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ABSTRACT

The Societal Integration of Immigrants in Germany*

This paper investigates whether and to what extent immigrants in Germany are integrated into German society by utilizing a variety of qualitative information and subjective data collected in the 1999 wave of the German Socio-Economic Panel (GSOEP). To this end, leisure-time activities and attitudes of native Germans, ethnic Germans and foreign immigrants of different generations are compared. The empirical results suggest that conditional on observable characteristics the activities and attitudes of foreign immigrants from both generations differ much more from those of native Germans than the activities/attitudes of ethnic Germans. Furthermore, the attitudes of second-generation immigrants tend to be characterized by a larger degree of fatalism, pessimism and self-doubt than those of all other groups, although their activities and participation in societal life resemble more those of native Germans than those of their parents' generation.

JEL Classification: J15, J61

Keywords: subjective data, first- and second-generation immigrants, ethnic Germans

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1. Introduction

Together with the enlargement of the European Union and the consequences of demographic change, the integration of immigrant minorities is Europe's most important challenge over the next decade. These three challenges are intimately related. The enlargement of the European Union to incorporate countries of Central and Eastern Europe will in all likelihood be associated with additional – though probably moderate (see BAUER AND ZIMMERMANN (1999), FERTIG (2001) or FERTIG AND SCHMIDT (2001a)) – migration flows towards the current member states. These flows in turn will have effects on overall population growth, and potentially on the relative status of the immigrant communities in each country. At this stage, however, we do not sufficiently understand the mechanisms governing the integration of immigrant minorities into society, and the available policies to smooth this process.

An illustrative example in this context is Germany. In the period up to the 1970s migrants to Germany were mainly labor migrants from Southern Europe, driven by labor market opportunities in Germany and depressed conditions in the sending regions. Over the past three decades, the ethnic composition of immigration to Germany has changed (see FERTIG AND SCHMIDT (2002)), and the geographic and cultural gaps between Germany and the sending countries have widened. Germany now has a sizeable community of second generation immigrants[1] whose social and economic characteristics and outcomes are a matter of growing concern (see e.g. the symposium on second-generation immigrants in the *Journal of Population Economics*, 2003).

Many observers of these phenomena fear that as migrant integration opportunities remain limited, the risk of increasing economic and cultural isolation rises, setting the stage for the creation of permanent second class citizens. For instance, participants of the *European Economic and Social Committee* (EESC) conference on the integration of immigrants emphasized the need for increased political rights for migrants, in addition to equal access to welfare, health and education (see EESC press release No. 64/2002, September 2002). In Germany, the *Federal Office for the Recognition of Foreign Refugees* encourages the social and societal integration of immigrants by supporting integration projects in cooperation with associations, foundations, initiatives and other authorities with the explicit aim[2] to communicate values and norms, to establish contacts between immigrants and natives and to promote societal acceptance of immigrants. Furthermore, the German Ministry of the Interior earmarked around 100 Mio. € in his 2003 budget especially for integration measures for foreigners and ethnic Germans.

Despite the growing recognition of this situation, relatively little research has targeted the question of migrants' integration into society, nor are the potential consequences of different policies regarding the participation of migrants and other minorities in the society and the political process fully understood. Even less is known about the integration of the descendants of the migrants, the so-called second-generation immigrants. This paper aims at contributing to a better understanding of these

[1] At the end of 2002, 7.34 million non-citizens were living in Germany, of which 1.53 million (i.e. 21% of the non-citizen population) were born in Germany (Federal Statistical Office, www.stabu.de).
[2] See http://www.bafl.de/template/englisch/index_englisch_integration.htm

processes by investigating whether and to what extent immigrants in Germany are integrated into the German society.

To this end, we utilize a variety of qualitative information and subjective data collected in the 1999 wave of the *German Socio-Economic Panel* (GSOEP) and compare native Germans, ethnic Germans and foreign immigrants of different generations along various dimensions. Specifically, we investigate whether there are differences between these groups regarding their leisure-time activities and their attitudes towards specific areas of life. Among the latter are areas which are perceived as important for individual well-being and satisfaction and different views on various aspects of life. Finally, we analyze a range of indicators of the societal integration of immigrant groups which are collected for these groups only, like their German language ability or their contacts to natives.

In this endeavor, we control for a large set of observable characteristics of individual respondents to account for heterogeneity in individual activities and attitudes. The empirical results suggest that conditional on observable characteristics the activities and attitudes of foreign immigrants from both generations differ much more from those of native Germans than the activities/attitudes of ethnic Germans. Furthermore, the attitudes of second-generation immigrants tend to be characterized by a larger degree of fatalism, pessimism and self-doubt than those of all other groups, although their activities and participation in societal life resemble more those of native Germans than those of their parents generation.

The remainder of this paper is organized as follows. Section 2 provides an overview on the existing literature regarding the economic and social integration of immigrants. In section 3 the utilized data and the empirical strategy are explained. Estimation results are presented in section 4 and section 5 offers some conclusions.

2. Economic and Societal Integration

Economic research concerning migration issues can be conceptualized into three broad fields: (i) the *decision* to migrate, (ii) the *performance* of migrants in the destination country and (iii) the *impact* of immigration on the population indigenous to the destination country. All these research areas are intimately related and carry important implications for immigration policy.

The integration of immigrants into destination countries' societies is a central part of the research done under the heading of (ii). Typically, analyses conducted within this field investigate whether wages or employment prospects of immigrants converge or diverge as the duration of residence unfolds compared to that of natives and which reasons can be found for these developments. Another aspect of this line of research concerns the degree of discrimination against immigrants as well as the degree and the consequences of geographical and/or occupational segregation, i.e. the clustering of immigrants or specific immigrant groups in certain geographical areas or occupational groups.

