

## MIGRANTS IN GERMANY: CHARITY GESTURE OR CALCULATION?

From the past, Germany is considered to be the most tolerant country in Europe to help people suffering from wars, disasters or humanitarian problems. Germany is the fifth largest economy in the world and its second largest exporter. This powerful country with high rates of economic growth has one of the world's most rapidly aging and shrinking populations. What is more, Germany has the world's lowest birthrate. Therefore, economic development of Germany leads to creating jobs faster than the natives can fill them. Thus, the country relies heavily on migration to plug a growing workforce hole and stabilize the state pension system.

The problem is that migrants are often perceived as a burden for the public budget. Most people consider migrants to be a drain on a country's economy, as they seek to avail themselves of government services before contributing to the state themselves. In spite of these fears migration has positive sides as well. Following are the advantages of migration for Germany's government:

1. Migration process helps to fill in vacancies and contributes to development of a specialized range of goods and services (food-groceries, restaurants). Thus, migration can trigger stronger economic growth.

2. Migrants set up their own businesses and respectively do trading with their countries of origin. Thereby, Germany acquires new sales markets and the foreign currency inflow is ensured.

3. The cultural diversity, which frequently has been regarded as one of the main drawbacks of integration on the labor market so far, is increasingly considered to be an important advantage for the competitiveness of a national economy in the context of globalization.

4. Migrants motivate natives to develop their skills to be competitive. That leads to increasing competition in the labor market.

Drawbacks of migration:

1. Not all migrants aim at finding a job. Many of them rely on the hardship allowance provided by German taxpayers
2. Population split. Forming two camps: “for” and “against” migrants.
3. Mass disorder. By reason of uncontrolled migration there is the risk of many criminals getting to Germany. The threat of terrorism: the fact that anybody whoever he may be and whatever his intentions are can cross the German border without being properly controlled or registered and settle anywhere in the country.
4. The provision of financial resources for migrants and integrating them into German society may cost Germany from 10 billion euros in 2016.

Money allocated for migrants covers costs such as healthcare, education and food assistance. The additional budget money also goes to paying for German language classes so that to integrate migrants into society and help them to find a job more easily.

5. The problem of illegal migration (800 000 people). Illegal migrants constitute a real danger to the economic development of Germany. First of all, they don't fall into public accounting; they are excluded from the taxation and employment systems. Secondly, illegal migration contributes to expansion of shadow economy.

Still, many studies conclude that migrants' effects on Germany's economy are not as dramatic as some people used to think and that migration may bring a lot of benefits. These benefits depend on whether and how migrants are integrated into the German labor market and into the society. The problem is that the process of integrating large numbers of migrants is a huge challenge to society and to social cohesion.

These studies also show that migration has not led to Germany's GDP rate decrease. On the contrary, economists' calculations suggest that migration can add 2 percent to the general level of GDP. Moreover, big inflow of migrants and the fact that the government provides good benefits for them don't imply tax increase for the residents.