Precarious Integration: Labour Market Policies for Refugees or Refugee Policies for the German Labour Market?

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Abstract
Following decades of restricting refugees’ access to work, the German state has re-orientated its refugee policies by emphasising their role as potential labour market participants. Since 2014, legal reforms have liberalised refugees’ access to the labour market and innovative mechanisms for qualification and labour market integration were established. Given the role of migration policies for labour regulation in the context of neoliberal globalisation, it seems reasonable to assume that this shift is not merely driven by humanitarian concerns, but points to an increasingly utilitarian approach to refugee policies. By applying concepts from the political economy of labour, such as activation and flexibilisation, to refugee policies in Germany, I aim to provide an analysis that considers refugee policies an integral and dynamic part of transformations of post-Fordist labour markets. For this purpose, the legal and institutional reforms undertaken to integrate refugees into the labour market, in particular the recent integration law, will be analysed critically. Moreover, the paper will draw connections between refugee policies and previous labour market reforms in Germany which aimed at increasingly activating and disciplining the workforce. This way, the paper will explore to what extent the state’s recent approach to refugees’ labour market participation represents a continuity with the process of neoliberalising the German labour market. Consequently, refugee policies that are presented as a chance for quicker and better integration are shown to contribute to further flexibilisation and segmentation of the labour market.

Keywords: Refugee Policies, Labour Market Integration, Activation, Flexibilization, Precarisation.

Introduction

Refugee rights activists in Germany have criticised refugees’ limited access to work for years. However recently, the German state has re-orientated its refugee policies by starting to emphasise refugees’ role as potential labour market participants. Since 2014, institutional and legal reforms have opened up the labour market and eased refugees’ access by establishing innovative mechanisms for skill verification, training and job placement. Today, refugees are allowed to start working three months after registration as asylum seekers, to carry out unpaid internships under certain conditions, and to accept temporary contract work and ‘voluntary’ job opportunities for eighty cents per hour. Moreover, the ‘priority review’ (Vorrangprüfung) is omitted in most regions for two years. However, these reformed regulations for labour market integration do not apply to

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3 Except in the federal state of Mecklenburg-Vorpommern and certain districts in Bavaria and North Rhine-Westphalia
refugees from the so-called “safe countries of origin”⁴. These changes in Germany’s recent refugee policies have been described as a paradigmatic change.⁵ Yet, the institutional and legal reforms under way should also be analysed considering the continuous transformations of the German labour market and the country’s migration policies in the last few decades.

On the one hand, the current attempts to integrate refugees quickly into the labour market can be viewed against the backdrop of previous labour migration policies, such as the guest worker system and more recent attempts to attract skilled immigrants. On the other hand, they are deeply anchored in broader transformations which European welfare states undergo in the context of neoliberal globalisation. In this way, it is insightful that Scherschel labels the current approach to labour market integration a “neoliberal guest worker system”, pointing to the continuities and transformations in Germany’s immigration policies.⁶ Despite the spontaneous and autonomous character of refugees’ movements towards Germany, the reaction of the German state reflects certain political rationalities and interests. In this spirit, it can be argued that the neoliberalisation of the German labour market plays an important role in the shaping of recent migration and refugee policies. At the same time, racist and despotic migration and border regimes from the past and present influence policy and opinion making. The grounds on which Germany’s current refugee policies are shaped and which interests they serve thus demand to be questioned. As will be argued in this article, the evolution of migration policies in the last decades, as well as labour market reforms implemented in the frame of Agenda 2000, play a decisive role in shaping the labour market integration of refugees. To this end, the article will explore recent reforms concerning the integration of refugees into the labour market in light of more general trends in Germany’s migration and labour market policies.

The first part of the paper will present the reforms that have taken place concerning refugees’ labour market access by analysing the evolution of migration and refugee policies in Germany and their impact on labour market participation. The second part will focus on transformations of the German labour market and argue that the implemented reforms for refugees’ labour market integration reproduce general tendencies in the regulation of labour markets, such as the activation and flexibilisation of labour. In a period of labour regulation based on flexible accumulation, attempts to liberalise refugee integration policies might thereby be implemented in a way that contribute to a further segmentation and precarisation of the labour market.

**Liberalising Integration Policies for Refugees**

The specific circumstances of refugees’ flight and the particular legal categories designed for them do distinguish refugee policies from labour migration policies. Nevertheless, there are important connections between refugee and labour migration policies, not least because the dichotomy between refugees and labour migrants is in many aspects artificial and because policies shaped in relation to one group have important implications on the other.⁷ For instance, the current movement of refugees from Syria comprises important economic dimensions despite the context of forced migration. Few livelihood options and

