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A Case Study of an Ethiopian Refugee in Germany

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8.1 Germany and Refugees

Germany is currently recognized as the leading European nation to welcome refugees.¹ The International Organization for Migration (IOM)² defines “refugee” as follows:

A person who, “owing to a well-founded fear of persecution for reasons of race, religion, nationality, membership of a particular social group or political opinions, is outside the country of his nationality and is unable or, owing to such fear, is unwilling to avail himself of the protection of that country”. (Art. 1(A) (2), Convention relating to the Status of Refugees, Art. 1A (2), 1951 as modified by the 1967 Protocol)

The then-Organization for African Union (OAU) defined the status of a refugee at its 1969 convention as follows:

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“every person who, owing to well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group or political opinion, is outside the country of his nationality and is unable or, owing to such fear, is unwilling to avail himself of the protection of that country, or who, not having a nationality and being outside the country of his former habitual residence as a result of such events, is unable or, owing to such fear, is unwilling to return to it.” (OAU 1969)

The recent opening of Germany’s doors for refugees has exponentially increased the number of foreigners in the country, but Germany is no stranger to refugees and has been receiving them for decades. According to the Federal Statistical Office of Germany (Destatis 2016³), there are about 10 million foreigners living in Germany, and among them, nearly one million received refugee benefits in the year 2016. The German government has since received at least another million refugees in the country (ibid.). Refugees came to Germany before the refugee crisis of 2015 and 2016 from a number of different countries in the 1950s and 1960s and later, due to the high demand for a work force as a result of strong industrial development and economic growth. This kind of “Gastarbeiter” policy was only intended to help overcome work force problems. However, today, Germany faces serious demographic challenges. The population aged between 20 and 65 will shrink by one-third while the population aged 80 or over will double by 2060 (Rinne and Constant 2013). The fertility rate in Germany does not offer much hope, either. The decline of the working force will largely be felt by the economy from 2020 onwards. Experts generally agree that the long-term solution for Germany’s declining work force problem is immigration (ibid). Table 8.1, which has extracted from the Organization of Economic Cooperation and

Table 8.1 Key demographic factors

Population key indicators	Germany in 2013 (%)	EU (28 countries) in 2013 (%)
Working age population percentage	65.56	66.02
Young population percentage	13.17	15.61
Elderly population percentage	21.27	18.37
Fertility ratio	1.42	1.52

Source: OECD report, 2016

Development (OECD)⁴ report, shows selective demographic factors of Germany in comparison to the European Union (EU) averages (Table 8.1).

However, integrating immigrants, especially refugees, necessitates effort, and reaping the benefit of a potential new work force does not materialize overnight. Scholars such as Berry (1997) believe that migrants pursue different routes while settling into their new society, and that the outcome also differs depending on the route they follow.

8.2 Ethiopia

Ethiopia is one of the world's oldest independent nations. The east African country has a population of over 100 million in its nearly 1.2 million-square-kilometer area. The younger generation (<25 years of age) numbers 62,642,288 people, and that number is increasing. The human development index for the year 2016 (UNDP 2016)⁵ shows Ethiopia as the 174th most developed among the 188 countries measured, putting the nation among the less developed. Studies show that the two major reasons that Ethiopians leave their country is poverty and lack of opportunities for development. The influx of Ethiopian migrants to mostly western countries started in the 1970s, when the military regime revolted against the traditional monarchy and took power.

Despite recent reports showing encouraging economic growth for the country, Ethiopian youth still face severe challenges, such as unemployment and the inability to fully exercise political freedom. The Human Rights Watch (HRW) described the government of Ethiopia as “repressive” in its annual report (Human Rights Watch 2017). According to the HRW, the regime has cracked down violently on opposing voices and suppressed freedom of expression. The World Bank overview⁶ of the country states that the economy still enjoyed a growth of 8% in 2017 and the proportion of people living in extreme poverty is continually reducing. However, the report points out that unemployment and good governance are the two major challenges the country needs to address in order to sustain its economic growth and attain its development goals. The following table is generated from the NationMaster comparative report of Germany and Ethiopia in key economic factors (Table 8.2).

