German economy and jobs outlook

Tom Frese · tom@tomfrese.org

This report, dated 29 November 2026, is based on research that draws on key statistics from the Federal Statistical Office (Destatis: national accounts, industry and business statistics), the Federal Employment Agency and its research institute IAB, KfW Research, and the German Council of Economic Experts together with the joint forecast of the economic research institutes. The projections for 2026–2031 start from official employment levels for 2024–2026 and carry them forward using recent rates of change in each branch, announced company programmes, published short-term forecasts and population projections. They are given as three scenarios (base, optimistic, pessimistic) and are an estimate by the author of this report, not an official forecast.

Key takeaways from this report

- **Slow growth, fewer jobs.** Germany is growing about 1.3% in 2026, but only about 0.6% a year is expected for 2027–2031, and employment is set to fall by about 550,000 (−1.2%) by 2031 in the base case.
- **Jobs are moving from the private economy to publicly financed work.** Since 2019 public administration, education and health added 1,084,000 jobs, while all other sectors together lost 497,000.
- **The car industry is the largest downside risk.** The base case loses about 150,000 of 771,000 motor-vehicle jobs by 2031. A severe case with plant closures and a Chinese market share of about 20% loses about 275,000 and, with knock-on effects on suppliers, raises the total job loss in Germany to about 735,000–800,000.
- **A budget squeeze arrives around 2028–2031.** Public deficits run at 4–5% of GDP, the federal budget has unfunded gaps of €22–48 billion a year for 2028–2030, and social contributions rise from 42.3% to 45.4% of wages by 2030.
- **Demographics and China drive the outlook.** Ageing removes about 470,000 people a year from the labour force while net immigration has fallen to 235,000, and exports to China fell 13.4% in January–September 2026.
- **What could improve the path.** Broad measures (productivity and applied AI, reforms, more working hours) could add roughly 0.5–0.9 points to annual growth; no single industry, including electric cars, restores the lost jobs.

Where Germany is headed

Germany is heading for slow growth and slowly falling employment, with jobs moving out of industry into publicly financed services. After three years of stagnation, the growth of 2026 comes from government spending and exports within Europe. Private investment is still falling, the third quarter grew only 0.1%, and forecasts are 1.0–1.1% for 2027 and 0.4–0.7% for 2028. Between 2019 and 2025 real GDP grew by about 15% in the US and about 33% in China, against 0.8% in Germany. Per person the figures are about +11%, +34% and −0.8%, so part of the US lead is population growth, but most is not. Households feel the same gap: real disposable income per person rose by about 3% in Germany between 2019 and 2025, against about 12% in the US and about 33% in China.

Employment no longer follows output. About 45.67 million people worked in Germany in the third quarter of 2026, 222,000 fewer than a year earlier, and the only large sector still hiring is public administration, education and health. Around the base case, the projection ranges from a gain of 245,000 jobs (+0.5%) to a loss of 1.5 million (−3.3%) by 2031, and growth from roughly 0.1% to 1.2% a year. Registered unemployment, 2.955 million in October 2026, stays near 3 million in the base case, because retirements shrink the labour supply almost as fast as jobs disappear.

The economy from the top down

Three points stand out in the table that follows. Total real value added is only 1.2% above 2019 (real GDP, a slightly broader measure, is 0.8% above). **All net job growth since 2019 is in public administration, education and health (+1,084,000); all other sectors together lost 497,000 jobs (−1.5%), and their real output is 0.3% below 2019.** Health and social work alone added 579,000 jobs. And construction's real output is about a fifth below 2019 although its share of value added rose, because building prices rose much faster than volumes, so infrastructure money buys less.

Manufacturing lost 511,000 persons employed between 2019 and 2025. In plants with 50 or more employees, production in January–September 2026 was about 20% below 2019 in machinery, motor vehicles and chemicals. The car industry employed 689,903 people in such plants in September 2026, 17.2% fewer than in 2019 and 5.0% fewer than a year earlier; machinery employed 908,373 (−9.4%). Software and IT grow in output but lost 25,000 jobs in a year. Press reports of 26 November 2026 say SAP may cut at least 10,000 jobs worldwide; nothing is announced yet.

