

# DISSATISFACTION WITHOUT CLEAR ALTERNATIVES

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How people in Germany think about  
economic policy

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d|part

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Please note that this document is a translation of the original report, which was written in German.

# Executive Summary

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This report highlights how people in Germany discuss economic policy issues and which narratives dominate these conversations. The analysis is based on twelve small-group interviews conducted in Bochum and Leipzig, as well as a representative survey with 1,968 participants.

The findings reveal that economic policy debates are often approached from a personal perspective, while still considering the broader community. However, these perceptions differ significantly from the prevailing narratives in politics, academia, and the media.

Five major areas of tension define these discussions:

1. There is widespread dissatisfaction with the status quo, yet concrete ideas on how economic processes could be reorganized are lacking.
2. Many people do not view economic issues in isolation but rather within a broader social context. However, they often apply a zero-sum mindset, leading to the exclusion of certain groups, such as refugees or welfare recipients.
3. Inequality is perceived as a major problem, but it is strongly linked to the principle of meritocracy, reinforcing distinctions, particularly towards those perceived as "lower" in the social hierarchy.
4. While many expect the state to play an active role in economic policy, trust in its ability to act - especially in the face of global challenges - is low.
5. There is a vague sense that financial and public expenditures could be organized differently, but a lack of knowledge and vocabulary makes it difficult to discuss alternative concepts.

Research shows that existing economic policy narratives often do not align with the intuitive ways in which many people think. To foster more constructive discussions on economic policy, a stronger connection between academic, political, and everyday narratives is needed.

# 1. Objective

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The 2025 Bundestag election campaign was in many ways a debate about the direction of German economic policy. Questions about national debt, investments, the energy transition, the scope of social benefits and the development of German exports were omnipresent. Some of the political parties took strong positions - for example on the debt brake or basic income support - on the assumption that they could score points with voters.

However, it is doubtful whether political actors were able to reach many people with these positions and demands. While numerous quick surveys have explored public positions on specific political measures and the results have been presented with great frequency, it would be premature to conclude that we can clearly read from them how the population thinks and talks about economic issues. We know that decision-makers and experts often have a distorted picture of the views of people in the country on important issues, such as the link between foreign and economic policy<sup>1</sup>.

While results from surveys show us people's reactions when we ask them about certain issues, we cannot draw any conclusions about whether and how they themselves think about the topic in question - and talk about it with others. But we rarely take a deeper look at how people fundamentally view economic processes, understand them and draw conclusions from them. While there are qualitative insights into political and social processes<sup>2</sup>) (as well as specific political measures<sup>3</sup>), there is a gap when it comes to in-depth economic debates.

However, when projects take on this challenge, they often develop exciting and valuable insights. The "Framing the Economy" project<sup>4</sup> in the UK was able to show why the British population was dissatisfied with the economic status quo on the one hand, but why the opposition's counter-narrative did not catch on in its existing form. Qualitative research also made it possible to examine the language people used to describe certain issues. This made it possible to develop better survey instruments that reflect the actual perspectives of the population - instead of replicating existing expert thinking about the population.

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1 Spöri, T. & Eichhorn, J. 2024. Zwischen Vision und Wirklichkeit: Die Wahrnehmung der Zeitenwende in der deutschen Bevölkerung. Berlin: d|part. Available here: <https://www.dpart.org/de/publications/between-vision-and-reality-the-perception-of-the-zeitwende-in-the-german-population>

2 e.g. Mau, S., Lux, T. & Westheuser, L. 2023. Triggerpunkte. Konsens und Konflikt in der Gegenwartsgesellschaft. Berlin: Suhrkamp.

3 e.g. Güttler, M., Ludwig, L., Schläger, C. & Storcks, S. 2023. Mehr Umverteilung wagen. Politische Einstellungen zu Finanzpolitik, Steuern und Gerechtigkeit. Berlin: Friedrich-Ebert-Stiftung. Available here: <https://www.fes.de/finanzpolitik/finanzpolitische-umfrage-mehr-umverteilung-wa-gen>

4 NEON, NEF, FrameWorks Institute & PIRC. 2018. Framing the Economy. How to win the case for a better system. Available here: <https://publicinterest.org.uk/project/framing-the-economy/>

## How do people in Germany talk about economic policy?

With this report, we want to make a contribution that sheds some light on how people approach economic policy debates and enter into conversations about them. In doing so, we want to narrow the existing knowledge gap - in general and also specifically for debates in Germany. We conducted 12 small group interviews (small focus groups) with four participants each. The aim was to investigate how different people in Germany perceive and talk about economic policy debates. Half of the groups took place in Bochum, the other half in Leipzig in May 2023. Each of the 12 groups was diverse in terms of age, gender, living context (city or surrounding area), migration background and party preference. In addition, the educational background was mixed in four focus groups per location. In addition, there was one group exclusively with people holding a higher level of education and one with people with a lower level of education.

The smaller group size enabled us to ask more questions and talk to each participant in greater depth. In the first half of the small group interviews, we allowed the participants to speak very freely about their views on economic issues in order to explore which aspects they would address themselves and what points of reference they would set. We then confronted them with a series of statements that reflected different political positions on various topics to explore where people intuitively agree or disagree - and where commonly used narratives may not be understood or may be understood very differently than what decision-makers or experts think.

Based on the findings from the small group interviews, we have formulated statements for a representative survey that allow us to see the extent to which certain narratives are more or less popular among the population when we ask them directly. The survey, conducted in October 2024 with 1,968 participants, is representative of the population in Germany aged 16 to 80<sup>5</sup>.

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5 Details on the empirical survey can be found on the project website: <https://www.dpart.org/en/projects/oeffentliches-verstaendnis-der-wirtschaft-und-paradigmenwechsel>

## 2. Dissatisfaction with the status quo without a clear vision of a different system

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When people approached economic discussions, it was rarely in the abstract. Economic processes and structures were initially discussed by assessing the current situation and its influence on their own lives and society. In many cases, the small group interviews revealed a very negative mood and a desire for change in Germany, but there usually was a lack of imagination as to what these changes might look like.

### Terms of the crisis: What people call economic challenges

At the beginning of the small group interviews, we first asked the participants to write down in general terms which concepts come to mind when they thought about the current economic situation in Germany. A variety of different things were mentioned, but it was surprising that the topic was generally construed as a problem and negative in tone. In all groups, economic and social challenges had a strongly negative connotation. Terms mentioned particularly frequently were:

In relation to economic insecurity:

"usury", "shortages", "dependency", "interest rate rises"

In relation to social division:

"unfair", "poverty", "division", "social fracture"

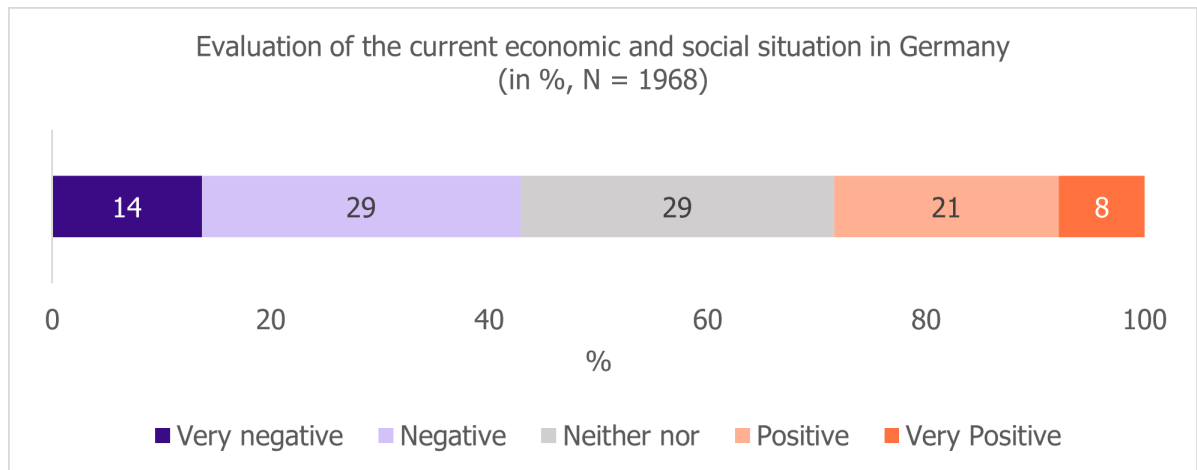
In relation to worries about the future:

"uncertainty", "crisis", "fear of the future"

Central topics of the political debate such as inflation, war, supply bottlenecks, climate change, the energy crisis, company's leaving, the automotive industry and international competition were also frequently discussed. However, it was remarkable that almost all of the main topics were also presented as problems and were nearly always discussed in conjunction with the negative basic attitudes mentioned above.

