

Housing Rights and Real Estate Violence in Germany

Evictions, real estate pressure and rental refugees

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This brief and provisional report aims to highlight dangers for the defence of “the right of everyone to a secure place in which to live in peace and dignity” (HIC constitution) in Germany. Within this question, it only deals with systemic risks for keeping the place in which you live, with legal and extralegal pressure to leave that place.

Thus, this report does not deal with other, more-obvious housing rights problems in Germany such as homelessness, substandard housing, rent increase and affordability (as far as it does not lead to pressure to move), the very serious problem of social segregation, racial discrimination, the very obvious violations of immigrants’ and refugees’ rights, the strong limits of inhabitants’ participation, emerging corruption, privatisation and globalisation of the housing business, as well as the increasing fees for service charges, demolition and luxury renewal, gentrification, etc.

The focus on “pressure to leave the place you live” relates to the term “eviction,” although forced evictions are only building the tip of an iceberg of the overall pressure.

In this report, we are not able to give a full overview on the systematic and long-term mechanisms and deficits that are producing this pressure. We are just trying to focus on important developments that have been major concerns for the past 1–2 years. While doing so, we are focusing in those types of pressure that probably are quantitatively significant in the sense that they affect many people.

Furthermore, we are focusing on significant results of complex developments, but barely beg into explain the complex reasons. However, it is necessary to explain some fundamental contexts and the use and meaning of terms in those contexts. It especially is necessary to explain the legal framework and the specificity of the “eviction” phenomenon in Germany, especially in the form of “pressure to leave one’s place” and “rental refugees.” Statistical data for most of the phenomenon described here is not available.

If you would ask any official, if there are “forced evictions” in the meaning of General Comment No. 7¹, s/he would deny and could give many correct arguments referring to (a) the developed legal system of safeguards in Germany and (b) to market forces.

a. Legal System

1. Germany has ratified all relevant international treaties (covenants and conventions), except for of elements of the Geneva Conventions on refugees).

2. For the legal system it is more important that the chapter of basic rights in the German Constitution (Grundgesetz, GG), which, inter alia, guarantees:

- Respect and protection of human dignity as the highest duty of all state force: The German

¹UN Committee on Economic, Social and Cultural Rights, General Comment No. 7: “right to housing: forced evictions” (1997).

people is committed to human rights as a basis of any human community. The basic rights are legal standards directly binding all legislation, the executive and the judiciary. (GG1) (Although no explicit “right to housing” is provided in the national Constitution, it is generally accepted, that human dignity includes the housing rights.)

- The right to life and the right of free development of personality: The freedom of the person is guaranteed, as long as it does not violate the rights of others. Limitations are only allowed by law (GG2). (This means that housing conditions must guarantee the physical life, as well as personal freedom. Property rights, as tenure rights, can be limited only if they violate the rights of others. Personal freedom to occupy a house can only be limited by law.)
- Legal equality of men and women, and its realisation supported by the state: Any discrimination on the basis of gender, race, language, origin, faith, religious or political opinions, disablement is prohibited. (GG3) (Recently, Parliament has adopted an important antidiscrimination law that is based on an European Union (EU) regulation, which includes the duty of landlords to avoid any discrimination affecting access to housing. After many debates, landlords argued that they must have the right to influence the composition of the neighbourhoods, avoiding ghettos. Thus, the law’s antidiscrimination safeguards ultimately are weaker than expected.)
- All civil rights (freedom of expression, freedom of organisation, freedom of association and assembly, freedom of the press, etc.) (That means that tenants, homeless persons, those subject to eviction etc. have the right to organize themselves in peaceful protest, etc. The law provides exceptions and limitations for non-citizens.)
- Freedom of residence for all German citizens within the territory of the state: This right can only be limited by law in cases where living conditions are not adequate, or in cases of danger for the constitutional order, epidemics, natural disasters, for the protection of youth and protection against criminality (GG11). (This could open pretexts for forced evictions, but, in fact, the argument hardly ever has been used. A serious deficit remains in that the freedom of residence is not guaranteed for all inhabitants. In fact, asylum seekers, even after years of residence, generally are not allowed to leave the town of their residency without a special permit, which is causing many problems for them. More than that, asylum seekers partly are forced to live in specific compounds and, thus, treated similarly to prisoners. But we do not report about these serious violations of basic human rights in this report.)
- The private home (Wohnung) as “inviolable” (GG13): The Grundgesetz contains many paragraphs regulating the right of police to search a residence, for apprehending criminals, etc. (It is a matter of permanent debate.) Other limitations are allowed, in order to avoid urgent dangers to public order, especially for overcoming a deficit of shelter. (This article is one of the fundamentals of the legal protection against evictions. Any violation of the private home that is not explicitly allowed by the law is illegal. That means, for instance, that inhabitants, tenants like always have legal means to protect their home against illegal invasions by the landlord, speculator, etc. The paragraph even builds an argument for requisition of shelter in case of an urgent lack of housing. The right to requisition of shelter was an important and very controversial issue during the 1988–95 housing crisis, when some municipalities tried requisition of vacant private shelter for homeless persons and immigrants.)
- Property and inheritance, while the content and limits of this right are defined by law (GG14,1). (An important decision by the High Court clarified that the right to property