The received literature for the US-American experience demonstrates that skills play a dominant role for immigrant performance. These do not only comprise human capital

acquired formally as secondary or post-secondary schooling and vocational training, but also informally like labor market experience, or cognitive ability and motivation (see e.g. the seminal papers by CHISWICK (1978) and BORJAS (1985 and 1987)). Furthermore, these contributions provide evidence that only part of the human capital acquired by immigrants in their origin country can be transferred to the labor market at the destination.

Consequently, upon arrival these immigrants possess a lower earnings capacity, and – since their labor supply is typically inelastic – relatively low earnings. Over their time of residence, they tend to acquire the lacking human capital, e.g. the language spoken at the destination. Their low initial earnings capacity implies that the opportunity cost of their investment are relatively low, which makes substantial human capital acquisition likely. After some years of residence in the destination country the earnings of immigrants typically catch up to those of natives (CHISWICK (1978)).

For the case of Germany, several empirical analyses address the issue of wage performance of the so-called guest workers in the German labor market of the 1980s and early 1990s (see e.g. DUSTMANN (1993), KURTHEN ET AL. (1998) and SCHMIDT (1997)). On balance, these papers demonstrate that in the German labor market formal skills play a decisive role for immigrant wage earnings. For instance, SCHMIDT (1997) concludes that those immigrants who received their schooling and post-secondary education in Germany achieve earnings parity with native workers, while the typical first-generation migrant from the "guest worker" countries lags some 20 percent behind the average native worker in terms of wages. DUSTMANN (1993) demonstrates that the distinction of permanent and temporary migrants might be important for the question of earnings dynamics.

Furthermore, SCHMIDT (1997) compares migrants from the "guest worker" countries with ethnic German immigrants – concluding that the latter group of immigrants is typically better educated and economically well integrated. Finally, DUSTMANN AND SCHMIDT (2000) address the wage performance of female immigrants. To date, almost the complete migration literature and certainly all studies of the German case have concentrated on the analysis of the economic performance of *male* immigrants. In their paper, DUSTMANN AND SCHMIDT (2000) emphasize the treatment of labor supply issues that plague all analyses of female wage earnings. They conclude that for the relative wages of female immigrants not only their own formal education, but also their family circumstances – most notably the return plans of their family – play an important role.

In general, the majority of the received literature in this field concentrates on relative *economic* success. The focus is almost exclusively on measurable differences in economic outcomes (e.g. wages or employment opportunities) which cannot be traced back to observable differences in the determinants of these outcome measures. One exception is Dietz (2003). The author investigates group formation, values and attitudes of a sample of young ethnic German immigrants who entered Germany from the former Soviet Union between 1990 and 1994. Her results indicate that the circle of friends of the majority of these youngsters consists primarily of members of their own group, that they suffer from language problems and reside in rather segregated areas. Furthermore, the values and attitudes of this immigrant group are characterized by a

high acceptance of parental authority, rather traditional gender roles and strong orientation towards collective values rather than an individualistic life style.

Another exception is DUSTMANN (1996). The author investigates the determinants of the feeling of national identity for migrants living in Germany. His results suggest that individual demographic characteristics, nationality and indicators for the family context of respondents affect migrant's social integration. By contrast, indicators for the labor market status do not exhibit significant effects.

Moreover, almost all studies for the case of Germany concentrate on *first*-generation migrants whereas the offspring of these immigrants, the so-called second generation, has not attracted a comparable level of attention. There are two notable exceptions. Firstly, FERTIG AND SCHMIDT (2001b) provide a detailed characterization of both immigrant generations in Germany by demographic and socio-economic characteristics. From their analysis it becomes transparent that there exist considerable differences between both immigrants and natives as well as among the different immigrant generations themselves. The paper, furthermore, investigates the welfare dependence of migrants and contrasts the findings on the determining factors of the moderate risk of migrants to depend on public assistance payments with the perception of immigrants by native Germans using two complementary datasets.

And secondly, RIPHAHN (2003) investigates the educational attainment of second-generation immigrants in Germany by analyzing school attendance and completed schooling degrees. The author finds that after controlling for a variety of individual background characteristics statistically significant *negative* differences between second-generation migrants and comparable natives remain. The ultimate aim of this paper is the provision of a comprehensive portrait regarding various aspects of the societal integration of different immigrant groups in Germany by analyzing a large set of individual-level data for the year 1999. The next section explains the utilized dataset and the pursued empirical strategy.

3. Empirical Strategy and Data

Measuring societal integration is anything but trivial. Since there is no objective scale, this phenomenon is by its very nature *relative*. That is, a specific group of individuals might resemble the behavior or the attitudes/values of a chosen reference group relatively more than another group and might therefore be labeled more integrated. However, the reference group is obviously a choice variable and the extent to which the members of the chosen reference group perform an adequate benchmark might be controversial.

Furthermore, preferences, tastes and values clearly vary from one individual to another, inducing the necessity to control for observable heterogeneity between different respondent groups. But even if significant differences between certain population groups remain after controlling for socio-demographic characteristics, it is difficult to establish precisely if these differences are large or frequent enough to label them societal disintegration. In the case at hand, German citizens which were born in Germany form the comparison group for all immigrant groups. Furthermore, we pursue a careful examination and interpretation of estimation results in order to ward off fallacious conclusions given the above mentioned difficulties.