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⁴ Albania, Bosnia and Herzegovina, Ghana, Kosovo, Macedonia, Montenegro, Senegal and Serbia, and adding the People’s Democratic Republic Algeria, the Kingdom of Morocco and the Tunisian Republic is planned - are “safe countries of origin” since 2016, allowing the German state to conduct an accelerated asylum procedure for asylum seekers from these countries, to exclude them from integration measures and to place them in special accommodation facilities (besondere Aufnahmeeinrichtungen) from which asylum seekers do not have the right to leave (Muy 2016: 230)


economic opportunities in Syria’s neighbouring countries - such as Lebanon, where Syrians barely have formal access to the labour market and if so only to its lowest segments - constitute motivations for refugees to move further away from their homes. Particularly in protracted refugee crises, the right to work and earn one’s livelihood is crucial for refugees in order to re-establish their autonomy and membership in a society through access to good work. At the same time, even the recruitment of guest workers after WWII, which is often considered the benchmark of regulated labour migration, contains elements of flight from dictatorships in Southern Europe without being framed as a refugee movement. Moreover, attempts by advanced capitalist states in the last two decades to attract more skilled or highly-skilled migrants for labour market sectors with an acute shortage can be presumed to have inspired the recent economism vis-à-vis refugees’ integration process. Nevertheless, the undertaken reforms reflect a positive turn in Germany’s rather restrictive integration policies for refugees.

*Regulating Migrants’ Labour Market Participation*

While the German government’s recent attempts to integrate refugees into the labour market represent a rupture with previous policies that restricted refugees’ access to the labour market, Germany’s economy has clearly long made use of migrant labour. It is thus important to consider the evolution of migration policies within their historical context to be able to grasp the continuities and transformations. In the context of the economic recovery and shortage of workers - but also as a means of controlling existing movements of people - an extensive guest worker system was introduced in West Germany in the 1950s, recruiting workers from European countries such as Italy, Portugal, Spain, Greece, Poland, as well as from Turkey and Morocco. The guest worker system was elaborated carefully in a way to ensure the state’s continuous control over the recruitment process and guest workers’ labour rights and conditions. For instance, systems of regular workforce rotation were devised to prevent permanent settlement of guest workers and their families in Germany. The dominant Fordist regime of accumulation since the 1950s based on mass production and consumption reached its limits in the 1970s though, as profits decreased and resistance of the workforce against their working conditions rose. In this context of crisis in the Fordist system of production, the guest worker system was officially abandoned in 1973. Subsequently, the conflicting interests concerning labour migration policies became apparent as employer associations, alongside the Confederation of German Industry (Bundesverband der Deutschen Industrie, BDI), opposed this political development. They lobbied for continuous recruitment of workers from abroad and the liberalisation of labour migration in order to make use of a reserve army of labour to

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10 Manuela Bojadžijev, Panel I. Logistische Regulation migrantischer Arbeit. Eine Forschungs-perspektive. Arbeitstagung für die Vermittlung mobiler Arbeit. (Berlin: Humboldt University, 2016)


forced decrease workers’ bargaining power. Later in the article we will encounter the BDI again concerning its position on refugee policies.

In subsequent decades, labour migration policies have aspired to restrict the increasingly uncontrollable migration patterns, while allowing for few forms of legal migration to persist. Family reunification had for a long time been a major mode of migration particularly for women and children, but was progressively restricted from the 1980s. Since 1990, industrial and employers’ interest groups have gained increased leverage over strategies to attract (highly-) skilled workers to Germany. To this end, tools such as the Blue Card were devised to allow for a competency-based selection of labour migrants. This trend towards a “global hunt for talents” illustrates and underpins the new international division of labour concentrating the labour-intensive parts of production in the global South, the knowledge- and capital-intensive parts in the global North. However, given the heterogeneity of post-fordist labour markets requiring sophisticated technological skills, as well as workers with soft and artistic skills for the growing service sector and creative economy, this conceptualisation only describes part of the reality. A more nuanced understanding of labour market requirements in the context of flexible capitalism recognises the importance of the exact management of migration movements which aims at responding to the “just-in-time and to-the-point” requirements of the global economy.

Forced migration has had a turbulent history in Germany throughout the World Wars and their aftermath. So-called ‘refugees of the republic’ from East Germany constituted a welcome opportunity to mitigate the federal shortage of workers in the 1960s. While they did not face legal and political discrimination nor language barriers, their labour market participation nevertheless caused resentment among local workers. In the context of large refugee movements to Germany from the Central Eastern European countries during the late 1980s and early 1990s, Germany became the second largest immigration country worldwide in 1996. Despite the admission of many refugees from the (former) Soviet Union - motivated by the Cold War ideology - refugees’ legal, social, and economic integration in Germany remained hindered by exclusionary regulations. Most refugees were only granted temporary protection and were subsequently deported. The access of refugees to the labour market was for long severely restricted in Germany as they could only apply for work permits for certain jobs fifteen months after submitting their asylum

