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Navigating Subjective Socioeconomic Insecurity in Times of Crisis

An Interplay of Social Status, Crisis Experiences and Perceptions**

Abstract: Using experiences from the financial crisis, this paper investigates the extent to which subjective socioeconomic insecurity among Germans has changed during the COVID-19 pandemic and in the aftermath of the Russia-Ukraine war. I analyse how subjective insecurity is associated with individuals' social status and their personal crisis experiences and perceptions during the crises. I distinguish between objective and subjective social status, addressing the more crucial role of the latter in shaping subjective insecurity. Using panel data from 2020 to 2022 and additional Eurobarometer data, the results show that Germans are less concerned about their jobs and more about their economic conditions. Subjective economic insecurity experienced a substantial increase in summer 2022, potentially due to the energy crisis and inflation, which have been exacerbated by the war. The increase was primarily observed among individuals who perceive themselves at the bottom of society, indicating a crucial role of subjective social status in explaining changes in feelings of insecurity. Objective status based on income, education or occupation does not explain the changes. Overall, lower-status groups are more likely to feel insecure. During crises, this negative association is intensified by individuals' crisis experiences such as income loss and their perceptions of economic affectedness.

Keywords: Subjective Socioeconomic Insecurity; Social Status; Economic Crises; Perceptions; COVID-19; Russia-Ukraine War

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Subjektive sozioökonomische Unsicherheit in Krisenzeiten

Ein Zusammenspiel von sozialem Status, Krisenerfahrungen und Wahrnehmungen

Zusammenfassung: Der vorliegende Beitrag analysiert anhand von Erfahrungen aus der Finanzkrise, inwieweit sich die subjektive sozioökonomische Unsicherheit der Deutschen während der COVID-19-Pandemie und nach dem Russisch-Ukrainischen Krieg verändert hat. Konkret wird untersucht, inwiefern die subjektive Unsicherheit mit dem individuellen sozialen Status sowie persönlichen Krisenerfahrungen und -wahrnehmungen zusammenhängt. Dazu wird zwischen dem objektiven und subjektiven sozialen Status unterschieden, um die wichtigere Rolle des letzteren zu adressieren. Empirisch werden Paneldaten von 2020 bis 2022 sowie zusätzliche Eurobarometer-Daten verwendet. Die Ergebnisse zeigen, dass sich die Deutschen weniger um ihren Arbeitsplatz sorgen, jedoch mehr um ihre wirtschaftliche Lage. Ihr wirtschaftliches Unsicherheitsgefühl nahm im Sommer 2022 signifikant zu, was möglicherweise auf die Energiekrise und die Inflation zurückzuführen ist, welche durch den Krieg deutlich verschärft wurden. Der Anstieg ist insbesondere bei Individuen zu beobachten, die sich selbst am unteren Ende der Gesellschaft sehen. Dies verdeutlicht die wesentliche Bedeutung des subjektiven sozialen Status bei der Erklärung von Veränderungen des Unsicherheitsgefühls. Eine Erklärung für die Veränderungen lässt sich anhand objektiver Statusmerkmale, wie Einkommen, Bildung oder Beruf, nicht ableiten. Insgesamt wird festgestellt, dass sich Gruppen mit niedrigerem Status eher unsicher fühlen. In Krisenzeiten wird dieser Zusammenhang durch persönliche Krisenerfahrungen wie Einkommensverluste und die Wahrnehmung wirtschaftlicher Betroffenheit weiter verstärkt.

Stichworte: Subjektive sozioökonomische Unsicherheit; Sozialer Status; Ökonomische Krisen; Wahrnehmungen; COVID-19; Russisch-Ukrainischer Krieg

1 Introduction

Major crises, such as the financial crisis in 2008/09 and the COVID-19 pandemic, have led to significant economic downturns worldwide. Consequently, individuals may feel insecure about their future employment and economic circumstances. Indeed, widespread feelings of socioeconomic insecurity have emerged since the financial crisis, especially in economically hard-hit countries (Akaeda/Schöneck 2022; Chung/van Oorschot 2011; Lübke/Erlinghagen 2014). Based on the example of the financial crisis, we might also expect increasing subjective socioeconomic insecurity after the onset of the pandemic. Europeans may feel even more socioeconomically insecure as a result of the energy crisis and inflation, which have been

largely intensified by Russia's attack on Ukraine since February 2022, with the pandemic still ongoing.

Subjective socioeconomic insecurity is particularly relevant in times of crisis, as individuals may perceive themselves as vulnerable to economic and social changes in society, regardless of their actual socioeconomic circumstances. Higher subjective insecurity has further negative impacts on individuals concerning, for instance, their subjective well-being and mental health (Alcover et al. 2022; Fernandez-Urbano/Kulic 2020), institutional trust (Delhey et al. 2023; Wroe 2016) and welfare state attitudes (Marx 2014).

Economically, the pandemic hit Germany moderately compared to other European countries. The expansion of short-time work has saved a sizeable share of the German population from losing their jobs (Gehrke/Weber 2020). Relief packages have been passed to mitigate the energy crisis and inflation caused by the Russia-Ukraine war. Against this background, investigating the extent to which Germans still feel insecure about their future socioeconomic circumstances is of particular interest.

This paper analyses changes in subjective socioeconomic insecurity in Germany from 2020, after the beginning of the pandemic, to around a half year after the war outbreak in 2022. I study to what extent individuals' subjective insecurity is associated with their social status at the onset of the pandemic, their personal crisis experiences during the pandemic and their perceptions of economic affectedness due to the pandemic. Moreover, I differentiate between objective and subjective social status. Individuals' subjective social status often does not correspond to their objective status based on personal occupation or income (Evans/Valley 2004) but explicitly refers to their assessment of their relative position in society. Subjective status also reflects the socioeconomic conditions of the entire household better than objective status (Oesch/Vigna 2023). In this paper, I investigate whether subjective social status plays a more crucial role than objective status in shaping subjective insecurity in times of crisis.

For the main analysis, I use four-wave panel data collected in two research projects in Germany. The first wave took place in March 2020, the second in June and July 2020, the third in April 2021, and the last panel wave occurred in July and August 2022. The data contain three items on subjective socioeconomic insecurity asked in each wave, starting with the second panel wave. Objective and subjective measures of social status were included in the first panel wave, enabling me to investigate the relationship between individuals' initial social status and their subjective insecurity during the pandemic. Additionally, I employ data from Eurobarometer surveys to validate the results, illustrating the general trends of subjective insecurity in Germany over the past two decades.

Overall, Germans are less concerned about losing their jobs and more concerned about having financial difficulties or a much lower living standard. From summer

2020 to summer 2022, no substantial changes in insecurity regarding job loss occurred, but insecurity regarding the economic aspects clearly increased, particularly in summer 2022. Additional analysis of the Eurobarometer data reveals a small increase in subjective socioeconomic insecurity also from 2019 to 2020. Therefore, the pandemic seems to have had a limited impact on subjective insecurity among Germans. Their concerns about their economic conditions increased significantly after the outbreak of the Russia-Ukraine war. The increase is primarily observed among those with a lower subjective social position, and cannot not be traced back to objective status based on income, education or occupation. Accordingly, the increase in subjective economic insecurity is more likely to be attributed to the energy crisis and inflation resulting from the war, with a particular impact on those who perceive themselves at the lower end of the social hierarchy. The findings suggest, as expected, a more important role of subjective than objective social status in analysing changes in subjective insecurity during crises.

Across waves, individuals with a lower objective or subjective social status are more likely to feel insecure about their jobs and economic circumstances. Individuals are more likely to feel insecure when experiencing a personal crisis such as income loss or perceiving themselves to be more affected by the pandemic. Moreover, individual crisis experiences and perceptions only partly explain the negative coefficient of social status on subjective insecurity. The findings present compelling descriptive evidence of a negative association between social status and subjective socioeconomic insecurity, which is further intensified by individual crisis experiences and perceptions during crises.

