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Some problems associated with the absorption of refugee immigrants in Western Europe with particular reference to Western Germany

Hilde Wander (Germany)

Summary

Up to the end of 1953, 10.6 million refugees had arrived in the Federal Republic of Germany. Before the war, they lived in parts of the German Reich outside the area now comprising the Federal Republic, or in foreign countries, from where they fled or were expelled. Their number is still increasing by a continuous influx from behind the Iron Curtain.

This large forced immigration has had profound effects upon the demographic and economic structure of the country. The population increase of about 25 % since 1939 can almost exclusively be attributed to these movements. Occurring mainly during a period of economic stringency, the influx resulted, at first, in an overall decrease in the level of living. The speed with which the newcomers had to be accepted operated against a favorable regional distribution. Due to the bad housing and food conditions in the cities, most of the immigrants had to be settled in agricultural areas, which afforded limited opportunities of absorption into the economy. In spite of large internal migrations during the last few years, this situation has not yet been resolved satisfactorily. The absorption of large population masses made further industrialization necessary. Because many of the immigrants lacked experience in the occupations opened up by expanding economic opportunities, many have had to accept unsuitable jobs. Others retired earlier from the labor force than they normally would have done. Thus the non-active population, and specially those dependent on public assistance, has grown much more rapidly than the labor force. Tensions between natives and newcomers arising from sharp competition in the labor market and from the shortage of housing have also aggravated the process of absorption.

In spite of this unfavorable situation, the prospects for an economic solution of the refugee problem are not too dim for the future. Economic conditions in Western Germany have improved greatly during the last few years. Average real income per capita, for example, reached its prewar level, but as a result of the social downgrading, the newcomers are still disproportionately represented in the lower income groups. It will, therefore, be necessary to intensify efforts to assure them equal economic opportunities. This will only be successful if the recent favorable economic development continues and spreads on a more comprehensive basis. The remaining task is a large one, and it cannot be accomplished within a few years. How it will be done is of vital importance not only for Germany but also for whole Western Europe.

* General distribution of this document is limited to the introductory summary. Participants who have been invited to take part in the meeting referred to above will receive also the full text of the paper. Other participants in the Conference will receive the full text upon request.

Etude de quelques problèmes liés à l'intégration des réfugiés en
Europe occidentale, notamment en Allemagne occidentale

Hilde Wander (Allemagne)

Résumé - A la fin de l'année 1953, on comptait 10.600.000 réfugiés dans la République fédérale d'Allemagne. Avant la guerre, ces personnes vivaient dans les parties du Reich allemand situées en dehors de la zone qui constitue actuellement la République fédérale, ou bien dans des pays étrangers d'où ils ont fui ou ont été expulsés. Leur nombre augmente toujours en raison de l'afflux continu de réfugiés venant de derrière le rideau de fer.

Cette importante émigration forcée a eu des conséquences profondes sur la structure démographique et économique du pays. On peut attribuer presque exclusivement à ces mouvements de population, l'accroissement démographique d'environ 25 pour 100 qui a été enregistré depuis 1939. Cet afflux de réfugiés, ayant eu lieu surtout pendant une période de difficultés économiques, a eu pour conséquence première un abaissement général du niveau de vie. La rapidité avec laquelle il fallait accueillir les nouveaux arrivants a empêché d'effectuer une répartition régionale satisfaisante. En raison des mauvaises conditions de logement et d'alimentation qui régnaient dans les villes, la plupart des immigrants ont dû être installés dans des régions agricoles où ils n'avaient que des possibilités limitées d'être intégrés dans l'économie. En dépit des importantes migrations internes qui sont intervenues au cours des quelques dernières années, on n'a pu encore remédier de façon satisfaisante à cette situation. Pour pouvoir absorber ces masses importantes de population, il a été nécessaire d'intensifier l'industrialisation. De nombreux immigrants n'ayant pas les compétences requises pour occuper les emplois créés par l'expansion économique, un grand nombre d'entre eux ont dû accepter des emplois qui ne leur convenaient pas. D'autres se sont retirés du marché du travail plus tôt qu'ils ne l'auraient fait dans des conditions normales. Aussi le chiffre de la population non active et notamment le nombre des personnes à la charge de l'assistance publique, ont augmenté beaucoup plus rapidement que l'effectif de la main-d'oeuvre. La tension entre les habitants du pays et les nouveaux arrivants, due à la forte concurrence qui existe sur le marché du travail ainsi qu'à l'insuffisance des logements, a également compromis l'intégration de ces services.

