

## Report From Germany by Rainer Apel

### Poverty Is Increasing Dramatically

*Welfare and other care organizations report a dramatic increase in hunger, homelessness, and unemployment.*

In recent weeks, headline reports are putting into doubt Germany's status as being among the "rich nations" of the world. New official statistics and private welfare organizations report a marked increase in poverty. One official estimate is that more than 200,000 Germans are without health insurance—these are not citizens on social welfare, because the system still provides a minimum of health care to welfare recipients. Apart from the fact that 200,000 is already a shocking number for a country with a social welfare tradition like Germany, it also poses a grave health risk. These uninsured will not get routine health checks, many will have no medicine when they are sick, and therefore they are more vulnerable to epidemics and may infect others.

Another official estimate is that 400,000 to 500,000 Germans are homeless. Up to 100,000 of these are "street children" who survive, for example, through petty crimes.

The most spectacular report, however, was the annual survey of the German Childcare Association, presented in Berlin on Nov. 8. Whereas poverty is on the increase generally, it is twice as high among children as among the rest of the population. Of the 2.8 million who live on social welfare, 37%, or more than 1 million, are children and youth under age 18. With 6.7% of its age category, youth welfare is twice as high as that of the population above age 18. And children under age 7 are affected twice as much as children age 15 to 18.

The worst welfare ratio exists

among children under age 3, of whom 10.4% are living on welfare. And, 55% of single mothers live on welfare.

The German Red Cross warns that every third child or youth under age 18 in Berlin, lives in a household (family or single mother) that is poor. It reports that among citizens who still have a home, more and more are showing up at its soup kitchens. "Many of whom also have children, and they don't know how to feed them through the weekend," it said. But there is also an increasing number of children, not just "street children," that knock on the doors of soup kitchens to get something to eat during the day, because their parents (or parent) have nothing to give them when they leave home for school.

The number of "problem" cases among Berlin households alone (which cannot make a decent minimal living without welfare or other state support) increased by more than 16% in the past 12 months, from 361,000 to 421,000—which indicates the dynamic of this downward trend. Similar figures, though not as dramatic, are being reported from other big urban areas. This shows that those neo-con politicians, who in their attempt to sell even more drastic budget-cutting "reforms" keep speaking of an "arrogance of wealth" that is allegedly blocking these cuts, are totally off the mark.

The soup kitchen pattern reported in Berlin is also seen in other eastern cities and regions. The Mansfeld region in Saxe-Anhalt, which during

this winter will have an official (falsified) jobless rate of 28 to 30% (one of the highest in Germany), has recently seen a doubling of poor citizens knocking at the doors of soup kitchens. This includes citizens who have not much more than the equivalent of \$1 for one warm meal per day, but also those who don't have money at all. The soup kitchens are prepared to serve such a meal for 50 to 100 people a day, but they are now faced with twice as many.

As far as the eastern regions are concerned, where unemployment is twice the average of that in the western regions, impoverization is driven by the disproportionately high ratio of long-term jobless, which is about 50% of all jobless citizens there. And for every eastern German who loses his or her job, the situation is almost hopeless, because of the overwhelming number of people applying for every job offer. In Eberswalde, the ratio is 32 to 1; in Osterburg, it is 80 to 1; and in Neubrandenburg, it is 100 to 1.

All of this is before the drastic Hartz IV budget cutting package goes into effect in January 2005, when an estimated 100,000 households (according to the German Residents Association) will then no longer be able to pay their rents and maintain a minimal standard of living. Many of these new cases will have to choose to either keep their apartment and cut deeply into food purchases, or feed themselves but become homeless. Either way, the pressure on soup kitchens will grow.

The only way out of the downward spiral is to rapidly increase state revenue and citizens' incomes through grand private and public sector infrastructure and industry projects that boost employment. To date, the LaRouche movement has been the only political force in Germany to propose such a change in policy.