2 Subjective Socioeconomic Insecurity in Germany in Times of Crisis

The two major global crises of the last two decades, namely the financial crisis in 2008/09 and the recent COVID-19 pandemic, have led to substantial economic downturns worldwide. They have caused various degrees of decreased economic growth and increased unemployment rates in different countries. Although economically less affected by both crises than other European countries, Germany still experienced a contraction of its gross domestic product (GDP) of 5.7 per cent in 2009 and 3.7 per cent in 2020 (Statistisches Bundesamt 2023). The country's GDP grew back within the two years following each crisis, suggesting a relatively short-term impact of both crises on the national economy.

The German government has enacted different policy measures in response to both crises to provide financial and social assistance to the citizens. Short-time work, among others, was largely used to cope with the financial crisis and further expanded shortly after the pandemic began. Indeed, no significant rise in unemployment took place in Germany in 2009, as the unemployment rate rose slightly by 0.3 percentage points compared to 2008 (7.8 per cent) and continued to drop over the following ten years (Bundesagentur für Arbeit 2023). This suggests that the

short-time work scheme successfully buffered the negative impact of the financial crisis on the German labour market. During the pandemic, short-time work was employed with greater intensity, especially during the first pandemic wave in the spring of 2020 (Gehrke/Weber 2020). Despite the potential cushioning effect of short-time work, the unemployment rate increased from 5.0 per cent in 2019 to 5.9 per cent in 2020. In the following year, the unemployment rate dropped slightly to 5.7 per cent, and it had not yet returned to the pre-pandemic level by the end of 2022 (Bundesagentur für Arbeit 2023). The pandemic appears to have had a more pronounced and longer-lasting negative impact on the labour market, compared to the financial crisis. Nevertheless, Germany's unemployment rate has remained relatively low over the last 15 years.

Against a crisis that resulted in a decreasing national economy and increasing unemployment, individuals may feel particularly insecure about their own socioeconomic circumstances. Empirical evidence shows that German citizens felt increased concern about the financial situation of their households in 2008 (Burzan/Kohrs 2013; Niehues/Stockhausen 2020) when the economic crisis had not yet hit Germany. This suggests that citizens were concerned about their country and personal circumstances as the crisis hit other countries. Interestingly, public concern began to decrease in 2009 when Germany had just been hit by the financial crisis (*ibid.*). This may be surprising at first glance, but it is consistent with the fact that Germany was economically much less hard hit than other countries and recovered quickly afterwards. Moreover, it indicates that Germans are optimistic about themselves and their country in confronting the crisis. Following this logic, one may expect similar changes in subjective socioeconomic insecurity among German citizens after the COVID-19 pandemic began. Overall, there should be a significant rise in subjective insecurity since 2020. Taking the discussed differences regarding the labour market consequences of the two crises into consideration, the pandemic may have resulted in stronger and longer-lasting insecurity feelings among Germans.

In 2022, as the pandemic continued, the Russia-Ukraine war broke out at the end of February. This triggered an acute energy crisis in Germany, having a further negative impact on the national economy. Since then, relief packages have been adopted to cope with the situation, such as discounted local transport tickets (the '9 Euro-Ticket') and the tax reduction for gas and district heating. Despite these measures, the year-on-year inflation rate in 2022 reached a historically high level (+7.9 per cent), and the monthly inflation rate exceeded the 10-per cent threshold in October (Statistische Bundesamt 2024). Under these circumstances, Germans may feel even more insecure about their own socioeconomic conditions.

Taking the changes after the financial crisis as a starting point, this paper examines changes in subjective socioeconomic insecurity among Germans over the course of the pandemic from 2020 to 2022. To analyse subjective insecurity in 2022,

the paper also considers the Russia-Ukraine war, particularly the energy crisis and inflation triggered by the war, given their potential impact on subjective insecurity. We should note that, in contrast to the financial crisis, the pandemic's health consequences and the war's life-threatening nature may have contributed to an increase in general feelings of insecurity. This paper, however, focuses on feelings of job and economic insecurity specifically, highlighting the similarity of the three different crises in terms of their labour market and economic consequences. In particular, I analyse the extent to which such subjective insecurity and its changes over time differ among individuals.

3 Social Status, Crisis Perceptions and Subjective Socioeconomic Insecurity

Subjective socioeconomic insecurity has drawn attention since the end of the last century due to globalisation and labour market flexibilisation, together with the increasing proliferation of atypical employment (Countouris 2007). The debate further expanded after the global financial crisis. Against this background, scholars – mainly conducting country-comparative analyses – have analysed how subjective socioeconomic insecurity is driven by (changing) contextual factors (e.g., Akaeda/Schöneck 2022; Chung/van Oorschot 2011; Lübke/Erlinghagen 2014; van Oorschot/Chung 2015). In contrast, this paper investigates how subjective socioeconomic insecurity is related to different individual characteristics, focusing on subjective insecurity during crises like the COVID-19 pandemic. I analyse subjective insecurity in terms of concerns about future employment and economic circumstances.

Although not addressing individual-level determinants explicitly, previous research has found substantial differences regarding subjective socioeconomic insecurity among individuals with different social statuses. For instance, individuals with unemployment experiences or precarious socioeconomic circumstances (e.g., temporary contract and lower income) are more worried about losing their jobs and feel insecure about their general employment situation (Böckerman 2004; Chung 2019; Lübke/Erlinghagen 2014). In addition, lower-status groups have more concern about having financial difficulties in the near future (Akaeda/Schöneck 2022; Burgoon/Dekker 2010; Mau et al. 2012). Overall, individuals with a lower social status exhibit higher levels of subjective socioeconomic insecurity. Consequently, we could expect a comparable influence of social status on subjective insecurity after the pandemic outbreak.

As discussed in Section 2, the pandemic has led to a relatively small increase in unemployment and a much larger increase in short-time work in Germany, accompanied by decreasing incomes for affected individuals. Widely used indicators of social status, such as occupation or income, may have thus changed rapidly over the course of the pandemic, depending on individuals' own crisis experiences, such

as job changes or income loss. Accordingly, I distinguish between social status at the beginning of the pandemic and changes in employment or income during the pandemic. Individuals who have experienced job or income loss should feel more insecure about their future socioeconomic circumstances. More importantly, those with a lower social status at the onset of the pandemic tend to have higher subjective insecurity, regardless of potential subsequent changes in their employment or income. Further, individuals with a lower initial status are at higher risk of being affected in terms of shifting into short-time work or losing their jobs and income, which leads to higher subjective socioeconomic insecurity.

