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# Merkel's "We can do it!" ten years on

## Assessing the state of integration of migrants in Germany

At the height of the Syrian refugee influx to Germany almost exactly a decade ago, a statement was made that still echoes in the country today. During her traditional summer press conference, then-Chancellor Angela Merkel spoke the now-famous, or, as some would say, infamous, words: "Wir schaffen das!" ("We can do it!"). With this, she expressed the strong welcoming culture of the time and conveyed confidence and a can-do attitude – qualities that are hardly seen in politics today.

### Integration in the labor market – signs of progress.

Now it is time to take stock: To what extent has Germany actually "done it"? And what exactly did the "it" in Merkel's "We can do it"-claim statement refer to? Let me try to shed some light on this by looking at statistics on how migrants have integrated into the labor market and Germany's education system.

Let's begin with some good news. Almost two-thirds of those who sought refuge in Germany in 2015 are now engaged in paid employment (see Figure 1). Approximately 5% have started their own businesses. Even among women who came to Germany in 2015, there has been steady progress. In 2024, their employment rate reached 35%, double what it was as recently as 2021.

As refugees spend more time in Germany, their earnings have risen as well. By 2023, full-time workers from the 2015 arrivals earned about 70% of the median income for full-time workers in Germany, crossing the country's low-wage threshold of 66%. However, many of these refugees are relatively young and are only beginning their professional careers, meaning their income levels are likely to improve further.

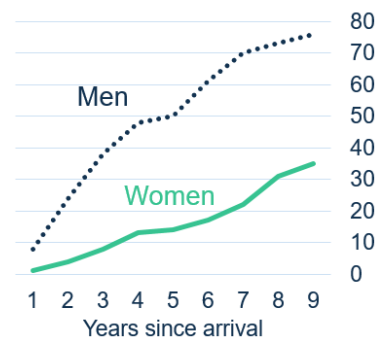
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## Angela Merkel's optimism: was it misplaced?

Fig. 1: Employment rate of refugees that entered Germany in 2015 (%)



Source: [Institut für Arbeitsmarkt- und Berufsforschung](#) (in German), LBBW Research

That said, labor market integration in Germany lags behind other European countries (see Figure 2). In 2024, the employment gap between German nationals and those with non-EU citizenship was 21 percentage points, nearly double the EU average. Common barriers include bureaucratic obstacles, unrecognized qualifications, and language barriers. However, examples like Denmark demonstrate that even with similar linguistic hurdles, better integration can be achieved through targeted policies.

Integration in education – cause for concern

Language challenges also undermine the educational success of children with migrant backgrounds. Comparative international studies, like the Program for International Student Assessment (PISA), show that these students perform significantly worse in Germany than elsewhere (see this [previous edition](#) of To The Point). Since 2015, their outcomes have gotten worse, not better. Focusing on education and providing the most vulnerable with a strong starting point pays off in the long run, often over decades, and benefits both sides. When children and teenagers are unable to participate fully in education, the risk of them falling into isolated, parallel societies grows, threatening social cohesion. These deficits must be addressed with greater urgency.

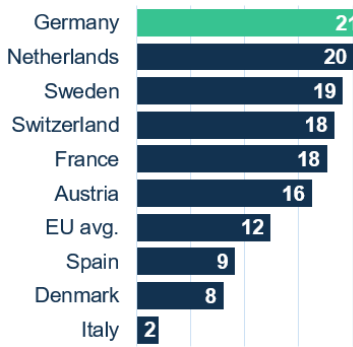
Integration is not charity

Germany’s demographic situation makes successful integration an urgent necessity. Over the next few years, the working-age population will decline by about 1% annually. Even to maintain current levels of economic output, Germany needs sizeable immigration. Since the mid-1970s, Germany’s fertility rate has remained below 1.5 children per woman, a figure far below the replacement rate. Without migration, the population would shrink by about 25% with each new generation. Against this backdrop, policies like those proposed by the far-right Alternative for Germany (AfD) – which calls for a “remigration” of millions of migrants – appear detached from reality. Such proposals intensify existing labor shortages. It’s clear that the focus should be on better integrating the people already in the country, not deporting them en masse.

The days when Germany could pick and choose its migrants are over – if they ever truly existed. It’s time for some to abandon their lofty attitudes and adopt a more pragmatic stance. Last year, for the first time, more EU citizens left Germany than moved here (see Figure 3). And in an annual [survey](#) of mostly highly skilled expats, Germany ranked an abysmal 50th out of 53 countries. It performed particularly poorly in categories like friendliness and making migrants feel welcome.

It’s time to acknowledge that Germany needs migrants more than they need Germany. And that German authorities should not threaten with deportation precisely those migrants who are already working, studying, and contributing to society rather than burdening it. Own goals hurt – on and off the football pitch.

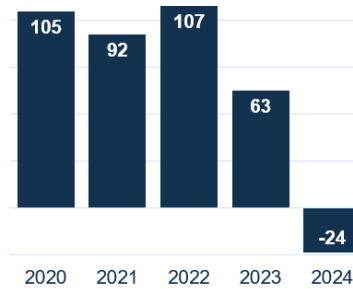
Fig. 2: Employment rates (difference of native citizens minus non-EU citizens, in %points)



Source: [Eurostat](#), LBBW Research

Germany needs immigration – and integration

Fig. 3: Net migration from other EU-countries to Germany



Source: [Destatis](#) (in German), LBBW Research

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