

Poverty in Germany: Two-million people too poor to heat their homes

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On February 15, as temperatures plunged well below zero, snow and frost covered large parts of Europe and the homeless froze to death on the streets, the German Federal Statistics Office reported that more than 2 million people in Germany were freezing in their homes because they were too poor to heat them.

The figures refer to 2019, when 2.5 percent of the population was afflicted by this problem. The proportion was particularly high among those living in single-person households, at 4.8 percent, and among single parents and their children, at 7 percent. The risk of falling seriously ill or even freezing to death in such conditions is very high.

One must expect that the number of people who are unable to adequately heat their homes due to financial hardship has increased this winter. The continuing social crisis has worsened due to the coronavirus pandemic. Those who were earning the least have been particularly affected by layoffs and reduced working hours.

The fact that millions of people in one of the world's richest countries cannot afford heating is the result of the policies of governments over the past decades. A key role was played by the coalition of the Social Democrats (SPD) and the Greens, which formed the federal government under Gerhard Schröder from 1998 to 2005. With its Agenda 2010, government policy created a huge low-wage sector with the active assistance of the trade unions.

The continuous increase in the cost of rents, heating and electricity is putting pressure on millions of people and low-income families. Those who are dependent on basic security benefits and long-term unemployment (Hartz IV) do not get reimbursed for the actual electricity and heating costs, but only an "appropriate amount." Many cannot cover the difference between

real and "appropriate" costs, as the Hartz IV standard rates are too low to ensure a minimum subsistence level. Currently, the standard rate for a single person is €446 a month.

A 2017 study by the Centre for European Economic Research shows that recipients of Basic Security benefits are particularly affected by power cuts. The reason for this is that the share earmarked for electricity in Hartz IV does not sufficiently cover electricity costs: "While the cost of electricity climbed by almost 40 percent between the years 2008 and 2018, the state allocations for electricity in basic security benefits increased by only 27 percent."

The European Central Bank and the German government have given several trillion euros to the big banks and corporations through bond purchases and stimulus packages. The DAX is soaring while thousands of people are dying from COVID-19 due to lack of protection. At the same time, there is no support for people who are in need or have already been living in poverty long-term due to the worsening social crisis.

The 10 richest Germans have increased their wealth by 35 percent to \$242 billion during the pandemic. The richest 1 percent of the population owns the same amount as the poorest 75 percent. Despite this, the German government plans to squeeze the billions gifted to the rich out of the working class by making further cuts in social services, health care and education.

Germany is not an exception in this. European Union (EU)-wide, 7 percent of the population were unable to heat their homes sufficiently or at all in 2019, according to the European Statistics Office. In Bulgaria, the figure was 30.1 percent, in Lithuania, 26.7 percent, and in Cyprus, 21 percent. Suffering the same hardship were 11.1 percent in Italy, 9.3 percent in Romania, 7.5 percent in Spain, 6.2 percent in France

and 4.2 percent in Poland.

Two percent of the population in Sweden, Austria and Finland were also unable to heat their homes adequately. In total, 30 million people in the EU were affected by the inability to afford heating in 2019, which is roughly equivalent to the population of Austria, Hungary and the Czech Republic combined. It must be assumed that the situation has worsened with the pandemic.

In a video interview with *euronews*, a pensioner from Belgium describes how she only turns up her heating in the afternoons and turns it off again in the evenings because she does not have the money to heat her apartment continuously. She also reports that she largely only eats pasta and eggs. Meat is too expensive and is on the menu once a month, at best.



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