

Trust and the way out of the Corona and economic crisis – a survey in Austria and Germany

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Abstract: This paper highlights three topics about the LDM representative survey (n=1000) December 2020 in Austria and two new surveys from May 2021 in Austria and Germany. The paper dealt with the question of which groups and institutions people do trust in, which group/institution can bring Austria/Germany forward? The paper presents the results and tries to answer questions of what is leading Austria/Germany out of the Corona crisis and in accompanying out of the economic crisis. And will Austrian/German politics orient more to state control and orientation towards large companies or less state control and orientation towards SME? The results of this questions will be shown and compared.

Keywords: Mittelstand, trust, SME, corona crisis, state control,

JEL Classification: R59, Z18, Z19, Z13, C83;

Acknowledgement: We would like to thank the Faculty of Management at the University of Prešov in Prešov for their helpful discussion, comments and ongoing support.

1. Introduction and overview

In December 2020, a representative survey about “Mittelstand” in Austria has been done (Steiner et al 2021), additional to this representative survey 2 actual surveys (May 2021) have been performed:

- survey in Austria May 2021, innovative LDM SME, n=125, group Ö
- survey in Germany May 2021, Atlas member including 1125 SME, n= 1702, group D

The target of this paper is to compare data of the following groups:

- group A, Gallup December 2020, n=1000 representative Austria, (Group A 2020)
- group B, Gallup December 2020, n= 62 of 1000, → group SME owner, freelancer, senior staff,
- group C, survey in Austria December 2020, innovative LDM SME, n=101 (Group C 2020)
- group Ö, survey in Austria May 2021, innovative LDM SME, n=125
- group D, survey in Germany May 2021, Atlas member including 1125 SME, n= 1702

Following the previous surveys done, there was a need to find the answers to several questions connected to the trust of people into groups and institutions, their opinion about the Corona pandemic and the economic crisis, and their opinion towards a state control and orientation towards SME. The paper is divided into several sections dealing with the following questions: Which groups and institutions do you trust? Which group can bring Austria forward? (see 4.1) In your opinion, what is leading Austria/Germany out of the Corona crisis and in accompanying out of the economic crisis? (see 4.2) Which of these two options is Austrian/German will politics orient more - state control and orientation towards large companies or no state control and orientation towards SME? (see 4.3).

2. Basic theoretical background

The paper (Steiner et al 2021) about “Mittelstand” describes the starting point of this paper. The abbreviation “LDM” will be used for “Lobby der Mitte” in this paper. LDM is an independent initiative with the aim of making “Mittelstand” more visible and assertive in politics, media, and society (LDM1 2021). Based on the data and experience of representative surveys 2010 – 2020 in Austria by LDM, two more and actual surveys (in May 2021) have been performed:

- survey in Austria May 2021, innovative LDM SME, n=125, group Ö
- survey in Germany May 2021, Atlas member including 1125 SME, n= 1702, group D

The reason for these two new surveys lies also in the question how the opinion and position of the SME owners changed between December 2020 and May 2021 (i.e. after 6 months of additional lockdown due to the Corona crisis).

Atlas Initiative (Atlas 2021) was founded by Dr. Krall (Krall 2021) and it is a non-party association of citizens who actively promote and support the values of a free-democratic basic order, as formulated in the Basic Law of the Federal Republic of Germany. The Atlas Initiative stands for the values of the Christian-humanistic tradition and for unconditional rule of law and the separation of powers and their strict preservation. The Atlas Initiative in Germany has around 4100 members now, 1702 of them took part in the actual survey. Of the 1702 participants, 1,225 are SME owners.

3. Data and Methodology

Table 1. Data about the LDM representative survey 2020 by GALLUP n= 1000 (Group A 2020)

	sample	In percent of the total Austrian population
Total	1000	100
		%
GENDER		
men	489	48,9
women	511	51,1
AGE		
14-29 years	220	22,0
30-49 years	323	32,3
50+ years	457	45,7
Profession		
SME owner, freelancer, senior staff,	62	6,2
civil servant, employee	318	31,8
worker	141	14,1
scholar, student	78	7,8
not working	147	14,7
Retiree	252	25,3
Education		
mandatory school	232	23,2
vocational training,	465	46,5
qualification for University and graduate	303	30,3
income per month		
up till 1.500,-- €	139	13,9
up till 2.500,-- €	293	29,3
up till 3.000,-- €	125	12,5
above 3.000,-- €	265	26,5
country/region		
Vienna	212	21,2
NÖ, Bgld	224	22,4
Stmk, Ktn	208	20,8
OÖ, Sbg	228	22,8
Trl, Vbg	128	12,8
Size of Village/Town		
up till 5.000 inhabitants	402	40,2
up till 50.000 inhabitants	267	26,7
above 50.000 inhabitants	120	12,0