In our empirical analyses we utilize individual-level data from the 1999 wave of the *German Socio-Economic Panel* (GSOEP). The *GSOEP* is a representative longitudinal study of private households in Germany. It collects information on all household members, consisting of Germans living in the old and new German states, foreigners, who have entered the country in the 1960s and early 1970s, and recent immigrants to Germany. Information collected includes household socio-economic composition, occupational biographies, employment, earnings, as well as health and life satisfaction indicators. Furthermore, there are different waves with special questionnaires on e.g. social security, education and training. The 1999 wave contains a special set of questions related to respondents' views on life and on the importance of different areas of life for satisfaction and well-being.

We explicitly consider the following mutually exclusive immigrant groups in Germany: (i) Ethnic German immigrants, (ii) first-generation (foreign) immigrants, and (iii) second-generation (foreign) immigrants. These groups are defined as follows.

Ethnic German Immigrants: This group of migrants which entered Germany from Eastern Europe during the 1990s and which receives citizenship status immediately upon arrival is not directly observable in the data. However, the data provides information on German citizenship, place of birth and immigration year. Therefore, all respondents possessing the German citizenship, which were not born in Germany and which did not live in Germany prior to 1990 were accounted as ethnic German immigrants. Clearly, this definition is not completely accurate, since it is possible that German citizens which were born outside Germany and entered the country after 1990 are accounted as ethnic German immigrants as well. However, the vast majority of these people should be ethnic Germans who immigrated from Eastern Europe during the 1990s.

First-generation (foreign) immigrants: This group contains respondents *without* German citizenship which were *not* born in Germany. The majority of individuals in this group comprises the so-called guest workers of the 1960s and early 1970s.

Second-generation (foreign) immigrants: This group contains respondents *without* German citizenship which were born in Germany. The majority of individuals in this group comprises the offspring of the so-called guest worker immigrants of the 1960s and early 1970s.

In our empirical analyses all three groups are compared to respondents possessing the German citizenship which were born in Germany. In these comparisons we control for a variety of individual characteristics of the respondents. Besides the immigrant group indicators, respondents' education, marital status, gender, age, employment status, years of residence in Germany and other characteristics are taken into account. **Table A.4** in the appendix provides a detailed description of all explanatory variables.

To analyze the societal integration of different immigrant groups living in Germany we utilize three large sets of questions: a) Questions on leisure-time activities, b) questions on attitudes, and c) foreigners/immigrants specific questions. For the first two sets of questions information is collected for native Germans as well as for all immigrant groups. The last set is specific to the situation of foreigners/immigrants in Germany.

Hence, for this set a comparison to Germans is not possible. **Tables A.1-A.3** in the appendix provide detailed descriptions of the various questions and the answer possibilities.

The first set comprises questions on leisure-time activities which are supposed to measure the degree of immigrant participation in cultural and leisure activities. This does not only entail the extent to which respondents participate in e.g. cultural, religious or sport events but also how much they engage in social intercourse with friends or neighbors and the degree they are involved in public initiatives or political parties.

The second set of questions comprises the attitudes of respondents towards areas which are important for their well-being and satisfaction. These areas encompass the personal sphere – e.g. the importance of family, friends and career success – as well as general areas like environmental protection and the maintenance of peace. Furthermore, this set also comprises the degree of agreement on several statements regarding attitudes towards life and the future. For instance, respondents are asked for their (dis-) agreement to the statements "I decide the way my life is run", "In comparison to others, I haven't achieved what I deserve" and "If I ever hit upon difficulties in my life, I doubt my capabilities". Therefore, the extent to which respondents agree to these statements can be interpreted as indicators for the degree of fatalism, self-doubt and discontent with which they perceive their own life. Finally, this set also contains a question on respondents' general optimism towards the future, the extent to which they feel connected with the place they live and their willingness to move away from this place.

The third set of questions which is confined to immigrants/foreigners only contains data on the proximity between immigrants and natives (existence of contacts and visits) as well as on the language ability of respondents (regarding German and the language of the origin country). Furthermore, respondents are asked which language they typically use in everyday life and how they perceive their acceptance in German society (experience of disadvantages; wish to stay permanently; feeling as German and connection to origin country).

Table A.5 in the appendix reports some summary statistics for the utilized sample. From this table it becomes transparent that for many questions there are large (unconditional) differences in the answer distributions for the different groups. However, the last panel of **Table A.5** reveals that these groups also differ considerably with respect to observable characteristics. Therefore, a multivariate analysis which controls for observed heterogeneity between respondents is indispensable. The results of our (ordered) probit analyses are reported in the next section.

4. Results

In this section the estimation results of our empirical application are reported. Due to the large number of estimations, it is infeasible to report the full set of results. Rather, the following tables contain a summary of the estimation results which indicates the direction and significance of coefficient estimates only[3]. In these tables a "+" denotes a statistically significant (95% level) *positive* difference between the estimated group indicators. A "-" indicates that this difference is statistically significant *negative*. and a "0" denotes an *insignificant* difference between the respective groups.

That is, for instance, the information in row 1 of **Table 1** has to be interpreted as follows: The "+" in columns 1 and 2 indicate that Germans (born in Germany) display a higher probability to visit cultural events than foreigners and ethnic Germans. By contrast, the "-" in column 5 suggests that the first generation of (foreign) immigrants tend to be less likely than ethnic Germans to visit cultural events. The "0" in the last column indicates that there is no difference between the second and the first generation of migrants.