includes the right to rental possession. This means that occupancy by tenants is protected in the same way as freehold tenure. The ruling provided a strong argument for legislating tenants protection.)

- “Property binds. The use of property should serve the benefit of the public (GG14,2)” (This is a central and often-used argument for limitations of property rights in the housing and urban sphere.)
- That expropriation is only allowed if it benefits the public/community: It is only allowed on a legal basis with regulations for extension and compensation (GG14,3). (This provision protects against dispossessions, but allows expropriations for public purposes, as in cases of urban development, with regulations in legislations on urban master plans, etc.)
- That, for the purpose of socialisation, land, natural resources and means of production by an explicit law and compensation can be transformed into forms of common/public ownership or other forms of a social economy (GG15). (An important argument has arisen such that the Constitution allows a legal transformation into a democratic socialist economy. Debates have focused on the socialisation of land. However, the Constitution explicitly avoids words like “nationalisation”; and “socialisation” does not mean state ownership, but allows a third way between state control and capitalism.)

The Constitutions of some federated German states (within the Federal Republic) include “the right to housing.” But this provision has little practical importance. For example, Hamburg recently argued that it would not privatise the state’s housing stock, because of the constitutional principle. However, the state of Hessen did the opposite.

Based on these constitutional principals a system of national laws has developed. Here, we will present the relevant features of civil law, civil procedures, penal law and other applicable regulations.

2. Civil Law

The German Civil Code regulates all types of private contracts.

Home owners are protected against evictions, because of their property (ownership) rights. Legal exceptions (legal expropriation) normally are not of importance for housing rights.

- A serious problem is the loss of property rights in case of bankruptcy. (For the eviction process, see below.)
- Informal occupancy (squatting) is not regulated. There is no right to squat, and squatting does not generate a contract, as long as the landlord does not agree to a provisional use.

It includes an important chapter on rental housing contracts, which provides:

- The precondition for a legal obligation of a tenant to leave a house is the quitting/end of a legal rental contract. During the validity of a rental contract, the landlord has no right to demand that the tenant leave.
- The most usual form of a rental housing contract is unlimited in time. The landlord has the right to demand a rent increase if s/he can prove that the individual rent is below the local

average. The rate of increase is limited. In case of conflict, the civil court decides. The rent increase changes the contract, but does not end it.

- The civil law, under certain conditions, does also allow contracts that are limited in time. During that period, neither the tenant nor the landlord is allowed to quit the contract. If the conditions for ending the contract ordinary are fulfilled, the contract ends.
- Subcontractors of a tenant are less protected.

The landlord can have the following legal reasons to quit an ordinary rental housing contract:

- The homeowner needs the flat/housing unit for his/her own or near relatives: If the landlord has an interest to occupy the house by her/himself, s/he can quit the rental contract. The interest must be approvable and the landlord, in fact, must occupy the flat, otherwise it would be a criminal betray and the tenant could demand compensation. Against the written quitting notice, the tenant can issue an objection that argues any specific personal and/or social consequences for him/her (For example: age, disabilities, no affordable alternatives). In this case, the court tries to weigh the opposing interests and decide if the landlord has the right to evict. Aged persons, in many cases, can hope to obtain a court decision in their favour. In many cases, the proceedings end up in a compromise that can include an extended period within which the tenant has to leave and, especially, monetary compensation.
- The maintenance of the house is not economic: In this case the proceedings are similar.
- The conversion of rental housing into owner-occupied condominiums causes a specific mass problem: Buyers of the flats often want to use them for themselves and, thus, have the right to quit the rental contract. In case of a condo conversion, national law regulates rights such that the tenant is protected against a quitting by the new owner for a period of three years after the first sale of the transformed flat. National law even allows the federated states to define longer protection periods for cities with special housing problems. Periods for urbanized areas differ between six and ten years. (The state of North-Rhine-Westphalia – against heavy protests - recently has abolished it's regulation for the beginning of 2007. Many thousands of converted tenants are now under pressure to leave within the next 3 years. The people's initiative for safe homes and jobs – a country wide formal mass petition campaign – is campaigning for a re-establishment of this important protection of security of tenure). The regulation nowhere does cover sales of smaller rental houses to families. The tenants, in this case (no condo conversion but sales of smaller houses which had been part of a scheme before), do not enjoy a special protection period.
- Small houses (of two flats, or a maximum of three flats, in specific cases) that the house owner plus tenants inhabit: In this case, the landlord has the right to quit the contract without giving reasons. The quitting period then is three months longer than normal.
- The ordinary period of an ordinary vacation of the housing (the time between serving the written note to quit until the time the tenant has to leave) is 3–9 months, depending on the period of stay.