This negative mood was also reflected in our representative survey from October 2024 (see chart 1): 43 percent of respondents rated the current economic and social situation as very negative or negative, while only 29 percent rated it as very positive or positive.

**Chart 1**



Question: "When you think about the general economic and social situation in Germany, how would you rate the current state of society on a scale from 1 (very negative) to 10 (very positive)?" The categories are based on the following coding: 1-2 = "very negative", 3-4 "negative", 5-6 "neither", 7-8 "positive", 9-10 "very positive".

Even neutrally formulated questions were intuitively answered with negative assessments. For many, this pessimistic perspective was due to the perceived deterioration of the situation over several years. On the one hand, the overall economic situation was assessed as bad, but for many participants the sharpness of the attitudes was primarily due to the feeling that their own lives had deteriorated. For some, these changes threatened their very existence, especially those on low incomes who had serious fears for their own well-being and that of their loved ones in the wake of the energy price crisis and rising costs for everyday goods.

**"Prices have risen sharply in all areas, let's just take deodorants, where you think it's crazy how much deodorants cost now."**

Mathilde, 32 (Bochum)

However, others who were financially better off were also very worried, although they were more concerned about a possible social decline. As also shown in other research, one's own financial situation is not necessarily decisive for the degree of concern about the material future.<sup>6</sup> However, the way in which changes are discussed differs from people in a precarious material situation. Here, people tend to talk about deterioration in general - even if they are not affected by it themselves.

**"I studied law and am still doing my master's degree. I wrote down (...) loss of prosperity, because inflation in Germany means that many people's wallets are getting thinner and thinner."**

Daniel, 30 (Leipzig)

<sup>6</sup> Eilers, N., Spöri, T. & Eichhorn, J. 2024. United in a bleak outlook. Concerns, crises, and right-wing views ahead of the 2024 EU elections. Berlin: d|part. Available here: <https://www.dpart.org/en/publications/united-in-a-bleak-outlook-concerns-crises-and-right-wing-views-ahead-of-the-2024-eu-elections-2>

## General dissatisfaction without clear alternatives

In this respect, people from almost all walks of life were united in their negative views. Satisfaction with the current economic situation was low and only a few people expressed hope for positive developments. Despite this dissatisfaction, very few participants were able to formulate what exactly they would like to see changed. When asked specifically, they often expressed the wish that things should be materially improved and fairer. However, only a few were able to articulate coherently what would have to change in concrete terms from their respective point of view. Wishes often remained rather restrained and emphasized the preservation of the status quo:

**That the economy gets back to normal and (...) that prices aren't always going up and down, yes, stability.**

Bärbel, 58 (Leipzig)

There was a clear wish that politicians would take greater account of the concerns and everyday experiences of the population in economic policy decisions and subsequently take a proactive and communicative approach:

**"[I would like to see] politicians from the people for the people, because I believe that they didn't just do it all for monetary reasons, the many problems we might have right now would be taken care of if they really did it all for their population."**

Lisa, 33 (Leipzig)

**"I would like to see better political leadership (...) that people like to listen to, where I also think when they speak, that was brilliant, that said something to me."**

Christian, 56 (Leipzig)

So while the ambition for a different way of working in politics was articulated, only a few participants were able to explain what exactly should be done differently with regard to economic policy.

This lack of imagination as to what the organization and functioning of economic processes and structures could look like was present throughout. Larger ideological schools of thought or classic narratives (such as class struggle on the one hand or the hope for creative destruction on the other) also hardly played a role. This was also due to the fact that hardly any of the participants could relate to specific politicians, thought leaders or commentators. Most of them fundamentally lacked an image of a possible alternative and the vocabulary to describe it.

Rather than being able to articulate a desire for a specific transformation, many participants expressed exhaustion after the numerous, often subjectively negative, changes of recent years. The strongly expressed dissatisfaction with the status quo was thus not matched by an equivalent positive image of a better alternative, which for many resulted in a feeling of disillusionment and a pessimistic view of the future.



### 3. Personal and social consequences of economic policy as an essential component of population perspectives

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When people talked about economic issues, they related them strongly to their own lives. However, it was not just about their own wallets, but also changes in their living environment and in the community. In addition to traditional economic factors such as jobs, many people were particularly concerned with the services provided by the state. Accordingly, many also linked major social issues and conflicts directly to economic issues, even if these would be assigned to different government departments in the political arena. Education and security policy, for example, were not separate themes, as the question of how important tasks should be financed affected both areas and, in the view of some participants, should be discussed holistically.

Concerns about their own material situations were very pronounced among the population at this time. However, the perspective on this was not only derived from the assessment of one's own household situation, but was also significantly influenced by the perception of the wider living environment. If there was a feeling that the economic situation in the place of residence was deteriorating, this led to increased concerns about future developments, even among relatively well-off people.

In general, many people wanted social issues to be taken into account explicitly in economic policy. In all small group interviews, the social consequences of economic policy and corporate decisions were discussed directly. Focusing on the economic dimension alone made little sense to the participants and was far removed from the reality of their own lives. The idea that everyone should only think of themselves in terms of maximizing profits was rejected by most, as they were not convinced that this would benefit the community as a whole.

**"Let's say there's a new raw material that's more harmful than coal but cleaner, that would be great for the competition. Everyone would be happy at first because they would save money. But then we'll all die of lung cancer in three decades."**

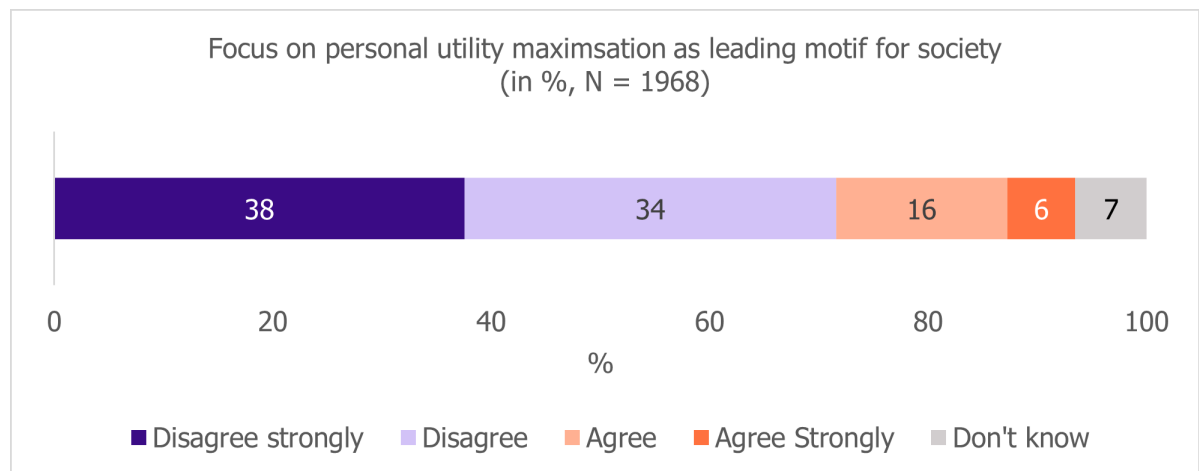
Tamara, 20 (Bochum)

**"It's never been good in any area if you only ever think about yourself and your own interests. Then society falls by the wayside."**

Marlene, 35 (Bochum)

The results of the small group interviews can also be substantiated by our representative survey (see chart 2). Only just over one in five respondents strongly agree or somewhat agree with the statement "A society works best when everyone thinks of themselves first". The vast majority of the population, 72%, reject this statement.

**Figure 2**



Statement: When you think about the current economic and social conditions in Germany. To what extent do you agree or disagree with the following statements in this regard? - A society works best when everyone thinks of themselves first.