In chapter 4 survey data to selected questions about the groups A, B, C, Ö and D will be compared and commented on:

- **Group A - Gallup representative 2020** Dec. 2020 n = 1000
representative survey by Gallup in Austria 2010 – 2020 with n = 1000 – details table 1 (Group A 2020)
- **Group B - Gallup SME owner, freelancer, senior staff,** Dec. 2020 n = 62
Subgroup of the representative Survey in Austria 2020 with n= 62 – details table 1
- **Group C - Innovative LDM SME 2020** Dec. 2020 n = 101
Group of innovative SME, connected to LDM in Austria 2020 with n= 101 (Group C 2020)

- **Group Ö**, survey in Austria, innovative LDM SME, May 2021 n = 125
- **Group D**, survey in Germany, Atlas member including 1125 SME, May 2021 n = 1702

4. Results and discussion

4.1 Question 1: Trust in groups and institutions 2010 – 2020, n=1000 (Steiner et al 2021)

In (Steiner et al 2021) this question about representative surveys already been highlighted – here additional and actual surveys from May 2021 (Ö and D) to this question are added and compared:

Table 2. Overview of groups and results of surveys 2020 and 2021

Group	A	B	C	D	E	F	G	H	I	J
A, n=1000	42	57	45	18	31	23	23	14	3	10
B, n= 62	35	58	60	22	28	24	21	20	9	8
C, n=101	15	88	89	2	11	35	13	4	4	0
Ö, n=125	18,9	86,1	87,7	3,3	14,8	35,2	23	3,3	4,9	0
D, n=1702	1,2	88,7	93	2,4	8,4	58,2	11,7	1,3	12	0

All numbers in %

- group A, Gallup 2020, n=1000 representative Austria, (Group A 2020)
- group B, Gallup 2020, n= 62 of 1000, -> group SME owner, freelancer, senior staff, (Group A 2020)
- group C, survey in Austria December 2020, innovative LDM SME, n=101, (Group C 2020)
- group Ö, survey in Austria May 2021, innovative LDM SME, n=125
- group D, survey in Germany May 2021, Atlas member including 1125 SME, n= 1702

About Group A: The Austrians (n = 1000) were asked: **"Which groups and institutions do you trust? Which group can bring Austria forward?"** Here are presented the results for 2016 – 2020 in detail (LDM3 2020):

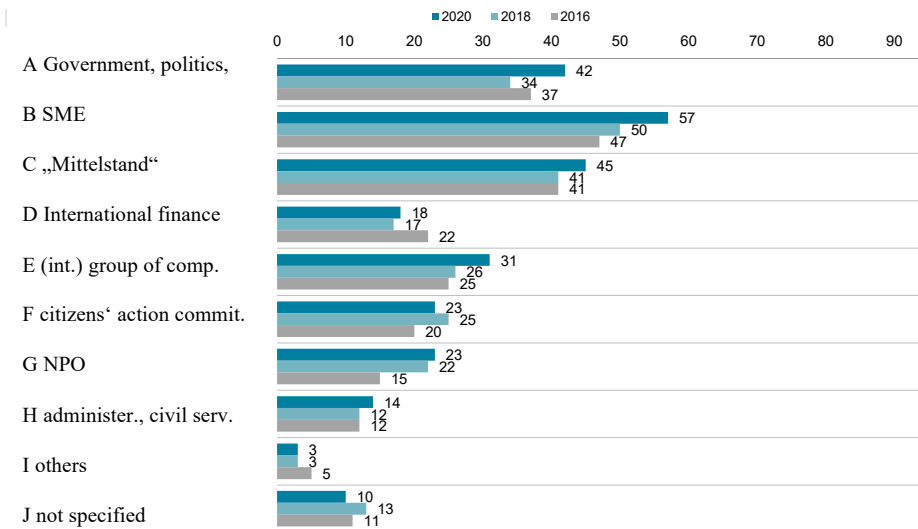


Figure 1: Gallup – trust in groups and institutions ... from 2016 to 2020
(Source: LDM3 2020)

In 2020, trust in politics rose from 34% to 42%, as did trust in SME from 50% to 57% and into “Mittelstand” from 41% to 45%. Trust in the international financial sector has decreased.

