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soeb 3: A report on socioeconomic development in Germany

Presentation for HIVA, KU Leuven
(Context: InGRID / Re-InVEST)
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■ SOFI (Sociological Research Institute)

- Founded in 1968
- Supported by Lower-Saxony
- Attached to Göttingen University
- Approx. 22 researchers
- Empirical research connected to the fields mainly of
 - education
 - work (mostly in industrial sector)
 - the labour-market
 - industrial relations
 - and the welfare state
- **soeb 3: one among other SOFI projects** (though one of the bigger ones and coordinated by SOFI)



■ soeb 3 – the Third Report on Socioeconomic Development in Germany

- Funded by Federal Ministry of Education and Research (BMBF) since 2000
- Three consecutive projects. Current project: 2013–2016
- Project coordinator: Dr. Peter Bartelheimer (SOFI)
- 18 work packages
- Approx. 40 researchers involved from several partner institutes incl. 3 providers of data: FDZ-RV, FDZ-BA (IAB), FDZ-SOEP (DIW)
- Network is interdisciplinary: sociologists and economists
- Scientific advisory board (slightly international)

■ **soeb 3: Contents, approach, concepts**

■ **Topics: Various dimensions and sources of well-being**

■ **Emphasis on inequality, respectively disadvantaged groups**

■ **Approach:**

- Mostly quantitative, using growing supply of socioeconomic data: National accounts, SOEP, Mikrozensus, EVP, SIAB, Sharelife,...
- Methods of analysis: descriptive, multivariate, sequence, event history, as well as econometric modelling and projection
- Multilevel (establish links between micro, meso and macro)

■ **Some guiding concepts**

- Socio-economic model / - development
- Social participation / precarity / exclusion
 - production of well-being / welfare mix (Zapf/Esping-Andersen)
 - capability (Sen)
 - zone model (Castel)
- Some more contested notions: social sustainability, historical rupture

■ **WP5: Employment trajectories and life courses**

■ **Data: Sample of Integrated Labour Market Biographies (SIAB)**

- Parallel states: Employment status / benefits / job search
- Considerable sample size

■ **Cumulative parameters on a five-year period of observation**

- Disaggregation: Comparison between groups
- Historical comparison: 1976–1981, 1984–1989, 1994–1999

■ **Why analyse short sequence?**

- Cross-sections cannot answer to some questions
- Long sequences are by definition 'old' information

■ **Problems of (historical) comparison:**

- Missings: Person abroad? Dead? Inactive? Self-employed?
- Data quality varies, dataset evolves over time
- Changes over time like inflation, or of threshold values (e.g. full-time definition, marginal employment definition,...)

■ Selection of parameters (over 5 years) that can be historically compared

Parameter	Unit
Time in employment as share of observation period	%
Part-time employment as share in employment	%
Number of consecutive jobs in observation period	–
Mean duration of jobs	days
Stable employment	%
Standard employment relationship (stable, full time, social insurance)	%
Number of direct transitions between employers	–
Number of times of changing between branches	–
Mean daily pay in times with full-time employment	€
Daily pay: Number of increases	–
Daily pay: Number of decreases	–
Change of daily pay between beginning and end of period	€

■ **Part-time employment as share in observed employment. Persons in main working-age (30–50 years)**

		West				East	
		1976-1981	1984-1989	1994-1999	2004-2009	1994-1999	2004-2009
Men	%	0,6	1,2	2,6	4,7	3,7	6,5
Women	%	30,7	34,8	38,2	42,9	24,9	34,6
Gap	%	30,0	33,6	35,6	38,2	21,2	28,1

■ **Mean duration of jobs.** Persons in main working-age (30–50 years)

		West				East	
		1976-1981	1984-1989	1994-1999	2004-2009	1994-1999	2004-2009
Men	days	1259	1288	1183	1220	950	1035
Women	days	1102	1175	1082	1108	1014	1134
Gap	days	-157	-113	-101	-112	64	99

■ **Share of persons with stable employment (whole period in same job). Persons in main working-age (30–50 years)**