Sector	Share of value added 2025	Real output 2019–2025	Jobs 2019 (thousand)	Jobs 2025 (thousand)	Change 2019–2025
Industry excluding construction	22.8%	−5.9%	8,374	7,927	−447 (−5.3%)
Public administration, education, health	20.3%	+7.7%	11,284	12,368	+1,084 (+9.6%)
Trade, transport, hospitality	16.1%	−2.7%	10,247	10,027	−220 (−2.1%)
Business services	11.9%	+6.1%	6,200	6,196	−4 (−0.1%)
Real estate	10.8%	+13.2%	479	525	+46 (+9.6%)
Construction	5.1%	−20.6%	2,559	2,579	+20 (+0.8%)
Information and communication (software, IT)	4.8%	+19.7%	1,380	1,566	+186 (+13.5%)
Finance and insurance	3.9%	−6.1%	1,093	1,093	0
Other services	3.4%	−0.3%	3,076	3,043	−33 (−1.1%)
Agriculture	0.9%	+4.8%	599	554	−45 (−7.5%)
Total	**100%**	**+1.2%**	**45,291**	**45,878**	**+587 (+1.3%)**
Summary: public administration, education, health (largely publicly financed)	*20.3%*	*+7.7%*	*11,284*	*12,368*	*+1,084 (+9.6%)*
Summary: all other sectors (private economy)	*79.7%*	*−0.3%*	*34,007*	*33,510*	*−497 (−1.5%)*

Jobs are persons employed in the national accounts (all firm sizes, including the self-employed). Value added is the output of a sector minus its bought-in inputs; "real" means adjusted for price changes. The two italic lines are summaries, not further sectors. The first is the statistical block for public administration, education, health and social work; it includes privately run hospitals, care providers and schools, so it means largely publicly financed activities, not public-sector employers in the strict sense. The second is everything else; its real change is this report's calculation from the official chained volume figures.

Employment projection 2026–2031 (this report's own estimate, not a published forecast)

Line (thousand persons employed)	Start 2026	Base case	Optimistic	Pessimistic
Motor vehicles and parts	771	−150 (−19.5%)	−100 (−13.0%)	−225 (−29.2%)
Machinery	1,112	−110 (−9.9%)	−45 (−4.0%)	−160 (−14.4%)
Electrical equipment and electronics	850	−40 (−4.7%)	+10 (+1.2%)	−70 (−8.2%)
Chemicals and pharmaceuticals	498	−45 (−9.0%)	−15 (−3.0%)	−75 (−15.1%)
Basic metals (steel, non-ferrous)	224	−28 (−12.5%)	−12 (−5.4%)	−42 (−18.8%)
Fabricated metal products	792	−105 (−13.3%)	−50 (−6.3%)	−155 (−19.6%)
Air and spacecraft (civil and military)	96	+26 (+27.1%)	+44 (+45.8%)	+10 (+10.4%)
Shipbuilding (naval and civil)	12	+4 (+33.3%)	+7 (+58.3%)	+2 (+16.7%)
Military fighting vehicles (upper bound)	15	+9 (+60.0%)	+15 (+100.0%)	+5 (+33.3%)
Rail, boats, motorcycles, bicycles (civil)	43	+1 (+2.3%)	+4 (+9.3%)	−2 (−4.7%)
Paper and paper products	121	−15 (−12.4%)	−7 (−5.8%)	−24 (−19.8%)
Printing	110	−14 (−12.7%)	−7 (−6.4%)	−22 (−20.0%)
Rest of industry (food, plastics, glass, energy, water and others)	3,119	−88 (−2.8%)	−69 (−2.2%)	−117 (−3.8%)
Industry excluding construction	**7,763**	**−555 (−7.1%)**	**−225 (−2.9%)**	**−875 (−11.3%)**
Construction	2,567	+20 (+0.8%)	+70 (+2.7%)	−60 (−2.3%)
Trade, transport, hospitality	9,914	−230 (−2.3%)	−90 (−0.9%)	−380 (−3.8%)
Information and communication	1,541	−40 (−2.6%)	+35 (+2.3%)	−100 (−6.5%)
Finance and insurance	1,094	−45 (−4.1%)	−20 (−1.8%)	−80 (−7.3%)
Real estate	528	+5 (+0.9%)	+10 (+1.9%)	−10 (−1.9%)
Business services	6,143	−135 (−2.2%)	+20 (+0.3%)	−285 (−4.6%)
Public administration, education, health	12,540	+500 (+4.0%)	+480 (+3.8%)	+375 (+3.0%)
Other services	3,019	−40 (−1.3%)	−10 (−0.3%)	−45 (−1.5%)
Agriculture	547	−30 (−5.5%)	−25 (−4.6%)	−40 (−7.3%)
Total employment	**45,656**	**−550 (−1.2%)**	**+245 (+0.5%)**	**−1,500 (−3.3%)**
Memo, not added: identifiable defence (weapons and ammunition plus military fighting vehicles; plants with 50+ employees)	*at most 32*	*+20 (+62.5%)*	*+33 (+103.1%)*	*+10 (+31.3%)*