Here again the Group A (n=1000) in other figures:

The results of the representative survey in Austria (n=1000) from December 2020, Group A:

- 1 (int.) group of companies
- 2 Government, politicians,
- 3 administration, civil servant
- 4 SME.
- 5 NPO
- 6 International finance
- 7 „Mittelstand“
- 8 citizens' action committee
- 9 others

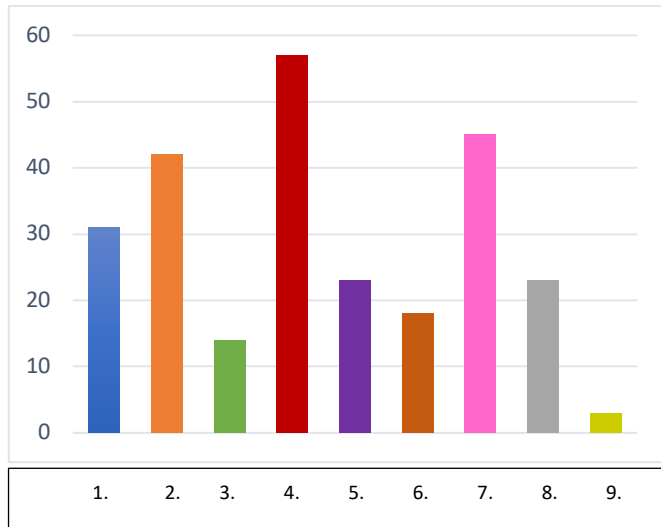


Figure 2: Gallup – trust in groups and institutions, n=1000, 2020
(Sources: LDM3 2020)

The results of the representative survey in Austria " (n= 62) from December 2020, group B:

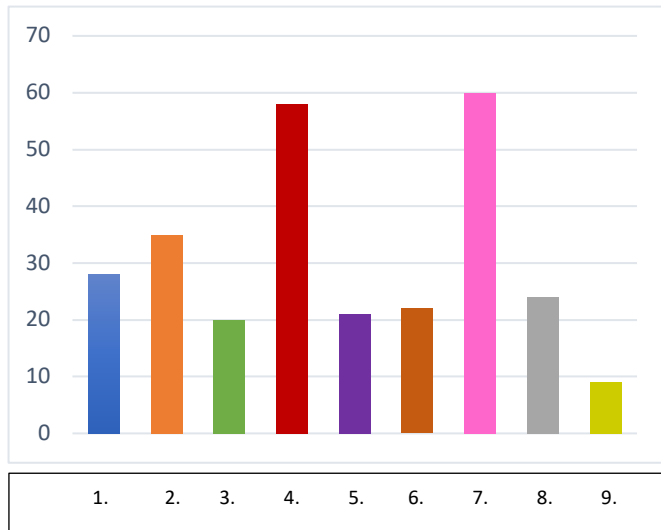


Figure 3: Gallup – trust in groups and institutions, n= 62, 2020
(Source: LDM3 2020)

The results of the survey among the "innovative LDM SME" (n=101) from December 2020, group C:

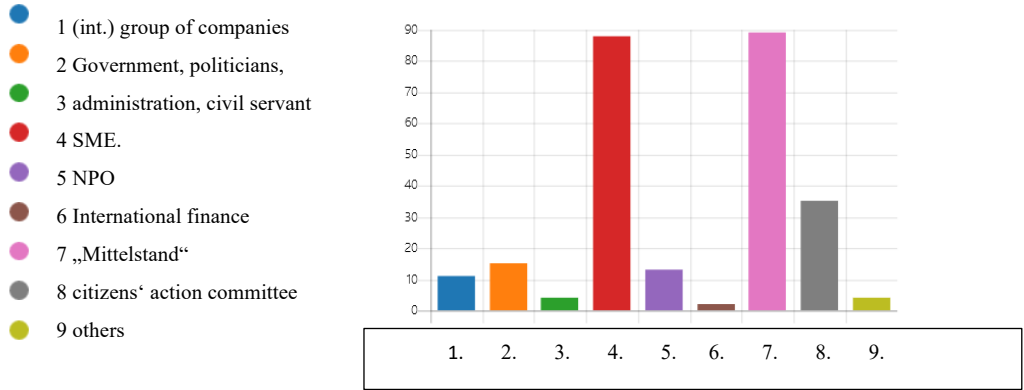


Figure 4: Gallup – trust in groups and institutions, n= 101 2020
(Source: group C 2020)

The difference in trust between SME and “Mittelstand” on the one hand and in relation to all other groups and institutions on the other hand is strongly evident in all three groups.

