

The German Middle Class – the nervous centre of society?

A panel analysis of subjective status insecurity

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Abstract:

In the 2000s, an increase of perceived status insecurity among the middle classes was widely discussed in German sociology and in the public media. In the face of the recent European economic downturn, perceptions of job insecurity among the middle classes are assumed to have grown further. Using German Socio-economic panel data from the mid-1990s to 2013 (GSOEP v30: perceived job insecurity), we used an occupational class scheme proposed by Erikson/Goldthorpe/Portocarero (not counting the self-employed) to test this assumption. Descriptive time-series analysis show that although all classes experienced an increase of status insecurity from 1990 to 2007, the middle section of the German middle class experienced the highest average increase. However, between 2008 and 2013, this trend has undergone a reversal for all classes, despite the Great Recession that Europe faced in 2009. Most strikingly, it is again the middle section of the German middle class where status insecurity has declined a great deal: within only six years, perceived status insecurity, which had risen over 25 years, has since reached the low levels that began in the early 1990s. We used stepwise random effects ordered probit-models to identify causes for both the increase and decline of status insecurity. However, these models confirm the findings from our descriptive analysis. Thus for today, fears of dropping out of the middle class has largely disappeared. Additionally, descriptive volatility analysis (cumulation of relative changes over time) reiterates that the time-honoured insight made by Theodor Geiger (1930) for the Weimar Republic still holds true for today, namely that a constitutive characteristic of the German middle class is that it reacts most sensitively to economic changes – it is the nervous centre of society.

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