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15 A residence title can be granted for the length of a work contract or four years for Non-Europeans with employment opportunities with a yearly gross income of 50.800 € or more or 39.624 € in professions with an acute shortage, such as natural sciences, mathematics, engineering, IT and medicine. Access to permanent residence titles and family reunification is also facilitated for Blue Card holders.
16 Georg Menz. “European employers and the rediscovery of labour migration”
19 Sandro Mezzadra, Panel I. Logistische Regulation migrantischer Arbeit. Eine Forschungsperspektive. Arbeitstagung für die Vermittlung mobiler Arbeit (Berlin: Humboldt University, 2016)
20 Ursula Mehrländer & Günther Schultze,. „Einwanderungskonzept für die Bundesrepublik Deutschland: Fakten, Argumente, Vorschläge“. (Bonn: FES-Library, 1992).
application. Moreover, limited access to German language classes and the lack of recognition of existing qualifications further obstructed labour market participation. Restricting the access to work for refugees is a widespread political practice in many host countries and is justified with the dominant but unfounded assumption that economic disadvantages would deter further refugees from seeking refuge. However, this approach has not only been criticised as inhumane and constitutive of precarious working conditions by refugee rights activists, but is also increasingly perceived as unproductive and wasteful of potential by liberal economic actors, such as employers and business consulting groups.

First indications of an increasing convergence of labour market and refugee policies were noticeable in EU regulations since the 2000s and centred on the promotion of greater access to education and work for refugees. This policy orientation was later reflected in Germany’s Right to Stay Regulation allowing tolerated refugees to remain in Germany if they could support themselves financially or had begun vocational training. Since 2012, the aspiration to gain skilled refugees for the German labour market has transpired through the conditions according to which Syrian refugees were chosen for humanitarian admission programmes by the German embassy in Lebanon. Admission to Germany for two years was granted to more than 20,000 refugees who, among other criteria, possessed useful skills for the reconstruction of Syria or knowledge of the German language. Moreover, the selected refugees had the right to work after only three months, a legal reform that was generalised for all refugees in 2014, except those from “safe countries of origin”. Such a programme reflects the increasing tendency to make refugees’ right to enter and remain in Germany contingent on their professional skills, wealth or a perceived “integration potential” due to ties to Germany and religious affiliations.

These moderate reforms were accelerated following the temporary opening of Germany’s borders in 2015 and the lodging of more than half a million asylum claims, mainly by refugees from Syria, Albania, Kosovo, Afghanistan and Iraq. After being criticised for not being in control of its borders, the German state took a proactive stance by engaging in a process of reforms with regards to asylum and integration procedures. Accordingly, the arrival of refugees shed light on the deficiencies of German administrations following decades of reshaping state functions and delegating social security and welfare to the private domain. While political and popular discourse focused on the numbers of refugees, attention was distracted from the failure of neoliberalised state institutions to fulfil their duties in the provision of social welfare. Arguably, instead of constituting a “refugee crisis” the movement of refugees towards Germany has thus triggered a crisis of administration (“Verwaltungskrise”), which could only be handled thanks to voluntary and private support structures. However, for the German government the sudden scale and urgency of autonomous refugee movements towards Europe constitutes the manifestation of a “crisis of European migration policies” based on a deadly

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25 „Duldung“ refers to the German practice of granting refused asylum seekers a temporary status of toleration, --up to a few months, but often prolonged repeatedly thereafter- due to the impossibility of deporting them. The deportation might be hindered by the lack of travel documents or other circumstances such as medical conditions.
26 Scherschel, "Citizenship by Work?" 252, 253
yet permeable European border regime.\textsuperscript{30} Efforts to take refugee and migration management back into the hands of the state are reflected in the drafting of an integration law in 2016 with support from the management consulting agency McKinsey. This cooperation is emblematic of an increasingly economistic approach to policy making in post-Fordist innovative competition states.\textsuperscript{31}

The integration law with its clear focus on the employment of refugees is based on the afore-mentioned reforms that have been implemented progressively since 2012. The law eases refugees’ labour market access by shortening the period during which refugees do not have the right to work, expanding the kinds of employment relations refugees can enter into, and reducing bureaucratic burdens.\textsuperscript{32} The fact that refugees are now allowed to apply for a work permit three months after their first registration in Germany, instead of 15 months as was previously the case, is doubtlessly a major step forward. Yet this step does not imply that refugees have the right to work immediately after three months as the work permit has to be granted by the immigration authorities (Ausländerbehörde), who in turn have to consult the Federal Employment Agency (Bundesagentur für Arbeit; henceforth BA). This procedure ranges from weeks to months, as the BA checks the employment conditions of the job offered, for instance whether tariff wages or the minimum wage are respected.\textsuperscript{33} This mechanism has become significantly easier as the range of accepted forms of employment has expanded to also include temporary and subcontracted work, (unpaid) internships and other forms of preparatory professional occupations. Moreover, the integration bill has omitted the priority review in most regions for the next two years, which had previously made it necessary to reject a work permit in the case of a registered German or EU-citizens seeking employment being eligible for the job instead. Due to the length of the procedure it remains difficult for refugees to take up formal employment as employers may not be willing to wait to fill positions. Besides easing the labour market access, the integration law also established important tools for the regulation and control of refugees’ settlement, such as residential obligations (Wohnsitzauflage) and conditionality of entitlements to welfare and of permanent residence titles. Moreover, access to work is not only constituted through formal regulations, but also other factors such as institutional and social support and the openness of vocational systems and employers. In the next section, the supportive structures for refugees’ labour market integration will be analysed as part of a larger state project to transform Germany into, in Angela Merkel’s words, a modern “immigration country”.\textsuperscript{34}