The lines add up to the totals. The four lines from air and spacecraft to rail make up "other transport equipment" (166 thousand). Branch starting levels are estimates: official 2024 values carried forward with 2025–2026 rates of change from larger plants.

Defence is visible but small. Official statistics identify at most about 32,000 jobs that are certainly defence (weapons and ammunition, and military fighting vehicles). A further 108,000 jobs in aerospace and shipbuilding are a mix of civil and military work that cannot be separated. Identifiable defence-related branches added roughly 4,400 to 12,800 jobs in the twelve months to September 2026, while motor vehicles lost about 36,000 and machinery about 25,000. Output in defence is rising much faster than headcount.

A severe scenario for the car industry

Could the car industry turn down much faster than projected? The table sets a severe case beside the base and pessimistic cases. It is a stress test for one industry and its suppliers, estimated by the author of this report, not a fourth forecast for the whole economy.

Thousand jobs, 2026–2031	Base case	Pessimistic case	Severe car-industry case
Motor-vehicle jobs (start: 771)	−150 (−19.5%)	−225 (−29.2%)	about −275 (−36%)
of which 2027–2028	about −75	about −100	about −120
of which 2029–2031	about −75	about −125	about −155
Additional losses in connected branches	included above	included above	about −60 to −125
Total employment in Germany	−550 (−1.2%)	−1,500 (−3.3%)	about −735 to −800 (−1.6% to −1.8%)

The severe case keeps the rest of the economy as in the base case and adds 125 thousand more motor-vehicle job losses plus the knock-on losses. Connected branches: metal products, rubber and plastics, machinery, electrical equipment, chemicals, business services, trade and transport. The knock-on range assumes 0.5 to 1.0 further jobs per car-industry job, below older published ratios of 1.0 to 1.65; the share of each branch's output sold to the car industry was not available.

What would trigger it. Talks on labour costs at Volkswagen and Mercedes fail and new models are built abroad; plants without follow-on products begin to close (four Volkswagen and Audi plants with more than 40,000 staff, two Mercedes plants, Ford in Cologne); Chinese brands, at 12.7% of European registrations in the third quarter of 2026, reach about 20% by 2030; and German output falls towards 3 to 3.5 million vehicles a year. At Mercedes, production board member Michael Schiebe told staff on 12 November 2026 that the board had decided to stop all further investment in the German sites. Reports describe this as for the time being and as leverage in deadlocked talks on labour costs: without an agreement, new models would be built abroad. Two plants have been named as closure candidates since September; no closure is decided, and compulsory redundancies are excluded until the end of 2034.

Timing: a faster fall, not a collapse within one to two years. Job guarantees run until the end of 2030 at Volkswagen, 2033 at Audi, 2034 at Mercedes and 2035 at Porsche, so carmakers can shrink only through severance and retirement. In 2027–2028 the losses would come mainly from suppliers, which have no guarantees and have closed 46 German plants since 2022, and from severance programmes: about 60,000 jobs a year instead of today's 36,000 to 40,000. Plant closures and the larger losses would follow from 2029, as guarantees and model cycles run out. A collapse like that of the US car industry in 2007–2009 (−35%) would require suppliers to fail in large numbers. The losses would be concentrated: in Wolfsburg about every second job is in the car industry.