		West				East	
		1976-1981	1984-1989	1994-1999	2004-2009	1994-1999	2004-2009
Men	%	56,0	59,2	54,4	58,5	37,8	45,5
Women	%	41,6	47,4	43,6	46,9	41,4	50,0
Gap	%	-14,5	-11,8	-10,8	-11,6	3,5	4,5

■ **Number of consecutive jobs in observation period. Persons in main working-age (30–50 years)**

		West				East	
		1976-1981	1984-1989	1994-1999	2004-2009	1994-1999	2004-2009
Men	#	1,8	1,6	1,7	1,7	2,3	2,0
Women	#	1,6	1,5	1,6	1,7	1,8	1,7
Gap	#	-0,2	-0,1	-0,1	-0,1	-0,4	-0,3

■ **Number of times of changing between branches. Persons in main working-age (30–50 years)**

		West				East	
		1976-1981	1984-1989	1994-1999	2004-2009	1994-1999	2004-2009
Men	#	0,4	0,3	0,4	0,4	0,8	0,6
Women	#	0,3	0,3	0,3	0,3	0,5	0,4
Gap	#	-0,1	-0,1	-0,1	-0,1	-0,3	-0,2

■ **Mean (nominal) daily pay in times with full-time employment.** Persons in main working-age (30–50 years)

		West				East	
		1976-1981	1984-1989	1994-1999	2004-2009	1994-1999	2004-2009
Men	€	45,7	66,3	88,9	102,7	60,6	70,3
Women	€	29,4	44,1	61,4	70,6	52,5	61,5
Gap	€	-16,3	-22,2	-27,5	-32,1	-8,1	-8,9

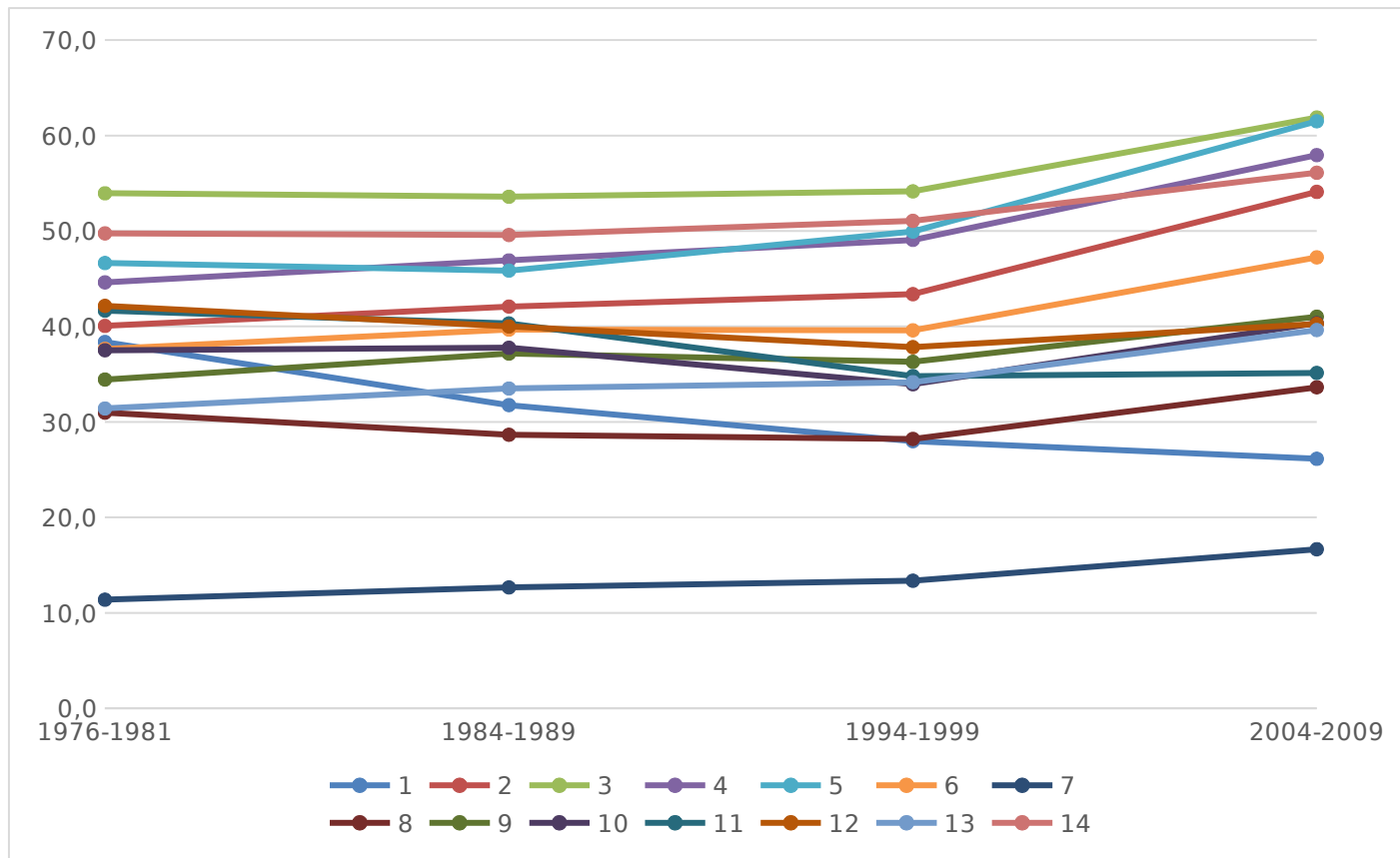
■ **Absolute change of daily pay between beginning and end of period. Persons in main working-age (30–50 years)**