Table 8.2 Comparison of Germany and Ethiopia in key economic factors

Items	Ethiopia	Germany
GDP	\$72.4 billion	\$3.46 trillion
GNI per capita (PPP)	\$1730	\$49,530
Population	102,403,196	82,667,685
Urban population (% of total)	19.9%	75.51%
Rural population (% of total)	80.1%	24.49%
Total fertility rate	5.31/woman	1.42/woman
Agricultural labor force	85%	2.4%
Industrial labor force	5%	29.7%
Service labor force	10%	67.8%
Unemployment (% of total)	5.73%	4.31%

Source: World Bank (<https://data.worldbank.org/?locations=ET-DE>. Accessed 14/10/2017) and NationMaster report compilation (<http://www.nationmaster.com/au>. Accessed 13/10/2017)

8.3 The Story of a Young Ethiopian Man

Kaficho is the youngest of three children and the only son in his family. His family is in the upper middle class of Addis Ababa, who enjoy the modern life style. His parents were well educated in Ethiopia and abroad, his family allows expression of opinion and political discussions were not forbidden, which is unusual for typical Ethiopian family culture. He sees his late father as an honest man who stood on what he believed, regardless of the consequences, and Kaficho believes that his father is his role model. As he grew up in the northern part of Addis Ababa, his involvement in political debates and forums resulted in the first attack from the Ethiopian government. When he was a freshman at Addis Ababa University, Kaficho found himself among the hundreds of students penalized for their political opinion. He dropped out of college and took his first step in entrepreneurship. He opened a small butcher shop with a friend right after dropping out of college. This endeavor was a success at the beginning and encouraged the young entrepreneurs to add another product line. The new product line was a famous Ethiopian delicacy: raw meat. This successful business came to its demise when the owners were charged with political accusations and thrown in jail. After his acquittal, Kaficho went to Gondar University to study tourism development.

During his studies, he again embarked upon an entrepreneurial venture as an independent tour guide in one of the country's top tourist destinations, the city of Gondar. It was on one of the tours he organized that he met his future wife, a German nurse, working on exchange program facilitated by Ethiopian and German universities.

He went to Germany as a graduate student and completed his master's degree in international business and tourism management. He returned to his home country in 2010 despite significant counsel against doing so from various different sources, who encouraged him to remain in Germany. His wife stayed behind to finish her studies, and he planned for her to come to Ethiopia and to live together in his home country. He used his network to attract German tourists to Ethiopia by developing different tour packages; he did not waste any time in opening his tour operator company with two partners in Addis Ababa.

He joined the faculty of one of the government-run universities near Addis Ababa and within a few months, he sensed the subtle messages directed towards him by the ruling party. He was encouraged to join the party or assume the risk of forfeiting his career and future business opportunities. These subtle suggestions were extended to him in almost every meeting he attended at the university, which disturbed him greatly. He rejected the offer and was aware of what happened to those who opposed the party. His past internment in prison because of his political views did not help the situation, either. He made a decision to abandon the plan of bringing his family to Ethiopia and settling there. He knew it was only a matter of time and he could not bring his family to such a problematic situation, so he discussed the situation in detail with his wife when he visited Germany for family vacation. Upon his return from his vacation, he immediately resigned and left the country.

Kaficho claimed his right for family reunion and returned to Germany permanently in 2013. He travels from time to time to Ethiopia for business reasons, but does not stay long and avoids becoming involved in the nation's politics at any cost. He resents the fact that he cannot live in his native land without being concerned for his safety.