Besides these ordinary types of quitting Germany has extraordinary types that are legitimated if the tenant violates of the rental contract. There are two main reasons:

- Disturbance of the peace: For example, the tenant threatens his neighbours by violence or noise, or s/he damages the house, etc. It is important for a minority of deprived persons (alcohol and drug abusers, for instance);
 - Rent debt: If the debt is more than the rent of two months, the landlord can send an extraordinary quitting. (shorter period than normally). If the tenant pays his debt, the reason for quitting is void. Exception: Repetition or permanent delay of payment over a longer period. Rent debt besides landlord needs form the main reasons for legal evictions and the main risk to become homeless.
- Non-housing rental or lease contracts (shops, gardens, garages, shops, holiday bungalows, etc.) are much less protected. In principal the content of the contract is free. If there is no explicit regulation lease contracts can be quitted without reason. The period often depends on the rhythm of payment.

3. Civil legal proceedings law and accompanying rules on evictions

The law on legal proceeding in civil cases regulates the steps from a quitting note to a court decision and it's consequences. The following paragraph outlines the process and refers to other legislation and regulations, especially the social law and the public-order regulations:

If the tenant does not leave the house within the period to vacate after a quitting note, the landlord has the right to appeal to the court for an eviction order. The landlord must prove before the court that s/he has legal cause for the ordinary or extraordinary reasons to vacate. That could be by presenting the formal note to vacate the premises, giving the correct reasons, and demonstrating any other relevant material conditions. In cases of an objection to an ordinary landlord's demand that the tenant quit the premises, the court evaluates the opposing interests. In case of rental debt, the tenant can avoid an eviction and reinforce his contract upon the condition that s/he pay the rent until the court opens the case. The court informs the local welfare office about proceeding for evictions which may cause homelessness. In case of need, the welfare office can intervene and pay the debt. The prospective results include the options that court decides on a legal eviction, or the right of the tenant to stay, or else mediates a compromise.

In case the court decides in favour of an eviction, it also has to decide about the eviction period. The court has to take into account the personal situation and chances to find alternatives in time. It is obliged to avoid actions causing or leading to homelessness. In cases of such risk, the court is obliged to inform the local welfare service.

The person who loses the case has to pay the court costs.

After a decision in favour of eviction, if the tenant does not find an alternative home, s/he can appeal to the court to extend the period to vacate.

If the tenant does not leave within the statutory period (or extended period), the landlord has the right to appeal to the court for an eviction order. Those proceedings can be very fast.

The eviction order (which even can include a short period) is handed to the tenant. If s/he does not

leave voluntary the responsible department of the municipality will organize a forced eviction. The municipality is obliged not to evict the person into the streets (public order regulation), but inducts him/her into a provisional shelter if a better alternative is not available.

The municipality ensures that the tenant's furniture and belongings that cannot be brought to such a provisional shelter will be put into a storage house.

All costs have to be paid by the evicted person.

If the tenant resists violently, the municipal authorities enlist the police to enforce the eviction order.

4. Penal law

Of great importance is the protection of the private home. Any extralegal violation of the private home is subject to punished by law. The authorities will pursue a "breach of peace of the house" (Hausfriedensbruch) if the violated person demands that. In case of such a violation, the affected person(s) can call the police. Examples include:

- Landlord breaks into the flat,
- Landlord breaks into the garden,
- Homeless person breaks into a private property for the night,
- Housing squat,
- Illegal occupation of a property for caravans (trailer camp).

