

Changing preferences ? German employer associations in the « asylum crisis »

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An unprecedented wave of asylum seekers

- Breakdown of the Dublin agreement in the context of massive afflux of refugees in 2015 and 2016;
- Germany is the most important EU receiving country in the “asylum crisis” in absolute terms and second in per-habitant count;
- In 2015 and 2016, Germany has treated 1.2 million asylum demands
-> Germany as a major attraction for refugees due to economic (labour market) and political signals (“Refugees welcome”; “Welcoming culture” (*Willkommenskultur*))

Who came?

- No reliable data on the skill-structure (OECD, 2017). Data from the Federal Office for Migration and Refugees (BAMF) suggests:
 - Educational attainment varies strongly with regard to nationality;
 - In 2016, 11 % of the asylum seekers had undergone no formal schooling; 20.5 only primary school education;
- Syrians are the most important national group;
- 70 % of the asylum seekers are male, thereof 34 % between 16 and 24 years of age;

Why take an interest in employer associations in the « asylum crisis »?

Employer associations represent employers, as direct or indirect voluntary membership organisations;

- Historically, especially in countries with a neo-corporatist heritage, they have come to accept a wide range of quasi public responsibilities (Schmitter and Streeck, 1985).
- Employer associations face specific collective action problems (e.g. Traxler, 1999) that translate into organizational idiosyncrasies;

Some specific features of the German employer associations:

- Traditionally embedded in comparatively centralized and encompassing organisational structures (Streeck 1988);
- Interact with trade unions in three main areas: (i) tripartite dispute resolution through the labour court system; (ii) industry-wide collective bargaining (*Tarifautonomie*); (iii) tripartite management of the vocational training system;
- Decentralisation of collective bargaining has led to a decline in employer density. It constrained employer associations to find new roles and incentives to secure membership (Silvia 2013);
- Despite more difficult conditions of existence, the confederation of German employer associations (BDA) has maintained its entries to the Ministry of Labour and, to a lesser extent, the Ministry of the Interior (Menz, 2009).

Employer associations and immigration

- Literature neglects or leaves unspecified the role of interest groups in shaping migration policies. Existing studies focus on trade unions (e.g. Haus 2002; Marino et al. 2017).
- Yet, employers have an interest in the regulation of immigration as it affects the **supply of the type and quantity of “external” labour**. Existing studies underline the significance of employer lobbying in shaping immigration policies (Menz 2005, 2009; Freeman 2002, 2006);
- To explain cross-country differences in migration policy outcome, Menz (2005) has suggested that the impact of labour market interest groups on immigration policies depends on their “organizational power”;
- The VOC-approach (Menz, 2009) argues that national employer associations will seek and attract migrants that complement corporate strategies -> The German CME, marked by gradual innovation and high value added production, requires highly skilled labour migrants;
- However: The recent wave of asylum seekers is **neither highly skilled nor managed**

'Neither managed nor skilled': The research

- Question: How do employer associations deal with the resulting dilemma? What are the measures they propose and how can we account for them?
- Aim: Understand the adaptation strategies and resulting transformations of employer organisations in the context of demographic and socioeconomic change;
- Explorative methodology: On-going research stream. Analysis of publications of the Confederation of German employer associations (BDA) pertaining to asylum and immigration since 2011. First results published (Kahmann & Hege 2016);

Charting the dilemma. Employers and asylum

- German asylum right has been continuously curtailed since the early 1990s (spectre of “uncontrolled economic immigration”); it has become a “**dissuasive right**” (Tränhardt 2015) that excludes asylum seekers from integration. It is characterized by:
 - Compulsory collective residence;
 - Restriction of geographical mobility (*Residenzpflicht*);
 - Reduced social benefits (*Asylbewerberleistungsgesetz*);
 - Temporary employment ban;
 - Historically, organized **employers have supported the dissuasive turn** (Butterwegge et al. 2002; Menz 2009);
- > Asylum right is an individual right that is **at odds with the objectives of numerical control, selection and limiting length of stay** -> “managed migration” (Martin et al. 2008)).

