## Revealing new figures on German child poverty

Ernst Wolff 6 February 2012

New statistics from the Federal Labour Office (BA) and a study by the Bertelsmann Foundation allegedly show a positive trend in regard to poverty among German children. In truth, the statistics tell a quite different story.

The BA report, released last week, declared that the proportion of children under 15 dependent on miserly welfare benefits (known as Hartz IV) had dropped between September 2006 and September 2011 by 257 000, or 13.5 percent. Another study published this week by the Bertelsmann Foundation concludes that fewer children under three years old lived in poverty in Germany in 2010 than the previous year.

Federal Minister of Labour and Social Affairs Ursula von der Leyen immediately commented on the figures, declaring that they demonstrated "an about-turn" and proof that child poverty was declining.

Heinz Hilgers, the president of the Child Protection Agency was more sceptical, and noted: "Since 2006, there are nearly 750,000 less children under 15 years. If there are fewer and fewer children, it's no surprise that in absolute numbers less children are dependent on welfare."

The chief executive of the Federation of Welfare Associations in German, Ulrich Schneider, told the *Hamburger Abendblatt*: "The fact is, that when all the statistics are taken into account, then there is about the same proportion of children dependent on Hartz IV as was the case when the legislation was implemented in 2005—i.e., one in seven children. There is absolutely no reason to celebrate success."

Both of the most recent reports reveal on closer inspection three phenomena characteristic of present-day German and global society: the consolidation of social inequality, increasing social polarization and growing despair at the bottom of the social ladder.

A comparison of the official unemployment statistics with both the rise in long-term unemployed and the number of children dependent on welfare demonstrates that the increase in employment which has taken place in Germany since 2008 has failed to benefit more than 50 percent of Hartz IV recipients. The children in these households only have a real chance of breaking out of poverty when their parents find work. Future prospects for more than half this group are thus bleaker today than they were five years ago.

Even in households where the parents have been able to find work, the situation is often no better. According to the DGB (Deutscher Gewerkschaftsbund—Confederation of German Trade Unions), in 2011 there were 45 percent more "working poor" than in 2006. This means that a job in the lowwage sector does not help a victim escape the poverty trap.

The regional details of the Bertelsmann study, which deals exclusively with poor children less than three years old, are even more sobering. They show, for example, that the number of such children in Berlin has actually increased by 1.2 percent and that an increasing concentration of poor families can be observed in individual neighbourhoods. This demographic polarization means that the children of poor families remain "among themselves," i.e., attend schools where poor children predominate. Since poverty is often associated with other social and cultural ills, a cycle develops from which there is almost no escape.

Minister von der Leyen commented on the results of the BA study as follows: "There is less dependence on government services." Von der Leyen's comment in this respect is no accident: the declared aim of present and future government policy is to undertake further cuts to state benefits in the social sector. The aim of the government is to encourage "personal contribution" and privatisation, including in the areas of education and child rearing.

In Berlin's wealthier districts, dozens of multilingual private nursery schools and schools have sprung up to cater for the children of better-off families—thereby increasing the cultural divide for those children condemned to poverty. Music and language courses to encourage the "teaching of the very young" have proliferated, developing into a lucrative business.

This trend is an indictment not only of the policy of the federal government, but in particular the former Social Democratic (SPD)-Left Party coalition which governed Berlin from 2001 to 2011. On its web site, the Left Party is critical of the reports released by the BA and Bertelsmann Foundation, but makes no mention of the fact that the post of Social Affairs Senator was filled by a member of its party for ten years, i.e., precisely the period during which the situation for children deteriorated in Berlin.

The problem assumes even greater dimensions when one considers the future. It is just a matter of time before the global economic and financial crisis leads to a significant increase in unemployment in export-dependent Germany. The inevitable rise in unemployment will not hit workers equally, but first and foremost affect less-skilled workers at the bottom of the wage scale: those who are already the parents of poor children. This means that many children who have temporarily dropped out of the statistics will be plunged back into poverty.

At the World Economic Forum in Davos last week, economists spoke of the dangers of a "dystopia" due to the global economic crisis. For many poor children in capitalist Germany in 2012, this state of affairs is already a harsh reality.



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