In May 2021, two new surveys have been done in Austria and in Germany at the same time. The idea was to see the possible effect of “corona crises” in these two countries.

- group Ö, survey in Austria May 2021, innovative LDM SME, n=125
- group D, survey in Germany May 2021, Atlas member including 1125 SME, n= 1702

The numbers are presented in Table 2, the figures are showed below:

group D, survey in Germany May 2021, Atlas member including 1125 German SME, n= 1702

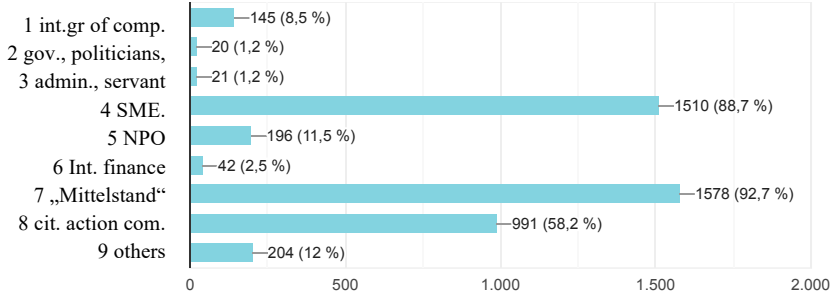


Figure 5: trust in groups and institutions, Atlas, n=1702, May 2021
(Source: own survey – own procession)

group Ö, survey in Austria May 2021, innovative LDM SME, n=125

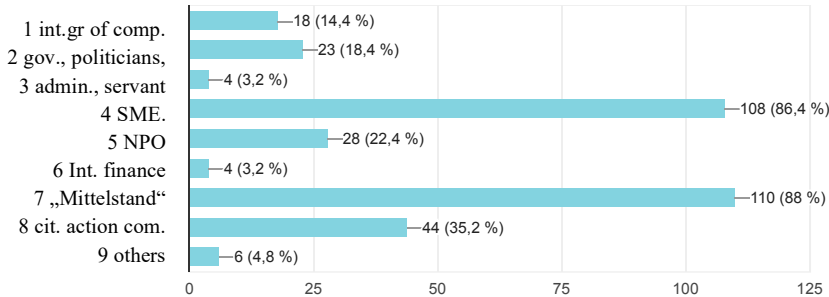


Figure 6: trust in groups and institutions, LDM, n=125, May 2021
(Source: own survey – own procession)

Summary of the survey May 2021 in Germany and Austria: “Which group can bring Austria/Germany forward?”

SME	88,7%/88,7%
„Mittelstand“	93,0%/92,7%
Government, politicians	18,4%/ 1,2%
(int.) group of companies	14,4%/8,5%
administration, civil servant	3,2%/1,2%
International finance	3,2%/2,5%

The confidence in “bringing forward” is clearly highest in SME and “Mittelstand” in A and D, and lowest in D in politics (with 1,2%), administration and finance. Trust in politics in Germany is significantly lower than trust in politics in Austria. This is probably due to the fact that the Corona support for SME works to some extent in Austria, but significantly obviously worse in Germany.

4.2 Question 2: In your opinion, what is leading Austria/Germany out of the Corona crisis and in accompanying out of the economic crisis?

- 1 = state control & orientation towards large companies
- 10 = no state control and orientation towards SME (small and medium-sized companies)
- ? = no assessment

Table 3. Overview of groups and results of surveys 2020 and 2021

groups	1	2	3	4	5	6	7	8	9	10	?	mean
A	4	2	10	13	25	14	11	7	3	6	6	5,5
B	5	0	13	12	29	16	7	7	3	5	3	5,34
C	3	2	2	4	7	6	7	23	16	30	0	7,6
Ö	1	1	5	1	6	7	12	18	19	30	0	7,9
D	0	0	0	0	1	1	3	11	15	68	0	9,5

All numbers in %, besides mean

- group A, Gallup 2020, n=1000 representative Austria, December 2020
- group B, Gallup 2020, n= 62 of 1000, -> group SME owner, freelancer, senior staff, December 2020
- group C, survey in Austria December 2020, innovative LDM SME, n=101
- group Ö, survey in Austria May 2021, innovative LDM SME, n=125
- group D, survey in Germany May 2021, Atlas member including 1125 SME, n= 1702

The Gallup survey (group A and B) shows with a mean of 5,5 (or 5,34) the desire for less government control (equal distribution by 5) and more orientation towards SME.