Employer preferences for (highly) skilled labour admission schemes

- Since the late 1980s, employer associations have increasingly been lobbying governments for a selective reopening of the labour market;
 - Late 80s: industry-specific seasonal and contract worker programmes;
 - 1999: IT-sector obtains “Greencard”;
 - 2003: Defeat on transitional periods for free movement of CEE workers;
 - 2005: Immigration code failed to implement point-system;
 - Liberal transposition of the “blue card” directive (2012); liberalisation of labour market access for students;
- =>OECD (2013: 68): *“Recent reforms have essentially opened the labour market for highly-skilled labour ... Pathways for medium-skilled immigration remain limited”*

Employers as a key actor in the ‘integration consensus’

- In the early 2000s the expert “immigration commission” (*Kommission Zuwanderung*) laid the foundation for a paradigmatic shift in public policies. Since then, the “**integration consensus**” has become the official doctrine.
 - “The migration management and immigrant integration are some of the most decisive tasks in the coming decades”;
 - Immigration of high-skilled workers is indispensable in order to guarantee international competitiveness of German firms;
 - **Demographics** as argumentative background: By 2030, the economically active population will have reduced by almost 6 million, creating a deficit of 4 million skilled workers;
- > Employers have supported the widening of the policy focus to **societal stakes of immigration**. In the same vein, they have started promoting the development of **local “welcoming cultures”** in order to increase the attractiveness of employers (-> limits of the regulative approach).

Dealing with the dilemma: How have employer associations reacted ?

- Supported the government's effort to **accelerate asylum procedures and expulsions**; extend the list of 'safe countries of origin' (*Asylpaket 1 & 2*) ;
- Demanded to **unlock existing restrictions to labour market access** of the two « suspended » categories of refugees (asylum seekers & *Geduldete*). Since 2015, these benefit from:
 - Reduction of the work ban from 15 to 3 months. Employers oppose the priority review by the Federal Labour Agencies;
 - Employers continue to claim the lifting of the 15 months ban on temporary agency work;
- Nationals from Montenegro, Serbia, Bosnia and Albania are entitled to demand a work permit at the German embassy in their country -> tentative to **ease strain on procedures asylum without menacing potential labour supply**.

Hopes of reviving the dual training scheme

- Extending **professional training possibilities** for asylum seekers and *Geduldete*. The 2016 Integration law provides for the
 - Lifting of age limitations for participants in vocational training;
 - Securing right to stay during vocational training and to search for a job afterwards;
 - Granting successful apprentices a job a temporary permit;
- > It allows a potential statutory **way out of the asylum procedures** for those who manage to transform themselves into skilled workers;
- The dual vocational training system guarantees “a favourable mix between university and professional degrees that is indispensable to German competitiveness” (Ministry of Education and Research 2015:5)
- Develop **local initiatives and accompany enterprises** wishing to employ refugees.

Conclusions

- Organized employers responded **pragmatically** to the arrival of asylum seekers and in **continuity** with their anterior views. Three priorities have guided their reaction:
 - Support the government's efforts to reduce the number of asylum demands and accelerate decision procedures;
 - Display support to the “welcoming culture”, seen as essential in the international competition for skilled labour (BDA, 2013);
 - Exploit the potentialities of the unexpected labour supply
 - By favouring vocational training (-> age structure of migrants);
 - Removing temporal and procedural barriers to the employment of asylum seekers and *Geduldete*;
- These efforts **challenge the frontier between economic immigration and asylum**. The key concept in contemporary German immigration policies is “integration” (Hess & Moser 2009); employers have successfully lobbied to include (skilled) employment as a yardstick for “integration”;
- In terms of conceptualizing employer associations, increasing employer activism in the integration domain suggests that the predominant literature **focus on admission preferences is insufficient**;
- Is the renewed employer associations' attention to the **regulation of labour supply** a reaction to the decline of industry-wide collective bargaining?

THANK YOU FOR YOUR ATTENTION!

