



Germany: The Growth of Social and Economic Diversity in a Unitary Federal System

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Federalism has a long tradition in Germany. The historical roots of German federalism go back to the Holy Roman Empire and still find an echo in the organisation of the Christian churches, civil society, as well as in the persistence of regional identities. However, German society has undergone major changes in the last few decades. The Federal Republic has, after unification with what was until 1989 communist East Germany, a much more asymmetrical economic structure. The differences in the standard of living between one German region and another were minor in the Federal Republic before 1989. All ten West German regions – known as *Länder* – were roughly the same economically. Yet after German reunification in 1990, despite all the aid to the East from the federal government in Berlin, Germany still consists of six poorer eastern *Länder* and ten richer western *Länder*.

Germany's East has retained economic problems inherited from its past such as high unemployment, a lack of investment, weak growth potential, below average numbers of small and medium-sized enterprises, and a

constant brain drain of the young and well-educated to the West and abroad. East/West-distinctions are only one element of the new diversity of German society. Germany has also had to learn from scratch the basics of multiculturalism – a sometimes painful process. Debates over “diversity” are about recent immigrants, as opposed to the poorer East Germans or their richer western counterparts. Generations of immigrant workers from many European countries and elsewhere have enriched German society, but for decades have found few political incentives to integrate.

Today many ethnic minorities live in Germany, the largest being the Turkish minority, with more than 2.4 million of Turkish ancestry living in Germany in 2008 (just slightly more than 1.7 million of these have Turkish citizenship). But there is also a migration by “ethnic Germans” mostly from Russia or other parts of the former Soviet Union. Most immigrants move to where the jobs are, which means to the more prosperous western *Länder*.

Immigration is closely connected with questions of identity. Germany has long based its definition of nationality on ancestry rather than place of birth, to distinguish between “us” and “them” until a reform of the Nationality Act came into effect in 2000. Interior Ministers agreed in 2008 on a national exam that prospective citizens must pass as one of the requirements of citizenship but the German *Länder* still retain some legal authority for determining naturalization prerequisites. At least 90 percent of naturalizations take place in the ten more prosperous western *Länder*.

While the German *Länder* can provide a framework for the integration of immigrants, the implementation of more detailed measurements is the duty of local authorities. In this context the control of education by the *Länder* is very important; their school and educational systems need to be improved in order to offer equal opportunities for immigrants. This is particularly important in eastern Germany since it suffers strongly from emigration and demographic regression.

Migration also has consequences for the social and religious diversity of Germany. Migrants make up an above average share of the unemployed, low achievers in schools, and the socially excluded. Christian migrants have so far not contributed to religious tensions and, with regard to their religion, are not very visible in German society. Muslim traditions or traditions related with Islamic countries, however, have provoked debates in society on the relationship between churches and the state, religious education, co-education, the wearing of religious headscarves and the building of mosques. Most of these are competences of the German *Länder*. It is possible to have religious instruction in German schools but as of mid-2008 there was not a single united Muslim community with whom the *Länder* governments could work to provide Muslim religious instruction.

Completely forgotten in the media and elsewhere in German public discourse are those who have been territorial minorities in Germany for more than a century and are now fully integrated: the Danes in

Schleswig-Holstein, the Sorbians in Saxony and Brandenburg, and the Frieslanders in Lower Saxony and also in Schleswig-Holstein. They are officially recognized minorities who have a guarantee of their cultural heritage. On the other hand, there are still no national minority rights for the 70,000 Sinti and Roma who also form a historically developed minority in Germany; German federalism provides protection for historic territorial minorities only.

This does not mean, however, that federalism is meaningless for other minorities. The *Länder* have the responsibility for public administration, for schools and the curricula. So the questions of religious education, strategies to cope with multicultural backgrounds of students, and the administration of immigration legislation are the responsibility of the *Länder*. Many impulses for such policies come from the local level.

The *Länder* also accept some responsibility for the economic development of their territories. Research shows, however, that the ability of the *Länder* to influence economic data is limited. In the west of Germany a banana-shaped growth region extends from south to north. In the east the official policy is now to concentrate financial aid within clusters of economic growth, irrespective of *Land* borders.

German federalism lacks the flexibility that would make it possible for each *Land* to develop strategies for the new challenges of diversity. Some of this flexibility can be found on the local level, where, for example, innovative initiatives are used to integrate ethnic minorities or to solve the problems of religious education for Muslims. This does not mean that the *Länder* are passive. Their policies are, for the most part, fully integrated in the interconnected decision-making system run by civil servants of the federal government and the *Länder*. Though the Federal Constitutional Court has now developed an interpretation of federalism which supports *Länder* rights more than ever before, the *Länder* still prefer cooperation and are sceptical about too much autonomy. By giving the *Länder* greater competences, the new Federal Reform Act has

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furthered the disparity among them – especially in the educational system – and eroded their willingness to coordinate policies. So for Germany the debate on unity and diversity is less a debate about two alternatives for federalism, but more about the juxtaposition of federalism and social change.