Group C articulates itself much more clearly with a clear focus on less government control an SME (average value at 7,6)

In the surveys 6 months later, the results in groups Ö and C were similar, whereby group Ö still called for less state control than 6 months earlier (increase in the mean value from 7,6 to 7,9).

Group D demands even less state control (9,5) - although it wants as little state control as possible.

Below are the results of the survey in graphics for the groups A, B and C:

Results question 4.2 group A:

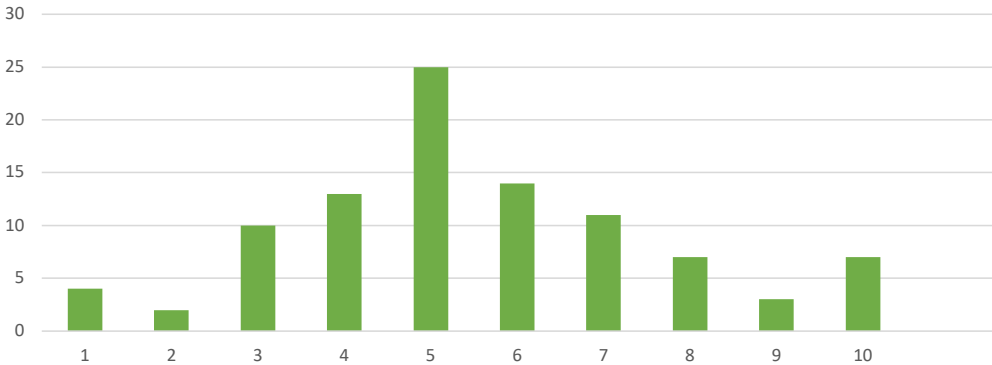


Figure 7: what is leading Austria out of crisis, Gallup, n=1000, Dec 2020
(Source: LDM3 2020)

Results question 4.2 group B

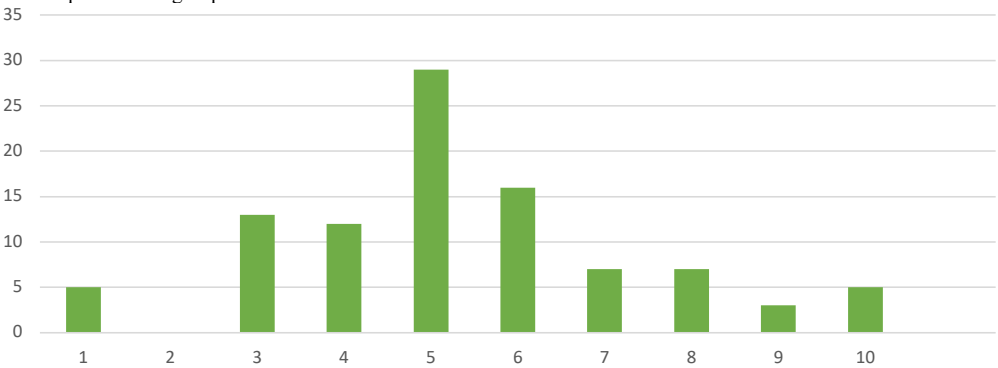


Figure 8: what is leading Austria out of crisis, Gallup, n=62, Dec 2020
(Source: LDM3 2020)