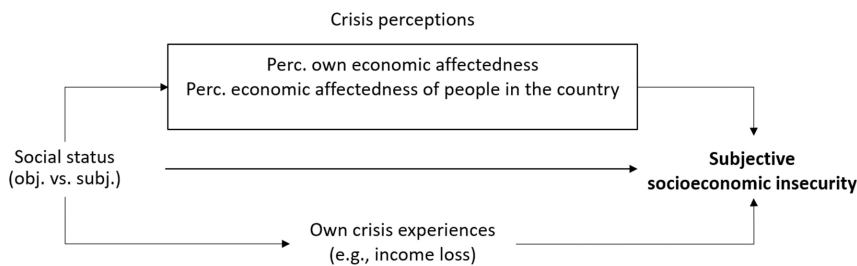
In addition to classical objective measures of social status, subjective social status is often used in empirical studies, particularly for analysing different subjective indicators of individuals, such as subjective well-being (Präg et al. 2016) and support for the radical right (Gidron/Hall 2017). Subjective social status highlights individuals' own position relative to others in society. More importantly, it addresses how individuals perceive their relative position in the social hierarchy, which may not always correspond to their objective status based on their occupation or income. Indeed, previous research has found a mismatch between objective and subjective social statuses, as individuals tend to place themselves in the middle of the social hierarchy (Evans/Kelley 2004). Accordingly, as empirically confirmed, subjective social position plays a more crucial role than objective measures in explaining subjective outcomes (e.g., Tan et al. 2020). Moreover, despite being referred to as the 'middle-class bias' (OECD 2019), the disparities between objective and subjective measures do not necessarily imply that individuals misperceive their own status. Instead, subjective social position can offer a more comprehensive assessment than a singular measure such as income, occupation or education, as individuals may consider both their own and their partners' education, occupation, income and wealth when evaluating their overall social standing. A recent study by Oesch and Vigna (2023) corroborates that subjective social status provides a more accurate reflection of income and wealth within individuals' households than the objective measure based on occupation and additional employment details. Against this background, I argue that individuals' self-perceived social position also predicts their subjective insecurity better than their objective status.

Finally, individuals' perceptions of economic affectedness due to a crisis also shape their perceived insecurity. First, individuals may feel insecure about their future circumstances when they perceive themselves as economically affected by a crisis; notably, this perception is not necessarily solely due to their actual crisis experiences, such as income loss. Second, individuals may feel insecure when they perceive others in the country suffering from a crisis. Their initial social status at the beginning of a crisis plays a role in shaping both kinds of crisis perceptions. Empirical evidence shows that lower-status groups tend to perceive their country and themselves as highly affected economically by the financial crisis (Giugni/Mexi 2018; Kiess/Lahusen 2018; Uba 2018). Similarly, lower-status groups may perceive

themselves and other people in the country as more affected by the pandemic, resulting in higher subjective insecurity regarding their own future socioeconomic circumstances.

In a nutshell, individuals’ initial social status plays a significant role in forming their subjective socioeconomic insecurity during a crisis. Their actual crisis experiences and perceptions of affectedness act as mediators that partly explain how initial status shapes subjective insecurity. Figure 1 illustrates the formation of subjective socioeconomic insecurity in times of crisis, addressing the interplay between individuals’ initial social status at the onset of a crisis, their own crisis experiences during the crisis, and their perceptions of economic affectedness due to the crisis. Given the potential disparities between objective and subjective measures of social status and that subjective social status better predicts household socioeconomic conditions, I differentiate the two measures to analyse their different impacts on subjective insecurity. First, I expect initial social status to have a negative effect on subjective insecurity during a crisis: *Individuals with a lower social status are more likely to feel insecure about their future socioeconomic circumstances* (H1). Second, I hypothesise that *subjective social status has a stronger influence on subjective socioeconomic insecurity than objective social status* (H2).

Figure 1: Formation of subjective socioeconomic insecurity in times of crisis



Note: This figure illustrates the formation of subjective socioeconomic insecurity during crises.

Source: Author's own creation.

As discussed in Section 2, subjective socioeconomic insecurity is expected to increase overall in the aftermath of a crisis. I assume that changes in subjective insecurity during a crisis, such as the financial crisis or the pandemic, differ among individuals with different social statuses. Using data from the European Social Survey fielded in 2008/2009, just after the financial crisis, Mau et al. (2012) found higher subjective insecurity in countries with increasing unemployment rates and inequality, especially among individuals with a lower social status. The authors pointed out that underprivileged groups may be generally more sensitive to crises and changing institutional contexts and are thus more likely to feel insecure. Following this argument, we could expect a particularly strong increase in subjective

insecurity for lower-status groups. In contrast to Mau et al. and previous studies that used cross-sectional data, I utilise panel data from 2020 to 2022 to analyse changes in subjective socioeconomic insecurity among Germans. The panel design enables me to additionally employ fixed effects models to investigate how individual changes in subjective insecurity during this period differ across different status groups. I hypothesise that *the probability of feeling socioeconomically insecure increases over time, especially for individuals with a lower social status* (H3). Furthermore, distinguishing between objective and subjective social status, I expect that *the increase in subjective socioeconomic insecurity over time is more strongly related to subjective social status* (H4).

During crises, individuals' initial social status – in addition to directly impacting their subjective insecurity – influences their subjective insecurity by determining their crisis experiences and perceptions. This mechanism should hold for both objective and subjective measures of social status. Lower-status groups are more prone to experiencing job changes or income loss and assessing themselves and others as negatively affected by a crisis. Consequently, they are more likely to feel socioeconomically insecure. Therefore, *the negative impact of individuals' social status on their subjective socioeconomic insecurity during a crisis should be partly explained by their crisis experiences and perceptions* (H5). Meanwhile, *individuals with their own crisis experiences (e.g., income loss) are more likely to feel insecure about their future socioeconomic circumstances* (H5a). Furthermore, *the more highly individuals perceive themselves to be economically affected by a crisis* (H5b), *or the more highly they perceive others in their country to be affected* (H5c), *the more likely they are to feel socioeconomically insecure*.

As discussed earlier and addressed within Hypotheses H5b and H5c, individuals' perceptions regarding their own and others' economic affectedness should have a similar positive influence on their subjective insecurity. This raises the question of the extent to which they feel insecure when perceiving their own affectedness as higher and others' affectedness as lower, or vice versa. Previous research has revealed that individuals base their assessments on cognitive comparisons with their past selves and with groups in their social environment (for a review, see Smith et al. 2012). In this sense, individuals feel insecure about their future socioeconomic circumstances when assessing their present employment or financial situation as worse than in pre-crisis times. Their subjective insecurity is intensified when they perceive themselves as more strongly affected by a crisis than others in their country. Building on this, I finally hypothesise that *individuals are more likely to feel socioeconomically insecure when perceiving themselves to be economically more highly affected by a crisis than others in the country* (H6).

4 Data and Methodology

I use the SOECBIAS-COVREF data containing four panel waves from 2020 to 2022, collected in two research projects at the University of Hamburg (Beblo et al. 2024). Data collection of the first panel wave took place from 6 March to 31 March 2020, as the pandemic has just begun in Germany. A quota sample alongside gender, age, education and income was drawn from an online access panel, with 1,535 participants in the first wave. The second panel wave was collected from 23 June to 12 July 2020, the third from 12 April to 28 April 2021, and the last panel wave was collected from 15 July to 10 August 2022. Eighty-five per cent of the original sample, or 1,304 respondents, participated in wave 2, 1,034 (67.5 per cent) participated in wave 3, and 896 respondents of the original sample (58.4 per cent) participated in the last wave.¹ Overall, the sample is representative of the German population in terms of gender, age, education, income, and employment status. In this paper, weights are applied in all analyses to adjust for slight sample deviations. Further details on the collection and quality of the data are provided in Lohmann et al. (2024).

The dataset includes three different measures of subjective socioeconomic insecurity. Starting with the second panel wave, respondents were asked in each wave to assess how likely they were in the next 12 months to 1) lose their job because of layoffs or company closure; 2) have difficulties paying current expenses, such as rent, utilities or loan repayments; 3) have to drastically lower their standard of living. Though lacking data for March 2020, the subsequent data allow me to capture changes in subjective insecurity from summer 2020 to summer 2022. Moreover, the three items address different dimensions of subjective insecurity, enabling me to analyse potential differences in job and economic insecurity. The last panel wave allows me to additionally investigate how the Russia-Ukraine war and the accompanying energy crisis and inflation may have influenced subjective insecurity while the pandemic was still ongoing. A further strength of the dataset is that it contains detailed information on respondents' income and employment situation and how they perceive their economic affectedness due to the pandemic and that of other people in Germany. The items were also collected in each wave, starting with the second panel wave. The first panel wave, in turn, contains different objective and subjective measures of social status. These data enable me to investigate how subjective insecurity and its changes over time are related to individuals' initial social status, objective changes in their employment and income, and their perceptions of economic affectedness.