Relevant penal provisions prohibit coercion against the tenant. Such cases include, for example:

- Landlord "coercing" tenant to sign a note to vacate under threat;
- Speculator "coercing" tenant to sign a buy contract by threaten, damage or other harmful action;
- Landlord destroys tenants garden;
- Squatters destroy elements of a house.

Important has been penalty against housing squatters. In the case of Germany's 81 squatter movements, politicians and police have tried to enforce the principle that no house should be squatted longer than 24 hours. As soon as the owners have informed the police, they violently have evicted the squats and often arrested the squatters. Many squatters have been punished by law. Today most remaining old squats have been legalized by rental contracts or sale to the occupants.. New squats are an exception. However, every year there are some cases of evictions of squats.

5. Other relevant regulation

Informal settlement is prohibited by public law. One must obtain a permit from the Municipal Construction Order Office for any housing construction (even huts of some extend and permanent encampments).

Illegal constructions can be subject to demolition and/or eviction. A complex system of construction rules, property rules and other restrictions prevails:

- Conditions to obtain a permit for construction are regulated, inter alia, in the public law on

urban development. Constructions are only allowed in construction zones of the master plan, or at places within towns if the construction corresponds with the type of the neighbourhood. Housing constructions are not allowed in areas that are zoned for other uses (e.g., commercial, industry, green space) and in city outskirts not zoned for construction (agricultural areas, forests, etc.).

- Generally, it is allowed to stay overnight in the public spaces of cities, towns, villages. However, many cities have developed local ordinances that disallow camps, sleeping, “aggressive begging,” public alcohol consumption, etc. in the streets. Consequently, mainly homeless people are evicted from these spaces. Many cities even have adopted ordinances against provisional camps and overnight parking of caravans. Privatized public spaces (e.g., malls, train stations) often maintain even stricter prohibitions against homeless people’s use of these spaces.
- In case of a dangerous structures (i.e., as a result of bad maintenance), the Municipal Construction Order Office is authorized to close or condemn a house, which effectively leads to an eviction of the inhabitants.
- Homeless people in provisional shelters, which can be overnight-sleeping rooms, but even flats that look very similar to ordinary rental flats, do not enjoy the rights of tenants, because they do not have a rental contract. They can get evicted without period if the municipality needs the space. In this case the only legal chance is an appeal to the public law/administration court. As experience has shown, the chances to achieve any housing rights there are very small. The problem today is not severe, because after the end of the housing crisis, in 1995, the situation in the shelters improved. There are fewer homeless persons, and many now are provided with ordinary housing.
- The same situation exists for asylum seekers and some (tolerated) non-legal immigrants. They can be obliged to live in designated shelters without any contracts or rights. Even in that case, the situation has improved after the end of the housing crisis and, of course, with measures to prevent immigration through the actual abolishment of the asylum rights.

Summary: Legal forced evictions

In spite of the arguments that legal safeguards eliminate forced evictions in Germany, a couple of possibilities remain for forced evictions, mainly:

- The very strict repression against all forms of informal occupation, including squats of empty houses and spaces, and living in the streets;
- The deficit in rights for inhabitants of shelters (e.g., homeless and refugees);
- Forced evictions after a lost eviction case in rental housing.

b. Market Forces

The situation on housing markets in Germany has much improved since the end of the housing crisis, in 1995, especially in light of national statistics on households, as flats, or households, as indicated in spatial terms (square meters). In eastern Germany, and more and more even in parts of western Germany, a prevailing problem today is not a total lack of housing, but vacant housing and a housing stock that is too large for the shrinking population. However, this picture is not true for prospering

regions such as Munich, Frankfurt, Cologne-Düsseldorf and Hamburg. There people suffer from a lack of affordable housing and the situation is even worsening. More than that, even in less-prospering regions, the vacancy of the insalubrious housing stock does not mean that the market offers the needed housing at prices that are affordable to all those in need. Housing markets in Germany differ more and more and make understanding the consequences more difficult.

In many parts of Germany, the development of the market, plus improvements of social assistance have reduced the problem of homelessness. For persons who are not mentally ill, in many cities it is possible to find a flat. However, more and more people need assistance, especially on making the payments. This said, it is natural that legally justified severing of rental contracts in many cases will cause a “voluntary” change of the flat, and will not lead to court proceedings that, in the worst case, can lead to an eviction order. That means that, even in the case of pressure, many people have chances to find alternatives and compensation that, in strict material terms, even can be adequate.

