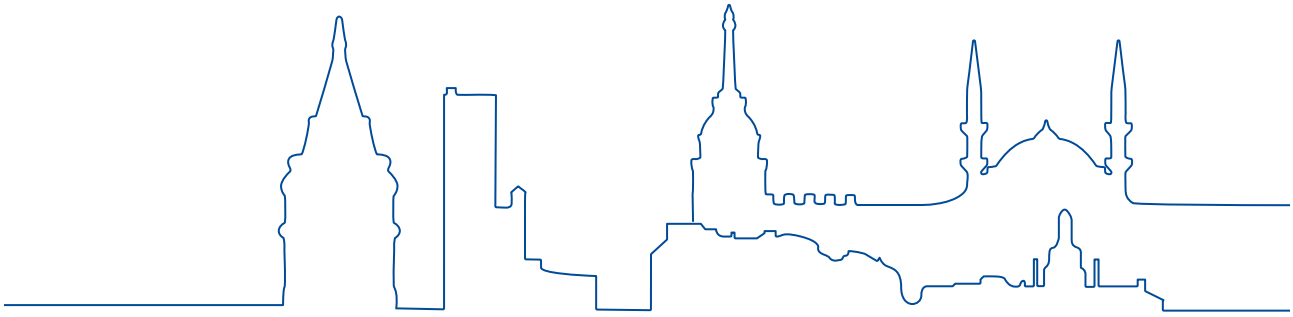


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CONNECTED BY PEOPLE: 65 YEARS OF TURKISH MIGRATION TO GERMANY

Dilara Wiemann, 2026/27 Mercator-IPC Fellow

In 1961, a train journey from Istanbul to Germany could take up to three days. After this journey, Turkish workers arriving at Munich train station were led into a former air raid bunker beneath Platform 11. There, the Federal Labor Office had established a reception and forwarding office, where the new arrivals were welcomed, given a meal, and could rest briefly. Each worker received a contract and a number, and long lists decided where each would go next.[1] What the lists could not record, however, was everything else that these workers would bring with them.

Sixty-five years later, about 2.6 million people in Germany have an immigration background from Türkiye, nearly half of them German citizens.[2] Their ideas, languages, and knowledge of both countries have translated into economic benefits, like new firms, trade, and investment. Yet over the past 65 years of exchange, the potential of Turkish migrants in Germany has not been fully realized: lengthy bureaucratic procedures, difficulties in recognizing qualifications, and unequal treatment in the labor market still hinder the benefits that stronger German-Turkish labor institutions can create. At a time of skilled labor shortages in Germany and growing protectionism across the globe, both countries have much to gain from leveraging these connections.

From Guest Workers to Business Builders

The Recruitment Agreement, signed by Ankara and Bonn in Bad Godesberg on October 30, 1961, was designed to address West Germany's immediate labor shortages after World War II. By the time recruitment stopped in 1973, about 870,000 workers had come from Türkiye.[3] Over time, many stayed, and migrants and their descendants began building businesses of their own. Alongside mosques came grocery stores, butchers, travel agencies, exporters, and döner shops. Six decades later, bilateral trade between Germany and Türkiye had reached nearly EUR 52 billion in 2025, and more than 8,000 German and Turkish companies with German capital participation operate in Türkiye.[4]

The economic contributions of migration expand beyond wage employment. In 2022, immigrants accounted for 17 percent of self-employed workers across OECD countries. Between 2011 and 2021, migrant self-employment generated more than 3.9 million jobs in 25 OECD countries, equivalent to 15 percent of total employment growth.[5] Research covering 19 OECD countries also found that immigration rose GDP per capita in every country, partly by increasing the working-age share of the popula-

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tion and the employment rate.[6] In Germany, entrepreneurs of Turkish origin employ around 500,000 people and generate annual revenues of about EUR 50 billion.[7]

The best-known German-Turkish success story is BioNTech, founded by German-Turkish scientists Özlem Türeci and Uğur Şahin, whose family histories illustrate the links between the two countries. Less famous but just as telling is Aynur Boldaz-Özdemir, who started out as a cleaner in Berlin and went on to found her own cleaning company, Forever Clean, which later expanded to Istanbul and Ankara, where her sister runs the business.[8]

Migrant entrepreneurs bring more than capital: they bring knowledge of both markets, and the relationships needed to do business across borders. As F.A. Hayek argues, much of the knowledge an economy needs is "knowledge of the particular circumstances of time and place," and it is "not given to anyone in its totality."[9] Migrants hold parts of this dispersed knowledge: an understanding of customer demand in Izmir, the decision-making practices of a family-run Anatolian company, or which local suppliers are reliable. By connecting people and businesses across borders, they make this scattered knowledge accessible and economically useful.