Regarding subjective insecurity, the answers for each of the three items range from 0 to 100, and the higher the score, the higher the assessed risk. Additionally, respondents were given the option 'This has already happened'. In this case, they

1 In the third and fourth panel waves, fresh samples of 203 and 220 respondents were added, respectively. In this paper, I only analyse the original sample.

did not report their perceived future risks. For the main analysis, I recode each item into a dummy showing whether respondents feel insecure, defining it as ‘feeling insecure’ when respondents reported a perceived risk of 50 or higher or selected ‘This has already happened’.² As robustness checks, I use two alternative operationalisations of the dependent variables. In the first variant, I treat each item as a metric variable, varying from 0 to 101, whereas I recode ‘This has already happened’ with 101, denoting the highest degree of subjective insecurity. In the second variant, I operationalise the dependent variables as dummies, as in the main analysis, but exclude for each item respondents who selected ‘This has already happened’. The results are quite consistent across the different operationalisations. I discuss the results of the main analysis in detail in Section 5 and provide the results of the robustness checks in Appendix B (Tables B1–B4).

To measure individuals’ own crisis experiences, I first use the item where respondents reported how their net household income has changed. The answers range from 1 (‘strongly decreased’) to 5 (‘strongly increased’). I summarise the variable into three categories (i.e. ‘decreased’, ‘about the same’ and ‘increased’).

Another typical crisis experience during the pandemic involves a job loss or a shift to short-time work. Based on information on employment status that was asked about in all four panel waves, I build a new variable that captures changes in employment status compared to the first wave (March 2020), with four categories (‘(self-)employed, unchanged’, ‘shifted to short-time work’, ‘lost own job’ and ‘other/inactive’.³ Matching the official statistics on labour market dynamics (Bundesagentur für Arbeit 2023, 2024), only about 1 per cent of the respondents lost their job, and 4 per cent shifted to short-time work in the second wave, that is, between March 2020 and June/July 2020. The changes are smaller for the subsequent waves. Moreover, a shift to short-time work also indicates a state of joblessness for the individuals concerned, though temporarily. For these reasons, I summarise the two categories, i.e., ‘shifted to short-time work’ and ‘lost own job’.

Regarding perceptions of economic affectedness due to the pandemic, respondents were asked to place themselves and people in Germany, respectively, on a vertical scale from bottom (0 – ‘no economic affectedness’) to top (100 – ‘strong economic affectedness’). I divide the items by 10 in the regression analysis. Additionally, I take respondents’ own perceived affectedness minus the perceived affectedness of

2 Respondents were asked how likely they are to lose their job only when they had reported in previous questions that they are (self-)employed or have had paid work in the last seven days. The (self-)employed respondents who chose ‘This has already happened’ must have still had their jobs at the moment of data collection, as indicated, but they may have received an announcement of layoffs or company closure. Therefore, I also categorise these respondents as ‘feeling insecure’ about their job situation.

3 Approximately 3 per cent of all respondents changed from inactivity to (self-)employment. As this is not the focus of this paper, these respondents were included in the ‘other/inactive’ category.

people in Germany to calculate their own perceived affectedness relative to others in Germany. A score above 0 refers to a higher perceived affectedness for themselves than others. I then build a new dummy variable denoting whether respondents perceived themselves as more highly affected than others.

The data contain different objective measures of social status at the onset of the pandemic. I use monthly net household income as the objective measure for the main analysis. OECD (2019) defines the middle-income group as households with an equivalent disposable income between 75 and 200 per cent of the national median. Following this definition and based on the median income in Germany in 2019, I categorise respondents with a monthly net household income between 1,500 and 4,000 euros as the middle-income group (medium status).⁴ Respondents with a monthly income of less than 1,500 euros are categorised as the lower-income group (lower status), and those with an income of more than 4,000 euros as the higher-income group (higher status). As respondents reported their income in categories, I do not calculate the equivalent income for each household but control for household size in the main analysis. For a robustness check, I employ the equivalent household income, for which only a rough calculation is possible based on the reported income categories.⁵ The results remain consistent and are provided in Appendix C (Tables C1 and C2). For additional analyses, I include education (lower, medium or higher) and occupation (manual, skilled/service or professional/clerical) as two further objective measures of social status.

Regarding subjective social position, respondents were asked to place themselves within society on a vertical scale from bottom (0) to top (100). I categorise those who put themselves below 30 as the lower-status group, between 30 and 70 as the medium-status group, and those who placed themselves at 70 or higher as the higher-status group.

I include gender, age and a dummy on whether respondents live in eastern Germany as further individual controls and use the unbalanced sample.⁶ After data cleaning, the sample consists of 2,615 observations from waves 2 to 4, with 1,052 respondents in wave 2 (June/July 2020), 837 in wave 3 (April 2021) and 726 respondents in wave 4 (July/August 2022). The sample is smaller for analysing job insecurity since unemployed respondents are excluded, leaving 1,607 observations, containing 650 respondents in wave 2, 526 in wave 3 and 431 in wave 4. Summary

4 The yearly median equivalent net household income in Germany was 23,515 euros in 2019, as documented in Eurostat (2023), that is, approximately 2,000 euros per month.

5 Respondents were provided with a total of 12 income brackets, comprising 10 brackets of 500 euros and two final brackets of '5,000–10,000 euros' and '10,000 or more'. To calculate the equivalent income, I apply the OECD weight and take the mean of each income bracket except for the last one, for which I use the value of 10,000.

6 The first panel wave contains an information treatment for a randomly chosen subsample initially designed to analyse income misperceptions, which is not the focus of this paper. For this reason, I additionally control for treatment group membership in all regressions.

statistics of the variables for the main and additional analyses are displayed in Table A1 in Appendix A.

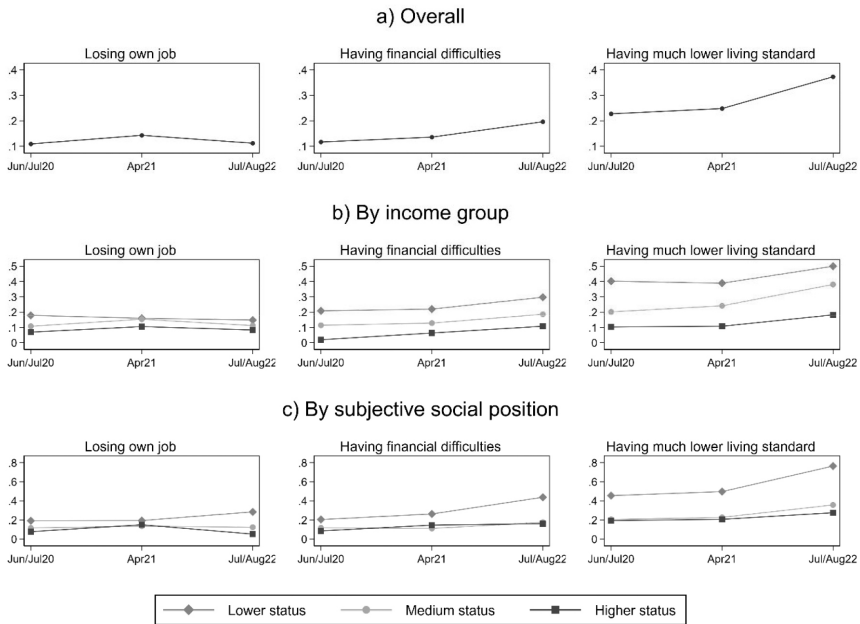
In addition to descriptive analysis, I employ pooled OLS models with clustered robust standard errors. I estimate linear probability models for the main analysis since all three dependent variables are dichotomous. I test how individuals' objective and subjective social statuses at the onset of the pandemic relate to their subjective insecurity since then. Additionally, I use fixed effects models to check the consistency of the results regarding the changes in subjective insecurity among different status groups over time. Furthermore, I investigate the extent to which subjective insecurity is associated with changes in employment and income and perceptions of economic affectedness due to the pandemic.⁷