The market even is one of the reasons -besides repression- why there are very few squats in Germany. These still can face eviction. The few squats today are mostly not an expression of material needs, but of the ideas of a very small minority for an alternative life style outside the ordinary forms of housing. The ordinary market today even offers some niches for alternative life styles, and actors since the 1980s have learned how to achieve their aims within the legal opportunities.

All this, however, is not the result of real legal rights, but of market developments and some improvements in social assistance and specific housing-provision models. As soon as the market makes adequate housing access more difficult (and international investors and politicians are working on that), the problems arising from the deficit in rights will grow again, including through an increased number of forced evictions.

The fact that the situation regarding forced evictions is not comparable with countries in the “South” and “East” mainly is the result of a nearly totally absent informal housing sector. Nearly all housing in Germany is formalized and, therefore, legal. This is the result not only of strong rights and public subsidies and policies in favour of an adequate housing stock. It is even the result of the ugly side of the same process: the very strict repression against all forms of informal housing for much more than a century.

During the periods of rapid industrial urbanisation and the economic laissez faire state in the 19th Century the construction of workers slums with their rental barracks exploded. Even then, urban growth was heavily controlled by the police state, as well as by the industries. Since the 1870s, Germany has been providing some kinds of master plans that have set strict criteria for urban development. Law-and-order- policies continued with regulations against the dangers of a living-in-the-street population around 1900, which policies committed municipalities to provide shelter. Even after World War II, when the heavy destruction necessitated a lot of provisional solutions, no significant force emerged outside this ordinary normality. By a couple of laws and programmes, the state worked at re-integrating all “alternative” forms of housing into the one obligatory model of single-household dwellings, either as rental housing or home ownership. Today, the system tries to escape the dominance of rental housing, and favours home ownership. However, strict normality

remains housing policy's guiding star.

Under these long-term conditions the repression cannot be described by "forced evictions." Nobody with some energy outside the anarchist desire for blaming the system will stay in a house that is subject to eviction. S/He always will try to maintain the normality by preventing that worst-case scenario. And the system offers a lot of opportunities to do so.

c. Extralegal forced evictions

Extralegal evictions occur outside the regulations in the form of the potentially criminal action of landlords and other shelter providers. Such evictions do not occur in masses, and often the affected persons do not have access to legal advice or other supporters.

The probable main factors in extralegal evictions include:

- Violence against women inside the family/partnership; whereby, some women escape to women's shelter houses;
- Other conflicts inside families and relationships that force persons to leave;
- Illegal lock-outs, demolitions, etc. of flats and tenants' spaces by landlords and speculators.

II. Pressure to leave home/rental refugees

While the number of approvable forced evictions in Germany is limited, the picture changes with consideration that evictions are only the tip of an iceberg of legal and extralegal, market-driven and policy-driven pressure to leave one's dwelling.

As described above, an eviction is the last step of a whole series of proceedings. Only a very small category of persons "waits" until the eviction comes. The deadline to leave one's home is after a tenants unsuccessful legal dispute over an eviction order within the given period. The affected persons in this situation even can obtain social assistance if they need it.

A very big majority of affected persons even will not wait until the eviction note. The normal reaction against the severance of a rental contract (for those with sufficient information and resources) is to seek legal advice. If competent counsel is available, they would advise whether or not the tenant holds good chances to win. If not, s/he would try to avoid the looming costs and leave without initiating legal proceedings.

What is more astonishing than this rational behaviour is the fact that very many tenants leave their flats, even if they have good chances to secure their adjudicated right to stay. Even if they have all necessary information and legal counsel, many prefer to leave, rather than enter into a conflict. In cases of mass transformation of an area into home ownership (e.g., condo conversion, gentrification, or other project for housing sale), inhabitants even leave before they have received any order to vacate, or other clear statement that someone else would need their flat. They are just fleeing a change of the composition of their neighbourhood. Thus, they evade a possible conflict that is so close to, and disruptive of their private sphere.

Even for these reasons, it is necessary to point out the principal cases of pressure on tenants:

1. Condo Conversion and other types of home ownership

As described above, landlords severing rental contracts in order to reclaim the housing for their own needs is a main danger causing an inhabitant to lose her/his flat within ordinary rental housing. While a tenant who rents an apartment in a condo should be aware of the fact that housing tenure might not be very secure there, that landlord right to reclaim becomes a mass problem if many rental houses are converted into freehold tenure. In this case, the renters so far believed that their housing is secure, but suddenly confront a new situation.

The conversion into condos and other types of homeownership has been a main problem in the German housing market for a long time. It is crucial in prosperous places such as Munich, where much of the former affordable private rental housing has been transformed into condos and hardly anybody from the original communities still live in the converted flats.