En dépit de cette situation défavorable, les perspectives d'une solution économique au problème des réfugiés, ne sont pas trop sombres pour l'avenir. En Allemagne occidentale, la situation économique s'est considérablement améliorée au cours des quelques dernières années. Le revenu réel moyen par habitant, par exemple, a atteint son niveau d'avant-guerre, mais en raison du déclassement qu'ils subissent, les nouveaux arrivants représentent encore une forte proportion des groupes dont les revenus sont faibles. Il faudra donc intensifier les efforts en vue de leur assurer des chances économiques égales. On n'y parviendra que si la situation économique continue d'évoluer dans le sens favorable et si cette amélioration se généralise. La tâche qu'il reste à faire est importante et elle ne saurait être accomplie en quelques années. La façon dont on s'en acquittera est d'une importance vitale non seulement pour l'Allemagne mais également pour toute l'Europe occidentale.

* Seule, la présente analyse d'introduction fait l'objet d'une distribution générale. Les participants qui ont été invités à assister à la séance mentionnée ci-dessus recevront en outre le texte intégral du document. Les autres participants au Congrès recevront le texte intégral sur leur demande.

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Some Problems Associated with the Absorption of Refugee Immigrants
in Western Europe with Particular Reference to Western Germany

Introduction

The extensive postwar redistribution of the European population - attributable to involuntary mass migration - has not yet come to an end. Concentration of the uprooted masses in already congested areas of Central Europe will undoubtedly lead to further large scale migrations, internal as well as international. Refugees are still arriving daily from behind the Iron Curtain, and are more than filling the gaps left by the departure of others to overseas areas. Of some 16 million refugee immigrants living in Europe in 1953, 14.6 million were crowded within the boundaries of postwar Germany: 10.6 million of them in the Federal Republic and the rest in the Soviet Zone and Berlin. The newcomers have to face quite different problems in the different areas of settlement, but this paper will be concerned only with the situation of those who have come to Western Germany.

Most of the immigrants in the Federal Republic are of German nationality or German ethnic origin. They speak German and have the same cultural background as the natives. Among them are (1) about 2.1 million refugees who fled the Soviet Zone of occupation, mainly for political reasons, and (2) about 8.4 million expellees who lived, before the war, in the German provinces east of the Oder and Neisse rivers, which are now under Polish administration, or in eastern European or other foreign countries. Irrespective of whether they fled during the war or were

later forced to leave their homes, they are all now, in effect, expellees, inasmuch as they cannot return. In addition, there are more than 0.1 million homeless foreigners under the mandate of the United Nations High Commissioner for Refugees, and other refugees of non-German origin. The particular problems of this group will not be discussed in detail.

Consequences of the Influx

From May 1939 to the beginning of 1954, the population of the area comprising the Federal Republic increased by 25 percent or, in absolute numbers, by 9.9 million. As the natural increase during this period exceeded the war losses only by some 700,000, approximately 9.2 million, or 93 percent of the total population increase is attributable to net immigration. This large forced migration has had profound effects upon the demographic and economic structure of the country, and these differ in their impact from those which would have followed a comparable increase from natural growth and from voluntary, economically determined migration. The process of natural increase gives time for the economic structure to adjust to population change, and voluntary migration tends to respond to the trend of economic development and to the ebb and flow of business cycles. Forced mass migration of that sort that actually occurred, however, is disrupting and disorganizing in its immediate effect.

The major influx occurred during a period of economic stringency. Western Germany, which had never before been a country of heavy immigration, was forced to accept large numbers of migrants during a period when its economy was paralyzed, when housing and food supplies were insufficient, and when most of the war-destroyed industries had not yet been replaced. Thus, there were almost no capital resources by the aid of which the millions of inflowing immigrants, who generally

had to leave capital and equipment in their old homes, might have earned their livelihood. Relatively few of them were able to step into existing vacancies. The remainder had, at first, to be given a share in the diminished national product, with the result that the general level of living of the whole population was, for a time, considerably lowered. Although conditions in Western Germany have since improved greatly, there still exist large differentials in income and level of living among the various population groups.