5 Results

5.1 Descriptive Statistics: Changes in Subjective Insecurity by Social Status

Figure 2 shows how subjective socioeconomic insecurity in Germany has changed from June/July 2020 to July/August 2022. Figure 2a) illustrates the overall changes, and Figures 2b) and 2c) illustrate the changes by income group and subjective social position at the beginning of the pandemic, respectively. Overall, subjective job insecurity among German respondents was relatively stable over time, as shown in Figure 2a). After a small rise in April 2021, subjective job insecurity dropped in July/August 2022 back to the level of two years before. The share of respondents concerned about losing their jobs in the next 12 months remained at a low level, that is, less than 15 per cent in all three waves. Respondents were more concerned about their financial situation than their employment situation. From June/July 2020 to April 2021, no substantial change in subjective economic insecurity occurred, but a clear increase took place by July/August 2022. Moreover, German respondents were throughout more likely to worry about having a much lower living standard than about having financial difficulties. Around 20 per cent of respondents were concerned about the former in the summer of 2020, and the share increased to almost 40 per cent by the summer of 2022.

7 In the main analysis, respondents are also considered to be feeling insecure if they selected 'This has already happened' within the items on subjective insecurity, i.e., they have lost their job, had financial difficulties, or drastically lowered their standard of living. These experiences may lead them to perceive themselves to be economically affected by the pandemic. The potential reverse causality should have been excluded from the robustness check that omitted respondents who chose 'This has already happened'. The results of the robustness check remain consistent, as demonstrated in Appendix B (Tables B2 and B4).

Figure 2: Changes of subjective socioeconomic insecurity, 2020 – 2022 in Germany

Note: The figure presents the changes from June/July 2020 to July/August 2022 in the share of Germans who were worried about losing their jobs (left), having financial difficulties (middle) and having a much lower standard of living (right) in the next 12 months. Figures 2a), 2b), and 2c) show the overall changes, changes by income group and by subjective social position, respectively.

Source: SOECBIAS-COVREF data. Weights applied.

Figure 2b) demonstrates a clear pattern: the higher-income group is least likely to feel insecure about their future socioeconomic circumstances, and the lower-income group is most likely to feel insecure. In particular, about half of the lower-income group were concerned about having a much lower living standard in July/August 2022, while less than 20 per cent of the higher-income group were worried at the time. Changes in subjective insecurity from June/July 2020 to July/August 2022 were similar across different income groups. This indicates that the observed overall increase in subjective insecurity cannot be explained by income.

Figure 2c) shows that respondents who place themselves in the lower-status group are also more likely to feel insecure, applying to all three items on subjective insecurity. Notably, the situations for the medium and higher subjective status groups are very similar. Over all three panel waves, subjective insecurity for respondents with a medium or higher subjective status remained relatively stable. In contrast, a small increase in subjective job insecurity was evident in the last panel wave in

July/August 2022 for the lower subjective status group. Furthermore, a substantial increase in subjective economic insecurity appeared among this group, especially in July/August 2022. This corresponds to the overall changes across all respondents depicted in Figure 2a). In the summer of 2022, over 40 per cent of the lower subjective status group were concerned about having financial difficulties, and almost 80 per cent were worried about having a much lower standard of living. Accordingly, the overall increase in subjective economic insecurity seems to be driven by respondents with a lower subjective status.

To summarise, the descriptive statistics reveal that respondents with a lower social status at the onset of the pandemic were more likely to feel insecure, as expected. While job insecurity remained low, a substantial increase in economic insecurity took place from summer 2020 to summer 2022. The increase could possibly be traced back to respondents who perceive themselves to be at the lower end of the social hierarchy. This reveals the importance of subjective social position in addition to objective measures for analysing subjective insecurity.

5.2 Impact of Objective and Subjective Social Status

In this section, I analyse how subjective socioeconomic insecurity is related to different objective and subjective measures of social status, with a focus on individuals' initial status at the beginning of the pandemic. In addition, I investigate whether the observed increasing subjective insecurity over time is indeed driven by respondents with a lower subjective social position, as revealed by the descriptive statistics. This section presents the results of the main analysis using pooled OLS linear probability models since the dependent variables on subjective insecurity are dichotomous. The results are robust using alternative operationalisations for the dependent variables, as discussed in Section 4 (see also Tables B1 and B2 in Appendix B).

Table 1 displays the main results, controlling for individual characteristics, including gender, age, household size and place of residence. Panel a) shows the coefficients of income group and subjective social position across all waves. Compared to respondents with a lower status at the onset of the pandemic, those with a higher initial status are significantly less likely to be worried about losing their jobs, having financial difficulties and having a much lower standard of living in the next 12 months. The medium-status group is also less likely to have concerns about having financial difficulties and a much lower living standard. These patterns hold for both income group and subjective social position. Consistent with the descriptive results, the coefficients for the subjective medium- and higher-status groups are similar for all three dependent variables, indicating no substantial differences between the two groups. In contrast, higher-income respondents are less likely to feel insecure than those with a medium income.

Table 1: Social status and subjective socioeconomic insecurity

	Losing own job		Having financial difficulties		Having much lower living standard	
	(1) Inc.	(2) Subj. pos.	(3) Inc.	(4) Subj. pos.	(5) Inc.	(6) Subj. pos.
<i>Panel a) by social status</i>						
Social status (ref.: lower status)						
Medium status	-0.055 (0.031)	-0.087 (0.050)	-0.124*** (0.027)	-0.154*** (0.038)	-0.200*** (0.032)	-0.298*** (0.041)
Higher status	-0.106** (0.036)	-0.118* (0.051)	-0.218*** (0.029)	-0.163*** (0.039)	-0.359*** (0.037)	-0.336*** (0.043)
Time period (ref.: Jun/Jul20)						
Apr21	0.034* (0.017)	0.035* (0.017)	0.019 (0.013)	0.019 (0.013)	0.020 (0.017)	0.020 (0.017)
Jul/Aug22	0.000 (0.018)	0.003 (0.018)	0.079*** (0.017)	0.080*** (0.017)	0.143*** (0.020)	0.146*** (0.020)
<i>Panel b) by social status for each wave</i>						
Social status (ref.: lower status)						
Medium status	-0.087* (0.043)	-0.071 (0.062)	-0.122*** (0.031)	-0.086* (0.041)	-0.243*** (0.038)	-0.249*** (0.051)
Higher status	-0.140** (0.047)	-0.112 (0.063)	-0.231*** (0.032)	-0.124** (0.042)	-0.365*** (0.043)	-0.267*** (0.054)

