The two post-war German states were founded in 1949. In the former Federal Republic of Germany (FRG), policy was dominated initially by the shortage of housing following the war. Population increase led in the 1960s and 1970s to the building of many new single family houses and large peripheral housing estates. Plans to demolish older houses in inner city areas were criticised, leading in the 1970s to a popular movement against further destruction. From 1971 to 1990 a programme co-financed by the FRG and the constituent states (Länder) supported housing renewal in older inner city areas and historic towns; and was followed from 1999 by the Social City programme, focusing on deprived neighbourhoods. The German Democratic Republic (GDR) faced similar housing problems to the FRG but chose different strategies to deal with them. New industrialised housing was constructed, and existing housing neglected. By 1988, only 9 per cent of housing in the GDR was in ‘good condition’. After reunification in 1990, renewal became a primary focus for urban policy in the former GDR: inner cities were redeveloped and system-built housing estates renewed or demolished. Demand for private housing led to suburbanisation. In 2005, the federal government began the further decentralisation of housing responsibilities to the Länder, including support for modernising the housing stock as part of the urban renewal process.