

New reports warn of mass poverty and social decline in Europe

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A number of new reports confirm that the austerity policies pursued in Europe by the European Union and the International Monetary Fund are condemning tens of millions to poverty and fueling levels of social inequality unknown in the postwar period.

In September, the Oxfam aid agency issued a report warning that the poverty trap in Europe, which already encompasses more than 120 million people, could swell by an additional 25 million in the near future with devastating social and economic consequences. (See: “Up to 150 million in Europe threatened with poverty”)

The Oxfam findings have now been underlined by a report from the Red Cross which conducted a social survey in the first half of this year of the 28 countries of the EU, plus a further 14 states in the Balkans, eastern Europe and central Asia.

In the introduction to the 68 page report, the director of the Red Cross in Europe writes: “As the economic crisis has planted its roots, millions of Europeans live with insecurity, uncertain about what the future holds.”

The report continues: “...quiet desperation (is) spreading among Europeans, resulting in depression, resignation and loss of hope. Compared to 2009, millions more find themselves queuing for food, unable to buy medicine nor access healthcare. Millions are without a job and many of those who still have work face difficulties to sustain their families due to insufficient wages and skyrocketing prices.

“Many from the middle class have spiraled down to poverty. The amount of people depending on Red Cross food distributions in 22 of the surveyed countries has increased by 75% between 2009 and 2012. More people are getting poor, the poor are getting poorer.”

The Red Cross had conducted an initial survey of European social development in 2009, one year after

the 2008 financial crash, and the year in which the EU and IMF commenced austerity policies in a number of European countries in order to refloat the continent’s banking system. Four years later, Red Cross officials collecting material for the new social survey were “surprised” and “shocked” at what they found.

The report states that over 18 million people in Europe receive EU-funded food aid, while 43 million do not get enough to eat each day. This is in addition to another 120 million at the risk of poverty. The report stresses the long-term social consequences of growing poverty and describes the explosion of unemployment across Europe as “a ticking time bomb” which was increasing the risk of social unrest and upheaval.

As well as detailing the catastrophic consequences of austerity policies in eastern Europe and southern European countries, which have faced the brunt of austerity, the report notes that the social crisis is increasingly making itself felt in northern European countries such as France, Germany and parts of Scandinavia. In France, no less than 350,000 fell below the poverty line between 2008 and 2011. In its findings on Germany, the report comments on the massive increase in the low wage sector in Germany, which has resulted in 600,000 workers with full-time jobs failing to earn enough to live on.

In response to the crisis, the Red Cross plans to commence setting up soup kitchens for the poor in Britain for the first time since the Second World War. Welfare organisations had already revealed in May that more than half a million Britons are now reliant on food handouts, with the number expected to increase over the winter.

The high costs of austerity policy for children in Europe is highlighted in another survey by European Human Rights Commissioner Nils Muižnieks, who

concentrates his report on the situation in Spain.

Muižnieks notes that the percentage of children living in poverty in Spain stood at 30.6% in 2011, and has certainly risen substantially since. The Commissioner's report states that education budgets in Spain have been cut by between 14.4 and 21.4 percent over the past three years and that, in addition to educational disadvantages, increasing numbers of children and pupils are suffering from malnutrition.

The plight of children in Spain has been intensified, according to the report, by the huge spate of forced evictions. Since the collapse of the property market in 2007, nearly 400,000 such forced evictions have taken place. With youth unemployment nearing 60 percent and growing numbers of poor families, in particular immigrant families, cut off from adequate health care, the report accuses the Spanish authorities of violating the UN Convention on the rights of children.

The two reports published this week are a devastating indictment of the criminal policies of the European Union and the IMF. At the same time both reports share the bankrupt perspective of making appeals for change to the very same political forces which are responsible for this catastrophe. The Red Cross report pleads lamely that the European political elite should "think differently".

Far from being the unfortunate result of some unavoidable economic catastrophe, the social crisis in Europe is being consciously exploited by the continent's financial and political elite to affect a major redistribution of wealth from the bottom of society to the top.

This development was most clearly illustrated by a third report which revealed that social polarization in Spain has increased massively during the past four years. The report by the Caritas charity declares that Spain is now the most unequal society in Europe.

According to Caritas, the number of Spaniards living in "extreme poverty" (three million) doubled between 2008 and 2012. Over the same period, the number of millionaires in Spain increased dramatically. A separate study by the Credit Suisse Bank reveals that in the course of just one year, 2011, the number of millionaires in Spain increased by a staggering 13% to the record total of 402,000.

Having reduced tens of millions in Europe to misery, the financial aristocracy and their bagmen in all

political parties are now openly discussing how to dispense altogether with the welfare state in Europe. In his recent speech to open the new parliamentary year, the King of the Netherlands declared that the Dutch government—a coalition of social democrats and liberals—was planning the "replacement of the traditional welfare state by a participatory society".

State support for the sick, disabled, unemployed, the poor and pensioners is to be replaced by "a participatory society", with workers and their families expected to carry the entire burden for the rest of society, while the wealthy are freed from taxes and any social responsibility.

Speaking on behalf of Spain's nouveau riche, the conservative Madrid daily *ABC* welcomed the Dutch government's initiative. Featuring a cartoon with mourners resting flowers on the grave of the European welfare state, the *ABC* comment likens the continent's welfare system to a "gigantic pyramid scheme a la Bernie Madoff" and a "rip off", which could no longer be sustained by the "paternalistic state".

Soup kitchens for the poor, recalling Dickensian Britain, and levels of labour exploitation comparable to China and neo-colonial countries—this is already the reality in Europe for tens of millions of workers and their families.



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