Table 1 reports a summary of estimation results for the different leisure-time activities. From this table it becomes transparent, that even after controlling for observable differences between respondent groups like age, gender, education, marital status etc., significant differences between natives and foreigners in Germany remain. Estimation results indicate that Germans compared to foreigners display a significantly higher probability to visit cultural events and to do sports actively. Furthermore, they are significantly more likely than foreigners to participate in clubs etc. as a honorary office worker but display a statistically significant lower probability to engage in social intercourse with friends or neighbors and to be involved in religious activities.

In general, the differences between the first generation of immigrants and Germans born in Germany are much more pronounced than those between natives and the second generation. Existing differences between both immigrants groups indicate that the second generation is closer to native Germans than their parents. However, in the majority of cases the differences between both immigrant generations are negligible.

[3] Full estimation results are available from the author upon request.

Table 1 : Results of Ordered Probit Estimations for Leisure-Time Activities

Question	German vs. Foreign	German vs. Ethnic German	Ethnic German vs. Foreign	First vs. German	First vs. Ethnic German	Second vs. German	Second vs. Ethnic German	First vs. Second
Which of the following activities do you participate in during your free-time?								
Visits to cultural events.	+	+	+	-	-	-	-	0
Cinema visits, visits to pop concerts, discos etc.	0	0	+	-	-	+	+	-
Active sport.	+	0	+	-	-	0	0	-
Social intercourse with friends, relatives or neighbors.	-	0	-	+	+	+	0	0
Lend help to friends, relatives or neighbors,	0	0	0	0	0	0	0	0
Honorary office participation in clubs etc.	+	+	0	-	0	-	0	0
Participation in public initiatives etc.	0	0	0	-	0	0	0	-
Church-going, visits to religious events.	-	-	+	0	-	+	-	0

Notes: A '+' denotes a statistically significant positive, a '-' a statistically significant negative and '0' an insignificant difference between estimated group indicators. For a description of the utilized control variables see Table A.4 in the appendix.

By contrast, ethnic Germans and Germans born in Germany tend to behave similarly. For the majority of leisure-time activities estimation results indicate no statistically significant difference between these two groups. The only exceptions are, firstly, that ethnic Germans are less likely than native Germans to visit cultural events and to participate in clubs etc. as honorary worker. And secondly, ethnic Germans display a statistically significant higher probability to be involved in religious activities. In general, ethnic Germans are the population group with the highest incidence of religious activity in their leisure-time.

Furthermore, leisure-time activities of ethnic Germans tend to be significantly different from those of non-citizens. For the most part, these significant differences are driven by the discrepancies between ethnic Germans and the first generation of (foreign) immigrants, whereas the activities of the second generation are more similar to those of ethnic Germans. Overall, all immigrant groups in Germany are participating in various dimensions of societal life where the second generation of (foreign) immigrants seems to be more assimilated to the activities of native Germans than their parents.

In **Table 2.1** the results for first part of the attitudes questions are reported. Here respondents are asked which areas of life are important for their well-being and satisfaction. Estimation results indicate that in the majority of cases there are no significant differences between Germans and foreigners. In contrast to the leisure-time activities, this result is, however, mainly driven by the similarity in responses of *first*-generation immigrants and Germans, whereas the answers of a typical respondent from the second immigrant generation differs more from those of Germans.

Estimation results, furthermore, suggest that Germans have a significantly higher probability than foreigners to regard work and career success as important factors for their well-being. On the other hand, religion and mobility tend to be significantly less important for them. The importance of religious activities, however, is especially pronounced in the first generation of immigrants, whereas the second generation tend to perceive this area as important as native Germans.

For the most part, ethnic Germans tend to perceive different areas as important for their well-being and satisfaction than (foreign) immigrants of both generations and Germans born in Germany. Compared to the latter group, ethnic Germans display a significantly higher probability to regard influence on political decisions, environmental protection, the residential area they are living, mobility and religion as important factors for their well-being. The latter finding supports the results from **Table 1** where ethnic Germans display a higher probability to be involved in religious activities during their free-time. Furthermore, ethnic Germans tend to consider work as less important than native Germans. These results suggest that for ethnic Germans collective values like political influence, environmental protection, residential area and religion carry more weight than individualistic values like work. Against the background of the poor economic conditions in the countries they emigrated from, this is certainly a surprising result that might be a reflection of their upbringing in a socialistic society and supports the findings of DIETZ (2003) for ethnic German youngsters.

Table 2.1: Results of (Ordered) Probit Estimations for Attitudes

Question	German vs. Foreign	German vs. Ethnic German	Ethnic German vs. Foreign	First vs. German	First vs. Ethnic German	Second vs. German	Second vs. Ethnic German	First vs. Second
Which of the following areas are important for your well-being and satisfaction?								
Work	+	+	+	0	-	-	-	+
Family	0	n.a.[1)]	n.a.[1)]	0	n.a.[1)]	0	n.a.[1)]	0
Friends	0	+	-	0	+	0	0	0
Income	0	0	0	0	0	0	0	0
Housing	0	0	+	0	-	0	0	0
Influence on political decisions	0	-	+	0	-	0	-	0
Career success	+	0	0	0	0	-	-	0
Free-time	0	0	0	0	0	0	0	0
Health	0	0	0	0	0	0	0	0
Protection of the natural environment	0	-	+	0	-	0	-	0
Faith, religion	-	-	0	+	0	+	0	0
Residential area	0	-	+	0	-	0	-	0
Mobility to get everywhere quickly	-	-	+	+	-	0	-	0
If you think about the future in general, are you optimistic?	0	-	+	-	-	0	-	0
To what extent do you feel connected with the place and the area that you live in?	0	0	+	-	-	0	0	-
Would you consider moving away, e.g. because of family or job?	-	+	+	0	-	+	0	-

Notes: A '+' denotes a statistically significant positive, a '-' a statistically significant negative and '0' an insignificant difference between estimated group indicators. 1) Since all respondents in the Group of ethnic Germans have chosen the same answer category, this comparison is not possible. For a description of the utilized control variables see Table A.4 in the appendix.

