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Mannheim, 29 January 2025

Press Release

GBP Election Poll: Majority of Companies in Favor of Debt Brake Reform

The new survey from the German Business Panel (GBP) at the University of Mannheim, conducted in the lead-up to the federal election, shows that companies are optimistic about the long-term economic outlook for Germany. Rapidly reforming the debt brake and consistently reducing bureaucracy are particularly important to them.

The ARD DeutschlandTrend reports that the economy ranks as the second most important issue in the ongoing election campaign, garnering 34 percent of attention, trailing only migration. The parties are presenting different concepts to stabilize the economic situation and avoid a third consecutive year of recession. In light of this context, the GBP carried out a comprehensive survey involving over 350 businesses to gather insights on their economic policy inclinations. How do business leaders assess the economic and tax policy proposals put forward by the political parties? What reforms would they like to see? And what measures can promote economic recovery?

The results paint a surprisingly positive picture, particularly for long-term economic development in Germany. The companies that took part in the survey are confident that an annual growth rate of 2.02 percent can be realized in the next five years. They predict that the economy will grow by 0.39 percent in the next year. "The prevailing sentiment in the German economy suggests a strong belief in overcoming the current recession, with expectations for economic stimulus after the Bundestag elections," comments GBP project manager Professor Dr. Dirk Simons on the outcome of the survey. "The next government is tasked with the responsibility of developing a more favorable environment for the German economy."

CDU/CSU parties believed to have the greatest economic expertise

The survey respondents are most likely to trust the CDU/CSU parties to have the necessary economic expertise: 73.6 percent of companies are in favor of the CDU/CSU joining the government – a significant increase compared to 2021 (38.7 percent). While the FDP was the most favored party in the economic sector in 2021, boasting a 74.6 percent popularity, it has seen a significant decline to 35.8 percent this year. The support for AfD participation in the government has grown four times compared to 2021, increasing from 5.2 percent to 20.9 percent.

Debt brake: Majority calls for reform instead of abolition

A key result of the survey: A significant 54 percent of companies endorse a reform of the debt brake. Just 14 percent favor the outright repeal of the debt brake introduced in 2009, while 31 percent would like to see it preserved in its current form. "Many companies see a need for adjustment, but there is little support for a complete repeal," says GBP project manager Professor Dr. Rostam-Afschar. This stance is in line with the positions of the SPD, the Green party and the BSW.

Detractors of the debt brake claim that it prevents necessary public investment. In line with this, the survey indicates that 70 percent of the companies are supportive of raising government investment. "When government allocates resources for bridge renovations or railway improvements, it positively influences private sector operations," explains the project manager. "Demand is rising and the economy is picking up speed."

Respondents were even more unequivocal about bureaucracy: 90 percent of companies consider it a more pressing issue than strengthening legal certainty.

Tax policy: AfD and FDP in the lead

The tax proposals outlined in the AfD and FDP election manifestos are the most well-received, with 22 percent and 21 percent of voters expressing support for each, respectively. Both parties vow to deliver meaningful tax relief, yet they do not specify any concrete strategies for how this will be financed. Interesting: For this question, individuals were presented with anonymized excerpts from the election manifestos of various parties, without any indication of the party to which each excerpt belonged.

You can find the GBP survey for the 2025 federal election here: https://www.accounting-for-transparency.de/wp-content/uploads/2025/02/GBP-Wahlbefragung_18_02_2025.pdf

Further information on the GBP monitoring report

The German Business Panel interviews more than 800 companies per month and in March 2024, also more than 250 researchers, on the economic situation in Germany and collects data on 1) any expected changes in revenue, profit and investments, 2) economic decisions, 3) the expected shutdown rate in the sector, and 4) the satisfaction with the economic policy. Furthermore, GBP reports on particularly relevant questions every three months.

Background information on the German Business Panel

The GBP is the long-term survey panel of the trans-regional Collaborative Research Centre "Accounting for Transparency" (www.accounting-for-transparency.de). The Collaborative Research Center (CRC) "TRR 266 Accounting for Transparency" was established in July 2019. In May 2023, the German Research Foundation (DFG) approved the extension of four additional years. It is the first CRC with a focus on business administration. More than 100 researchers from the following nine universities are involved in the CRC: Paderborn University (host university), Humboldt-Universität zu Berlin, University of Mannheim, researchers of Ludwig-Maximilians-Universität München, Goethe University Frankfurt am Main, Frankfurt School of Finance & Management, University of Cologne and Leibniz University Hannover. The researchers examine how accounting and taxation affect the transparency of companies and how regulation and firm transparency impact our economy and society. The CRC is funded with approx. EUR 18 million.

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