		West				East	
		1976-1981	1984-1989	1994-1999	2004-2009	1994-1999	2004-2009
Men	€	13,5	12,3	9,5	8,4	6,3	6,3
Women	€	7,4	7,7	7,1	6,3	6,9	5,8
Gap	€	-6,1	-4,6	-2,4	-2,0	0,6	-0,5

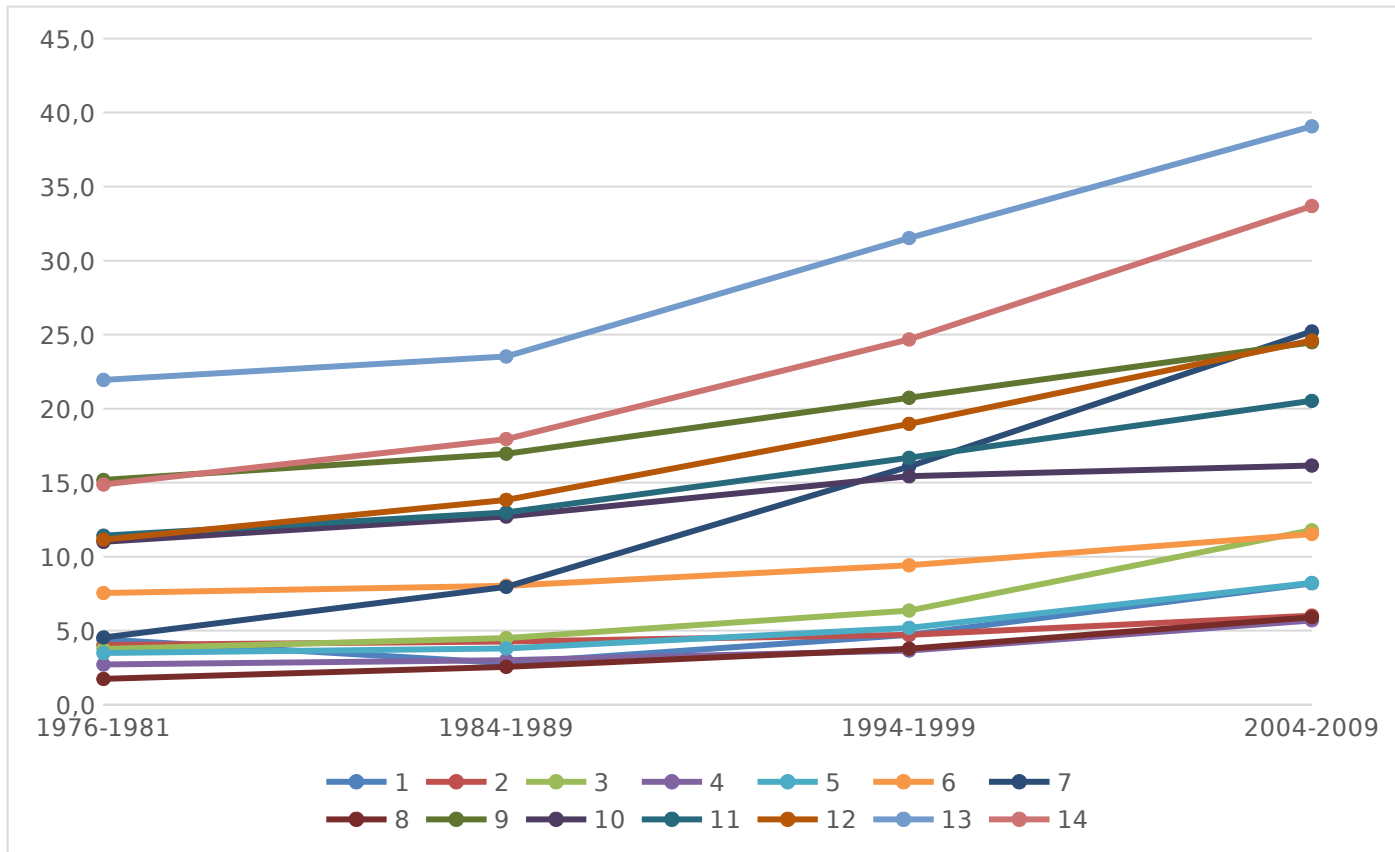
■ Disaggregation by sector

Sector	#
Agriculture, energy, mining	1
Production of rubber and plastic products, processing of minerals, wood industry	2
Chemical Industry	3
Metal production and processing, mechanical engineering	4
Automotive, production of data processing equipment, electrical and optical engineering	5
