

Press release

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ESMT Berlin: New index shows increasing bureaucracy in Germany

A recent study by Prof. Stefan Wagner from ESMT Berlin shows an increasing bureaucratization of Germany. The analysis, which was conducted in collaboration with the internet platform <u>www.buzer.de</u>, testifies to a continuous increase in the volume of federal legislation in Germany and thus underpins the perception of increasing bureaucracy in Germany.

Although the bureaucracy cost index was at a historic low in September 2023, suggesting a reduction in the bureaucratic burden on companies, the newly developed bureaucracy index by <u>Stefan Wagner</u>, professor of strategy at ESMT Berlin, reveals a different picture. This index, which measures the number of pages of applicable federal laws in DIN A4 standard pages, shows a significant increase of around 4% per year since 2010. While the volume of all federal laws in 2010 was still around 31,000 standard pages, this has risen to almost 50,000 standard pages in 2024.

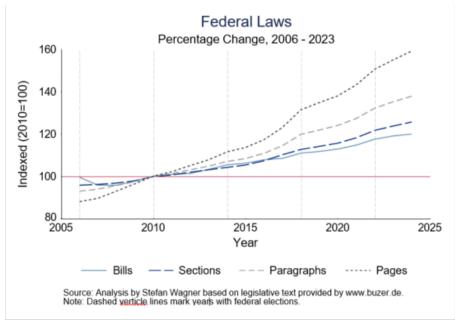


Illustration 1: Bureaucracy index by Prof. Stefan Wagner, ESMT Berlin

The analysis emphasizes that simply counting individual laws says little about the actual burden. "The current focus on federal legislation is of course a simplification," explains Prof. Wagner. "A far greater number of legal regulations can be found in implementing ordinances, state laws, EU legislation, etc." Prof. Wagner plans to publish the index annually and is also expanding the database to obtain a more comprehensive picture of bureaucratization in Germany.

The index results emphasize the need for political decision-makers to take measures to simplify legislation and reduce bureaucratic hurdles. They also highlight the importance of research and data analysis to stimulate discussion and change about bureaucracy and its impact on the economy and society.

For further information and detailed information on the study, we would be happy to schedule an interview with Prof. Wagner.

About ESMT Berlin

ESMT Berlin is a leading global business school with its campus in the heart of Berlin. Founded by 25 global companies, ESMT offers master, MBA, and PhD programs, as well as executive education on its campus in Berlin, in locations around the world, online, and in online blended format. Focusing on leadership, innovation, and analytics, its diverse faculty publishes outstanding research in top academic journals. Additionally, the international business school provides an interdisciplinary platform for discourse between politics, business, and academia. ESMT is a non-profit private institution of higher education with the right to grant PhDs and is accredited by AACSB, AMBA, EQUIS, and ZEvA. It is committed to diversity, equity, and inclusion across all its activities and communities. <u>esmt.berlin</u>

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