\textbf{Innovating Integration}

The notion of integration has been the subject of much scholarship within migration studies. The debates focus on whether the use of the term implies a two-way opening of the society or simply a request directed to newcomers to adapt to the society of their host


German legislation has long been particularly restrictive and discouraging of naturalisation and integration and has hence created a very narrow understanding of who can and does belong to German society. Since the late 1970s, the term integration has been appropriated by the state to curtail the self-organisation and claims of migrants to equal rights and frame them in governmental terms. Instead of constituting a demand directed at the government by migrants striving for social, political and economic rights, integration thus started to be used by policy makers as a dispositif to shape migrants and formulate requirements and expectations towards them. In recent years, liberal political and economic forces have begun to promote Germany’s transformation into an open immigration country, comparable to Canada for instance. The Immigration Act 2004 illustrated this transformation in the approach to integration, as Germany was presented as an active immigration country managing at the same time to attract, integrate and control migrants. This approach certainly contains progressive elements, such as efforts to advance the intercultural opening of public institutions and private actors. Yet the economistic and utilitarian notions of this (neo-)liberal trend are also clearly recognizable in the way immigration and integration opportunities are increasingly attached to individual capacities such as education, job skills, language knowledge, and bureaucratic literacy. This way the discourse of integration is instrumentalised to select and privilege suitable migrants before and after immigration according to categories which to a large extent disguise social class as an overlying factor of differentiation. In this spirit, the tendency to associate integration more and more with labour market participation, considered as the key to society and inclusion, should be critically interrogated.

As refugees’ access to work not only depends on legal constraints, support for other factors such as language and professional skills and recognition of credentials is equally important in determining refugees’ chances of finding employment. While the German labour market is still restricted and regulated, there has been a multiplication of actors supporting integration efforts of refugees. The official recognition of skills and degrees remains a costly and demotivating process in a highly regulated vocational education system. Studies and professional experiences acquired in non-European states are often not valued, possibly due to post-colonial assumptions on the superiority of European credentials as well as the lack of formalised procedures. Nevertheless, there have been important institutional changes in this regard. The public institution supporting the credential recognition and qualification of migrants in Germany, the IQ Network, has enlarged its capacities significantly and come up with new approaches to job training and verifying skills in cooperation with the Federal Employment Agency. The initiative KompAS (entitled “Competency verification, early activation, and language acquisition”) implemented by the Federal Employment Agency in cooperation with the Ministry of Migration and Refugees (BAMF) exemplifies such innovative approaches by making refugees simultaneously learn German, apply their German knowledge on their professional skills, qualify further for the German labour market, and be evaluated based on the demonstrated skills. The BA constitutes the principal public employment agency which has delegated the responsibility over the long-term unemployed and their job


36 Manuela Bojadžijev, Die windige Internationale. Rassismus und Kämpfe der Migration. (Münster: Dampfboot, 2008), 241-244

37 Bojadžijev, Die windige Internationale.

38 Oliver Schmidtke, „Einwanderungsland Kanada–ein Vorbild für Deutschland“. APuZ 44(09) (2009)


placement to the Job Centre. However, their approach to labour market integration differs significantly: while the BA puts more effort into qualifying refugees further, the Job Centre is more concerned with a rapid placement in employment. For specific professions in which there is a shortage in the German labour market there are special measures for recognition of foreign-obtained qualifications. In Brandenburg for instance, the IQ Network offers support for people who have not received recognition of their foreign vocational degrees in the health sector and in the so-called dual-tracks in Germany, and of university degrees in engineering, natural sciences, information technology, and media.

While these offers certainly represent a chance for the recognition of refugees’ skills and the integration into adequate employment, it is important to consider who has access to such initiatives and how they impact employment relations. These measures are mostly targeted at asylum seekers with ‘good prospects to remain’ (gute Bleibeperspektive), a new concept developed by the Ministry of Migration and Refugees (BAMF) in 2015 arguably to process the large stack of asylum applications more efficiently and pragmatically. As such, desired groups of refugees are granted facilitated access to German language classes and other integration measures. In 2016, that group included refugees from Eritrea, Iraq, Iran, Somalia and Syria, as these countries’ protection quotas exceed 50 percent. Moreover, most offers for support in the recognition of skills and labour market integration seem to be conceived for refugees with educational or professional experiences in sectors in which there is an acute shortage in Germany. These are often skill-intensive technical and scientific sectors, which might also lead to disadvantaging female refugees. It is telling that 60 percent of refugees without a vocational or university degree have found employment through informal networks. Refugees with a formal degree are more likely to find employment by means of the BA or the Job Center (33 percent) instead through personal connections (26 percent).42