Consumer goods	6
Hospitality industry	7
Building Industry	8
Sale, maintenance and repair of motor vehicles and household goods	9
Transport and communication	10
Credit and insurance intermediation; Land and Housing, Rentals	11
Public and Personal Services, Household services	12
Education, social and health-care facilities	13
Public administration, social security	14

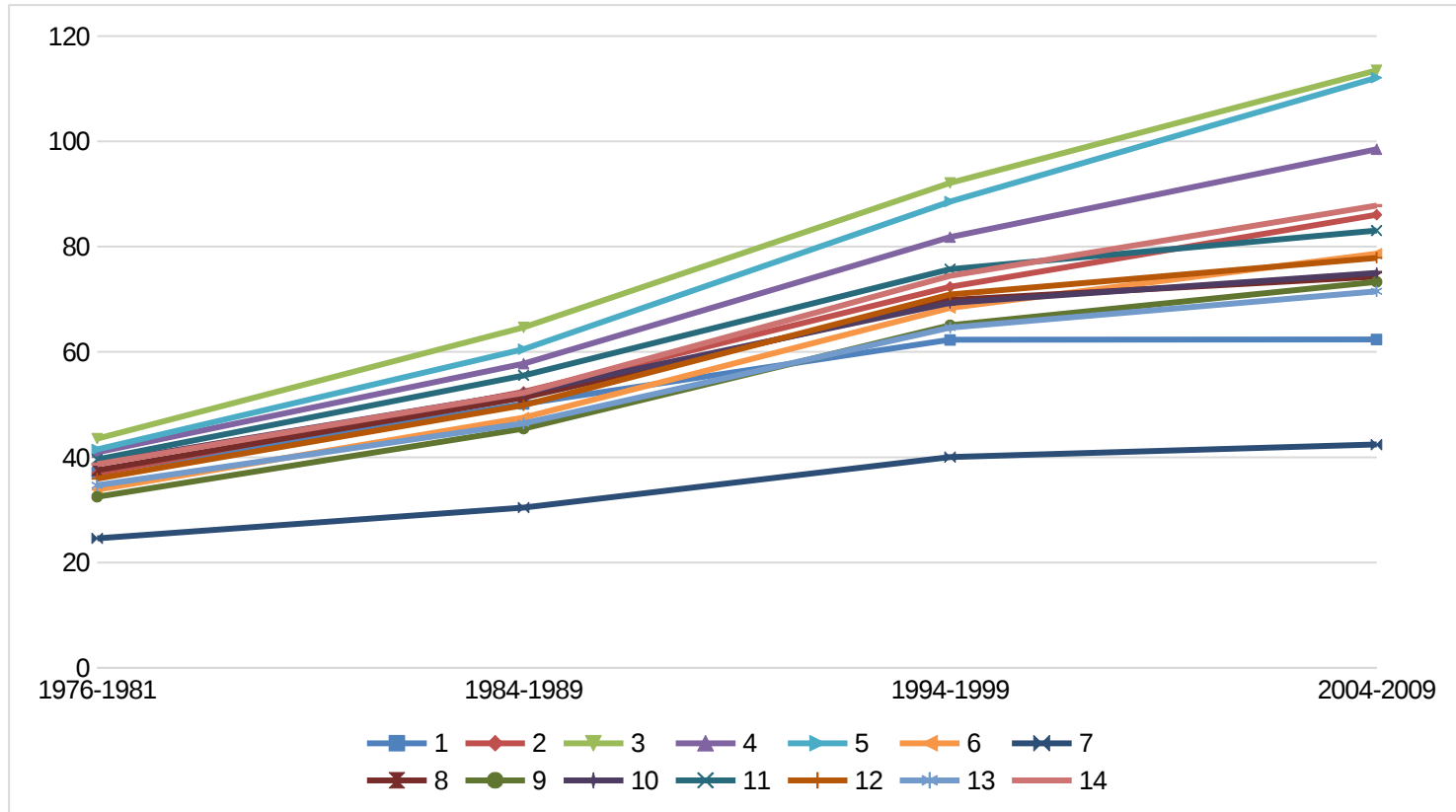
■ Share of persons with stable employment, by sector (%)