How likely. A serious risk, not the central expectation. The plants are named, cheaper capacity abroad is already built, and profits no longer pay for unused German capacity. But the companies' threats are positions in talks that are still open, employee representatives have offered longer hours in return for product commitments, BMW's German plants are almost full, and the EU has an understanding with China to curb hybrid imports. The decisions that separate the base case from the severe case fall between December 2026 and summer 2027.

Assumptions behind the three scenarios

The base case assumes that industry's losses slow from about 160,000 a year now to about 111,000 a year on average, with the car industry losing about 5% of its jobs a year through 2028 and less thereafter, that the public sector's hiring slows from 172,000 a year to about 100,000 as contribution rates and labour supply bind, and that private services keep shrinking at about half their current pace. The optimistic case needs higher immigration and falling unemployment; the pessimistic case assumes today's rates of loss continue for five years, and faster in the car industry.

What drives the outlook, in order of importance

1. Demographics and labour supply. Ageing removes about 470,000 people a year from the labour force; net immigration fell to 235,000 in 2025, against about 400,000 needed to hold the labour force steady. This caps both employment and growth.

2. China and lost export competitiveness. Exports to China fell 13.4% in January–September 2026; China is now a competitor in cars, machinery and chemicals more than a customer, and Chinese brands reached 12.7% of European new-car registrations in the third quarter of 2026.

3. Weak private investment and productivity. Private investment is more than 10% below its 2019 average, a cumulative shortfall of about €470 billion since 2020.

4. Fiscal policy. Debt-financed defence and infrastructure spending supports growth until about 2028 (deficits above 4% of GDP), then is likely to turn into a drag. Only about 10% of the €500 billion infrastructure fund had been paid out by July 2026.

5. Energy costs. Industrial electricity costs about 14 cents per kWh against about 8 in the US and China; gas was roughly ten times the US price in late 2026. Decisive for chemicals, metals and paper.

6. Labour costs, working time, social contributions. Hourly costs are among the EU's highest but growing slowly; social contributions are set to rise from 42.3% of wages in 2026 to 45.4% in 2030 and about 50% by 2040.

7. US tariffs. Concentrated in cars, machinery and pharmaceuticals; total exports to the US have recovered (+2.1% in January–September 2026).

8. Regulation and bureaucracy. A real burden, about 60% of it from EU law, but firms that relocate name energy and labour costs (83%) far more often than bureaucracy (31%).

Key trends in the Mittelstand (small and medium-sized firms)

1. The Mittelstand remains the backbone of employment. Its 3.94 million firms provide about 71% of all jobs in Germany, the same share as in 2019.[1] On the narrower official definition, small and medium-sized enterprises (SMEs) account for about 55% of business-sector employment and 42% of value added, both unchanged since 2019.

2. The producing Mittelstand is shrinking in jobs and economic weight, and the balance is shifting to service companies. Manufacturing SMEs fell from 207,166 companies with 3,064,000 jobs in 2019 to 192,895 companies with 2,707,000 jobs in 2024, a loss of 358,000 jobs (−11.7%), while large manufacturers stayed flat at about 5,190,000.[2] Their share of manufacturing employment fell from 37.2% to 34.3% and of manufacturing value added from 23.8% to 22.4%, and insolvencies in manufacturing rose from 1,488 to 1,928 a year. Service firms rose from 2.88 million to about 3.09 million and now make up 78% of all Mittelstand firms, up from 76%.[3] Moving production abroad explains little of this so far: in 2021–2023 only 2.2% of firms with 50 or more employees moved functions abroad, for a net loss of 50,800 jobs. The much-quoted 29% of internationally active industrial Mittelstand firms that plan to move part of their production abroad within five years is a survey of intentions and cannot yet be seen in the data.[4]