Results question 4.2 group C

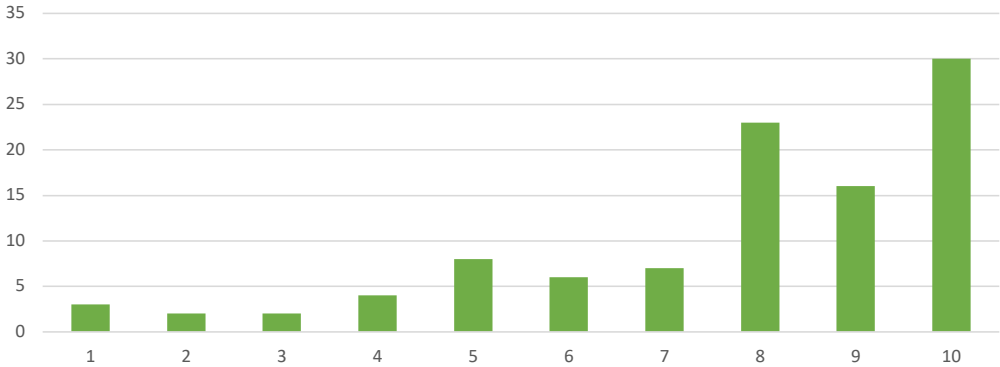


Figure 9: what is leading Austria out of crisis, LDM, n=101, Dec 2020
(Source: group C 2020)

The comparison of **groups Ö and D** from the survey in May 2021 is shown in the following two graphs:
group Ö, survey in Austria May 2021, innovative LDM SME, n=125

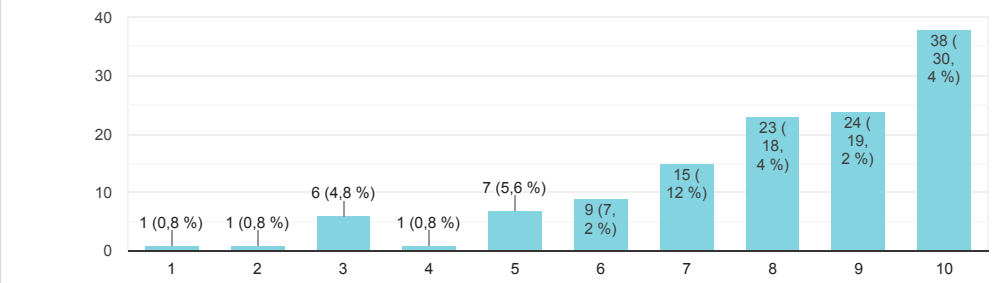


Figure 10: what is leading Austria out of crisis, LDM, n=125, May 2021
(Source: own survey – own procession)

group D, survey in Germany May 2021, Atlas member including 1125 SME, n= 1702

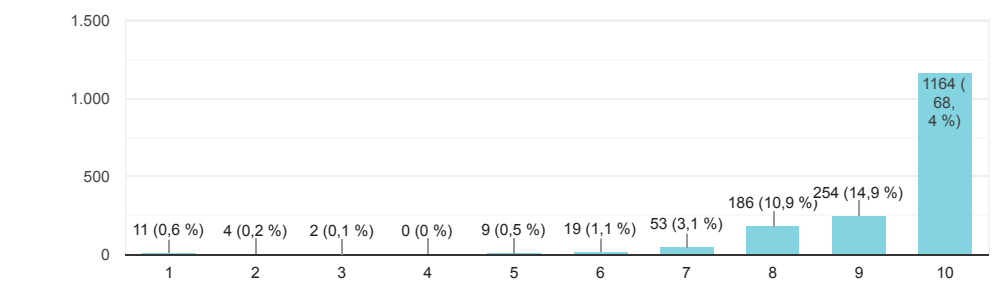


Figure 11: what is leading Germany out of crisis, Atlas, n=1702, May 2021
(Source: own survey – own procession)

Difference in the results of groups B, C, Ö and D:

Group B appears to be less progressive than the average of the Austrians (group A), while the other groups (C, Ö and D) are much more in favor of “less state influence and more orientation towards SME”.

This generally leads to the question:

“How representative does group B (n = 62) represent the group of SME, freelancers and senior staff?” The considered group B consists of only 62 people. These include not only entrepreneurs (i.e. representatives of SME), but also freelancers and senior staff. For example, Senior staff are (mostly) not entrepreneurs, because they do not take any personal capital risk.

Freelancers can also be doctors, veterinarians, musicians, actors, notaries, lawyers, tax consultants, journalists, interpreters, experts, etc., i.e. job profiles that do not necessarily correlate with classic SMEs. Thus, the number of SMEs in the Gallup study decreases very quickly from n = 62 and the question arises as to how representative the Gallup study depicts the opinion of SMEs in the group n = 62 (self-employed, freelancers, senior staff). Is the randomly found group C (n = 101) or group Ö (n = 125) not more representative of the opinion of the SME or of the “Mittelstand”?