## Negative developments in one's own environment shape the economic outlook

The consequences of certain decisions played a particularly important role at the local level. Concerns were expressed about the disappearance of jobs and the lack of affordable housing as well as the closure of local businesses. At the same time, the loss of services that were previously not provided by the "market" but were communally organized through state agencies or public providers, such as the existence of youth clubs, sports facilities or medical care, was also discussed. Negative changes in their own environment, whether due to decisions by individual companies or political leaders, led to a negative outlook for many participants. Therefore even when questions were posed with a very clear focus on economic changes, statements like the following were made:

**"Why aren't our students allowed to travel for free on public transport if they show a student ID? Why doesn't the state support sports activities and clubs, for example? That could be music or maths. Some pupils come home after school and have no hobbies. They sit at home on their cell phones because their parents are at work. The parents don't have the money to pay for this and that, to send the child there."**

Valentyna, 54 (Leipzig)

The question of the effects on both their own lives and those of the people around them, and in particular on social cohesion, was repeatedly discussed in this context. The problem was that some of the resulting frustration was projected onto others, who were then framed as responsible for the problems. In both Bochum and Leipzig, the topic of migration was repeatedly raised without being introduced by the moderator. Although there were also far-reaching counterpoints made by other participants, it was nevertheless noticeable how often people with migration histories - repeatedly summarized as "refugees" - were blamed for grievances, even when it came to topics where a causal connection with migration would be groundless factually (such as the deterioration of the economy). When asked about the most important economic policy issues, one participant replied, for example:

**"One is the whole refugee issue, there, yes, I just fear that we are a bit overwhelmed at the moment."**

Melanie, 64 (Leipzig)

## **Perception of prosperity as a zero-sum game**

Many participants also recognized economic conditions as a fundamental problem. Nevertheless, even people who were close to parties such as the CDU, SPD and FDP sometimes cited migration policy as a solution to existing problems. A significant proportion of participants therefore did not see all people in their own living environment as part of the community - even if they were affected by the same problems. A form of class identity was hardly pronounced; for some people, a national identity was more decisive. As a result, these participants saw economic policy decisions as a zero-sum game and found it difficult to agree with arguments that focused on the commonality of all people in a particular local and economic environment. For them, this meant that positive developments for people they did not identify with would inevitably come at their own expense.

**"I have nothing against the refugees coming over, but if they need something within two weeks there's a whole hotel. There was this flood here, the politicians were there, they showed this park, which is finished, and everything else hasn't been done yet. And these residents who live there are still suffering today, it's incomprehensible to me."**

Agnes, 29 (Bochum)

**"Integration is right at the top [as a topic] for me. It's about what you get and what you don't get. Some get everything, others get nothing."**

Peter, 69 (Bochum)

The frequently expressed need for social cohesion and an economic policy that continuously takes this into account was undermined by the repeated exclusion of certain members of the community. The widespread feeling that one's own living environment has deteriorated in recent years has led to a tendency towards the exclusion of some people. A material improvement in local living conditions - which goes beyond the money available in one's bank account and purely commercial offers - proved to be essential in order to give people across the board a positive perspective and a real sense of community.

## 4. Inequality as a problem - but intertwined with the idea of achievement

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The repeated exclusion of certain population groups was also evident in the debates on economic inequality, welfare recipients and a focus on people making contributions ("Leistungsgedanke"). On the one hand, many people felt that conditions in Germany were fundamentally unfair. Most wanted to see greater corrections and did not believe that working people were sharing sufficiently in prosperity. At the same time, the actual extent of inequality in terms of high incomes and wealth was often underestimated. Conversely, however, many were "downward" discriminating strongly - both against migrants and welfare recipients. The latter were often viewed critically, as it was assumed that they did not comply with the contribution principle desired by many.

### Perceived injustice in the distribution of income

Many participants in the small group interviews felt that the distribution of income and wealth in Germany was unfair - an impression that was also confirmed in the survey. Nevertheless, the majority did not directly see wealthier people as the main problem. Instead, state social benefits were often viewed critically, while many felt that the working population in particular earned too little. There was widespread agreement that low wages were a major problem. So-called "low-wage jobs" were described by many as particularly problematic.

**"What can you buy with cheap jobs? Nothing. Only ever exploit and abuse."**

Raissa, 35 (Leipzig)

In contrast to this, it was often questioned why people who appeared to contribute less were supposedly paid "so much" - a problem also noted in other studies<sup>7</sup>. While there were also counter-arguments made, for many the issue of effort and contribution was part of the issue of inequality. Thus, unfairness was often not primarily perceived between those who "had" a lot or a little, but rather between those who showed great effort and those who contributed little. In particular, people who worked in low-paid jobs often spoke very negatively about those who, in their view, did nothing, but were (allegedly) paid a lot.

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7 Mau, S., Lux, T. & Westheuser, L. 2023. Triggerpunkte. Konsens und Konflikt in der Gegenwartsgesellschaft. Berlin: Suhrkamp (pp. 96).

**"You should at least earn more than basic income support ("Bürgergeld"). A lot of people say that if I get so and so much basic income support, why should I go to work for the same money?"**

Nils, 26 (Bochum)

**"Poorly paid work is always better than no work."**

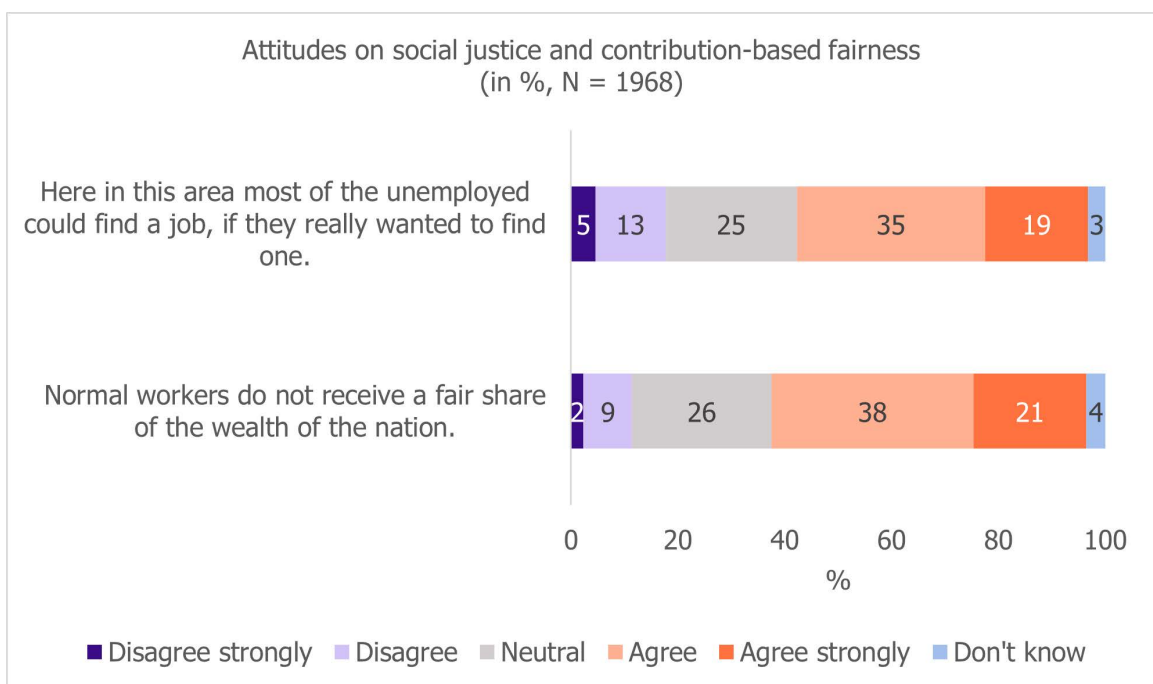
Sascha, 31 (Leipzig)

**"Someone who has studied for years, worked extremely hard for their job or works long hours in industry simply deserves to get more than the others at that moment."**

Nesrin, 36 (Leipzig)

We also saw both attitude profiles represented in the survey (see chart 3). 61 percent agreed with the statement that ordinary workers do not get a fair share of the nation's wealth. At the same time, 55 percent agreed with the statement that job seekers could find a job in the region if they really wanted to.