Racism in the labour market, as well as in society at large, is another major aspect which makes it more difficult even for German citizens with a migration background, migrants and refugees to find good employment despite the economic benefit for employers and companies who might be lacking qualified workers. Thus, the Chambers of Industry and Commerce as well as the Chambers of Craft have begun to actively support and promote the integration of refugees in companies. Moreover, several initiatives guide companies through the process of hiring refugees to reduce their reservations, such as the BEA (Betriebliche Begleitagentur) in Brandenburg. On the refugees’ side, a large private sector support structure is also developing, as many initiatives have been founded in the form of private-public partnerships, charitable organisations or start-ups for labour market integration and job placement for refugees, such as Arrivo, Avenir, Jobs 4 Refugees, Refugees, and Workeer. Even networks for the “right to stay” (Bleiberechtsnetzwerke), previously mainly involved in fighting the state’s restrictive asylum policies including deportations, have been mobilised by the state in order to advise and support refugees in their labour market integration.44 Finally, the main trade union federation (DGB) has begun to advocate supporting refugees’ formal labour market integration, while being

41 Aumüller, „Arbeitsmarktinintegration von Flüchtlingen”
44 Moritz Altenried, & Mira Wallis, Panel I. Logistische Regulation migrantischer Arbeit. Eine Forschungsperspektive. Arbeitstagung für die Vermittlung mobiler Arbeit.(Berlin, Humboldt University, 2016)
apprehensive of the reaction of their members who might fear increased competition of labour and a subsequent weakening of workers’ bargaining power.\textsuperscript{45}

This mobilisation of diverse and numerous actors illustrates the intended and successful activation of the public and private sector and civil society in supporting and regulating refugees’ labour market participation. This is largely following the public framing of the “refugee crisis” and the political emphasis on the required joint efforts to manage the integration of refugees. According to Jessop, states draw their power from gathering various social forces around a common state project based on hegemonic discourses.\textsuperscript{46} In a similar vein, Ong speaks of “concrete assemblages” – such as welfare programmes, refugee camps and non-profit organisations – that come together to shape refugees as citizens through modes of surveillance, regulation, punishment and reward.\textsuperscript{47} To her, these processes of integration serve to define “deserving and undeserving citizens” according to neoliberal ideas of human capital as well as racial hierarchies. The multiplication of actors involved in the labour market integration of refugees is an interesting example of such a state project constituted of concrete assemblages. Yet the motivations behind such an integration project require further investigation, as discussed in the following section.

Activating and Flexibilising Refugees for the Labour Market

The approach taken by the German government to support the integration of refugees into the labour market cannot be seen as detached from broader transformations of the national labour market and previous labour market reforms. Migration as a social phenomenon and the policy responses to it are part and parcel of global social transformations. From a political economy perspective these transformations can be described as changes in production and accumulation patterns which lead to new systems of regulation.\textsuperscript{48} In flexible post-industrial accumulation regimes, the hub of the workforce does not work in Taylorist assembly line production anymore and certain tasks and sectors of work are instead becoming increasingly diversified.\textsuperscript{49} Technical progress has driven the development of sectors such as information and communication which constitute knowledge-oriented economies and the less-valued service sector. These changes affect the workforce significantly, as workers are increasingly required to possess diverse and specific skills and qualifications, such as soft skills in the service sector, creativity in the creative economy or highly specialised technical knowledge in research and development. In order for employers to find suitable and employable workers and to ensure continuous accumulation, they seek to respond in innovative ways, for instance by flexibilising labour. In the corresponding neoliberal modes of labour regulation, working conditions are increasingly insecure and precarious giving employers more power over the workforce.\textsuperscript{50} These transformations are driven and answered to by states intervening in the regulation of labour by means of labour market policies and institutions.


\textsuperscript{47} Aihwa Ong. \textit{Buddha is hiding: Refugees, citizenship, the new America}. (Berkley: University of California Press, 2003), 10


\textsuperscript{49} Jessop, 2013.

Activating and Disciplining Refugees

It is not new that states take an active role in the organisation of the labour market. Yet since the 1990s the interference of European states in the regulation of labour has evolved from active to activating. These activating labour market policies are justified by arguing that an increasingly heterogeneous and flexible labour market requires more interference to match supply and demand in a labour market with diverse needs. It is important to differentiate between different forms of activation policies however, which can address employers’ hiring behaviour or workers’ willingness and ability to enter into labour relations. While employers can be encouraged in various ways to employ more people including disadvantaged groups, for instance through tax benefits, most recent policies focus on the potential workers. Thus, the aim of achieving high rates of employment is mainly tackled by encouraging or pressuring people to take up employment or by providing further qualifications to match the demands of the labour market. For this purpose, the provision of unemployment benefits and social services is reduced or made conditional upon the compliance with new measures for qualification, labour market integration and job placement. This process contributes to rendering power relations between employers and employees even more unequal, as less and less services are granted by public institutions which had previously allowed workers to not have to constantly sell their labour power in the market. Consequently, employable workers are encouraged, or even forced to, constantly sell their labour power, often for employment below their qualifications resulting in a downgrading of wages and working conditions even in skill-intensive sectors. In this sense, the emerging workfare states try to influence either the employability of people or the willingness or compulsion to work. This approach is also reflected in the phrase “fördern und fordern” (encourage and demand), which has served as a Leitmotiv for the activation of the unemployed since the Hartz IV reforms in 2000 and is now applied regarding refugees.

