



ARMIN SMAILOVIC FOR THE INTERNATIONAL HERALD TRIBUNE

Rebecca Hartl, 18, a trainee at Schabmüller Automobiltechnik in. "None of my friends have any problem getting a job," she said.

Trade-off created Germany's job miracle

INGOLSTADT, GERMANY

Unemployment is a thing of the past in one town, but insecurity lingers

BY JACK EWING

More than a quarter of the work force in Spain or Greece is without jobs, but this city on the Danube north of Munich has the opposite problem: not enough workers.

Patrick Schuler, 21, weighed three offers recently before choosing a work-study training program at Schabmüller Automobiltechnik, which makes components for Audi and other vehicle manufacturers.

He is not unusual. One of his fellow

Schabmüller trainees, 18-year-old Rebecca Hartl, said "None of my friends have any problem getting a job."

Ingolstadt, with a population of 128,000, provides perhaps the best example of the turnaround that has occurred in the German job market since an overhaul of labor regulations in 2005. Unemployment in Ingolstadt and the surrounding region is just 2.2 percent, the lowest rate in the country. In Eichstätt, a neighboring town, the jobless rate is an almost impossibly low 1.3 percent.

The changes that helped create full employment, and then some, in parts of Germany are often held up as an example that other European countries should emulate.

And yet, as many low-paid Germans would attest, employment and affluence are not necessarily synonymous — as the country's growing income gap

makes clear. Nor are all of those jobs necessarily secure. What is more, a visit to Ingolstadt shows that the low jobless rate is also a result of factors that may not be so easy to duplicate elsewhere.

Even Germany is not immune to Europe's economic problems. The Ifo business climate index, considered a reliable gauge of the mood in German industry, fell for a fifth month in September, according to data released Monday by the Ifo Institute in Munich. German managers are concerned that the euro zone crisis is depriving them of sales in other parts of Europe.

Like companies all over Germany, though, those in Ingolstadt have prospered from exports beyond Europe — to emerging markets and a general surge in the number of affluent consumers worldwide. Volkswagen's Audi
GERMANY, PAGE 3