

Wealth portfolios and wealth accumulation in Upper Middle Classes

Sociological class analysis has largely neglected wealth as a structuring factor and even as a distributional outcome or correlate of social class inequalities. In recent years, however, a main concern has been the rapid accumulation of economic capital, in both income and wealth, at the very top of the distribution. Moreover, wealth is becoming increasingly relevant not only for the so-called one percent, but also for the middle classes. In contrast to social class schemes based on occupations, we follow Savage, Warde and Devine (2005) by taking up an asset-based perspective on class analysis and explicitly take into account wealth in its various components together with other forms of economic and cultural capital. Drawing on household panel data from the years 2002-2012 of the German Socio-Economic Panel Study (SOEP) we apply Latent Class Analysis in order to detect distinct classes based on capital portfolios. Focusing on the upper middle classes, we distinguish five types of upper middle classes characterized by different wealth and income profiles (i.e., home owners, asset holders, petty bourgeoisie & landlords, managerial elite, and top elite). In a next step, making use of the longitudinal character of the SOEP, we explore different accumulation profiles of wealth and incomes in a longitudinal five-year perspective (i.e., 2002 to 2007, and 2007 to 2012). Our (so far preliminary) results reveal strong differences between risky (financial) and secure (long-term investments) accumulation profiles. In a last step, we investigate potential determinants and mechanism of wealth accumulation by means of regression analysis of wealth differences.

Contact

Nora Waitkus (waitkus@uni-bremen.de)

Olaf Groh-Samberg (ogs@bigsss-bremen.de)