The speed with which the influx took place operated against a favorable regional distribution of the immigrants. About 7.3 million German immigrants had already arrived by the end of 1946, and there were, in addition, about 1 million homeless foreigners in the country at that time. Due to the bad housing and food conditions in the cities, most of the immigrants had to be settled in agricultural areas, which are unable to absorb effectively such large additions to their population. Since several years, there has been an extensive movement from the country to the city, but it has not been great enough to overcome the initially unfavorable distribution. Further large-scale movements are necessary. But they are still hampered by the shortage of housing in urban areas and industrial centers and by the continuing influx of refugees from the Soviet Zone.

Contrary to the situation in "normal" migrations, this one did not represent a selection of young and able persons. In the case of the expellees, whole populations moved in. Although their age composition was somewhat more favorable than that of the indigenous population, their middle age-ranges were not large enough to compensate for the deficiencies in these age groups that were caused by war losses of the indigenous population. By the end of 1951, the total male population aged 25-45 in the Federal Republic still had a deficit of some 700,000

when compared with the corresponding age group 13-33 as of 1939.

The forced mass migration encompassed not only the normally mobile elements, but also those who were deeply rooted in their home countries. Forceable separation from familiar surroundings and occupations and involuntary relocation in a new environment under predominantly unfavorable circumstances resulted in a profound shock to many of the immigrants and impeded their assimilation.

For several reasons, the economically active population in Western Germany did not increase as rapidly as did the total population. Out of a total gain of 8.3 million in the period 1939-1950; the labor force share was no more than 1.7 million. There was, consequently, a rather sharp decline in the labor force participation rate, from 51.7 percent to 46.3 percent. Although this decline affected all population groups, it bore most heavily upon the immigrants, reflecting especially the difficulties that older persons and women in these groups had in finding jobs in the new environment.

With respect to separate age groups, there were also serious qualitative differentials. The decline in the labor force participation rate was appreciable among the younger groups, with far-reaching effects on productivity. As of the present, these losses are still compensated by a gain in well experienced workers in the age brackets 40-60 years. With the aging of these experienced workers, however, there cannot be a comparable replacement from the younger ages which are either war depleted or less skilled.

The decrease in labor force participation has its counterpart in an increase of 6.6 million non-active persons. Within this group, the "independents without occupation" have increased the most. Although the bulk of them are normally older persons who have retired from the labor force, the group now includes considerable numbers of younger

persons, especially war invalides and widows, and is heavily weighted with recipients of public assistance and various forms of emergency aid. Together with their family members, the "independents without occupation" increased by 3.8 million, or 81 percent, from 1939-1950, and no fewer than 47 percent of them were expellees. This abnormal increase of this group created a more serious burden on the economy than if the population gain had consisted mainly of dependent family members of persons active in the labor force.

The absorption of large population masses necessitates further industrialization and a speeding up of economic activity. The occupational backgrounds of the newcomers have, however, not been very favorable from the standpoint of existing labor demands. Originating to a large extent in agricultural areas, the expellees were disproportionately selected from among the self-employed classes, especially farmers and artisans whose skills and experiences cannot be readily utilized in the postwar economic structure of Western Germany. While the native population, in the main, was successful in re-establishing its pre-war social and economic structure, the changes that occurred bore most heavily upon the immigrants. In 1950, no less than 94.7 percent of the total expellee labor force held dependent positions. Favored by special circumstances and regulation, most of the expellees who had formerly held positions as officials and as civil service employees were able to resume their activities. But in situation of free labor competition, the newcomers were almost always at a disadvantage. Three-quarters of them became manual workers, with disproportionate concentrations in all of the lower and less attractive occupations.