The lower panel of **Table 2.1** aims at inquiring how optimistic respondents are regarding future. Furthermore, the final two questions address the extent to which respondents feel connected with the place they live in and whether they are willing to move away from there. Estimation results suggest that ethnic Germans exhibit the highest probability to look ahead optimistically, whereas both foreign immigrant generations are more pessimistic. Interestingly, ethnic Germans feel more connected to the place or area they are living than native Germans or non-citizens. They are, however, also the most willing to move away for reasons of family or job. The second generation of immigrants are the population group which is the most similar to ethnic Germans with respect to these issues whereas their parents generation and Germans born in Germany display the lowest willingness to be mobile.

Table 2.2 contains a summary of the estimation results for the second part of the attitudes questions under investigation. These questions try to establish the degree of respondents' agreement to different views on life, and therefore, try to extract rather fundamental attitudes of respondents. The first five questions can be interpreted as aiming to extract the degree of fatalism with which respondents view their life and its prospects. Interestingly, foreigners unambiguously tend to display a higher degree of fatalism than native Germans and for the vast majority of cases also compared to ethnic Germans. This phenomenon is especially pronounced for the second generation of (foreign) immigrants and manifests itself in their significantly higher probability to perceive their life as less self-determined and their prospects in life as determined by faith or luck rather than their own endeavors.

The sixth question can be interpreted as an indicator for the extent to which respondents doubt their own abilities. Estimation results indicate that Germans born in Germany as well as ethnic Germans tend to be less afflicted by self-doubts than non-citizens. Again, this result is primarily driven by the difference between citizens and the second generation of immigrants. The next question refers to the degree of respondents' satisfaction with their life and what they have achieved so far, whereas the last two questions indicate the degree of skepticism or pessimism with which respondents view the level of self-determination of their own life and their influence on the political and social environment they are living.

Table 2.2: Results of (Ordered) Probit Estimations for Attitudes

Question	German vs. Foreign	German vs. Ethnic German	Ethnic German vs. Foreign	First vs. German	First vs. Ethnic German	Second vs. German	Second vs. Ethnic German	First vs. Second
The following statements express varying attitudes towards life and the future. Do you agree/disagree?								
I decide the way my life is run.	+	0	+	0	-	-	-	0
I have little control over the things that take place in my life.	-	0	-	+	+	+	+	0
One has to work hard to achieve success.	+	0	+	0	-	-	-	0
What one achieves in life is mainly a question of luck or fate.	-	0	-	+	+	+	+	0
I often make the discovery that others influence my life.	-	0	0	+	0	+	+	0
If I ever hit upon difficulties in my life, I doubt my capabilities.	-	+	-	0	+	+	+	-
In comparison to others, I haven't achieved what I deserve.	-	0	-	+	+	+	+	0
The possibilities in my life are determined by the social conditions.	0	0	-	0	+	0	+	0
If one is socially or politically active, one can influence the social conditions.	0	0	0	0	0	0	0	0

Notes: A '+' denotes a statistically significant positive, a '-' a statistically significant negative and '0' an insignificant difference between estimated group indicators. For a description of the utilized control variables see Table A.4 in the appendix.

With the exception of the last question, which exhibits no significant differences whatsoever, estimation results for these attitudes confirm the results of the preceding questions. Second-generation immigrants are less satisfied with their life compared to German citizens and display a significantly higher probability to doubt that their life is self-determined than ethnic Germans. All in all, estimation results indicate that even after controlling for a large set of socio-demographic characteristics and in stark contrast to their similarity in behavior, the second-generation of immigrants is a deeply unsettled population group which is plagued by self-doubts and a rather fatalistic and pessimistic view on their life and its prospects.

Finally, estimation results for the questions to immigrants/foreigners only are summarized in **Table 3**. These results indicate that typical members of the second generation of (foreign) immigrants tend to have more contacts to Germans (including visits from Germans) than their parents generation. Furthermore, self-assessed fluency in (written and spoken) German is higher for this group than for their parents generation. However, ethnic Germans display the highest self-assessed fluency compared to all other immigrant groups.

By contrast, first-generation immigrants tend to assess a higher fluency in the language of their origin country compared to ethnic Germans, whereas there is no difference in assessment between both immigrant generations. In line with these findings, ethnic Germans are more likely to use German as the main language at home, whereas first-generation immigrants tend towards the language of their origin country and the second generation is, again, in between.

Moreover, members of the first-generation immigrant group reported a significantly higher experience of disadvantage due to their origin than ethnic Germans, whereas estimation results reveal no difference between the second-generation and ethnic Germans. Unsurprisingly, ethnic Germans display the highest willingness to stay permanently in Germany and to feel German, whereas the first generation exhibits the lowest likelihood. Second-generation immigrants are again in between both other groups. By contrast, first-generation immigrants are the group with the highest feeling of connection to their origin country and ethnic Germans display the lowest association with the country they emigrated from.