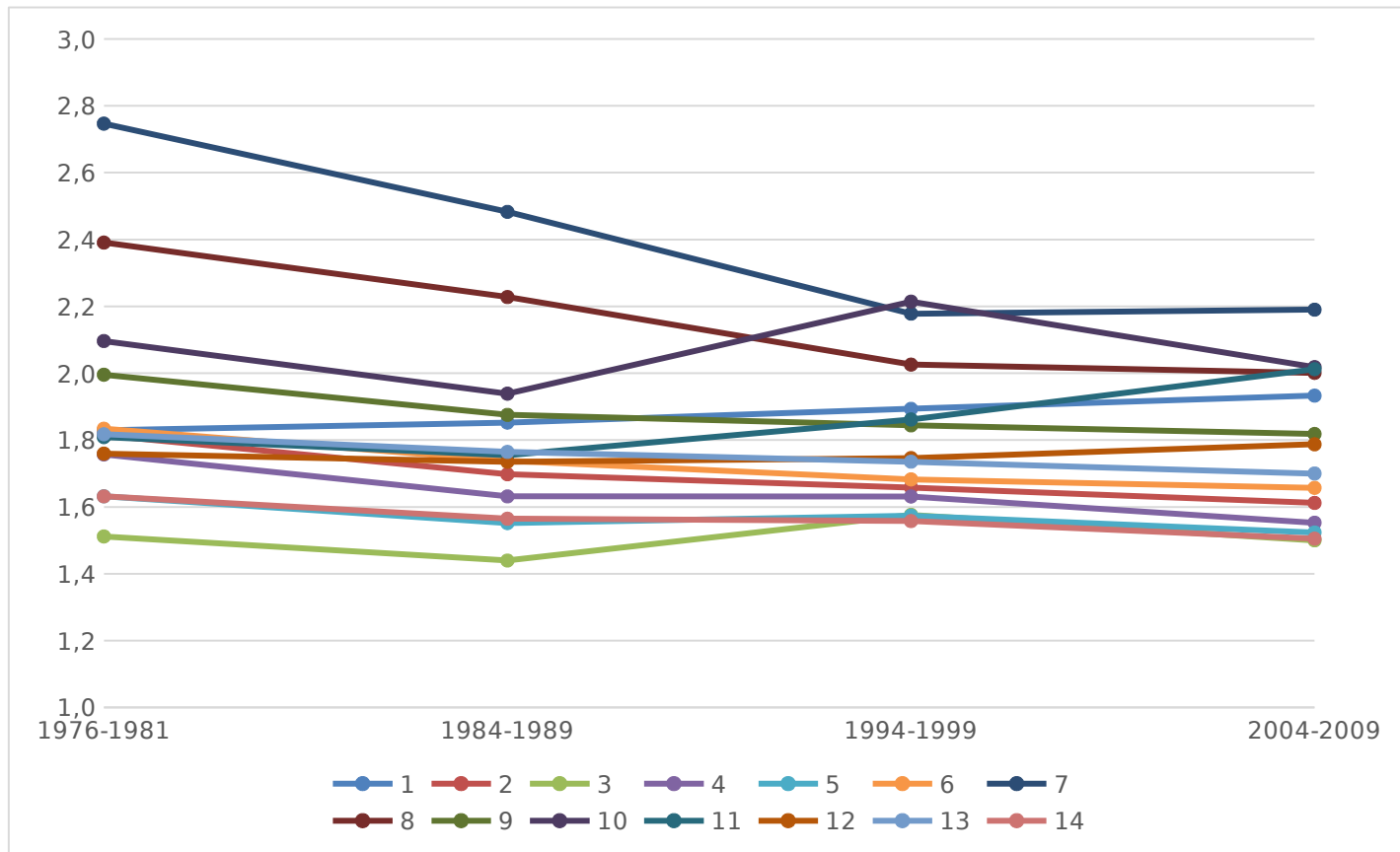
■ Share of persons with part-time employment, by sector (%)



