

# Rohr as a Keynesian

The BRD will be induced  
to an expansive spending policy  
(mostly deficit spending)

by the necessity to finance

the balance of payment <sup>goods + services and capital</sup> deficit of DDR  
exp. versus ~~BRD~~ <sup>the</sup> BRD

the budget deficit of DDR  
plus social security expenditures,  
exp. on unemployments.

The infrastructure of the DDR

The increase in BRD growth rate (to 5%?)  
in fact comes from the demand which  
is created in west Germany from

eastern imports. But against this there is the loss of  
production in the ~~east~~ east.

There remains a net expansion: Infrastructure in east and  
Product substitution for products of the DDR substitute wages.

This will accentuate the conflict  
between the spending parts +  
the restrictive parts (Banks break).