims, including translators and legal advisors.

www.fmreview.org/economies

une 2018

A shift towards reciprocity

Germany must commit to a more consolidated vision of how it sees the place of refugees in its future society. Are refugees merely temporary guests whose basic needs should be attended to only until they can be sent elsewhere? Or are they a new population of permanent residents who are expected to integrate – to put down roots, build independent lives and give back?

Presuming the goal is the latter, policies should find more productive ways to harness refugees' vast socio-economic potential. At a minimum, the laws and processes regarding asylum applications, shelter transfers, residency status renewals, case appeals and deportations should be further streamlined, shortened and simplified. This would reduce the protracted uncertainty that decreases refugees' motivation to overcome obstacles to employment, financial security and independent living. Policies should furthermore continue to expand legal rights to work while striving to eliminate existing barriers - including greater flexibility in job equivalency reviews and

skills testing, easier entry into lower-skilled or in-demand jobs and more opportunities for on-the-job learning of both skills and language. Most critically, policies must stem from the premise that refugees have the capability and desire to become self-reliant; the role of institutional structures should be to empower them to achieve this.

Elizabeth Ekren elizabeth.ekren@uni-bonn.de
PhD candidate, Center for Development Studies,
University of Bonn
www.zef.de/staff/Elizabeth Ekren

This article is based on ongoing dissertation research and fieldwork in four refugee shelters in Cologne.

- 1. In addition to those who have been recognised as refugees, this number includes those who have been granted other recognised residency statuses – such as 'ban on deportation' or 'subsidiary protection' – which are not legally equivalent to recognised refugee status.
- European Commission (2016) 'An Economic Take on the Refugee Crisis: A Macroeconomic Assessment for the EU', Institutional Paper 033 http://bit.ly/EC-Economy-Refugees-033-2016
- 3. Sources for the figures cited in this paragraph and throughout are available (in German) from the author.
- 4. See for example UNHCR (2006) Refugee Livelihoods: A Review of the Evidence www.unhcr.org/4423fe5d2.pdf (CC) BY-NC-ND