Talent Left on the Table

The economic potential of migration also depends on whether workers with international backgrounds can access opportunities in the first place. This is where Germany's labor market institutions still fall short.

Germany faces a paradox: while employers report difficulties finding skilled workers, they do not always make full use of the talent available internationally. In the 2024 *Fachkräftemigrationsmonitor* by Bertelsmann Stiftung, 67.5 percent of German firms reported skilled labor shortages. Yet only 18.4 percent recruited abroad. Among companies that had not recruited internationally, 40.8 percent said they could not assess foreign qualifications. The difficulties do not end once companies take that step: among firms with experience recruiting from abroad, 40.7 percent reported bureaucratic hurdles, while 29.7 percent cited problems with the recognition of foreign vocational qualifications.[10] This suggests that the problem is not simply a lack of available workers. Employers may also struggle to evaluate applicants trained abroad. The problem goes further: A recent field experiment in Germany's apprenticeship market found that identical inquiries received a response in 67 percent of cases when sent under a German-sounding name, compared with just 52 percent with a Turkish-sounding name.[11] This suggests that even before qualifications are assessed, applicants can face unequal treatment based on their perceived background.

Economists have long studied why such practices persist. Gary Becker's model of discrimination suggests that employers who reject qualified applicants because of prejudice incur an economic cost: they forgo productive workers and may lose out to less discriminatory competitors.[12] Yet competition does not necessarily eliminate discrimination. When employers have limited information about applicants, names and perceived backgrounds can bias decision-making about the suitability of applicants.[13] Qualified applicants may thus never get the opportunity to demonstrate what they can do.

Recognition is another barrier. In a non-representative survey of recent migrants from Türkiye published in 2025, only 30 percent of employed respondents felt their qualifications were adequately recognized, while 39 percent considered themselves overqualified.[14] Similar labels, such as Türkiye's journeyman and master certificates (*kalfalık* and *ustalık)*, do not establish equivalence between the two countries' vocational training systems.[15] Even after partial recognition through a recognition partnership, employers must support workers in completing the additional training needed for full recognition.[16]

Lowering the Cost of Exchange

If knowledge is dispersed, no central ministry can plan which connections will prove valuable. Policymakers should therefore focus on institutions that

lower the cost of exchange. This means making qualifications easier to recognize, helping firms assess applicants based on what they can actually do rather than on their names, and reducing the administrative uncertainty surrounding international recruitment. It also means making it easier for people, goods, services, and capital to cross the border in both directions. Both governments have already lowered some barriers. Since June 2024, Germany has generally allowed dual citizenship, and Türkiye's Blue Card lets former Turkish citizens keep most of the rights of citizens, including the right to work without a permit. Instruments like these make it easier for people to move.

Yet considerable frictions remain: The OECD's recent comparative assessment of labor migration pathways highlights how processing times, application fees, and documentary requirements shape access to employment opportunities in practice. Long, costly, and unpredictable procedures can discourage workers from applying and employers from recruiting abroad.[17]

Better coordination between vocational training systems, more transparent recognition procedures, practical support for employers (particularly small and medium-sized enterprises), and faster, more predictable administrative processes could help turn existing skills and networks into more productive economic activity. Transnational advantages do not translate into economic gains automatically; however, without supportive institutions, they risk turning into brain waste. Which instruments work best remains open for further empirical research.

The officials at Platform 11 sent workers onward according to the lists in their possession. What they set in motion was a bridge between two economies, built by the people who crossed it, the businesses they established, and the connections they maintained. Keeping it open requires fewer obstacles to exchange and more room for the workers, entrepreneurs, and firms who know where the opportunities lie.

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