	Losing own job		Having financial difficulties		Having much lower living standard	
	(1) Inc.	(2) Subj. pos.	(3) Inc.	(4) Subj. pos.	(5) Inc.	(6) Subj. pos.
Time period (ref.: Jun/Jul20)						
Apr21	-0.020 (0.050)	0.004 (0.076)	0.008 (0.032)	0.056 (0.043)	-0.019 (0.038)	0.040 (0.052)
Jul/Aug22	-0.031 (0.063)	0.090 (0.100)	0.088 (0.045)	0.232*** (0.066)	0.094 (0.049)	0.306*** (0.068)
Time period x social status (ref.: Apr21 x lower status)						
x Medium status	0.065 (0.055)	0.015 (0.079)	0.007 (0.036)	-0.063 (0.046)	0.059 (0.044)	-0.021 (0.056)
x Higher status	0.061 (0.058)	0.070 (0.082)	0.038 (0.038)	0.005 (0.051)	0.025 (0.047)	-0.028 (0.061)
(ref.: Jul/Aug22 x lower status)						
x Medium status	0.035 (0.067)	-0.083 (0.102)	-0.016 (0.050)	-0.176* (0.069)	0.087 (0.055)	-0.159* (0.073)
x Higher status	0.044 (0.071)	-0.115 (0.103)	0.002 (0.053)	-0.153* (0.073)	-0.016 (0.060)	-0.221** (0.076)
Individual controls	Yes	Yes	Yes	Yes	Yes	Yes
Obs.	1607	1607	2615	2615	2615	2615

Note: Using linear probability models. Income group used as the measure of social status in columns (1), (3) and (5), and subjective social position used in columns (2), (4) and (6). Individual controls are gender, age, household size, place of residence (West/East Germany), and treatment group membership. Significant levels: * p<.05, ** p<.01, *** p<.001.

Source: SOECBIAS-COVREF data. Weights applied.

Using education and occupation as alternative objective measures of social status, I find that higher-educated individuals and white-collar individuals or those with a higher administrative position are less likely to feel economically insecure (for detailed results, see Table A2 in Appendix A). Overall, the results confirm my first hypothesis that lower-status groups are more likely to feel insecure about their future socioeconomic circumstances (H1). A significant gap in subjective insecurity exists between the lower subjective status groups and the other two groups, though no substantial gap exists between the medium- and the higher-status groups. In contrast, medium-income individuals are more likely to feel insecure about their future circumstances than higher-income ones, and lower-income individuals are most likely to feel insecure. This reveals a clearer negative association between subjective insecurity and income. The results remain highly robust when employing the measure of equivalent income, as shown in Table C1 in Appendix C. Therefore, my hypothesis that the influence of subjective social position is stronger than objective social status (H2) is not empirically supported. Nevertheless, there is also no evidence that objective measures have a stronger influence in general: Table A2 shows that neither education nor occupation plays a more important role than subjective social position in subjective insecurity. Rather, my findings suggest a stronger influence of income on subjective insecurity across different measures of social status.

After accounting for social status and individual controls, panel a) in Table 1 additionally shows that, in April 2021, respondents were slightly more likely to be concerned about losing their jobs compared to summer 2020. By the summer of 2022, the probability of feeling insecure returned to the level from two years before. Regarding subjective economic insecurity, there were no significant changes in the first year of the pandemic. Several months after the outbreak of the Russia-Ukraine war, in July/August 2022, respondents were significantly more likely to be concerned about having financial difficulties and a much lower standard of living.

Panel b) in Table 1 presents the results regarding whether lower-status groups, in particular, experience increasing subjective insecurity over time. Columns (1), (3) and (5) show no significant interaction effects between time period and income group for all three dependent variables. This indicates similar changes in subjective job and economic insecurity over time across income groups. Also, I find no substantial differences across subjective status groups regarding changes in subjective insecurity from June/July 2020 to April 2021, as displayed in columns (2), (4) and (6). However, changes in subjective economic insecurity in July/August 2022 differed significantly among respondents with different subjective social positions. In the summer of 2022, respondents with a lower subjective status were more likely to worry about having financial difficulties and a much lower living standard than in the summer of 2020. Compared to the lower subjective status group, those with a medium or higher status were significantly less likely to exhibit these worries in summer 2022. Adding the relevant coefficients, the probability of feeling insecure

about future economic circumstances did not change substantially over time for respondents with a medium or higher subjective status. Therefore, the increasing insecurity is primarily driven by respondents who perceive a lower social status for themselves, confirming the descriptive statistics. This finding remains consistent when employing fixed effects models (see Table A3 in Appendix A).

My results first reveal a small, temporary increase in subjective job insecurity from summer 2020 to spring 2021, which remained relatively consistent across different status groups. Second, there was a significant increase in subjective economic insecurity from spring 2021 to summer 2022. The increase was driven by individuals with a lower subjective social position and could not be explained by income. The results remain consistent with the use of the equivalent income (see Table C1). Additional analyses show that other objective status measures, such as education and occupation, also do not explain the observed changes in subjective insecurity (see Table A2). This indicates that subjective social status – rather than objective measures – plays a vital role in explaining increasing economic insecurity in the summer of 2022. However, the observed increase in subjective job insecurity in spring 2021 was not associated with objective or subjective social status. These findings partly support my hypotheses that subjective insecurity increases over time, particularly for those with a lower social status (H3), and that the increase is more strongly associated with subjective social status (H4).

5.3 Interplay of Social Status, Crisis Experiences and Perceived Affectedness

In the next step, I analyse how the negative relationship between social status at the onset of the pandemic and subjective socioeconomic insecurity could be explained by individuals' crisis experiences regarding changes in their employment and income during the pandemic. Moreover, I test the extent to which the role of social status is explained by respondents' perceptions of their own economic affectedness and that of others due to the pandemic. Further, I investigate how subjective insecurity is associated with the perceived own affectedness compared to others. In this section, I discuss the results of the main analysis with subjective insecurity operationalised as dummies. Robustness checks show consistent results using other operationalisations, as mentioned in Section 4 (for detailed results, see Tables B3 and B4 in Appendix B).

Table 2 depicts the results of the OLS Models, using income at the beginning of the pandemic as a measure of initial social status. Panel a) displays the coefficients for subjective job insecurity. Panels b) and c) show the results for the two items on subjective economic insecurity. All regression models include individual controls and the variable regarding time periods. Columns (1) to (4) show that the negative coefficient of income group on subjective job insecurity becomes insignificant after including changes in employment and income. The coefficients for subjective

economic insecurity decrease but remain negative and statistically significant after accounting for job and income changes and perceptions of economic affectedness. Compared to respondents with a lower initial income, those with a medium or higher income are less likely to worry about having financial difficulties and a much lower living standard in the upcoming year. Across income groups, respondents with personal crisis experiences, especially a decreased income during the pandemic, are more likely to experience feelings of job and economic insecurity. Furthermore, the higher respondents perceive themselves to be economically affected by the pandemic, the more likely they are to feel insecure. Individuals are also more likely to feel economically insecure the more strongly they perceive others in the country to be affected. However, the coefficient turns insignificant after accounting for the perceived own affectedness. Finally, Column (5) shows that respondents who perceive their own affectedness as higher than others' affectedness are more likely to be concerned about losing their jobs, regardless of the absolute levels of their perceived own affectedness. The perceived own affectedness relative to others has no significant coefficients on subjective economic insecurity.