■ Mean daily pay (without part-time), by main sector



■ Number of jobs in observation period, by main sector of sample person



■ Preliminary conclusions on WP5

■ More *continuity* than expected since the 1970s in terms of flexibility / turbulence in employment trajectories

■ *Change* can be found concerning

- Decrease in (nominal!) wage gains over time
- Rising female employment, thus changing earner models (modernised bread-winner model strong in Germany)
- Changing importance of sectors (not presented above): Teritarisation
- Growing divergence of conditions between sectors: job stability, part-time employment, daily pay (but: convergence of external flexibility)

■ The way ahead:

- Analysis of dispersion (only mean values presented above)
- New data due in January -> analysis possible until 2013
- More parameters, e.g. on benefit receipt

■ Back to the larger view on soeb: Why work as a network project? Synthesis!

■ Public discussion uses 'stories' → A common *narration* of the research network is needed, based on detailed results from the different research fields

■ Draft of a storyline

- Positive development of macro conditions in recent years, thus potential for well-being
- At the micro level growing inequality of well-being achievements and opportunities
- Relative importance of the different sectors of well-being production (labour-market, state, personal relationships) changes
- Today's socioeconomic model radically (?) different than in post-war period (contested: Workshop in Berlin, 10/11 December)
- Insecurities in the system grow + lack of sustainability in different respects (ecological, economical, social?)

■ Current challenges for *soeb*

■ Achieving a synthesis (empirical findings ↔ narration)

■ Finishing the final report

■ Creating impact

- ...while being between two chairs: academic science & public science
- ...in the face of resource constraints: more ideas and plans than can be realized (road show, policy briefs, graph of the month,...)
- ...whereas results come as the last thing → it is hard to react *ad hoc* to public debates (media)

■ Assuring continuity

- “Network of competence” has been created
- Network will try to raise funds for further research

■ Thank you for listening and for comments

■ <http://www.soeb.de>

- Reporting on socio-economic development in Germany

■ <http://www.sofi-goettingen.de>

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■ **Titels of the *soeb* 3 work packages**

- Macroeconomic development until 2030 and scenarios
- Transition of the financial structure and socioeconomic development
- Ownership structures in the corporate sector and corporate governance
- “Working Time”
- Employment trajectories and life courses
- Causes and consequences of self-perceived precarity
- Employment trajectories and employment systems
- ‘We study not for school but for the labour market.’ But for which one?
- Development of income and wealth distribution
- Household and family structures as context for employment histories
- (Social) Participation and basic social security [“HARTZ IV”]
- Employment trajectory and transitions to retirement age
- Income, consumption and social participation in old age
- Consumption development until 2030 by household type and scenarios
- Class-specific consumption levels and structures
- Consumption poverty, food poverty and alimentary participation
- Ecologically sustainable consumption and capabilities