

## **Life Behind The Wall**

### **Part 3: Plan and failure**

A film of Roland May and Karsten Laske

Broadcast Monday, 15.11.04, 9:45 p.m.

#### **ECONOMIC MIRACLE (approximately 1970 to 1983)**

When Erich Honecker took over the reins of power from Walter Ulbricht, it was the beginning of a new phase of socialism – consumer socialism. He postulated the "unity of economic and social policy". Wages and pensions were increased, paid holidays were extended, consumer goods became more available, and an extensive new programme for housing construction was instituted.

This was the beginning of the GDR's golden years, which brought relative stability and social modernisation. Ten years later East Germany was on the brink of insolvency. The planned economy with its nonsensical subsidies, the primacy of political decisions over any kind of economic necessity, the striving for "the unity of economic and social policy" – all this ended up breaking the back of the state. The failure of the GDR was above all an economic failure.