Table 3: (Ordered) Probit Results for Questions to Non-Citizens Only

Variable	First vs. Second	First vs. Ethnic German	Second vs. Ethnic German
Contact to Germans	-	n.a.	n.a.
Visits to Germans	0	n.a.	n.a.
Visits from Germans	-	n.a.	n.a.
Spoken German	-	-	-
Written German	-	-	-
Write language of origin country	0	+	0
Speak language of origin country	0	+	0
Mainly use German	-	-	-
Mainly use language of origin country	+	+	+
Use both equally	0	0	0
Disadvantage	0	+	0
Wish to stay	-	-	-
Feel German	-	-	-
Feel connected with origin country	+	+	+

Notes: For a description of the utilized control variables see Table A.4 in the appendix.

In general, this last set of estimation results reveal no surprising findings. In the context of societal integration of immigrant minorities, language fluency and the feeling of connection to the country of residence as well as the origin country are the most interesting pieces of information. With respect to these indicators, ethnic Germans tend to display the highest degree of integration into the German society since their command of the German language and their connection to Germany as their country of permanent residence are higher compared to both non-citizen immigrant groups. However, this is not to say that the language fluency of ethnic Germans is high in absolute terms. Furthermore, self-assessed measures are always susceptible for misclassification errors[4].

5. Conclusions

Over the past three decades, the ethnic composition of immigration to Germany has changed, and the geographic and cultural gaps between Germany and the sending countries have widened. Germany now has a sizeable community of second generation immigrants whose social and economic characteristics are a matter of growing concern. Yet, despite the growing recognition of this situation, relatively little research has targeted the question of migrants' integration into society. Furthermore, even less is known about the integration of the so-called second-generation immigrants. Hence, this paper contributes to our understanding of these processes by providing an analysis of the extent to which immigrants in Germany are integrated into the German society.

Specifically, we utilize a large set of qualitative information and subjective data collected in the 1999 wave of the *German Socio-Economic Panel* (GSOEP) and

[4] DUSTMANN AND VAN SOEST (2001) demonstrate in the context of language fluency as a determinant of earnings that misclassification of self-assessed language command might be a severe problem.

compare native Germans, ethnic Germans and foreign immigrants of different generations along various dimensions. We investigate whether there are differences between these groups regarding their leisure-time activities and their attitudes towards specific areas of life. Finally, we analyze various indicators of the societal integration of immigrant groups which are collected for these groups only, like their German language ability or their contacts to natives.

In this endeavor, we control for a large set of observable characteristics of individual respondents to account for heterogeneity in individual activities and attitudes. The empirical results suggest that conditional on observable characteristics the activities and attitudes of foreign immigrants from both generations differ much more from those of native Germans than the activities/attitudes of ethnic Germans. Most importantly, our estimation results for the questions regarding different views on life indicate that even after controlling for a large set of socio-demographic characteristics the *second*-generation of immigrants is a deeply unsettled population group which is plagued by self-doubts and a rather fatalistic and pessimistic view on their life and its prospects. This finding stands in stark contrast to the observed similarity in leisure-time activities of this population group compared to native Germans.

Since the typical respondent from the second-generation immigrant group is rather young, their pessimistic perception of life and its prospects should be alarming. Whether and to what extent this is the cause or the consequence of their performance on the German labor market is a currently unresolved issue which has to be addressed in future research. In any case, by ignoring the rather gloomy orientation of this immigrant generation, we are running the risk of losing a sizeable fraction of young people as content and productive members of our future society.

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Appendix

Table A.1: Description of Questions on Leisure-Time Activities

Which of the following activities do you participate in during your free-time?	
Visits to cultural events e.g. concerts, theatre, presentations.	Answer possibilities: 1 = never, 2 = rarely, 3 = every month, 4 = every week.
Cinema visits, visits to pop concerts, dance events, discos, sporting events.	
Active sport.	
Social intercourse with friends, relatives or neighbors.	
Lend help to friends, relatives or neighbors when something has to be done.	
Honorary office participation in clubs, associations or social services.	
Participation in public initiatives, in political parties, local government.	
Church-going, visits to religious events.	

Table A.2: Description of Questions on Attitudes

Which of the following areas are important for your well-being and satisfaction?	
Work	Original answer possibilities: very important, important, not very important, totally unimportant. These are summarized into: 1 = very important and important; 0 otherwise.
Family	
Friends	
Income	
Housing	
Influence on political decisions	
Career success	
Free-time	
Health	
Protection of the natural environment	
Faith, religion	
Residential area	
Mobility to get everywhere quickly	
The following statements express varying attitudes towards life and the future.	
I decide the way my life is run.	Original answer possibilities: totally agree, agree sightly, disagree slightly, totally disagree. These are summarized into: 1 = totally agree and agree slightly; 0 otherwise.
In comparison to others, I haven't achieved what I deserve.	
What one achieves in life is mainly a question of luck or fate.	
If one is socially or politically active, one can influence the social conditions.	
I often make the discovery that others influence my life.	
One has to work hard to achieve success.	
If I ever hit upon difficulties in my life, I doubt my capabilities.	
The possibilities in my life are determined by the social conditions.	
I have little control over the things that take place in my life.	

If you think about the future in general, are you optimistic?

Original answer possibilities: optimistic, more optimistic than pessimistic, more pessimistic than optimistic, pessimistic. These are summarized into: 1 = optimistic and more optimistic than pessimistic; 0 otherwise.

To what extent do you feel connected with the place and the area that you live in?

Original answer possibilities: very strong, strong, not very strong, not at all. These are summarized into: 1 = very strong and strong; 0 otherwise.

Would you consider moving away, e.g. because of family or job?

Answer possibilities: 1 = yes; 2 = possibly, cannot exclude the possibility; 3 = no.