Table 2: Social status, crisis experiences and perceptions, and subjective insecurity

<i>Panel a)</i>	Losing own job				
	(1)	(2)	(3)	(4)	(5)
Social status (ref.: lower income)					
Medium income	-0.055 (0.031)	-0.026 (0.031)	-0.024 (0.031)	-0.016 (0.030)	-0.013 (0.030)
Higher income	-0.106** (0.036)	-0.058 (0.035)	-0.055 (0.035)	-0.030 (0.033)	-0.026 (0.033)
Changes in employment (ref.: (self-)employed, unchanged)					
Short-time work		0.305*** (0.074)	0.302*** (0.075)	0.257*** (0.073)	0.265*** (0.072)
Other/inactive		0.028 (0.024)	0.027 (0.024)	0.022 (0.023)	0.023 (0.022)
Changes in income (ref.: about the same)					
Decreased		0.148*** (0.026)	0.146*** (0.026)	0.081** (0.026)	0.080** (0.026)
Increased		-0.015 (0.022)	-0.014 (0.022)	-0.002 (0.022)	-0.007 (0.021)
Perceived affectedness of others					
			0.007 (0.004)	-0.005 (0.005)	
Perceived own affectedness					
				0.027*** (0.004)	0.018*** (0.004)

Perceived affectedness compared
to others
(ref.: self \Leftarrow others)

Self > others					0.100** (0.037)
Time period	Yes	Yes	Yes	Yes	Yes
Individual controls	Yes	Yes	Yes	Yes	Yes
Obs.	1607	1607	1607	1607	1607
Having financial difficulties					
Panel b)	(1)	(2)	(3)	(4)	(5)
Social status (ref.: lower income)					
Medium income	-0.124*** (0.027)	-0.085*** (0.025)	-0.079** (0.025)	-0.059* (0.023)	-0.058* (0.023)
Higher income	-0.218*** (0.029)	-0.153*** (0.028)	-0.142*** (0.027)	-0.099*** (0.025)	-0.099*** (0.025)
Changes in employment (ref.: (self-)employed, unchanged)					
Short-time work/lost job		0.135* (0.053)	0.128* (0.053)	0.082 (0.050)	0.083 (0.050)
Other/inactive		0.070*** (0.017)	0.069*** (0.017)	0.069*** (0.016)	0.069*** (0.016)
Changes in income (ref.: about the same)					
Decreased		0.219*** (0.022)	0.213*** (0.022)	0.118*** (0.022)	0.117*** (0.022)
Increased		0.001 (0.022)	0.000 (0.022)	0.013 (0.021)	0.012 (0.021)
Perceived affectedness of others			0.016*** (0.004)	0.000 (0.004)	
Perceived own affectedness				0.036*** (0.003)	0.035*** (0.004)
Perceived affectedness compared to others (ref.: self \Leftarrow others)					
Self > others					0.022 (0.033)
Time period	Yes	Yes	Yes	Yes	Yes
Individual controls	Yes	Yes	Yes	Yes	Yes
Obs.	2615	2615	2615	2615	2615

Panel c)	Having much lower living standard				
	(1)	(2)	(3)	(4)	(5)
Social status (ref.: lower income)					
Medium income	-0.200*** (0.032)	-0.148*** (0.030)	-0.139*** (0.029)	-0.112*** (0.026)	-0.113*** (0.026)
Higher income	-0.359*** -0.200***	-0.269*** -0.148***	-0.252*** -0.139***	-0.194*** -0.112***	-0.196*** -0.113***
Changes in employment (ref.: (self-)employed, unchanged)					
Short-time work/lost job		0.193** (0.062)	0.182** (0.061)	0.120* (0.058)	0.122* (0.058)
Other/inactive		0.076*** (0.021)	0.074*** (0.021)	0.074*** (0.019)	0.075*** (0.019)
Changes in income (ref.: about the same)					
Decreased		0.332*** (0.025)	0.321*** (0.025)	0.196*** (0.025)	0.193*** (0.025)
Increased		-0.041 (0.027)	-0.042 (0.027)	-0.025 (0.025)	-0.025 (0.025)
Perceived affectedness of others			0.028*** (0.005)	0.006 (0.005)	
Perceived own affectedness				0.048*** (0.004)	0.047*** (0.005)
Perceived affectedness compared to others (ref.: self \Leftarrow others)					
Self > others					0.025 (0.034)
Time period	Yes	Yes	Yes	Yes	Yes
Individual controls	Yes	Yes	Yes	Yes	Yes
Obs.	2615	2615	2615	2615	2615

Note: Using linear probability models. Income group used as the measure of social status in all models. Time period (Jun/Jul20, Apr21, Jul/Aug22) and individual controls (gender, age, household size, place of residence (West/East Germany), and treatment group membership) included in all models. Significant levels: * $p < .05$, ** $p < .01$, *** $p < .001$.

Source: SOECBIAS-COVREF data. Weights applied.

The results are robust when using equivalent income or further measures of social status, namely subjective social position, education, and occupation (see Table C2 in Appendix C and Table A4 in Appendix A). Overall, the results confirm my hypothesis that the negative impact of the initial social status on subjective

socioeconomic insecurity is partly explained by crisis experiences and perceptions of economic affectedness (H5). As expected, subjective insecurity is positively associated with personal crisis experiences (H5a) and perceptions of personal economic affectedness (H5b). The perceived affectedness of others, against my expectation (H5c), has no significant impact. In addition, the results do not fully support my final hypothesis that individuals are more likely to feel insecure when they perceive themselves as more highly affected than others (H6). The positive association holds only for subjective job insecurity. The findings reveal that perceptions of one's own affectedness play a more important role than that of others in explaining subjective socioeconomic insecurity. More importantly, after accounting for their crisis experiences and perceptions, individuals with a lower social status at the onset of the pandemic are still more likely to feel insecure about their future economic circumstances.

6 Robustness Checks Using Eurobarometer Data 2004 – 2023

The analyses have thus far examined the extent to which subjective socioeconomic insecurity has changed across different groups in Germany from 2020 to 2022. The findings provide suggestive evidence that the pandemic itself had a relatively limited impact on subjective insecurity. The short-term increase in subjective job insecurity from 2020 to 2021 could be attributed to the pandemic and its impact on unemployment and short-time work in Germany. Subjective economic insecurity did not increase solely due to the pandemic. The increase in summer 2022 should be interpreted as a joint consequence of the multiple crises at the time, including the pandemic, the Russia-Ukraine war and, notably, the accompanying energy crisis and inflation.

However, due to the lack of data prior to 2020, the finding of the minor changes observed from 2020 to 2021 may not have fully captured the potential impact of the pandemic on subjective insecurity. To validate the findings, I conduct robustness checks using the Eurobarometer data from 2004 to 2023. The data enable me to obtain general trends in subjective insecurity across different status groups over the past two decades.⁸

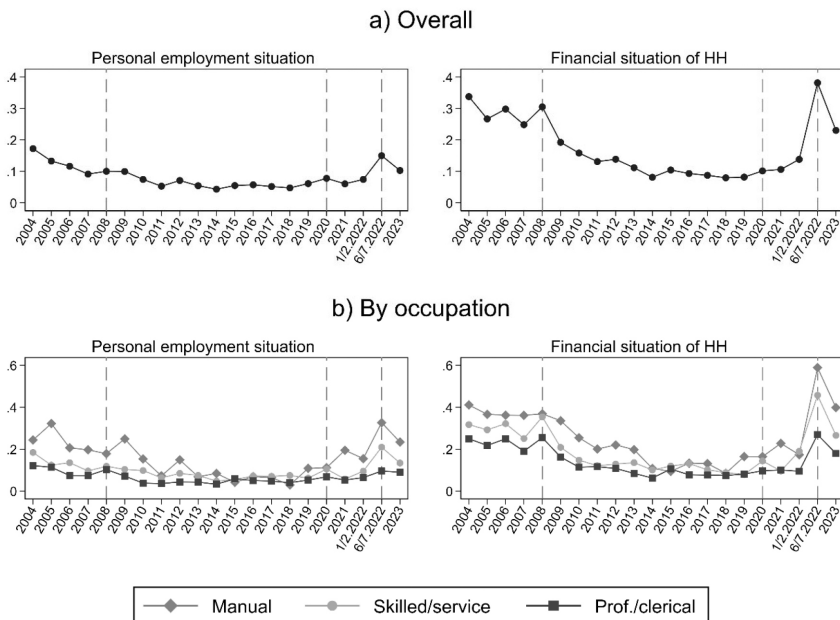
The Eurobarometer surveys did not ask respondents about their perceived risk of losing their jobs or having specific financial issues but about their general expectations regarding their future employment and financial situation. Two surveys containing these measures were conducted in 2022. The first survey (EB96.3) was conducted between 18 January and 14 February, before the outbreak of the war. The second (EB97.5) was conducted after, in June and July. I separate the data from these two specific periods to disentangle the potential impact of the war as well as the energy crisis and inflation from that of the pandemic on subjective

⁸ I use the Eurobarometer data only for robustness checks due to the absence of information on respondents' income, changes in their employment and income, and their crisis perceptions.

insecurity. For the years before 2022 and for 2023, I calculate the mean for each year that contained multiple data collections. Detailed information on data sources is provided in a technical appendix (Appendix D).