3. New companies provide only a very limited offset. The number of founders rose from 605,000 to about 690,000 a year, but full-time founders fell from 228,000 to about 206,000; 86% work alone, 70% found part-time, 70% are in services and only 12% in production including construction. Official statistics show no employment gain among service SMEs to set against the manufacturing loss: 12,014,000 jobs in 2019 and 11,740,000 in 2024 in the comparable service branches.[5]

[1] Two definitions are in use. The state development bank KfW counts every firm with turnover up to €500 million as Mittelstand; official statistics use the EU definition of SMEs (fewer than 250 employees and up to €50 million turnover). No clean share of GDP exists for 2019; the official shares of business-sector employment and value added are the nearest measures and compare the same sectors in both years.

[2] Part of the decline is reclassification: the size limits are fixed in euros, so rising prices move growing firms into the “large” class. The split cannot be read from the data.

[3] The 2025 number of service firms is derived from KfW's published share (78.3% of 3.94 million firms).

[4] The figure comes from a Welt article of September 2026 that rests on one KfW survey of about 1,700 firms; internationally active firms are just under half of industrial Mittelstand firms. Measured relocation: Destatis survey for 2021–2023, the latest available.

[5] The official comparison spans a change of statistical method in 2020–2021. On KfW's wider definition total Mittelstand employment is at a record of about 33,000,000. KfW's estimate of 485,000 full-time jobs created by start-ups in 2024 is a gross figure that includes the founders' own jobs and cannot be set against net job losses.

Measure	Around 2019	Latest
Mittelstand firms (KfW definition)	3.79 million	3.94 million (2025)
Share of all jobs in Germany (KfW definition)	71.2%	71.6% (2024)
Share of business-sector employment / value added (EU definition)	56.2% / 42.0%	55.4% / 42.8% (2024)
Manufacturing SMEs: companies	207,166	192,895 (2024)
Manufacturing SMEs: jobs	3,064,000	2,707,000 (2024)
Large manufacturers: jobs	5,172,000	5,194,000 (2024)
SME share of manufacturing jobs / value added	37.2% / 23.8%	34.3% / 22.4% (2024)
Insolvencies in manufacturing per year	1,488	1,928 (2025)
Service firms in the Mittelstand; share of all Mittelstand firms	2.88 million; 76%	about 3.09 million; 78% (2025)
Founders per year / of which full-time	605,000 / 228,000	about 690,000 / about 206,000 (2025)

Public budgets

Will the shift of jobs towards publicly financed work strain public budgets? Yes, but the main pressure comes from elsewhere, and it is postponed. No institution has quantified the fiscal effect of the job shift itself, so the link is argued from the evidence. Tax revenue is moving from profit taxes to wage tax and VAT: in January–August 2026 wage tax rose 4.6% and VAT 3.4%, while corporate tax fell 14.5%. Public and publicly financed jobs pay wage tax and contributions, but their whole cost is paid from taxes and contributions, so they do not widen the tax base the way private, export-earning jobs do. Total tax revenue is projected to stay at about 21–22% of GDP to 2031.

The strain shows first where most public staff are employed. Municipalities ran a record deficit of €31.9 billion in 2025, with personnel costs up 6.8% and local business tax up only 1.0%; deficits of about €30–32 billion a year are projected to 2030. The states (Länder) themselves expect deficits of just under €30 billion a year. The social insurance funds are in deficit or on federal loans: the pension contribution rate is set to rise from 18.6% to 19.8% in 2028, and total social contributions from 42.3% of wages in 2026 to 45.4% in 2030 on the Council of Economic Experts' definition. The federal budget has unresolved gaps of about €22 billion (2028), €39 billion (2029) and €48 billion (2030), and federal interest costs rise from €30 billion (2026) to €81 billion (2030).

Because defence and infrastructure are financed by borrowing outside the constitutional debt limit, the crunch is postponed to about 2028–2031. Deficits run at 4–5% of GDP and debt rises from 62.8% of GDP (2025) to about 69% (2028). Ranked by added burden to 2030: defence, interest, pensions, then health and care; public payroll (about €68 billion more across all levels between 2025 and 2030) and basic income support rank lower. The reassuring side: Germany keeps its AAA rating and its debt ratio is low among the G7 countries.