Table A.3: Description of Questions to Foreigners Only

VARIABLE	DESCRIPTION
	Contact to Germans:
Contact to Germans	Since you have lived in Germany, have you had close contact to Germans? 1 = yes; 0 otherwise.
Visits to Germans	In the last 12 months did you visit any Germans in their home? 1 = yes; 0 otherwise.
Visits from Germans	In the last 12 months were you visited by any Germans in your home? 1 = yes; 0 otherwise.
	Language ability:
Spoken German Written German Write language of origin country Speak language of origin country	In your opinion, how well can you speak and write German/the language of your origin country? Answer possibilities: 1 = not at all; 2 = poorly; 3 = fairly; 4 = good; 5 = very well.
	Language use:
Mainly use German Mainly use language of origin country Use both equally	What language do you speak here in Germany for the most part? Answer possibilities: Mostly German; the language of your origin country; both about equally as much.
	Perception of acceptance in German society:
Disadvantage	How often have you experienced disadvantages in the last two years because of your origins? 1 = never; 2 = seldom; 3 = often.
Wish to stay	Do you want to stay in Germany forever? 1 = yes; 0 otherwise.
Feel German	To what degree do you think of yourself as German? 1 = not at all; 2 = barely; 3 = in some respect; 4 = mostly; 5 = completely.
Feel connected with origin country	To what extent do you feel connected with the country of your or your family's origin? 1 = not at all; 2 = barely; 3 = in some respect; 4 = mostly; 5 = completely.

Table A.4: Description of Explanatory Variables

Variable	Description
	Immigrant group indicators:
German	1 if respondent has German citizenship and is born in Germany; 0 otherwise.
First (generation)	1 if respondent does not have German citizenship and is not born in Germany; 0 otherwise.
Second (generation)	1 if respondent does not have German citizenship but is born in Germany; 0 otherwise.
Foreign	1 if respondent belongs to first generation or second generation of immigrants; 0 otherwise.
	Education category indicators:
Secondary schooling	1 if respondent has secondary schooling degree; 0 otherwise.
Intermediary schooling	1 if respondent has intermediary schooling degree; 0 otherwise.
Technical schooling	1 if respondent has technical schooling degree; 0 otherwise.
Upper secondary school.	1 if respondent has upper secondary schooling degree; 0 otherwise.
Other schooling	1 if respondent has other schooling degree; 0 otherwise.
No schooling degree*	1 if respondent has no schooling degree; 0 otherwise.
	Marital status indicators:
Single*	1 if respondent is single; 0 otherwise.
Married	1 if respondent is married or lives with permanent partner; 0 otherwise.
Divorced	1 if respondent is divorced; 0 otherwise.
Widowed	1 if respondent is widowed; 0 otherwise.
	Other control variables:
Female	1 if respondent is female; 0 otherwise.
(Squared) Age	(Squared) Age of respondent in years.
Unemployed	1 if respondent is registered as unemployed; 0 otherwise.
In training	1 if respondent is currently in training (school, university etc.); 0 otherwise.
Children under 15	1 if children under 15 live in respondent's household; 0 otherwise.
East	1 if respondent lives in eastern Germany; 0 otherwise.
Time spent in Germany	Number of years, the respondent lives in Germany.

Notes: * denotes the reference category within the respective indicator groups.

Table A.5: Summary Statistics – Questions on Leisure-Time Activity and Attitudes

Questions	Germans		Ethnic Germans		First-generation		Second-generation	
	Mean	Standarddev.	Mean	Standarddev.	Mean	Standarddev.	Mean	Standarddev.
Which of the following activities do you participate in during your free-time?								
Visits to cultural events.	1.845	0.687	1.583	0.631	1.454	0.656	1.750	0.697
Cinema visits, visits to pop concerts, discos etc.	2.056	0.889	1.798	0.833	1.616	0.798	2.750	0.927
Active sport.	2.106	1.240	1.741	1.085	1.588	1.038	2.548	1.225
Social intercourse with friends, relatives or neighbors.	3.116	0.824	3.315	0.762	3.389	0.775	3.574	0.705
Lend help to friends, relatives or neighbors,	2.382	0.803	2.495	0.854	2.449	0.935	2.456	0.924
Honorary office participation in clubs etc.	1.547	0.950	1.213	0.601	1.242	0.658	1.304	0.715
Participation in public initiatives etc.	1.143	0.468	1.060	0.276	1.057	0.293	1.102	0.380
Church-going, visits to religious events.	1.700	0.922	2.367	1.167	2.065	1.069	1.823	0.926
Which of the following areas are important for your well-being and satisfaction?								
work	0.836	0.370	0.879	0.327	0.785	0.411	0.844	0.364
family	0.981	0.137	0.998	0.049	0.984	0.125	0.977	0.151
Friends	0.892	0.310	0.891	0.312	0.917	0.276	0.953	0.211
Income	0.960	0.196	0.976	0.154	0.958	0.201	0.941	0.235
Housing	0.971	0.168	0.964	0.187	0.956	0.205	0.924	0.265
influence on political decisions	0.307	0.461	0.268	0.444	0.219	0.414	0.272	0.446
career success	0.718	0.450	0.691	0.463	0.611	0.488	0.785	0.412
free-time	0.903	0.296	0.859	0.348	0.883	0.321	0.939	0.240
Health	0.994	0.080	0.998	0.049	0.997	0.058	0.988	0.107
protection of the natural environment	0.881	0.323	0.896	0.306	0.839	0.368	0.836	0.371
faith, religion	0.328	0.469	0.592	0.492	0.650	0.477	0.539	0.499
residential area	0.896	0.306	0.889	0.315	0.855	0.353	0.825	0.380
Mobility to get everywhere quickly	0.878	0.327	0.874	0.332	0.838	0.368	0.904	0.295