This perspective is helpful in order to analyse the impact of ongoing efforts to integrate refugees into the labour market on working conditions and on power relations in the labour market. As with the unemployed, the predominant discourse on refugees’ labour market participation contains elements that attribute the responsibility over being employable and employed to individuals. In this spirit, many of the measures designed to integrate refugees into the labour market also imply that a lack of success in doing so must stem from their lack of valuable skills and willingness to qualify further. Thus, they carry the assumption that refugees’ behaviour needs to be regulated and disciplined in order for

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14 Jamie Peck, “The rise of the workfare state”. Kurswechsel (2003), 3
15 The Hartz IV reforms implemented by the Social Democrats in 2005 in the frame of new laws for modern services in the labour market devised by the Hartz commission since 2002 aimed at pushing unemployed workers to remain employable and take up employment faster by increasing individual responsibility and prerequisites and conditionality of benefits. This led to extensive institutional restructuring in the process, through which personal services agencies were created and precarious forms of employment were expanded such as subcontracted labour and one-euro jobs.
them to be educated as good citizens and workers. In this vein, the integration bill foresees sanctions for refugees who have not attended the required German language classes and holds refugees accountable for neglecting to learn German rather than focussing on the insufficient availability or quality of language courses offered. Thus, welfare benefits can be withdrawn from refugees who refuse to attend German language and integration courses, while many still experience difficulties finding a place in such courses. Besides language classes, the labour market institutions offer various measures for labour market integration to refugees with ‘good prospects to remain’ (such as the afore-described KompAS initiative), which might be helpful for some of their “clients”. Yet these measures are compulsory regardless of refugees’ professional aspirations, language skills, family situation and psychological state, all for the sake of the institutions’ statistics. Most tellingly, even the so-called one Euro job opportunities can be forced on refugees. While this supplementary income does not lead to a reduction of welfare, refusing such a job opportunity - if suggested by the Job Center- can be sanctioned by withdrawing most of the welfare provisions.

In addition to using the reduction and conditionality of welfare benefits to sanction and discipline refugees, the integration law makes use of refugees’ insecure immigration status to create incentives as well as to exert pressure. Thus, it is foreseen that the permanent residence title is only granted five years after applying for asylum as opposed to three years of possessing a protection status previously. Moreover, acquisition of the residence permit is made conditional upon the “integration performance” as measured by language knowledge and the capacity to earn one’s living. Further incentives are meant to be provided by rewarding refugees who can show outstanding “integration achievements” through their language knowledge or employment. If excellent German knowledge and nearly full financial independence can be proven, a permanent residence title can already be attributed after 3 years instead of 5 years of asylum in Germany. Besides blurring the responsibility of the state in allowing for successful integration, this approach also increases pressure to enter and remain in employment. However, such pressure is precisely a reason why refugees could accept precarious or even exploitative labour relations in the hope to facilitate their access to secure residence rights. Further vulnerability is created if the employment relationship is necessary for one’s right not to be deported. Such a scenario concerns refugees who are temporarily tolerated in Germany and manage to enter a vocational training at a company (Ausbildung). Previously, there was already a chance for refugees younger than twenty-one years to be granted a temporary residence permit for one year, but the decision remained at the discretion of the responsible employee at the immigration authorities. The integration law gives the right to remain in Germany for the duration of the vocational training to all tolerated refugees, improving the security of stay

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38 Aihwa Ong, *Buddha is hiding: Refugees, citizenship, the new America*, 7


41 Temporary job opportunities that were compensated with one Euro per hour additional to unemployment benefits were introduced by the Hart IV reforms for unemployed people who could not easily be placed in employment by the Job Centers. The jobs are meant to serve public interest and to keep unemployed people active.


43 Flüchtlingsrat Baden-Württemberg. “Überblick zu den Änderungen durch das Integrationsgesetz”, 4


45 Flüchtlingsrat Baden-Württemberg, “Überblick zu den Änderungen durch das Integrationsgesetz”, 7
for that period, but rendering them dependent on one or two employers. Consequently, the residence status is used as a means to exert pressure on refugees to integrate economically in a labour market whose precarity and segmentation allow for insecure and exploitative employment relations.