Basic income support for jobseekers (Bürgergeld) cost €46.65 billion in benefits in 2025 for 5.32 million recipients, plus €6.8 billion of federal administration. 47.3% of recipients were foreign nationals; Ukrainians were 12.8% and people from the main non-European asylum countries 16.6%. At about 1.2% of GDP the system is far smaller than pensions or health and is not growing. Estimates of the fiscal effect of migration range from a relief of about €100 billion a year (Werding) to a burden of €5.8 trillion in present value (Raffelhüschen); they answer different questions, and this report does not pick one. Net immigration fell to 235,000 in 2025 while the number of people aged 67 and over grows by about 4 to 4.5 million by 2038.

This report's assessment to about 2031: budgets do not break, but tighten in sequence. Borrowing carries the load to 2028; contribution rates rise first; municipalities cut investment and services; between 2028 and 2031 the likely outcome is a mix of real spending cuts, continued partial borrowing for defence and some tax increase.

The biggest opportunities for a turnaround

The projection extends today's trends. The evidence on what could improve them is weaker than for the rest of this report, and much of it consists of scenarios. Independent institutions do not pick winning industries: they put underlying growth at 0.0–0.7% a year and see an upside of roughly 0.2–0.8 points from economy-wide measures. Ranked by strength of evidence:

1. Productivity and applied AI. Scenario studies give +0.1 to +0.8 points of growth a year: the largest lever and the least certain. A top firm is 3.5 to 5 times as productive as a weak one in the same industry. This raises output per hour, not the number of jobs.

2. Structural reforms (administration, regulation, labour taxes). The OECD estimates +0.8 points a year in output per person to 2035 for its full package. The highest-ranked reforms have not passed.

3. Labour supply. Part-time workers want extra hours equal to 1.2 million full-time jobs; the measures that would unlock them are politically blocked so far.

4. Public investment and electrification equipment. About +0.2 points of growth if the money is additional; Siemens Energy's order backlog is €164 billion, but much new capacity is built abroad.

5. Defence. A demand effect of about 0.7% of GDP in 2026 and 0.9% in 2027, on a small employment base.

6. Pharmaceuticals. Highly productive but about 1% of value added; 30% growth by 2035 would add roughly 0.3% to GDP and 40,000 jobs. Current pricing policy and US pressure work against it.

7. Electric cars. The product turnaround is real (battery cars reached 37.0% of German registrations in October 2026), but the volume models are built in Spain and Hungary, and forecasts see German output at 3.5–4.2 million cars in 2030: stabilisation, not growth.

8. Chemicals. Managed decline of basic chemicals; even the industry's best scenarios have it growing more slowly than the economy.

9. Semiconductors, fusion, quantum technology. One large chip plant from 2027 (about 2,000 jobs); the rest matters after 2035.

On AI capacity, Germany has about 3.3 gigawatts of data-centre capacity against about 40 in the US; the foothold is in applying AI in industry, not in building the leading models. Taken together, and assuming the reforms are largely delivered, these levers could add roughly 0.5–0.9 points a year to the base case of about 0.6%. That range is an inference from overlapping estimates, not a published figure, and a return to 2% growth is not supported. The record so far is thin: fiscal expansion and tax relief have passed, while working-time, tax and pension reforms have not, and subsidised projects such as Intel's Magdeburg plant were abandoned.

What these estimates rest on

The five-year projection is this report's own estimate and should be read as an order of magnitude. It is most sensitive to immigration, to decisions on four Volkswagen and Audi plants due by mid-2027, to gas prices, and to whether infrastructure spending adds to investment or replaces it. Some figures rest on press reports or secondary sources, including several company job-cut totals and late-2026 gas prices. Estimates of underlying growth conflict (0.1% against 0.6% a year). The official statistics on smaller firms end in 2024 and are affected by changes of method. No institution has measured the fiscal effect of the job shift, and the section on opportunities relies largely on summaries of studies and on scenarios.