**Chart 3**



There were also significant counter-points raised against these positions. On the one hand, some benefit recipients talked about the difficulty of finding work or coping with everyday costs. Others argued that many state benefits are paid to working people and questioned the image that effort and existing incomes are appropriate at the moment. In addition, some also argued that much more wealth is accumulated by particularly rich people and that attention should be directed there.

**"It is difficult to determine what much more achievement and contribution means, as different achievements in society are simply remunerated differently."**

Johann, 71 (Leipzig)

**"Some go home with €1,200 after 40 hours of work, others with €9,000. There's simply a huge discrepancy between effort and pay."**

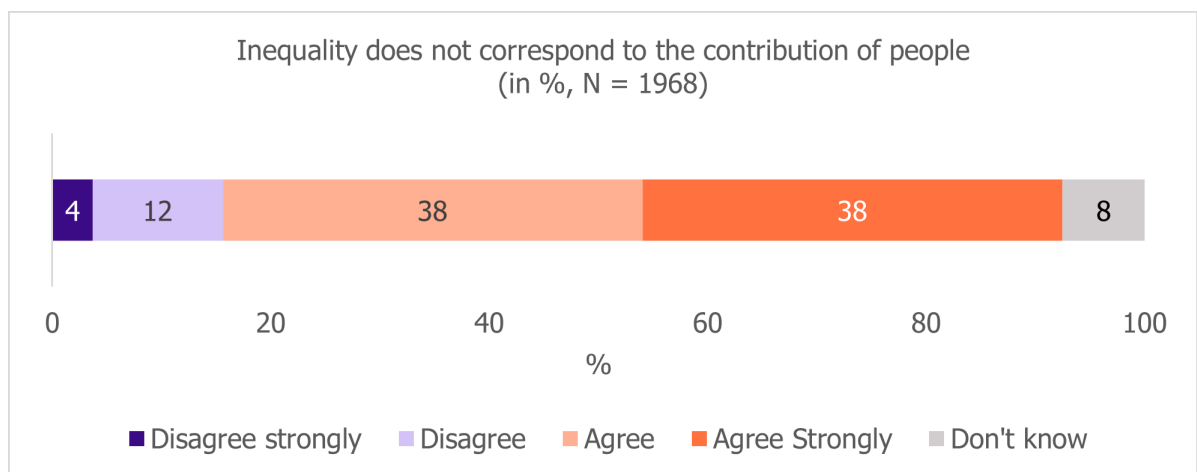
Etienne, 33 (Leipzig)

**"Inheritance is based on performance, that's true, but not from the heir who is born with a golden spoon in his mouth. For me, inheritance is the most unjust thing there is."**

Dorothee, 52 (Leipzig)

The survey results confirm the clear trends from the focus groups (see chart 4). Around 80 percent of respondents agreed with the statement that the current inequality gap is no longer in proportion to people's effort and contribution.

**Chart 4**



Statement: There are many discussions about inequality in Germany. For each of the following statements, please indicate to what extent you agree or disagree with them? - The gap between rich and poor in Germany today is no longer in proportion to people's performance.

## Divided debate about wealth taxes

While this led to some in-depth discussions, the link between effort and wealth as two sides of fairness played an important role throughout. In principle, a substantial number of participants were also open to higher taxation of wealthy people. However, there were also counter-arguments and concerns (mirroring parts of the political debate) that such taxation could have a negative effect on the economy, tax revenues and aspirations.

**"Prosperity for all is good, but effort must also be rewarded a little so that there is an incentive to make a disproportionate contribution."**

Christian, 56 (Leipzig)

**"If you can take a piece of land away from rich people, for example, and we then build a daycare center on it, I think that's a good thing. But I don't think it's okay to take away too much."**

Esther, 20 (Bochum)

**"Of course you can tweak the laws, but then some people say I'll settle in Holland because I pay minimal tax there."**

Florentin, 29 (Bochum)

A major problem was that the degree of inequality was substantially underestimated by many - a finding that other studies also generally confirm<sup>8</sup>. Almost all participants saw a certain degree of inequality as normal and unproblematic, but they disagreed on how big the differences should be. However, even people with very market-liberal views formulated acceptable or desirable levels of inequality that are far below the actual level in Germany. For example, one participant, who had strongly advocated that great efforts and contributions should also be strongly rewarded, said:

**"If people contribute a lot, they should also earn very well."**

Etienne, 33 (Leipzig)

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<sup>8</sup> Busemeyer, M., Schönhage, N., Baute, S., Bellani, L. & Schwerdt, G. 2023. Eingetrübte Aussichten: Das Konstanzer Ungleichheitsbarometer belegt die Wahrnehmung zunehmender Ungleichheit. Universität Konstanz, Cluster of Excellence: The Politics of Inequality & Das Progressive Zentrum. Policy Paper No XII. Available here: <https://www.progressives-zentrum.org/publication/deutsche-unterschaetzen-ungleiche-verteilung-von-einkommen-und-vermoegen-erheblich/>



When asked how large reasonable differences would be, he replied:

**"So a lot more, so from three times maybe, that a doctor might get three times, I'll still go along with that, but four, five, six, eight times, that's difficult."**

Etienne, 33 (Leipzig)

Some of the participants pointed out the misjudgements, which in some cases also led to reflections from other people. This is in line with findings from other research, which shows that knowledge of inequality structures is linked to the assessment of one's own situation and possible measures<sup>9</sup>.

Currently, however, the level of inequality is usually underestimated and often blamed on groups of people who are materially at the lower end of the income and wealth distribution. The fundamental feeling that things are unfair is therefore not necessarily projected onto the wealthy or financial capital. Since the classic idea of effort and contribution is so strongly anchored in many people's minds, workers and recipients of social benefits are sometimes played off against each other - rather than, for example, critically discussing the actual effort and contribution of people who only passively derive their income from existing wealth and assets.

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9 Zandonella, M. & Schönherr, D. 2023. Umverteilung – So denken die Vielen. Steuer-, arbeitsmarkt- & sozialpolitische Vorhaben aus Sicht der Bevölkerung. Vienna: SORA – Institute for Social Research and Consulting. Available here: <https://www.momentum-institut.at/wp-content/uploads/2024/09/umverteilung-so-denken-die-vielen-sora-momentum-institut-marz-2023.pdf>

## 5. Great expectations of a proactive state, but little trust in it

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A central reason for the widespread pessimism among the population regarding the general economic situation in Germany was the feeling that the state and political decision-makers were unable or unwilling to bring about positive change. This disillusionment was particularly serious as most people generally saw an important role for the state in organizing economic processes. Although many also recognized the great responsibility of private-sector companies and wished for a functioning market, very few believed that this could be achieved well without an active state. Especially with regard to German companies' ability to compete with international corporations and the country's ability to compete with economically strong countries, many would like to see a strong state - which, however, was appraised as rather weak in the small group interviews.

### Skepticism regarding the state's ability to act and pure market thinking

Almost all participants expressed the clear expectation that the state should proactively shape economic processes. Only very few shared "trickle down" views and believed that prosperity would be distributed to everyone automatically if the market could simply be free. Growth as an end in itself was critically questioned by some.