8.4 Kaficho's Entrepreneurial Endeavor in Germany

Kaficho attempted to get an employment in Germany based on his German master's degree. The job search was discouraging; he even attended six months of project management training to increase his competitiveness in the job market. He states that the German job market is tough to penetrate as a foreigner, even if he has good German qualifications and speaks fluent German. Kaficho decided to look for jobs that require relatively low qualification levels, and he landed at REWE as a shop assistant. He saved some money and bought an old car for less than 2000 euros and sold it in Ethiopia, which earned him a profit of 1000 euros. He believed that he could bypass the challenging job market by creating his own business. He established Kaficho Trading in early 2015 in Heidelberg, Germany. The business is a sole proprietorship, with an annual transaction of around 500,000 euros. His sister, who is a chemist in Addis Ababa, sometimes supports him in establishing and maintaining contacts with his suppliers. His clients are German and Ethiopian firms. His German clients are small companies that distribute and sell the coffee that he imports from Ethiopia. His Ethiopian clients are small and medium-sized enterprises looking to buy machinery, generally used machinery, from Germany. Kaficho's suppliers are companies based in both countries, each looking to buy what the other produces best. Kaficho's network and knowledge helped him strategically to exploit the opportunities in both countries. Ethiopian farming businesses and his former partners from the tour operator company in Ethiopia are his strongest partners. Kaficho explains some of the challenges he has with some of his Ethiopian customers—they tend to approach him for establishing a network with suppliers and try to push him out of the business deal. Because of these problems, he has decided to keep his list of German suppliers confidential. He believes he can measure the success of his business by the income the business generates, the value of the transactions and the number of businesses involved as suppliers and customers in both countries.

He explains that the major push/pull factors for him to start a business. The major push was his unemployment. When he saw locals who were less qualified than he was receive the job for which he was applying, he became frustrated. This made him feel inadequate, but his family's support gave him the courage to keep fighting. The major pull factor was that he found out how he could utilize the unique network and knowledge that he has established. He has business experience and expertise, as well as command of the German language and a network he can use to run a business between Germany and Ethiopia.

8.5 Individual Enablers and Constraints

Kaficho's previous experience in running a business has helped him to quickly establish a business network and start his business with limited financial resources. His biggest motivation comes from his determination to succeed in owning and running an international business. His exposure to the international community through his entrepreneurial activities and the different jobs he held in Ethiopia built his capacity to build personal networks easily. His fluency in German and familiarity with the German culture, which he acquired from having a German family as well as from his stay in Germany as a student and as a permanent resident, are effectively used in starting and running his business. However, he is frustrated by the complete lack of support from local banks, who rejected him when he approached them for financial capital. Kaficho believes the banks did not trust him and that the main reason why the banks feel this way is based on his foreign origin. He had to use his own money and borrow from his extended family members. This created a financial burden for him and hindered the growth capacity of his business. Since his immigration was planned, he had time to depart in an orderly fashion. He sold some shares from his car rental and tour operator company to his fellow business partners. His family owned a small building in which he owns a share and he transferred it to his mother and sister jointly. However, his financial status at the beginning was too poor to start his own business, and he had to save money working at REWE and wait for his share of the annual profit from a small car rental business he owns with three other

partners in Addis Ababa. Kaficho's father-in-law has supported his effort in establishing and running a business. His father-in-law helped to connect Kaficho to some potential clients and partners, who turned out to be his first German clients.

Despite successfully tackling the challenges of life as an immigrant, Kaficho still regrets being forced to leave his native country against his wishes. He misses friends and relatives, as well as Ethiopian food and cultural ceremonies. He said he watches YouTube videos of Ethiopian Orthodox church services to feel like he attends mass every Sunday. He also feels out of place and asks: "My fellow Ethiopians see me as Europeanized and the Germans see me as a foreigner, so who am I?"