Sources

Federal Statistical Office (Destatis): National accounts, detailed annual results 2025 (August 2026); Persons employed by economic sector (2026); Employment, 3rd quarter 2026; Gross domestic product, 3rd quarter 2026; Monthly report for manufacturing establishments and production index, GENESIS database (2026); Statistics on small and medium-sized enterprises 2019–2024 (2026); Insolvency statistics and business registration statistics (2026); Foreign trade January–September 2026; Municipal finances 2025; Public-service personnel 2025; Migration 2025; Relocation of business functions 2021–2023 (2025); Federal Employment Agency: Monthly labour-market report October 2026; Institute for Employment Research (IAB): Kurzbericht 5/2026 and labour-market forecast autumn 2026; IAB/BIBB long-term projections including the AI scenario (2025); IAB study on employment in the defence industry (2026); IAB working-time analysis in Wirtschaftsdienst (2026); KfW Research: Mittelstandspanel 2020 and 2026; Gründungsmonitor 2025 and 2026; Internationalisierungsbericht 2026; Nachfolge-Monitoring 2025; Chartbooks on defence and on the federal budget (2026); German Council of Economic Experts: Annual Report 2026/27; Joint Economic Forecast of the research institutes, spring and autumn 2026; Deutsche Bundesbank: Monthly Reports 2025–2026 (public finances, balance of payments, export market shares); International Monetary Fund: World Economic Outlook database (2026) and Article IV report on Germany (2026); OECD: Household dashboard, real gross disposable income per capita (2026); US Bureau of Economic Analysis: real disposable personal income per capita (2026); National Bureau of Statistics of China: per-capita disposable income of households, annual releases 2020–2025; Federal Ministry of Finance: Tax estimate October 2026, Financial plan 2026–2030, Monthly report September 2026; Stability Council: resolutions and advisory board statement, October 2026; German Bundestag: Federal budget 2027 (November 2026) and printed paper 21/6855 on basic income support (2026); Federal Ministry of Labour: Pension Insurance Report 2026; German Economic Institute (IW): unit labour cost comparison (2025), private investment gap (2026), Report 39/2026 on German investment abroad, defence spending study (2026); ifo Institute: analysis of the infrastructure fund (2026); ZEW/Creditreform: Firm closures report (August 2026); OECD: Economic Survey of Germany 2025; EY: Industriebarometer, 3rd quarter 2026; Forsa for FTI-Andersch: German Economic Pulse 2026; FfE for vbw: international electricity price comparison (2026); IGES for INSM: projection of social contribution rates (2026); Bitkom: Data centres in Germany 2026; Siemens Energy: annual results 2026; Kraftfahrt-Bundesamt: new registrations October 2026; S&P Global Mobility: vehicle production forecast (2026); Roland Berger: Germany's automotive reset (2026); AlixPartners: Can Europe still build cars into the 2030s? (2026); Berylls by AlixPartners: supplier study (November 2026); Dataforce: European new-car registrations, 3rd quarter 2026; Handelsblatt, 13 November 2026, and tagesschau, 12 November 2026 (Mercedes-Benz investment stop); IW Consult: regional automotive networks (2025); US Bureau of Labor Statistics: car-industry employment 2007–2009 (2011); Welt am Sonntag, 8 September 2026 (KfW survey on relocation plans); Werding for Mediendienst Integration (2025) and Raffelhüschen for Stiftung Marktwirtschaft (fiscal effects of migration, via press reports); Handelsblatt and Bloomberg, 26 November 2026 (SAP).

Disclaimer

This report is a private, non-commercial publication. It is published without any commercial or political interest and is not affiliated with, funded by or written on behalf of any company, employer, political party or other organisation; the views expressed are the author's own. The content is provided for general information only and does not constitute financial, investment, legal, tax or other professional advice. The report draws on publicly available sources believed to be reliable and was prepared with care, but no representation or warranty, express or implied, is made as to the accuracy, completeness or timeliness of the information. Projections and estimates are the author's own, are inherently uncertain and may turn out to be wrong. To the extent permitted by law, the author accepts no liability for any loss or damage arising from the use of this report or reliance on its content. The report reflects the information available at its stated date and is not necessarily updated. Source material remains the property of its respective owners.