**"We can see how things are going, we don't necessarily always have to have growth, because growth is always at someone's expense."**

Julian, 43 (Bochum)

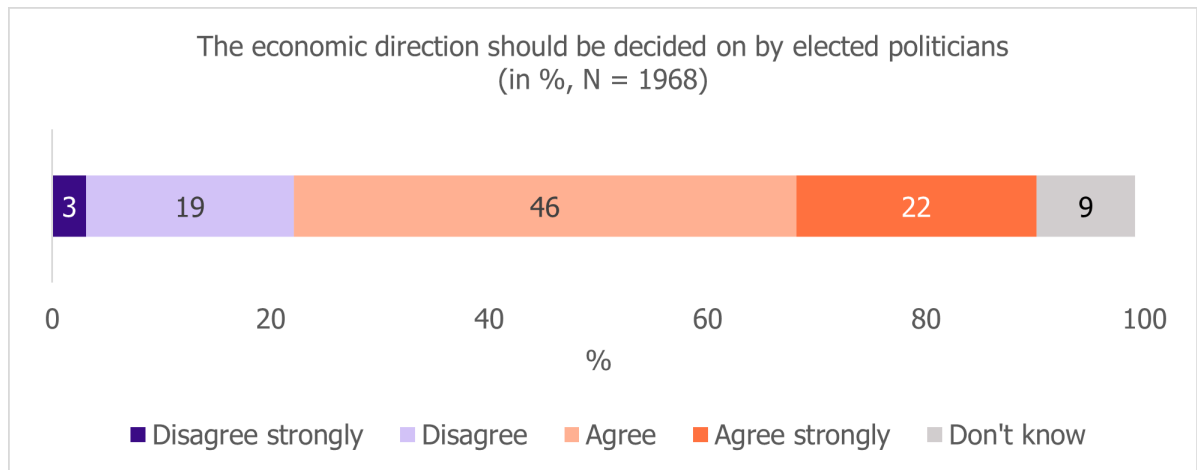
For most people, it was clear that the basic direction of economic development should be decided by elected politicians. The same applies to the population as a whole.

**"Where the economy is heading on the whole should be determined by society and not by the market alone - after all, we live in a democracy."**

Daniel, 30 (Leipzig)

The latter statement was also asked in the survey - in a slightly adapted form. The results once again confirm the findings from the focus groups (see Figure 5). Around two thirds of respondents agreed with the statement, 22% of whom strongly agreed.

**Chart 5**



Statement: There are many discussions about economic and social conditions in Germany. For each of the following statements, please indicate to what extent you agree or disagree with them? - The overall economic direction should be determined by society and its democratically elected representatives, not by the market alone.

Even participants who generally had positive attitudes towards the market economy and capitalism expressed clear expectations regarding measures that the state should take to enable companies to be successful. These included, in particular, supporting companies to withstand global competition, a proactive industrial policy, creating necessary infrastructure and improving the education system. Across twelve groups, there were only two participants who were in favour of a full market orientation, in which the classic night watchman state only organized the basic framework conditions (such as legal security, protection of private property, etc.). The vast majority wanted the state to play a more active role.

**"Companies are in competition, they look at profit and are sometimes very short-sighted. They can't do it alone [when it comes to major challenges]."**

Melanie, 64 (Leipzig)

## **Broad support for government action - disagreement about the right extent**

However, there were major differences in opinion regarding the scope of tasks that the state should take on, which often also reflected party political preferences. There was a consensus among most regarding a proactive industrial policy, strengthening the transport infrastructure and improvements in the education sector. Most participants also agreed that the state has a responsibility when it came to healthcare, which was raised several times in this context. However, there were differences when it came to the question of whether politicians should decide which industries should be strengthened. This was discussed controversially in some cases, particularly in relation to climate and energy policy issues. For many, the state was an important corrective, but many assumed that innovation and growth are primarily created by private sector activities. The concept

of the entrepreneurial state (Entrepreneurial State)<sup>10</sup>, that works together with companies to achieve economic development, has not sunk in widely. The image of the state intervening in economic processes, but not being part of them itself, dominated.

There were also differing views on the extent to which the state locally should provide certain social and cultural services for everyone and how wide the social safety net should be for people, particularly in the event of unemployment.

**"No guidelines from the state would be nonsense. Guidelines are needed, but not coercion. If you force industry to do something too much, you'd determines what seems to be the best [technological] alternative that way."**

Rebekka, 23 (Leipzig)

The following two statements from the small group interviews illustrate how differently people in Germany feel about this topic. The survey results (see chart 6) fit in well with this picture: 42% of respondents rejected the statement that the state should only provide support in emergencies, while 52% agreed with it.

**"I don't think it's enough for the state to only help people in very special emergencies. It has more responsibility than that."**

Lisa, 33 (Leipzig)

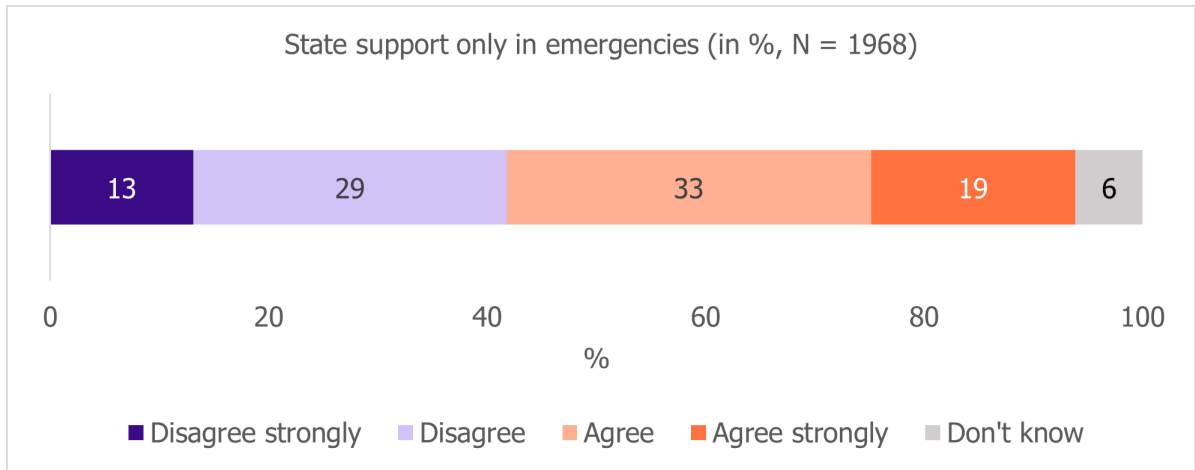
**"As far as I'm concerned, the state doesn't have to pay for everyone, especially those who don't want to work."**

Andreas, 43 (Bochum)

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<sup>10</sup> Mazzucato, M. 2013. The entrepreneurial state: debunking public vs. private sector myths. London & New York: Anthem Press.

**Figure 6**



Statement: There are many discussions about the role of the state in Germany. For each of the following statements, please indicate to what extent you agree or disagree with them? - Everyone is the architect of their own destiny. The state should only help people in emergencies.

However, there was broad agreement on the question of how good the state is at achieving these goals. Many expressed great disappointment and, in some cases, strong anger. In addition to the perception that the decisions of recent years had led to a deterioration in their own living conditions and environment, there was also little hope for change. This was mainly due to the fact that many felt that Germany was dependent on external players in two respects and had lost its former economic strength and innovative power as a result.

**"We are actually still the top leader in a few areas. I believe that Germany in particular is having a very, very difficult time with digitalization."**

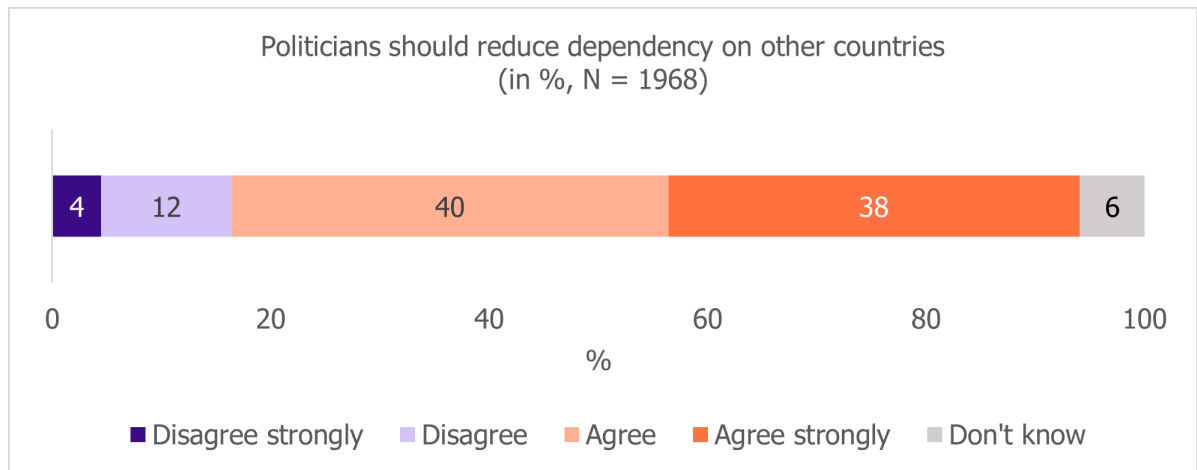
Daniel, 30 (Leipzig)

**"I find it worrying that we are making ourselves economically very dependent on other countries. They can then dictate costs and conditions to us, for example when it comes to medicines."**

Julia, 40 (Leipzig)

In the context of the globalization debate, respondents were asked whether politicians should work towards reducing dependency on other countries and bringing strategically important production back to Germany. A clear majority of 78% agreed with this proposition (Figure 7).