Table A.5 (cont'd): Summary Statistics – Questions on Attitudes

Question	Germans		Ethnic Germans		First-generation		Second-generation	
	Mean	Standarddev.	Mean	Standarddev.	Mean	Standarddev.	Mean	Standarddev.
The following statements express varying attitudes towards life and the future. Do you agree/disagree?								
I decide the way my life is run.	0.894	0.308	0.862	0.345	0.784	0.411	0.875	0.331
In comparison to others, I haven't achieved what I deserve.	0.295	0.456	0.336	0.473	0.476	0.500	0.424	0.495
What one achieves in life is mainly a question of luck or fate.	0.360	0.480	0.511	0.500	0.638	0.481	0.557	0.497
If one is socially or politically active, one can influence the social conditions.	0.396	0.489	0.392	0.489	0.392	0.488	0.440	0.497
I often make the discovery that others influence my life.	0.239	0.427	0.307	0.462	0.365	0.482	0.395	0.490
One has to work hard to achieve success.	0.961	0.193	0.954	0.210	0.938	0.241	0.928	0.260
If I ever hit upon difficulties in my life, I doubt my capabilities.	0.250	0.433	0.248	0.432	0.329	0.470	0.380	0.486
The possibilities in my life are determined by the social conditions.	0.652	0.476	0.620	0.486	0.702	0.458	0.673	0.470
More important than any endeavors, are your own capabilities.	0.772	0.419	0.849	0.359	0.785	0.411	0.828	0.378
I have little control over the things that take place in my life.	0.158	0.364	0.180	0.385	0.323	0.468	0.291	0.455
If you think about the future in general, are you optimistic?	0.764	0.425	0.870	0.336	0.719	0.450	0.853	0.354
To what extent do you feel connected with the place and the area that you live in?	0.784	0.411	0.666	0.472	0.597	0.491	0.715	0.452
Would you consider moving away, e.g. because of family or job?	2.215	0.793	2.198	0.817	2.110	0.856	2.078	0.857

Table A.5 (cont'd): Summary Statistics – Questions to Immigrants/Foreigners Only

Question	Ethnic Germans		First-generation		Second-generation	
	Mean	Standarddev.	Mean	Standarddev.	Mean	Standarddev.
Contact to Germans	n.a.	n.a.	0.895	0.307	0.979	0.142
Visits to Germans	n.a.	n.a.	0.769	0.422	0.938	0.241
Visits from Germans	n.a.	n.a.	0.814	0.389	0.947	0.225
Spoken German	4.027	0.742	3.546	1.012	4.570	0.676
Written German	3.718	0.933	2.837	1.295	4.386	0.868
Write language of origin country	4.416	0.736	4.476	0.618	4.074	0.833
Speak language of origin country	4.146	1.011	4.115	0.969	3.547	1.054
Mainly use German	0.583	0.494	0.257	0.437	0.507	0.501
Mainly use language of origin c.	0.350	0.477	0.392	0.488	0.402	0.491
Use both equally	0.068	0.252	0.351	0.478	0.091	0.288
Disadvantage	1.499	0.556	1.526	0.599	1.469	0.586
Wish to stay	0.947	0.225	0.619	0.486	0.795	0.404
Feel German	4.298	0.917	2.441	1.108	3.079	1.082
Feel connected with origin country	2.430	1.111	3.879	0.938	3.291	0.990

Table A.5 (cont'd): Summary Statistics – Explanatory Variables

Variable	Germans		Ethnic Germans		First-generation		Second-generation	
	Mean	Standarddev.	Mean	Standarddev.	Mean	Standarddev.	Mean	Standarddev.
Secondary schooling	0.416	0.493	0.130	0.337	0.186	0.389	0.391	0.489
Intermediary schooling	0.336	0.473	0.110	0.314	0.026	0.159	0.183	0.388
Technical schooling	0.034	0.182	0.012	0.110	0.017	0.131	0.046	0.210
Upper secondary school.	0.159	0.366	0.039	0.194	0.044	0.206	0.122	0.328
Other schooling	0.015	0.121	0.571	0.496	0.445	0.497	0.058	0.234
No schooling degree*	0.018	0.131	0.100	0.301	0.277	0.448	0.104	0.306
Single*	0.250	0.433	0.184	0.388	0.092	0.289	0.614	0.487
Married	0.602	0.490	0.742	0.438	0.816	0.388	0.330	0.471
Divorced	0.081	0.273	0.041	0.198	0.064	0.246	0.049	0.217
Widowed	0.067	0.250	0.034	0.181	0.028	0.164	0.006	0.076
Female	0.524	0.499	0.487	0.500	0.484	0.500	0.487	0.501
Age	45.329	17.023	40.364	15.435	44.679	13.801	26.023	8.857
Unemployed	0.066	0.248	0.111	0.315	0.106	0.308	0.070	0.255
In training	0.111	0.314	0.135	0.342	0.028	0.166	0.348	0.477
Children under 15	0.329	0.470	0.564	0.497	0.465	0.499	0.429	0.496
East	0.317	0.465	0.002	0.049	0.006	0.076	0.003	0.054
Time spent in Germany	45.329	17.023	8.438	1.889	23.291	9.680	26.023	8.857

Notes: * denotes the reference category within the respective indicator groups.