Figure 3 illustrates the changes in subjective job and economic insecurity in Germany from 2004 to 2023 using the Eurobarometer data. Figure 3a) depicts the overall changes, and Figure 3b) shows the changes by occupation. In an additional analysis, individuals are also divided by education and subjective social class, respectively (for detailed results, see Figure A1 in Appendix A). Over the past 20 years, Germans tend to be more concerned about their household's financial situation than their personal employment situation. Figures 3b) and A1 reveal a persistent pattern over time that subjective insecurity is negatively associated with social status, which is evident during crises as well as in pre-pandemic times and before the financial crisis. This is consistent with my previous finding that individuals with a lower objective or subjective social status are generally more likely to feel socioeconomically insecure.

Figure 3: Expecting own circumstances worse next year, 2004 – 2023 in Germany



Note: The figure shows the share of Germans from 2004 to 2023 who expected their personal employment situation (left) and the financial situation of their household (right) to be worse in the upcoming year. Figures 3a) and 3b) illustrate the overall changes and changes by occupation, respectively.

Source: Eurobarometer. Own calculations, weights applied.

With respect to the period of the pandemic, Figure 3a) illustrates that there have been no substantial changes in subjective job or economic insecurity since 2020 until the summer of 2022. Furthermore, only minor increases can be observed from 2019 to 2020. In contrast, the share of Germans expecting a worse personal employment situation has exhibited a more pronounced increase by the summer of 2022. The increase is even more substantial regarding expectations for the household's financial situation. These trends are consistent across different status groups, particularly among individuals in manual occupations and those who perceive themselves as working class (see Figures 3b) and A1).⁹ In addition, those in manual occupations also tend to feel more insecure in 2021, compared to 2020 or 2019. Nevertheless, their feelings of insecurity were still much stronger by summer 2022. In 2023, both subjective job and economic insecurity decreased for all status groups but to a level that remained higher than in early 2022, before the war outbreak. This suggests that the drastic increase in subjective insecurity in the summer of 2022 primarily resulted from the war, the energy crisis, and inflation as external shocks that affected particularly lower-status groups. The pandemic itself seems to have had a relatively small impact, given that no substantial changes in subjective job or economic insecurity occurred from 2019 to early 2022. In summary, the analysis of the Eurobarometer data confirms my previous findings from Section 5.

7 Conclusion

This paper aims to gain a deeper insight into the extent to which Germans feel insecure about their future socioeconomic circumstances in times of crisis. Collecting four-wave panel data in Germany from March 2020 to July/August 2022, the study provides crucial descriptive evidence on the changes in subjective socioeconomic insecurity across different status groups. The paper addresses the role of subjective social status, in addition to objective status, in explaining subjective insecurity during the COVID-19 pandemic and in the aftermath of Russia's invasion of Ukraine, which triggered a severe energy crisis and inflation. Furthermore, the paper focuses on the interplay between individuals' social status at the onset of the crises, their personal crisis experiences in employment and income during the crises, and their perceptions of economic affectedness due to the crises.

The results confirm my overall assumption of a negative relationship between subjective insecurity and social status: across all waves from summer 2020 to 2022, lower-status groups are more likely to be worried about losing their jobs, having

9 This is somewhat inconsistent with the previous finding that objective social status could not explain the increase in subjective insecurity (Section 5.2). One reason could be the different measures of subjective insecurity in the two datasets. The mixed results, in turn, suggest intensified feelings of insecurity during crises regarding one's general employment and financial situation, particularly among individuals with a lower objective or subjective social status. In addition, those with a lower subjective status have increasing concerns, specifically about having financial difficulties and a much lower living standard.

financial difficulties, and a much lower standard of living in the upcoming year. In the summer of 2022, there was a substantial increase in subjective insecurity in the latter two economic aspects, primarily observed among individuals with a lower subjective social status. In contrast, objective status measures, including income, education, and occupation, could not explain the increase. The findings indicate the more important role of subjective than objective social status for analysing changes in subjective economic insecurity. This, in turn, reflects a mismatch between objective and subjective social status. During crises, individuals who perceive themselves at the lower end of the social hierarchy have increasing concerns about their future financial and living conditions.

Moreover, individuals are more likely to feel insecure about their jobs and economic situation when they have experienced short-time work, job or income loss. Irrespective of their actual crisis experiences, they are more likely to feel insecure when they perceive themselves as more affected economically during the pandemic. The results also indicate that perceptions of one's own affectedness are much more relevant than perceptions of others' affectedness for shaping subjective socioeconomic insecurity during a crisis. Furthermore, the negative association between social status and subjective economic insecurity holds after accounting for crisis experiences and perceptions. Additional analysis of the Eurobarometer data from 2004 to 2023 reveals a general trend that individuals with a lower social status are more likely to feel socioeconomically insecure, irrespective of whether a crisis occurs. During a crisis like the pandemic, the negative relationship between social status and subjective insecurity is further strengthened by individual crisis experiences and perceptions.

It is important to note that this study is subject to certain data-related limitations. First, the panel data used for the main analysis did not fully account for the changes in subjective socioeconomic insecurity since the onset of the pandemic, due to the unavailability of data prior to the pandemic. In addition, as the data were derived from an online access panel, there is a possibility of encountering issues regarding sample selectivity. To address these limitations, I employed additional data from Eurobarometer surveys to illustrate trends over the past two decades. The results are highly robust and demonstrate no substantial changes in subjective insecurity from 2019 to early 2022, validating the findings with the panel data. Finally, due to data limitations, this study does not establish causal relationships between the respective crises and subjective insecurity among different groups of individuals. For instance, data on household spending in energy-related areas, such as gas and heating, would have been beneficial in disentangling the potential impact of the energy crisis from that of inflation. Nevertheless, my findings provide valuable descriptive evidence on the changes in subjective insecurity according to their social status, which are likely to be traced back to the different crises.

In conclusion, the pandemic seems to have had a relatively limited impact on subjective socioeconomic insecurity among different status groups in Germany.

This indicates that the government's coping strategies, such as the short-time work scheme, may have buffered the negative impact of the pandemic not only on the German labour market but also on citizens' perceptions of security. Future research based on cross-national studies analysing subjective insecurity in different institutional contexts would thus be welcome. In Germany, lower-status groups, especially those who perceive themselves to have a lower social status, still feel particularly vulnerable regarding their future socioeconomic circumstances since 2022. One potential explanation is that these individuals tend to consider themselves to be particularly affected by the acute energy crisis and inflation resulting from the Russia-Ukraine war. While this is beyond the scope of this paper, future research may examine in depth the mechanisms through which lower-status groups tend to feel more insecure during crises. Overall, the findings suggest that inequality is reinforced in times of crisis, which may contribute to recent trends, such as support for the radical right and other political attitudes and behaviours. Therefore, future research could explore potential links between changes in political trust or preferences and subjective socioeconomic insecurity.

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