Selective Policies for a Segmented and Precarious Labour Market

In the context of the global restructuring of labour markets as part of neoliberal transformations in the global South and North, precarity has become a core feature of labour relations. The notion “precariat” has become emblematic for the transforming patterns of exploitation and subordination of the working class, which suffers from the increasing insecurity, lack of protection and unpredictability of work arrangements. Not all workers are affected to the same extent by these processes of rendering labour flexible and thereby precarious, but categories such as gender, race, age, nationality, and legal status play a role in determining employment prospects and power relations. Theories of labour market segmentation have long since pointed to an increasing polarisation of working conditions on different labour market segments within national economies. The so-called core labour market, composed essentially of the traditional male and white working class, has managed to remain more protected based on established mechanisms, such as collective agreements, tariffs and trade union membership. New entrants into the labour market such as women, youth, and migrants are most exposed to the increasing flexibilisation and precarisation of work on marginal labour market segments. Despite this tendency towards segmentation and polarisation of the working class, it is also important to emphasise the interdependence of different segments of the labour market, as pressure exerted on one segment reinforces capital’s control over other segments as well. Moreover, dividing the workforce in two entities neglects the heterogeneity of emerging knowledge and service-oriented economies. Multiple categories are constructed to differentiate between migrant workers, such as the immigration status and labour market potential. This increasing stratification stems from the contradictory attempts to regulate labour migration and has been described adequately by the concept of “differential inclusion” by Mezzadra and Neilson (2013).

In Germany, increasing segmentation and flexibilisation have been visible since the labour market reforms implemented in the early 2000s. They have led to the multiplication of forms of non-standard employment, such as fixed-term contracts, mini jobs, temporary agency work, and part-time employment, which affect migrants relatively more often.

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71 Michael Samers. Migrations. (Oxford: Routledge, 2010), 129
72 Sandro Mezzadra & Brett Neilson, Border as Method, or, the Multiplication of Labor. (Durham: Duke University 2013).
73 See Ulrich Brinkmann, Klaus Dörre, Silke Röbenack,; Klaus Kraemer, & Frederich Speidel, “Prekäre Arbeit. Ursachen, Ausmaß, soziale Folgen und subjektive Verarbeitungsformen unsicherer
facilitating subcontracting labour, the reforms have contributed to the spread of a precarious form of work in which employers have even greater power over their workforce, as firing is facilitated greatly and temporary employment agencies almost never have a works council.\textsuperscript{74}

Labour migration policies, particularly in the context of programmes for highly-skilled migrants and temporary migration schemes, can be considered emblematic for processes of selection of immigration according to labour market needs. Yet the integration law illustrates how this selective approach can be applied to refugees in the context of external and internal border regimes.\textsuperscript{75} In this spirit, the labour market integration of refugees seems to respond to the heterogeneous needs of a segmented labour market in which different qualifications and sectors make for strongly diverging labour market conditions and labour rights. By granting increasingly short-term protection statuses such as subsidiary protection, the 'deportability' of refugees persists while tools such as residential obligations allow holding refugees in certain areas with labour market needs and pressuring them to find employment in order to move.\textsuperscript{76}

Mechanisms to select certain groups of refugees for privileged labour market access are noticeable in the three clusters which constitute the basis for access to formal support for labour market integration depending on the country of origin. Thus, the most desired and “genuine” refugees stemming from Cluster A, or the so-called countries with ‘good prospects to remain’, are fast-tracked in their asylum application, and hosted in new arrival centres with better access to the immigration and labour market institutions and integration measures.\textsuperscript{77} Refugees with complex cases from Cluster B, with an open outcome in their asylum application, have to wait significantly longer for a response and receive less support for the labour market integration in the meantime. This is particularly significant in the case of the many refugees from Afghanistan, who despite high rates of approval for asylum, do not fit the benchmark of 50 percent required to have ‘good prospects to remain’ and hence fall under Cluster B and not A. Arguably, the option of being tolerated for the period of a vocational training (and subsequently, if employment has been found, in the corresponding profession) serves to test the economic use value of refugees before providing them with more secure residence rights.\textsuperscript{78} Advancing the economic integration of refugees to avoid deportations was previously employed by the committees for cases of hardship acting on the Ministry of Interior. The generalisation of this tool in the integration law mostly applies to refugees with 'insecure prospects to remain' whose labour market potential might be perceived as less promising. Lastly, cluster C gathers refugees from “safe countries of origin” who do not have any possibility to receive asylum or formally integrate into the labour market, and are deported as quickly as possible.\textsuperscript{79}

The approach of the government and of economic actors to integration in the labour market reflects that integrating certain groups of refugees into precarious segments of the
labour market is accepted, if not intended. This approach is underpinned by the argument that once in employment, it will become easier for refugees to improve their employment situation. For instance, allowing refugees to find work through temporary employment agencies has been celebrated by industrial stakeholders such as the BDI, promoting subcontracted labour as an “instrument for the integration of refugees”. Under the slogan of refugee integration, the new “charitable” temporary employment agency Avenir was created which posts refugees to various companies in gastronomy, logistics and metallurgy for internships or as subcontracted labour. With ten Euros, refugees receive approximately one euro more than tariff wages require for the lowest pay grades in Germany and profits are to be re-invested in refugees’ qualifications. Such initiatives normalise subcontracted labour as an employment solution for refugees. However, such work arrangements considerably weaken workers’ bargaining power, as they are not directly facing employers, suffer from non-transparent contracts, and cannot benefit from sector-specific collective agreements due to the nature of temporary agency work and the lack of union representatives within firms.