Relatively few of those who were formerly self-employed were able to regain their independent status in Western Germany. There was a

corresponding loss of status for the hundreds of thousands of women who formerly worked on family farms or in their husbands' shops. Because of a lack of land resources and the fact that there were already high proportions of very small, uneconomic farming units, it was especially difficult for the 250,000 ex-farmers and their family members to resume agricultural activities. Many of them have since retired or have found employment in other fields. But even though the number has been reduced to approximately 100,000, there is little prospect that all of them can be absorbed in agriculture in the near future. As of June 1953, only 22,000 expellee families had been able to take over farms on a full-time basis, either through ownership or leaseholds. Many of them have used more efficient farming techniques than were customary, thus setting an example for the natives which played a roll in increasing agricultural output. It was somewhat easier for the newcomers to establish urban businesses. But most of these enterprises are in branches which require relatively little capital, and even these are in danger of bankruptcy whenever a recession occurs. As was true in agriculture, many of the expellees who established urban enterprises were an asset to the West German economy. They introduced a number of new industries and made the selective process more effective.

Considering the great difficulties that the immigrants have had to overcome, and the lack of success that so many of them have had in establishing a foothold, it is of special importance that they have placed great emphasis on educating their children in order to give them a better start in life. That these efforts are having a large measure of success, is suggested by the fact that the percentage of expellee children now attending middle and high schools is at least equal to their ratio in the total population. Upon leaving school,

however, the young immigrants generally face greater problems than do the natives. One of their major difficulties is attributable to the fact that so many of the expellees still live at a great distance from the industrial centers where the more desirable apprenticeships are available.

With regard to assimilation it is of interest to note that the rate of inter-marriage between expellees and natives is relatively high, and that it seems to be on the increase. In 1952 only 8.5 percent of all marriages in the Federal Republic were between expellees, whereas 23.3 percent were mixed marriages. Out of every 100 male expellees marrying this year, no fewer than 59 married non-expellee women. The corresponding proportion of female expellees marrying non-expellee males was 57 per 100. This suggests that the depreciated economic position of the newcomers did not operate to their disadvantage in seeking marriage partners and that their former social status may have been an important element in their amalgamation with the natives. It suggests further that the existing tensions of everyday life are not the result of social prejudice, but may be predominantly economically determined. There is good reason, therefore, to believe that they will greatly diminish as housing and working conditions improve.

Special Measures Favoring the Newcomers

All German immigrants have the same rights as the natives, and under the Federal Constitution they are citizens of the Federal Republic. Political refugees, regardless of nationality, enjoy the right of asylum. There have been no legal restrictions on the newcomers in regard to choice of jobs or occupations or in the use of public services and utilities. It is obvious, however, that legal equality alone cannot guarantee economic absorption or social integration. It has,

therefore, been necessary to provide special forms of welfare for the indigent and special measures to assist the economically active immigrants to utilize their skills and experiences in the best possible way. By 1953, more than 23 billion RM./DM. had been spent by the Federal Government and the states for these purposes and, in addition, there have been appreciable subsidies for housing. As a result of all these measures, some 59,000 new handicraft shops and more than 7,000 small and medium sized industrial enterprises have been established by the newcomers, 44,000 of them have become tradesmen, approximately 40,000 full-time or part-time farms have been made available to them, and about 3 million have found occupations as wage or salary earners.

Because of political decentralization, there has been insufficient coordination in the legislation passed by the individual states. The creation of a Federal Ministry for Expellees in 1949 was, therefore, an important forward step, but its efforts were hampered by lack of authority to direct the separate state governments. In line with the policy that the consequences of the war should be shared equally by all Germans, the Federal Government in 1952 passed the "Law of Equalization of Burdens". In accordance with this law all property existing at the date of currency reform is mortgaged up to 50 percent with an amortization period of 30 years, and paid off by way of interest-bearing annuities. The proceeds are accumulated in a special fund which is used to compensate for property losses of expellees, of persons who suffered as the result of bombing, and of those who lost their savings in connection with currency reform. Refugees from the Soviet Zone, however, and homeless foreigners are not eligible for benefits under this law.

Since 1949, the Federal Government has instituted some programs to .

stimulate internal migration among the expellees and thus to improve their unfavorable regional distribution. The less crowded states have been asked to accept quotas of expellees of all ages and occupational groups from the agricultural areas. This movement has, however, been retarded because of the housing shortage and the lack of central authority over the state governments. Thus although the programs called for the relocation of 900,000 expellees by the end of 1953, only 600,000 have actually migrated.