4.3 Question 3: Towards which of these two options, will Austrian/German politics orient more?

1 = state control & orientation towards large companies

10 = no state control and orientation towards SME (small and medium-sized companies)

? = no assessment

Table 4. Overview of groups and results of surveys 2020 and 2021

groups	1	2	3	4	5	6	7	8	9	10	?	mean
A	11	6	17	16	21	10	8	3	1	2	4	4,37
B	8	9	12	16	26	13	6	6	0	1	2	4,49
C	34	26	17	5	9	3	1	3	0	3	0	2,81
Ö	23	22	26	11	10	5	2	0	2	2	0	3,2
D	63	22	10	1	0	0	0	0	0	3	0	1,7

All numbers in %, besides mean

- group A, Gallup 2020, n=1000 representative Austria, December 2020
- group B, Gallup 2020, n= 62 of 1000, -> group SME owner, freelancer, senior staff, December 2020
- group C, survey in Austria December 2020, innovative LDM SME, n=101
- group Ö, survey in Austria May 2021, innovative LDM SME, n=125
- group D, survey in Germany May 2021, Atlas member including 1125 SME, n= 1702

The two groups A and B (mean values 4.37 and 4.49) assume that Austrian politics will be more oriented towards state control and towards larger companies, contrary to the wishes of these groups for orientation of 5,5 (5,34). Group C expresses their fear with 2,81 very clearly

In the surveys 6 months later, the results in groups Ö and C are similar, with group Ö assuming somewhat “less” government control than 6 months before.

Group D fears strong state control (1,7) - although they want as little state control as possible.

The results of the survey in graphics for the groups A, B and C are shown below:

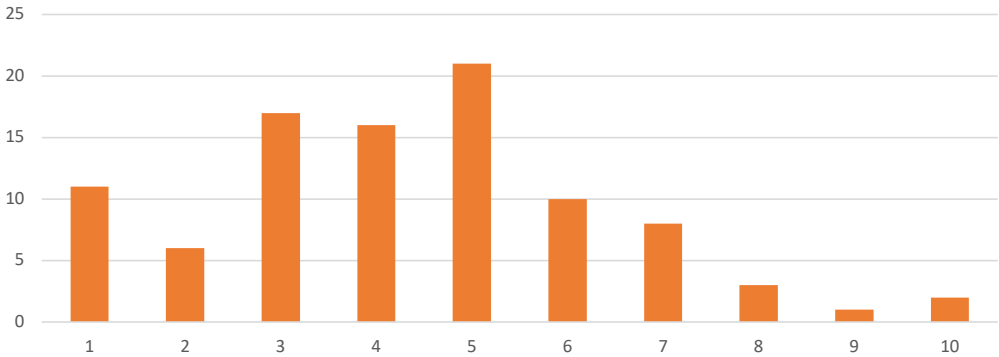


Figure 12: Results question 4.3 group A, Atlas Gallup, n=1000, Dec 2020
(Source: LDM3 2020)

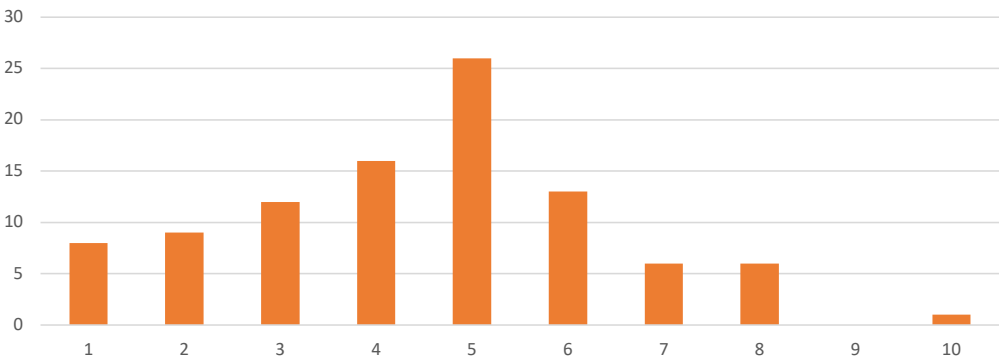


Figure 13: results question 4.3 group B, Gallup, n=62, Dec 2020
(Source: LDM3 2020)