**Chart 7**



Statement: The globalization of the economy and finance has made great strides in recent decades. Borders have been opened, national controls and trade barriers, for example for cheap products from Asia, have been dismantled. Many standards have also been harmonized, while large corporations are trading more and more globally and financial transactions can be carried out around the world in a matter of seconds. In return, individual governments have lost their influence. To what extent do you agree or disagree with the following statements in this regard? - Politicians should ensure that the country is less dependent on other countries and that strategically important production is brought back home.

In addition, the feeling was often expressed that the state was dependent on international corporations that it had little power over. This contradicted the desire to actively shape economic processes that many had previously expressed. In addition, many saw a high level of dependency on other countries, particularly China, but also the USA. Some emphasized the protectionist measures taken by these countries, while others mentioned the problems associated with the collapse of supply chains. Although some participants were confident that Germany would be able to position itself more strongly and better in relation to large international corporations and other countries, hardly anyone felt that those in power were currently acting in their interests.

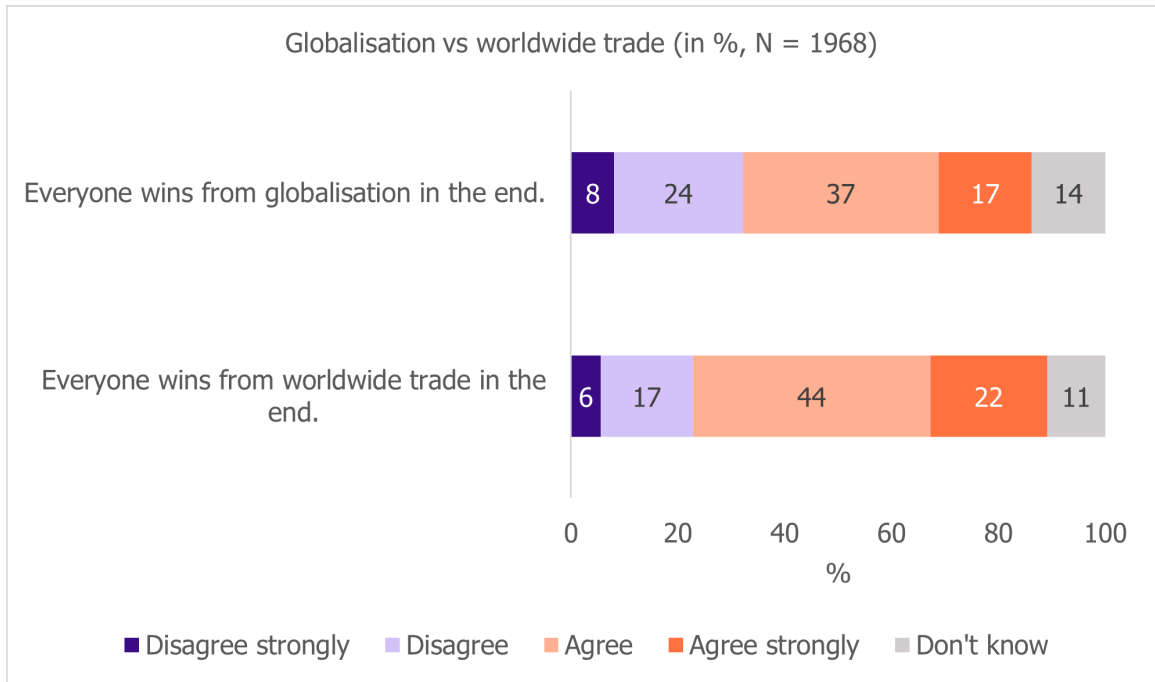
**"Politics is not made for us, but for the big lobbies and corporations."**

Robert, 37 (Leipzig)

In principle, only a few saw globalization as a whole in a consistently positive light. While trade was seen by many as good for Germany in principle, numerous problems of uncontrolled globalization were named. As a result, Germans are generally more positive about statements on international trade than on globalization as a whole. Accordingly, many people are disappointed that the desire for a strong state that actively shapes economic processes both internally and externally is not being realized.

This difference in the perception of globalization vs. global trade was investigated with the help of a small survey experiment. Respondents were randomly presented with one of the statements below (see Figure 8). The results clearly show that the term "globalization" has a more negative connotation: the corresponding statement was rejected more often (32% vs. 23%) and at the same time received less approval (54 % vs. 66 %) than the statement on "global trade".

**Chart 8**



Statement: There are many discussions about globalization. For each of the following statements, please indicate the extent to which you agree or disagree with them?  
Half of the respondents were randomly presented with one of the two statements.

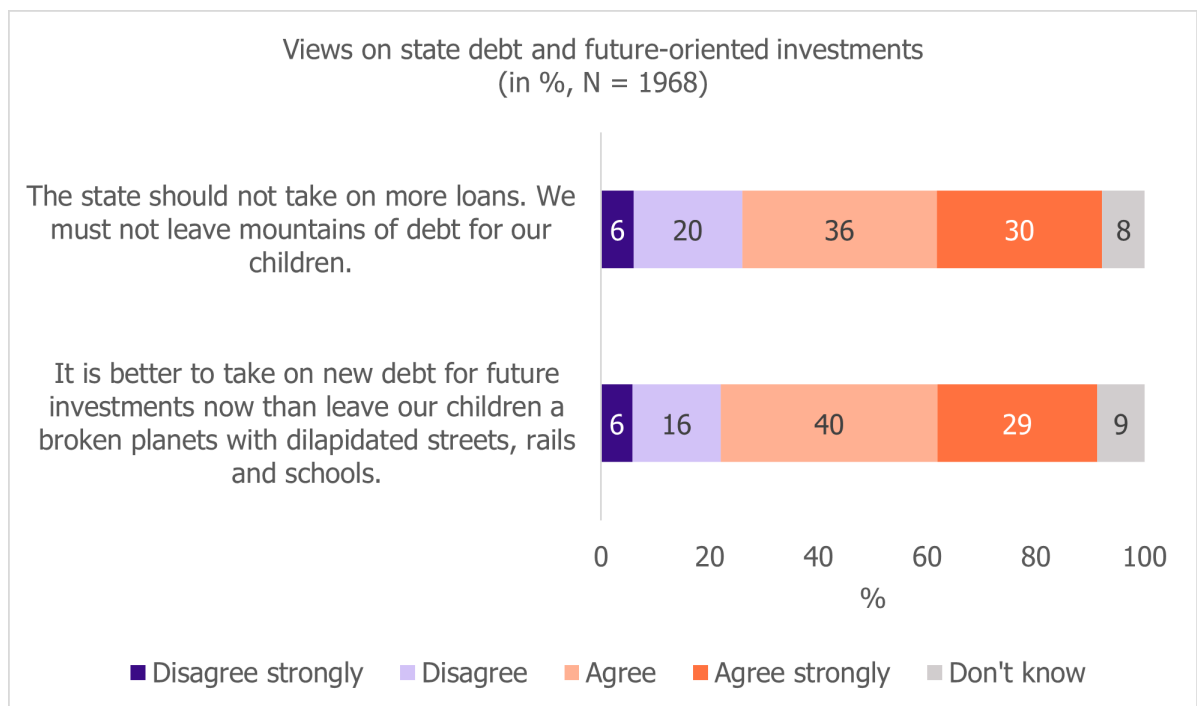
## 6. Public finances and the financial sector: abstract and difficult to grasp

Many people found it difficult to discuss how the state could finance its tasks. On the one hand, there was a latent feeling that more should be possible than suggested by dominant statements rejecting government debt. On the other hand, there was little knowledge of how public finances work, which meant that orthodox views remained present in discussions, even if they appeared to contradict other preferences. Similarly, there was little knowledge of the working practices of private financial actors. Although there was a certain skepticism towards the world of finance, for many it seemed so distant that narratives against destructive speculation have so far only had a limited impact.