The "Bank of Expellees"; later called "Bank of Expellees and Injured People", was established in 1950. It makes credit available for expellee and refugee enterprises at low interest rates. As of the end of 1952, ERP-counterpart funds amounting to 142 million DM. were channeled through this bank for investment credit and working capital loans as well as for agricultural resettlement. Special funds provided by the IRO and the Federal Government are available for homeless foreigners.

Besides land reform measures of the states, the "Refugee Settlement Law" of 1949 has been the most important factor in facilitating agricultural resettlement. In accordance with its provisions, some 5,000-6,000 expellees have been settled each year, most of them on farms where there was no heir to take over operations upon the death or retirement of the owner or where expellees were married into the owners' families. These regulations were codified in the "Federal Refugee Law" of 1953 which also provides for more tax exemption and other inducements to the native farmers to sell or lease their lands to the newcomers. This law attempts also to clarify definitions and to unify the state laws. It provides especially for the refugees from the Soviet Zone. The status of the homeless foreigners has been determined by special legislation.

Prospects for Future Absorption

Under existing political and economic conditions, the main solution of the refugee problem can only be found in further integration into the West German economy. Emigration of the sort that is now taking place may be of considerable help in individual cases, but it can scarcely provide an overall solution. Those persons who are already a social burden cannot be expected to emigrate and those who are willing and able to do so will be unduly selected from the younger and more active age groups which are already depleted. If, however, closer economic cooperation could be arranged among the West European nations, migration policies might well be developed in such a way that potential labor resources of the various countries could be utilized more effectively to their mutual advantage.

Although considerable progress has been made during the last few years in reducing structural unemployment and providing the newcomers with jobs and housing in Western Germany, the problem of economic integration is still far from solution. The prospects for solution are, however, not too dim for the future, provided no serious recessions disrupt the economy. The magnitude of the problem is greater than is apparent in terms of the relatively small number of persons who are still living in camps and emergency shelters, or the few hundred thousands who are still registered as unemployed. Housing conditions are also inadequate for all those families who are "doubled up" in dwellings intended for individual family groups and there are many workers who, although gainfully employed, are in occupations that do not sufficiently utilize their skills and experience. It are these disadvantaged groups and the new refugees from the Soviet Zone who present the main problem. A complete restoration of the newcomers'

social and economic structure is impossible. For many persons the changes in social position will be permanent. But the impact can be greatly alleviated by opening up possibilities of more effective and satisfactory work placement and this will, in turn, make it possible for them to regain a higher income and level of living.

Adjustment and absorption of the refugees can be assured only if the favorable economic development of the last few years continues and spreads on a more comprehensive basis. The results so far indicate a remarkable accomplishment, but they have been achieved on too narrow a capital foundation. In spite of a considerable amount of new investment it has not yet been possible to enlarge the capital basis of the West German economy in conformity with its population growth. There is not only the shortage of housing and jobs - which has been previously mentioned - but also a serious lack of all kinds of public services and utilities, especially schools, training facilities, transportation equipment, etc. which have not been adequately provided because of the overloading of public finance with unduly heavy expenditures for relief. In the future, emphasis will have to be placed on these more expensive investments. Further delay in this matter may well have an unfavorable effect upon productivity.

Affecting as it does all social and economic segments of the nation, the mass migration to Western Germany calls for a reordering of the whole society, with equal opportunities provided for newcomers and natives. This task cannot be accomplished within a few years and it will inevitably be accompanied by further frictions and call for further sacrifices. How it will be done is of vital importance not only for Germany but also for whole Western Europe.

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A p p e n d i x

Table 1 - Native Population and Refugee Immigrants in the Area of the Federal Republic of Germany, 1946 to 1954

