

A M E R I C A N F R I E N D S S E R V I C E C O M M I T T E E

20 South Twelfth Street
Philadelphia 7, Pennsylvania

FOREIGN SERVICE SECTION

News from Germany

Number 18

January 1, 1949

THE PRESENT NEED

A survey made in the fall of 1948 by Hertha Kraus, Sociology Department,
Bryn Mawr College, Bryn Mawr, Pa.

The interested observer will notice with great satisfaction that there has been substantial improvement in many parts of Germany, as compared with conditions two years ago. Improvement is particularly obvious in the western zones and only slight in Berlin. According to many reports from visitors who have come to Berlin from the Russian zone, there is little or no progress there.

Progress has been most noticeable since the currency reform. Suddenly stores carried a good deal of merchandise, including food and some textiles. Household utensils, practically unknown for the last three years, are now sold on the open market, in stands on the street, often tucked away among the ruins. Fresh vegetables, fruits, even potatoes have become available to anyone with cash on hand -- quite a bit of cash, it should be stated. Naturally, most people were delighted with the re-appearance of so many commodities bitterly missed for years. Of course, they also wondered where the stuff was hidden or who profited by it before the currency reform. There are many expressions of bitterness on behalf of those who had no access to the black or "grey" market, or conscientiously did not utilize its goods, thus suffering from acute want for years. There is some explanation for the sudden reappearance of considerable quantities of merchandise on the very day of the publication of the new currency: producers and distributors had undoubtedly been encouraged, through official channels, to build up a stock pile so that merchandise could be released at the same moment when new stable money would be on hand. Thus they would validate the currency reform and build up urgently needed public confidence in the new currency.

It is a fact that in the western zones Germans can now purchase quite a wide range of foodstuffs, among them many unrationed, also household goods and some clothing, if they have purchasing power. Prices have risen since the first commodities appeared. There is not very much merchandise available in the stores, and the demand is practically unlimited. Many goods are rather shoddy, according to American standards, and most of them are extremely expensive. There is still an extreme shortage of shoes, underwear, and other textiles, representing a mass demand. Working clothes, especially for men, are at a premium.

In considering this completely changed picture, the question of purchasing power becomes a central one. At the moment most of the employed workers, the salaried employees, and the government officials, are a little better off than they have been for years. This also includes government officials on pensions, the retired judges, teachers, and many others, who receive the same pensions in Deutsche Mark

which they used to receive in the much less valuable Reichsmark of recent years. Their purchasing power has gone up since the moment of the currency reform. Among the earning population workers are least satisfied, with some reason. They now receive straight cash wages in the new currency, wages which have not been raised for a long time. They do not receive any longer a share of the commodities which they produce, for barter purposes, or time off for an exchange of their own skills in return for food from the peasants. So some have lost in purchasing power, while the salaried group has actually gained in recent months.

The people who have lost most, however, are those unable to work, the old, the sick and handicapped, the middle-aged women with little or no experience in gainful employment. An economy which must again learn very careful cost accounting is not in the least interested in utilizing marginal skills, part-time workers, and those with little or no experience. At the same time these groups have lost the opportunity of selling their household goods, linen, jewelry, for which there is no longer a market. People either want new things, now available, or they are much too poor to buy anything beyond the basic necessities. All the easy money has gone, including the easy money for gifts to elderly friends and relatives, for contributions for many charitable purposes, for acquiring handmade knick-knacks, or more or less unnecessary craft products, manufactured by expellee groups and others.

Easy money has also vanished which used to be spent on entertainment, music lessons, dancing lessons, art; or on lawyer fees and other professional services. The producers of all these services are now in dire need, along with the aged and handicapped.

There is also great need among a large group of people who derived their living from savings in any form, mortgages, annuities, saving accounts. By and large all these accounts have been automatically reduced to 10% of their original value, before the day of the currency reform on 20 June, 1948. Even of this 10%, only half is now available, the other half has been "frozen" for an indefinite period. Here is a new group of very considerable proportions who have become the victims of another war damage. They are rather pitiable, because in the vast majority of cases they have no earning power left, and absolutely no way of rebuilding their incomes. Their purchasing power has practically been wiped out. In theory these new poor have access to public assistance, and in many cases they may be able to draw old age and invalidity benefits under social insurance laws. But both relief and benefits are extremely low and there is no chance that they will increase substantially. The capital reserves of all the social insurance systems have also been reduced to 10%. The capital reserves of the cities and counties, including their public welfare funds, have been entirely wiped out by law. Cities are now dependent on current tax revenues, which naturally are coming in very slowly and do not allow any expansion of service.

The plight of the old and the handicapped is extreme. They need additional income, in many instances they should be taken care of in homes to provide a minimum of security, physical care and attention, but there are very few such homes left. New ones are planned everywhere, but for lack of funds and equipment and for lack of housing space such plans remain largely on paper.

Young people are also caught seriously in the recent developments. Many students find it impossible to complete their training, because the financial funds reserved for this purpose have been written down to 10%, and only half of this is actually available. At the same time many of the usual work opportunities have been lost because students too are only marginal workers, not being fully available and on the whole unskilled.

Children of working mothers find themselves stranded with little care when the mother is gone, and without adequate food or clothing, because women's wages are in no way geared to provide for the maintenance of an entire family. There are many millions of households without men and lone women wage earners fighting a desperate struggle to maintain a home, raise children, and provide for the entire family budget by gainful employment. These women do not have any of the advantages of American working women: no canned or frozen foods for a quick meal, no refrigerators in which to store prepared foods to last for several days; no ready-made meals to be bought for home consumption. They still have to stand in line at the markets, to spend long hours on shopping and food preparation. They have to spend many hours every week on patching clothing, mending and darning. They have to do all this in badly overcrowded homes, quite often sharing a single room with strangers, without regular kitchen facilities. The mothers in Germany are seriously exhausted. They urgently need help, perhaps more than any other group.

The Neighborhood Centers have proved to be very useful in communities where they have been recently established under the direction of American workers, mainly supported by generous American donations. Neighborhood Centers represent good team work of Germans and foreign workers. They are wide open to the aged and handicapped who will come in for hours of sociability and a little extra nourishment and personal attention. They have become the living room for mothers of the neighborhood, who will bring their mending and sewing and will find quite a bit of help in accomplishing their endless tasks, such as sewing machines, yard goods, thread, and a skilled teacher. Children will come to the Centers' playground and spend many hours under friendly supervision and in a good setting, instead of getting into mischief while the mothers must be away from home earning a living. They also get a supplementary meal and a bit of physical care, together with the experience of friendship and fellowship. Many young people use the neighborhood centers at night and over weekends, for their clubs and discussion groups, for an occasional party. They need such an escape from their dreary homes, the heavy chores and the frustrations of the endless struggle against the hard ways of post-war living in an overcrowded, impoverished country.

We should try with all our physical and spiritual powers to stand by and to bring continuously more facilities for self-help, more friendship, and more light. The task of re-building is extremely difficult, painful, and slow.