### Attitudes towards public debt and investments are context-dependent

The view of public finances held by many people in Germany appears contradictory at first glance. On the one hand, almost two thirds agreed with the familiar narrative that the state should not take on any new debt in order to avoid leaving a mountain of debt for the next generation. On the other hand, however, just as many said that the state should borrow money if it is used to invest in the future so that the next generation has better schools and a functioning infrastructure, for example (see chart 9). 44% agreed with both statements when confronted with them<sup>11</sup>.

Figure 9



11 See the d|part briefing "Schuldenstopp oder staatliche Investitionen?" (2025). Available at: [http://wordpress.dpart.org/wp-content/uploads/2025/01/Schuldenstopp-oder-staatliche-Investitionen\\_Kurzbericht2025.pdf](http://wordpress.dpart.org/wp-content/uploads/2025/01/Schuldenstopp-oder-staatliche-Investitionen_Kurzbericht2025.pdf)



It also became clear in the small group interviews that many had a fundamentally negative view of state schools. The budget analogy often used by politicians - that you cannot spend more than you have - was often repeated. However, it would be a big mistake to conclude from this that people therefore fundamentally rejected government debt. What appears contradictory in theory need not be contradictory in subjective terms. In fact, the intuitive aversion to national debt was often an attitude adopted in general from dominant narratives, but not necessarily a view regarding specific political measures.

**"It would be good if we didn't take on any more new debt. If it was good for the future, sure, but our national budget includes more than 60% for social affairs. We are not financing the future with this, but the present. (...) But of course it's also true that in certain situations you have to take on debt in order to somehow stay ahead on future technology."**

Sascha, 31 (Leipzig)

When talking specifically about investments in education, infrastructure or industrial policy, for example, more people were prepared to consider debt as necessary. The problem was that money was intuitively understood to be very limited and most participants were not aware of the various options for public financing. However, in several groups, people made the argument that the experiences of the Covid-19 pandemic and the "turn of events" in response to the Russian war of aggression in Ukraine had shown that funds can be provided more extensively than expected.

While such interventions prompted other participants to reflect on their own assumptions regarding the limits of state financing, these considerations could not be developed to their logical conclusion. Most people simply lacked the knowledge or vocabulary to articulate why the basic feeling that more is possible than the narrative of the "state as a household" suggests is true and what consequences this would have.

## Between mistrust and lack of knowledge: Dealing with financial issues is difficult for many

Knowledge of private financial markets was often even lower. Although several participants talked about their own savings and investments, many found the topic difficult to grasp.

**"If you invest smartly in shares over decades, you will have an affordable pension at the end of your working life. That can be significantly more than the statutory pension."**

Sascha, 31 (Leipzig)

**"I wouldn't invest in shares now to secure my pension later because I don't know anything about it."**

Sabine, 46 (Bochum)

However, even those who were personally positive about share investments did not develop a holistic understanding of the financial system. Several people expressed the feeling that "the hustle and bustle on the stock markets" was problematic:

**"For me, shares only have a notional value. It's just a snapshot and often has little to do with reality."**

Melanie, 64 (Leipzig)

However, only a few were able to begin to articulate why the gap between the financial world and the real economy could be a problem. Fundamentally, most participants felt that "the financial world" was very far removed from their own lives.

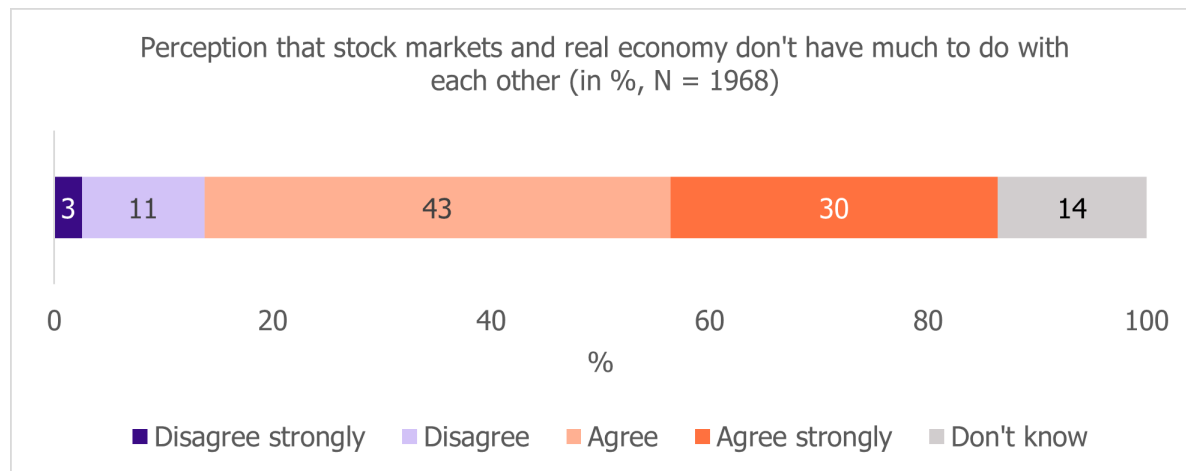
As a result, there was only limited agreement with statements that dealt critically with speculative financial capital. Participants often found that they were unable to form an opinion because they did not understand statements. While some were critical, a number of participants felt that criticism of the financial sector was not justified. This was often due to their own perspective, which was very different from the one civil society actors, media or politicians insinuate when discussing this sector. When talking about "banks", many did not think of the big financial world, but of their specific bank - often a savings bank - and specifically, the branch they use. As a result, questions about whether banks speculate too much were often not answered in the affirmative, as people felt they had received good advice at their own branch.

**"It just depends on which bank advisor you have. Mine has been looking after me since I was a teenager and she has helped us a lot. I'd personally vouch for her."**

Agnes, 29 (Bochum)

When asked in general terms and without a local context, there is a clear skepticism towards the financial sector and stock market trading: 73% of respondents believe that there is only a limited connection to the real economy. The comparatively large number of undecided respondents underlines the fact that many are unable to clearly assess the topic.

**Figure 10**



Statement: There are many discussions about banks, shares and the stock market in Germany. For each of the following statements, please indicate to what extent you agree or disagree with them? - The happenings on the stock exchange no longer have much to do with the reality of normal companies and people.

In fact, conversations about the financial sector quickly drifted down to the local and personal level. While global corporations and stock exchanges seemed far away, respondents were more likely to compare interest rates and services of various institutions and branches in the surrounding area. The different roles that various financial institutions play in the real economy, the extent to which financial and productive capital are taxed differently or the extent of speculative financial transactions were hardly ever discussed.

The fundamental feeling that government debt is something negative is present among many people, but is primarily an expression of a lack of understanding of government finances. Debt is seen by many as acceptable if it is used for future investments and there is also some skepticism towards traditional narratives that see the state's financing options as very limited. However, the lack of vocabulary and tangibility of different narratives means that no alternative understanding is established. This is even more evident regarding private financial actors, whose functioning is perceived as distant from one's own life. Therefore, for most people only a few points of reference exist that would provide a starting position for debate or substantiated critique.

## 7. Conclusions: Tensions and consequences

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Our research clearly shows that people in Germany talk to each other about economic issues in complex ways. However, their approach differs significantly from dominant narratives in political, civil society, academic or media circles. Many people approach discussions about economic policy issues commonly from a personal perspective, but one that also takes into account the wider community and goes far beyond purely economic aspects. In order to enter into a dialog with people about economic policy measures and to understand how certain decisions affect not only their bank balance, but also the perceptions of different groups of people in Germany, detailed research is essential. This analysis reveals five key findings, all of which highlight an area of tension in the population's perspectives on economic policy debates.