Date: Jan.1.	Total Populat- ion	Native Populat- ion ^a		Expellees ^b		German Refugees ^b		Homeless Foreigners ^{bc}	
	1,000	1,000	%	1,000	%	1,000	%	1,000	%
1946	40,978	36,442	88.9	2,617	6.4	1,000	2.4	919	2.2
1947	44,846	36,916	82.3	6,251	13.9	1,019	2.3	660	1.5
1948	45,852	37,402	81.6	6,757	14.7	1,131	2.5	562	1.2
1949	46,868	37,746	80.5	7,335	15.7	1,232	2.6	555	1.2
1950	47,443	38,004	80.1	7,671	16.2	1,425	3.0	343	0.7
1951	47,915	38,154	79.6	7,946	16.6	1,604	3.4	211	0.4
1952	48,327	38,308	79.3	8,120	16.8	1,759	3.6	140 ^d	0.3
1953	48,708	38,454	78.9	8,258	17.0	1,896	3.9	100 ^d	0.2
1954 ^e	49,148	38,545	78.4	8,403	17.1	2,100	4.3	100 ^d	0.2

^a Including small groups of immigrants not covered in the above specified groups - ^b For explanation see text p. 1-2. - ^c Up to 1952, only persons under UNRRA or IRO care; 1946-1948 only persons living in camps. - ^d Estimated. - ^e October 1st, 1953.

Source: Computed from: "Statistisches Jahrbuch für die Bundesrepublik Deutschland" Vol. 1953, p. 50; "Statistical Pocket-Book on Expellees", Wiesbaden 1953, p. 5; UNRRA, European Regional Office, London, "Operational Analysis Paper" No. 13 and 49; IRO, "The Final Statistical Report of the IRO, Dec. 1951, p.8.

Table 2 - The Population in the Federal Republic of Germany by Age and Sex, September 13, 1950 (per cent)

Age in years	Total Population		Expellees		Natives and Refugees	
	Males	Females	Males	Females	Males	Females
under 15	12.0	11.5	12.8	12.2	11.9	11.4
15 to under 20	3.7	3.6	3.9	3.8	3.7	3.5
20 to under 40	12.4	15.3	14.3	16.3	12.0	15.1
40 to under 60	12.6	15.1	11.6	14.0	12.8	15.3
60 and over	6.2	7.6	4.5	6.6	6.4	7.9
Total	46.9	53.1	47.1	52.9	46.8	53.2

Source: "Statistisches Jahrbuch für die Bundesrepublik Deutschland" Vol. 1953, p. 43; "Statistical Pocket-Book", op.cit. p. 16.

Table 3 - Active and Non-Active Population in the Area of the Federal Republic of Germany, May 17, 1939 and September 13, 1950

Population group	Total Population				Expellees	
	1939		1950		1950	
	1,000	%	1,000	%	1,000	%
Total population	39,350	100.0	47,696	100.0	7,876	100.0
Labor force	20,338	51.7	22,074	46.3	3,346	42.5
Family members of persons in the labor force	14,255	36.2	17,032	35.7	2,748	34.9
Labor force and family members	34,593	87.9	39,106	82.0	6,094	77.4
Independents without occupation ^a	3,360	8.5	5,728	12.0	1,126	14.3
Family members	1,397	3.6	2,862	6.0	656	8.3
Independents without occupation and fam.members	4,757	12.1	8,590	18.0	1,782	22.6

^a This group consists predominantly of persons living on social insurances, public welfare etc. The unemployed, however, are part of the labor force.

Source: Statistisches Bundesamt: "Statistische Berichte" No. VIII/8/2 and VIII/8/18; "Statistical Pocket-Book", op.cit. p. 47.

Table 4 - Social and Economic Structure of the Labor Force in the Area of the Federal Republic of Germany, May 17, 1939 and September 13, 1950 (per cent)

Social or economic group	Total Labor Force		Expellees	Natives and Refugees
	1939	1950	1950	1950
a. Social structure				
Self employed	14.4	14.8	5.2	16.5
Unpaid family workers	17.8	14.4	1.8	16.7
Government officials	5.0	4.0	3.7	4.0
Employees	16.0 ^a	15.9	14.1	16.3
Wage earners	46.8	50.9	75.2	46.5
Total	100.0	100.0	100.0	100.0
b. Economic structure				
Agriculture	26.2	23.2	13.5	24.9
Industry & mining	40.5	42.3	48.6	41.2
Commerce & transport.	16.6	15.6	12.0	16.2
Service industries	16.7 ^a	18.9	25.9	17.7
Total	100.0	100.0	100.0	100.0

^a Including soldiers and persons in work camps (RAD.).

Source: See table 3.