

**Head of Communications:**  
**Dr. Maartje Koschorreck**  
Telephone: 0621 181 – 1080  
koschorreck@uni-mannheim.de  
www.uni-mannheim.de

**Mannheim, 19. July 2022**

## Press Release

### **GBP Monitor: Companies' Satisfaction with the Government's Economic Policy Hits Annual Low**

**Due to the energy crisis and planning uncertainty, German companies are currently particularly dissatisfied with the government's economic policy. This is documented in the July report of the German Business Panel (GBP) at the University of Mannheim. Industries that depend on gas supply are particularly frustrated, since the possible gas supply shortage and the uncertainty that comes with it makes it impossible for them to make longterm decisions. The continuing decline in profits is also contributing to the bad mood in the industry.**

The July 2022 data show that the situation of companies in Germany is deteriorating again. On average, their profits have declined by 6.7 percent. More and more company directors are of the opinion that the declining profits can be attributed to the government's economic policy. The traffic light coalition (Ampelkoalition) receives the lowest score since coming into office: On average, the work of the coalition receives a score of only 3.9 points on a scale from zero to ten.

The construction industry is particularly sceptical about the current economic policy: From the companies in this sector, the work of the coalition receives a score of only 3.4. The reason: Construction businesses are heavily affected by disrupted supply chains, since they depend on a continuous supply of materials. The supply of materials is currently disrupted and, in the eyes of the company leaders, this is caused by the government's failed investment policy. "Supply chains are seen as part of the infrastructure. Germany has failed to sufficiently invest in its infrastructure, in particular, when it comes to transport, which amplifies supply-chain problems. The companies are right in attributing this to Germany's economic policy, however, the current government is not responsible for this", says Professor Dr. Jannis Bischof, **holder of the chair of Business Administration and Accounting at the University of Mannheim.**

#### **Fears to be cut off from natural gas supply are also dampening the mood**

Many survey participants also fear that gas will be rationed and costs will be further increased if Russia stops delivering natural gas. These fears are also reflected in the assessment of the economic policy: Companies which use natural gas directly in their production process or along their value-added chain, evaluate the current economic policy significantly worse than companies which use gas only for heating purposes or

not at all. However, the companies do not hold the federal government responsible for the economic consequences of the war in Ukraine.

### **Planning uncertainty in the processing industry**

Due to the rapidly rising procurement and energy costs, the current market environment is characterized by a high level of uncertainty regarding the costs but also regarding future sales. This affects the construction industry as well as the processing industry, for example, the automobile and mechanical industry or the food industry. In this segment, the planning uncertainty is nine percent higher than before the war broke out. In this industry, the risk of production downtime in case of gas rationing is particularly high.

“What the companies expect from the government is clear: Energy supply has to be reliable and switching to alternative energy sources must be supported”, says the academic manager of the GBP, Dr. Davud Rostam-Afschar. “But it is also important to define a clear strategy for the winter, because there is no evidence that we have reached the end of the cost explosion”, says Rostam-Afschar.

The complete report on company trends in July 2022 (“GBP-Monitor: Unternehmenstrends im Juli 2022”) can be found [here](#) (in German).

### **Further information on the GBP monitoring report**

The German Business Panel interviews more than 800 companies per month 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 default probability in the sector and 4) the satisfaction with the economic policy. Furthermore, GBP reports on particularly relevant questions once per month.

### **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](http://www.accounting-for-transparency.de)).

The Collaborative Research Centre (CRC) “TRR 266 Accounting for Transparency” started in July 2019 and is funded by the German Research Foundation (DFG) for four years. It is the first CRC with a focus on business administration. Approx. 100 researchers from the following nine universities are involved in the CRC: Paderborn University (host university), Humboldt-Universität zu Berlin, University of Mannheim, Ludwig-Maximilians-Universität München, ESMT Berlin, Frankfurt School of Finance & Management, Goethe University Frankfurt am Main, WHU - Otto Beisheim School of Management and the Carl von Ossietzky University of Oldenburg. 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. 12 million euros.

### **Contact:**

Professor Dr. Jannis Bischof  
Chair of Business Administration and Accounting  
University of Mannheim  
Phone: +49 621 181-1630  
E-mail: [jbischof@uni-mannheim.de](mailto:jbischof@uni-mannheim.de)

Yvonne Kaul  
Research communication  
E-mail: [kaul@uni-mannheim.de](mailto:kaul@uni-mannheim.de)