The problem even has increased over the past couple of years in less-prosperous regions such as the Ruhr District. The reason is that significant parts of the housing business has changed their business strategies, and now try to make much more money by selling the converted rental flats to final customers.

Partly, this conversion business is not carried out by the original owner, but by an intermediary investor who buys a block of houses, then converts and sells them to the end user. In the case of Viterra, about one-third of the housing stock in Ruhr District (about 60.000 housing units) was sold either to end customers, or intermediary investors over five years. The results for the tenants vary, depending on the investors' strategy. However, the pattern of rental refugees under freehold conversions is clear.

In case of the important local developer, Häusserbau, which converts into ordinary homeownership with less legal protection, many tenants leave even before the developer starts his diverse methods to get rid of them. In the Ruhr District, we can estimate that a couple of thousand households have lost their homes through such pressure.

2. Sales to investors who orientate on conversion and sale

The whole process becomes heavily amplified through the massive sales of public and other rental housing stocks to international private-equity funds. Since 2004, about half a million flats in Germany have been sold to international investors such as Fortress, Terra Firma, Morgan Stanley, Cerberus and others. All new owners favour freehold conversions, however with different timings. Below are some examples:

- In the case of Annington, which is the name of Viterra, and other companies that Terra Firma has bought: The corporation stopped block sales and now focuses on conversions into condos and primary sales to the tenants. For parts of their housing stock, Terra Firma offers specific guarantees. It seems that Terra Firma tries to avoid tenants leaving.

- Immeo, which is the new name of ThyssenKrupp housing, after its sale to Morgan Stanley and local banks: Shortly after the deal started sales of workers homes in Essen, Tenants feel heavily under pressure to leave.
- Fortress, which bought a couple of public companies: The corporation started the sale in prime segments and now tries to trade the whole of the housing stock on stock exchange.

3. Pressure on unemployed tenants through worsening of housing support

In 2005 the German government introduced a fundamental change in the social security system, especially for long-term unemployed. It is one of the consequences that potentially more than 10 million unemployed or poor, who depend on welfare, are under pressure to leave their homes and change to cheaper flats.

The very controversial “Hartz IV-reform” in the beginning of 2005 replaced the traditional insurance for long-term unemployed by a “welfare” system of minimum financial support combined with the obligation to do any work, even without security and at lowest wages. The financial support consists of basic support for the costs of life, which is below the poverty level, and another grant for housing costs (rent or mortgage and heating). The grant for housing costs is principally limited. Local authorities and the local labour offices decide the details. If the housing costs are higher than the locally defined level the unemployed are obliged to reduce these costs to the agreed level within a maximum period of 6 months. If they do not succeed by renting parts of their flats to sub-contractors or by changing to a cheaper flat the office cuts the grant for the housing costs and the rent must be paid from the low basic grant.

The whole topic was very controversial and movements all over the country heavily protested. Even courts set up limits for the arbitrariness of the authorities. As a result the picture on the consequences is rather diverse. For a period of time it seemed that a couple of local authorities tried to avoid mass pressure on the unemployed inhabitants. But meanwhile the situation seems to worsen. One example: In January the office in the city of Bochum (Ruhr-district) sent out 1400 notices demanding a reduction of housing costs. After heavy protests the municipal social caucus decided some improvements, but the situation remains very serious.

The situation even gets more dramatic by permanent “reforms” of the catastrophic legislation. Alone within this year (2006) the national parliament decided two complex changes of the legislation and government plans to do another.

In March the “reform” stopped financial support for the housing costs of young adults under 26. Parallel, punishment for unemployed who do not follow the offices’ labour commands was strengthened.

In August another “reform” limited the support on the rent for a new flat on the costs of the original flat, even if the new rent is below the general local limits. Now, even unemployed who live in substandard accommodation have much difficulties to improve their housing conditions. Again the pressure on those who do not take any job was strengthened. Meanwhile offices are even allowed to cut the housing costs support which means that the effected soon can get into serious rent debt, get

evicted and become homeless.

So far the local interest on lowest rent support was corrected by the fact that the local authorities get 30 % on the costs back from the state. If the national housing costs support would be cut, some of the municipalities would become bankrupt and for that reason they have to try to do anything to cut their subsidies for housing of the unemployed.

This problem is only one example of the massive consequences of neo-liberal policies in Germany, which damage social security, support low wages and globalisation of business and reduce taxes for the business.

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