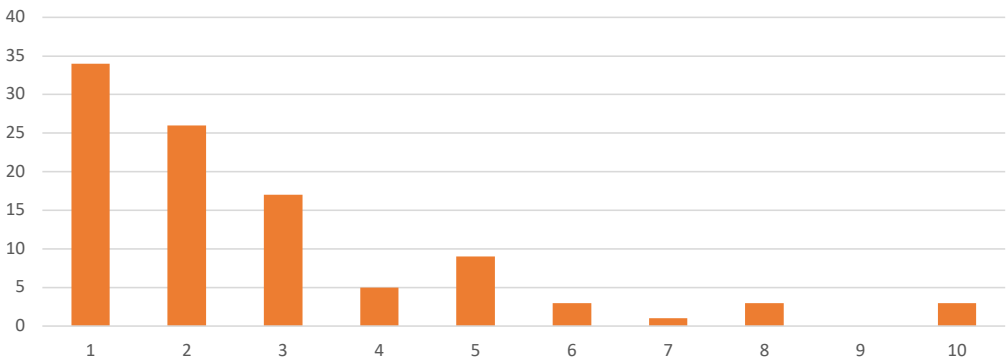


Figure 14: Results question 4.3 group C, LDM, n=101, Dec 2020
(Source: group C 2020)

The comparison of groups Ö and D from the survey in May 2021 is shown in the following two graphs:

group Ö, survey in Austria May 2021, innovative LDM SME, n=125

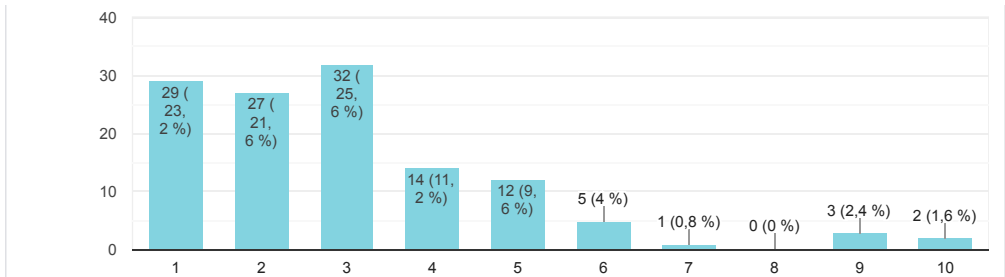


Figure 15: Results question 4.3, LDM, n=125, May 2021
(Source: own survey – own procession)

group D, survey in Germany May 2021, Atlas member including 1125 SME, n= 1702

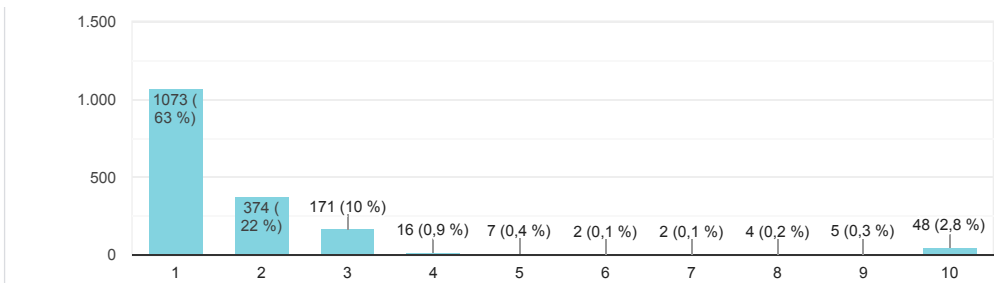


Figure 16: Results question 4.3, Atlas, n=1702, May 2021
(Source: own survey – own procession)

The answers to questions 4.2. and 4.3. clearly show the opinion and desire of the “MANY” for less state control and orientation towards SME and the fear of the “MANY” of political action towards more state control & orientation towards large companies.

5. Conclusion

The results of the survey confirmed that there is maximum trust from people in SME and in “Mittelstand” in Austria and Germany. As well as the people – the “MANY” - demands for less state control and orientation towards SME. Although people fear that politics will decide differently and do action towards more state control & orientation towards large companies. By comparing all the results of the Austrian groups (A, B, C, Ö) with the results of group D, one can see that the numbers of Germany strongly correlate with the Austrian numbers and are still more clearly and more unambiguously directed towards less state control and orientation towards SME.

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