8.6 Community Enablers and Constraints

Kaficho praises his in-laws for supporting his startup; his father-in-law encouraged him to start a business and introduced him to some helpful people and clients. Some of the first cars he sold in Ethiopia were bought from these people. He believes that Germany is a country where the rule of law prevails and human rights are respected. He feels safe and hopes to exercise his rights as a German citizen upon becoming one. He insists that Germans are good people, willing to learn new things and be respectful of other cultures. However, this enthusiasm is not replicated when he discusses the business community, including the chamber of commerce, which shows little interest in accommodating him. He recalls going to the local chamber of commerce to establish a trade link between the city and chambers of commerce in Addis Ababa. He was told to bring a proposal, which he soon developed, but it was declined without any explanation. According to him, access to the local market is a challenging task. He said getting an email response in and of itself is challenging, which he attributes to a suspicion among German business people of names that are not familiar, who then treat his e-mail as a spam. The only professional advice readily available to him was from his tax consultant. He never faced a direct, racially motivated attack. However, earning trust from German clients and suppliers is exasperatingly challenging for him.

Kaficho states that the majority of his German clients came to him because of the recommendations of other German clients who were satisfied with their business dealings with him. He is grateful to his German father-in-law, who brought him his first clients. He has no security fears, but sometimes feels like an unwelcome guest. He believes that it takes time to earn the trust of the German business community and is convinced that once he has earned that trust, the Germans will be loyal partners and clients.

8.7 Institutional Enablers and Constraints

Kaficho was asked if he has received any kind of support from international or local agencies. He states that he has not received any direct assistance from the aforementioned agencies in starting and running his business. However, he mentioned that training programs, like the one he participated in about project management by GIZ, have proven helpful to him later on when he established his own business. Kaficho remains grateful for the rights that Germany granted him and the training opportunity he received from GIZ. He says that his rights to work, to be protected from harm and to register his business are respected throughout his stay in the country. Access to public and private services has not been a problem. However, he responds that he sometimes has to use his network of native German family members and friends to ease the hassle of accessing these services, as some service providers tend to be reluctant to provide them to a foreigner. He says he is asked for more documentary proof than fellow Germans are when attempting to access public services. His major disappointment concerning institutional support is the local chamber of commerce, because his repeated effort to engage himself in their programs did not yield any results. He suggests they have a separate office that deals with non-German business people in the area. Kaficho thinks things are better in big cities, as some of his friends living in cities like Frankfurt am Main tell him that the institutions are more vibrant and accommodate foreigners.

8.8 Conclusion

Kaficho's story represents a niche of refugees from developing nations that are better suited to surviving and succeeding in economically advanced parts of the world. Scholars (Kloosterman et al. 1999) who try to study migrants in their host country using the "mixed embeddedness" concept suggest giving due attention to the degree to which migrants are embedded in the socioeconomic and politico-institutional environment of the country of settlement. Kaficho suggests that institutions in Germany need to increase their ease of access for foreigners and try to minimize the stereotyping that negatively affects the business opportunity that foreigners can utilize. Germany is acquiring human resources that can be used to fill the labor shortage pressuring its industries. Kaficho believes that Germany needs to equip its institutions to integrate the refugees in order to make the best out of the inflowing human capital. Despite the popular belief that well educated people from developing nations will take any opportunity to stay in the developed world, he returned to his home country after finishing his higher education in Germany. He tried to contribute to the development of his home country, but the circumstances forbade him, so he decided to return to Germany. Kaficho believes that he faced a great challenge and wonders how hard it must be for refugees with fewer resources and networks at their disposal. His upbringing in a middle-class family in an urban area, his exposure to quality education and his entrepreneurial experience helped him to overcome the challenges. He remains grateful to his German wife and his in-laws for their love, understanding and support. Things could have turned out badly, he says, if it were not for them standing by his side.

Notes

1. <http://www.infomigrants.net>. Accessed 14/02/2018.
2. <https://www.iom.int/key-migration-terms#refugee>. Accessed 15/10/2017.
3. https://www.destatis.de/EN/FactsFigures/_CrossSection/Refugees/Refugees.html. Accessed 25/09/2017.

4. OECD (2016).
5. http://hdr.undp.org/sites/default/files/2016_human_development_report.pdf. Accessed 25/09/2017.
6. <http://www.worldbank.org/en/country/ethiopia/overview>. Accessed 14/10/2017.

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