**Area of tension 1: People are very dissatisfied with the status quo, but can only articulate to a limited extent what exactly a comprehensive improvement would look like.**

The challenges of recent years have left their mark on many people in Germany. Following the Covid-19 pandemic and the increased cost of living as a result of the Russian war of aggression in Ukraine, many feel that their material situation has deteriorated. Most people, even those who are well off, often express concerns about their future - and future economic developments in general. While they can articulate a desire for change on certain aspects, most people find it difficult to formulate a coherent and alternative approach to improving the existing status quo that they would find worthy of support. Almost everyone lacks the imagination for structurally far-reaching changes. Only a few are aware of alternative narratives that, in their view, reflect a substantially improved system.

**Area of tension 2: The social consequences of economic policy are central to the thinking of many people. However, as many assume a zero-sum game, certain groups are often excluded from the community.**

Only very few people believe that it is enough for everyone to pursue their own profit interests in order to realize a good society. Almost everyone believes that the social consequences of economic policy must be taken into account. Economic issues are not only considered from the perspective of one's own bank account, but also on the regarding the circumstances and quality of life in the community. However, it is not clear to everyone who is part of this community. Deterioration in circumstances creates a feeling of a "zero-sum game" for many, in that the support of others is associated with one's own disadvantage. This sometimes leads to problematic exclusion and marginalization - even towards groups of people who have similar material problems. Refugees in particular, who were often generally understood as migrants, and recipients of basic income support or other social benefits were mentioned.

**Area of tension 3: Inequality is seen as a major problem but is linked to a strong focus on effort and contribution. However, the degree and structure of inequality are only understood to a limited extent, which is why there tends to be a demarcation against the "bottom".**

Many people feel that the distribution of wealth in Germany is not fair. However, many people directly associate this feeling of injustice with a strong emphasis on effort and contribution: Work done on the one hand and pay on the other are not in the right proportion to each other for many. This is why transfer payments are often perceived as unfair in a rather undifferentiated way, especially in comparison to wages in poorly paid areas of the labor market. Although there is also a feeling that too much wealth is concentrated elsewhere in the hands of a few people, the extent of this inequality is greatly underestimated. Measures to tackle wealth inequality are more popular when this misconception is addressed, but tend to be discussed more cautiously.

**Area of tension 4: People expect a proactive state to strengthen German companies and correct problematic developments. Trust in the state's ability to do this is low, particularly in the context of global challenges.**

Hardly anyone thinks in simple patterns such as "more or less state" across all issues. Instead, the role of the state is assessed in a differentiated manner according to activity. German companies are largely seen as positive players that make an important contribution to social prosperity. However, hardly anyone believes that the state should stay completely out of the market. When it comes to issues such as industrial policy, infrastructure and education, most people see the state as having a high level of responsibility for actively shaping economic processes. Opinions differ on the extent of state involvement, especially when it comes to social security and welfare. In order for German companies to be strong in international competition, many would also like to see a strong commitment from the state, but at the same time locate innovative strength primarily in private companies. However, there is little confidence in the ability and willingness of political institutions to pursue these goals, as Germany is perceived as being very dependent on both international corporations and economically strong countries.

**Area of tension 5: In principle, many people feel that public finances could be organized differently and that financial capital does not serve the common good enough, but due to a lack of understanding, the topics are not accessible to most people.**

Intuitively, many people replicate classic narratives on financial issues and see government debt, for example, as rather negative in principle. However, when debt is linked to the goal of investing in the future, a majority agrees. Questions about public finances are therefore not discussed in the abstract, but in a specific context. Due to the experiences of the Covid-19 pandemic and the special state funds in the context of the "Zeitenwende", there is a basic feeling among some that the classic household analogy of a tightly restricted budget does not apply to the state in this way. However, due to a lack of knowledge and vocabulary, only a few are able to clearly articulate these concerns. This applies to an even greater extent to private finance. While those who invest in stock markets themselves are somewhat more positive about it than others, the

specific processes in the global financial system are far removed for most people. Questions about banks and finance are therefore often reflected through personal experience rather than systemic considerations. As a result, alternative narratives to dominant orthodox approaches have so far found only limited resonance.

## **A coherent narrative for the future: the key to a sustainable and just economic policy**

These findings have several consequences. In order to successfully establish new paradigms in economic policy, we need tangible changes in the realities of people's lives on the ground together with changes in narratives about and knowledge of economic issues.

### **Consequence 1: Shaping economic policy collectively and not as a zero-sum game**

Instead of presenting economic policy decisions as a zero-sum game, collective aspects should be emphasized. It is crucial not to present social and economic challenges as insoluble conflicts between "winners" and "losers". Instead, solutions should be prioritized that benefit all people in a community in practical terms (e.g. when planning and providing housing, not developing separate plans for different groups, but a holistic program for a community). This can enable us to pursue the aim of avoiding the feeling of disadvantage between different groups of people in order to minimize exclusion and marginalization. Deliberative democratic processes can help to emphasize commonalities and increase self-efficacy.

### **Consequence 2: Changes to local services complement personal material improvements**

Most people do not only want to improve their own finances, but also the living conditions in their surroundings. This includes the desire for community and participation, but above all the perception of local services. Private and state services must both be strengthened in order to give people a positive outlook and trust in state institutions. This is about more than just jobs, but all areas that can improve everyday life for people across all income levels.

### **Consequence 3: Actively demonstrate how the state can strengthen German companies for international competition**

The great concern about Germany's international dependency must be strongly countered in order to increase confidence in the state's ability to shape important processes. In addition to good economic and trade policy on the one hand, this also includes explaining and engaging with the population and making government and private sector activities, that generate improvements in this area, visible. Political measures that are intended to enable national adaptation to global processes must be clearly recognizable as such and the benefits must be visible.

#### **Consequence 4: Consolidate the understanding of the extent and structures of inequality in the mainstream**

Despite many initiatives to raise awareness, a lot of people still underestimate the level of inequality and are unable to describe exactly what drives it. There is an enormous need for additional awareness raising. This includes an honest examination of the question of how much inequality is considered acceptable or even desirable in some cases - also to make it clear how much greater it actually is. In order to win people over to measures that are considered particularly promising for combating inequality, the problem must first be better understood on a wider scale.

#### **Consequence 5: Knowledge of public finances and financial management must be massively increased**

In order to expand the range of options that people consider possible in government finance discussions, knowledge must be greatly increased. A strong counter-narrative to the household budget analogy needs to be established and repeated in order to raise awareness in the medium term that there are more alternatives to finance desired expenditures than often assumed. In addition, we need better narratives to talk about the financial sector, as most people have little connection to existing (even progressive) narratives about it. A clear distinction needs to be established between the concept of "local bank branch" and "financial system", also to enable people to better differentiate between productive and purely speculative capital. In order to promote a differentiated and constructive debate, the real impact of the financial system on everyday life needs to be addressed in an understandable way.

#### **Consequence 6: Resolve areas of tension and make new narratives cognitively easier to recall**

In order to establish new narratives that challenge the status quo, we need to go beyond developing arguments for individual policy areas and develop a clear overall narrative that can be repeated by different actors and successively perpetuated in numerous discourses. It is true that many people agree with statements when we ask them about common good-oriented proposals that envisage a strong role for the state. But few people can formulate such a position holistically as a cohesive ideal. To do this, we need to develop language and examples that are based on people's real ways of thinking - rather than on the (even progressive) economic-theoretical foundations of the respective analyses and proposed measures. Existing mental tensions must be taken into account and reduced (e.g. with regard to the interplay between the state and companies) so that people can more easily fall back on these narratives when thinking about certain topics.

#### **Consequence 7: Caution is required with quick polling on economic topics and qualitative research is necessary**

For scientific and political practice, this means that researchers and decision-makers should be careful when interpreting surveys. A more qualitative and contextual analysis is crucial in order to adequately reflect the complex, often emotional and context-dependent perspectives of the population and to derive actionable recommendations.



Above all, we should avoid interpreting agreement with certain statements as a rejection of a proposal that is contrary from an economic-theoretical perspective. What may appear to be a contradiction in the abstract need not be one from the subjective, applied perspective of people. In-depth qualitative insights into the construction of discussions on economic policy issues should therefore complement survey-based research more frequently. The lessons learned from qualitative research should also be used to scrutinize and improve established survey instruments in this area.



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We want to make a contribution to becoming a society in which all people can have their say, participate and be involved in political processes. To achieve this, we need to better understand, strengthen and further develop political participation.

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