According to the integration law, the German government counts on integrating refugees on “a low threshold” in the labour market, as exemplified by the policy to create more one-euro jobs for refugees. These job opportunities, which supposedly constitute non-profit work with a small compensation, were introduced by the Hartz IV reforms. They were meant to keep the long-term unemployed occupied in the labour market while receiving unemployment benefits. Such a measure of activating policies shows to what extent extremely precarious job opportunities are normalised by policy makers, especially if they are applied to refugees who have not shown difficulties of finding regular employment in Germany yet. The value of refugees’ labour market participation is devalued to the point where the integration law lowers hourly compensation from previously one euro and five cents to eighty cents. As these job opportunities are mainly created in refugee accommodation centres, they might also benefit private firms funded by the government to run these facilities, as they can portray making refugees clean and cook for themselves as job opportunities that contribute to labour market integration. Even if these job opportunities seem not to be carried out as often as expected, their existence constitutes a disempowering message for refugees, as they become accustomed to being paid below minimum wage.

Lastly, refugees from Cluster B and C in the asylum procedure are particularly at risk of entering the labour market informally, due to limited or non-existent access to work permits and are therefore extremely vulnerable for exploitation. Arguably, heterogeneous post-Fordist labour markets rely on groups of workers on the absolute fringes of the labour market whose undocumented and unprotected nature of work excludes them from formal labour rights and constitutes the hyper-precariat. In this spirit, the modes of regulating

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81 Meital Rozental, „Avenir“. In (Eds.): Schiffauer, W.; Eilert, A. & Rudloff, M. So schaffen wir das – eine Zivilgesellschaft im Aufbruch 90 wegweisende Projekte mit Geflüchteten. Transcript (2017), 131, 132
85 Flüchtlingsrat Baden-Württemberg. “Überblick zu den Änderungen durch das Integrationsgesetz”, 10
refugees’ labour market participation have to be understood in their diverse and complex forms, encompassing selective and flexible inclusion as well as exclusion from formal labour markets and rights according to the ever-changing requirements of accumulation.

Conclusion

This article presented the key dimensions and impacts of the recent legal and institutional reforms concerning refugees’ access to the labour market in Germany, which have come to be referred to as a paradigmatic change in Germany’s refugee policies. While the described changes render labour market participation easier for refugees from countries with ‘good prospects to remain’, and are certainly a positive development for the concerned persons, the implications of these policies deserve to be analysed more carefully. It can be criticised that the overarching aim with which labour market integration is approached seems to be based mainly on the profit Germany’s economy can draw from refugees’ labour. Activation and integration policies are implemented selectively according to the requirements of the German economy. Thus, refugees considered as educated, skilled or fit to respond to specific shortages on the labour market receive particular support in having their qualifications recognised. However, those without ‘good prospects to remain’ or without formal vocational training or specific skills face significantly more obstacles in accessing work.

The integration law is underpinned by the assumption that refugees have to be motivated if not pressured to find employment as quickly as possible and that most are under-qualified for the German labour market. Thus, in the discourse on the labour market potential of refugees, the solution appears to lie in integrating them on a low threshold into the labour market and through precarious forms of work. It is highly questionable, however, if such labour market integration on a low threshold could lead to integration into regular and good employment for refugees in the long-term. More likely, many “integrated” refugees will remain in precarious segments of the labour market, contributing further to the overall precarisation of the labour market even in the more skill-intensive labour market segments.

Finally, it is of crucial importance for all workers in Germany to consider the long-term developments of the labour market and the way that the state attempts to regulate labour. In this moment of an alleged “refugee crisis”, the German state seems to further develop ways of interfering in the activation and flexibilisation of the workforce in an increasingly precarious and segmented labour market. The double vulnerability of refugees based on their insecure residence status and their constructed identity as new, less valuable, and potentially problematic participants in the labour market could make them easier to control and to exploit by the state and employers. In practice, the policies pursued by the state might play out differently as planned and be negotiated and resisted by refugees whose reactions could influence the further formulation and implementation of policies. However, this article argues that labour market integration policies serve to regulate labour so that the heterogeneous needs of post-Fordist labour markets for flexibilised and precarious, yet diverse, workers can be balanced and managed even more to the advantage of employers and the capitalist economy. In an interview given to Deutschlandfunk in 2016, the president of the Confederation of German Industry, Ulrich Grillo, declared it positive that if through the topic of refugees’ integration more overall flexibility and less bureaucracy can be introduced into the German labour market.\(^7\) This remark is emblematic for a labour market policy for refugees that goes along with and forges even more solidly a neoliberal labour market rationality in the German economy and society.

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