

# One in three youth in Berlin living on welfare

## Bitter outcome of the Left Party-SPD coalition

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Child poverty is on the increase in the German capital. According to official statistics nearly 171,000 children and youth under 18 years in Berlin are dependent on miserly Hartz IV welfare payments. This figure represents 34.5 per cent of youth under 18 and 38.7 per cent amongst children under the age of eight.

Most of the impoverished young people live in the Berlin districts of Mitte (26,304) and Neukölln (25,210).

For nearly eight years Berlin has been governed by a state administration consisting of a coalition between the Social Democratic Party and the Left Party. Under this so-called “red-red senate” Berlin has recorded the highest levels of poverty of any German city. On a national level, one in five children is considered poor.

Unemployment in Berlin is also well over the federal average. In July 2009 unemployment rose to a rate of 14.2 percent compared to the federal average of 8.2 percent. Altogether nearly 240,000 persons are officially registered as unemployed in Berlin and over 80 percent of them (192,000) are reliant on Hartz IV payments. The number of the unemployed persons between the ages of 15 and 25 has also risen to 26,646.

All together approximately 600,000 people in Berlin are dependent on Hartz IV welfare relief. Single parent families constitute the largest group of the poor. About half of all poor children grow up in single parent families. This is particularly due to the large low wage sector in Berlin, says Sabine Walther, manager of the Child Protection Association in Berlin. Despite working single parents are unable to earn enough to provide for their children. More than 100,000 Berlin citizens receive welfare assistance and are considered to be part of the “working poor”. There are an additional 35,000 employed in Berlin in so-called one-euro-per hour-jobs.

High levels of poverty have a devastating impact on child development. “You can forget sport, music, school trips, everything that is so important for development”,

Ulrich Schneider, the head of a welfare organization, told the *Frankfurter Rundschau*. “It is not possible to adequately provide for a child with the average welfare payment of 240 euros per month”.

As poverty spreads in particular districts, she added, these suburbs develop into ghettos of poverty and children and their families are socially excluded. Many live in small apartments, are unable to learn in the cramped conditions, “and show signs of psychosomatic stress such as concentration problems”, Schneider said.

Political responsibility for the rising rate of poverty in Berlin lies with the governing senate parties—the SPD and the Left Party, which rigorously implemented the reactionary Hartz laws first introduced by the SPD-Green federal coalition led by Gerhard Schröder (SPD). The Hartz IV laws, which were billed as a “reform” of Germany’s labour market, was introduced in 2005 and drastically reduced the amount and duration of long-term unemployment and welfare payments in order to compel workers to accept jobs paying poverty-wages.

The position of the Left Party is especially cynical. The figures for the current levels of child poverty were revealed following a request to the senate by Left Party deputy Margrit Barth. Since January 2002 social policy in Berlin has rested in the hands of the former German Communist Party (DKP) member, and now Left Party senator responsible for Labour and Social Policy, Heidi Knake-Werner. This means that both the question and answer came from the same party.

The Left Party has repeatedly expressed its verbal opposition to Hartz IV, while claiming that it has no choice but to uphold the law and implement federal policy. That is a deliberate deception. Nobody forced Knake-Werner and the Left Party to aggressively impose the letter of the law as the Left party has done for years. That they did, only underscores the complete subordination of the Left Party to the interests of big business. From the outset the Left Party was determined

to prove that it was a “responsible” political party that could be relied upon to defend business interests and implement anti-working class policies with the same degree of ruthlessness as the conservative parties.

The first official act of the SPD and the Party of Democratic Socialism (forerunner of the Left Party), after taking over the Berlin senate in the beginning of 2002, was to bail out the bankrupt Berlin Landesbank with billions in taxpayers’ money. The resulting budgetary crisis in the city was used to implement unprecedented social cuts. Wages in the public service were slashed, working times extended, while at the same time the government wiped out social gains and promoted a broad network of cheap wage labor, including the notorious one-euro-jobs.

Nor has the senate instructed the appropriate authorities in Berlin to rule in favor of the unemployed and the poor in disputes arising from the deliberately vague terms of Hartz IV measures. On the contrary, the senate has instructed responsible district authorities and decision makers to take a hard line. The Berlin job centers were often encouraged to decide against the interests of the unemployed, even if that meant breaking or bending the law.

Correspondingly, the month of July witnessed the highest number of appeals in Berlin against the Hartz IV laws (2,648) since their introduction in 2005. There is currently a backlog of nearly 30,000 appeals pending before the Berlin social court. Only around 50 percent of such appeals in the first half of 2009 ended with judgments in favor of the plaintiff, while the success rate in 2008 was about 48 per cent.

The points at issue mostly concern accommodation costs and cuts to benefits. The law stipulates that the unemployed are entitled to an “appropriate rent” but the Berlin job centers have been very restrictive in their decisions as to what constitutes appropriate rent. Despite drastic rises in heating and other domestic costs the senate has refused to make any adjustment to rent allowances. In addition, many appeals are undertaken by members of the “working poor” who maintain that the supplement they receive to their wages is insufficient to live on.

Benefits were also reduced for 7,530 unemployed persons in Berlin in 2008 and completely annulled for 298 persons. The job centers can reduce Hartz IV payments by 30 percent or more, if recipients, for example, fail to accept what the job center terms a “reasonable”. Those most affected by such decisions are young adults under 25. The results of the cuts were described by one

spokesperson for the unemployed: “Power cuts, renting arrears, hunger. And the feeling that one has been had by the job centre expert”.

The demand raised in Berlin last week by an alliance of politicians from the Greens, SPD and the Left Party, as well as social federations, scientists and trade unionists, for a moratorium on cuts for Hartz IV receivers, is nothing more than election campaign propaganda. If the SPD and the Left Party really wanted to limit the Hartz IV cuts, they could have done so a long time ago.

In 2008 the national authorities in Germany imposed 789,000 cuts or other form of punishments on Hartz IV recipients. Most of these judgments were completely arbitrary and two-thirds were reversed following appeals.

The latest appeal issued by the SPD, Greens and trade unions in Berlin is thoroughly hypocritical. The cuts implemented in benefits for the unemployed in Berlin and elsewhere are part of a deliberate strategy. Alongside representatives from the finance and business world, social democrats and trade union officials sat in the Hartz commission and collaborated in elaborating the anti-welfare laws.

Their appeal is a transparent attempt to demonstrate on the eve of parliamentary elections that the SPD, the Greens and the Left Party can work together—despite opposition from within their own ranks. A leading member of the Left Party, Katja Kipping, denied that the appeal was an attempt to initiate coalition negotiations. She quickly added, however, “It is quite clear that we share a number of common positions”.



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