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**The German Socio-Economic Panel (SOEP)  
in the Nineties: An Example of Incremental  
Innovations in an Ongoing Longitudinal Study**

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# **The German Socio-Economic Panel (SOEP) in the Nineties: An Example of Incremental Innovations in an Ongoing Longitudinal Study**

by Gert G. Wagner

## **Summary**

The main aim of the present paper is to historically reappraise the development of the German Socio-Economic Panel Study (SOEP) in the 1990s after the first six waves had been collected. This development was closely connected to the opening of the Iron Curtain in Eastern Europe and the fall of the Wall separating the two German states. In addition to its relevance for the SOEP, this study is also of interest in relation to the contemporary history of science.

**Keywords:** *SOEP, German Unification, Immigration Studies, Research Governance, Survey Methods*

**JEL Classification:** *B23, C89, Y50*

## **1 Background**

The main aim of the present paper is to historically reappraise—from my own perspective as the SOEP project director—the development of the German Socio-Economic Panel Study (SOEP) in the 1990s after the first six waves had been collected. This development was closely connected to the opening of the Iron Curtain in Eastern Europe and the fall of the Wall separating the two German states (Section 2).<sup>1</sup> In addition to the relevance of this analysis for SOEP, it is also of interest in relation to the contemporary history of science. The methodological developments that took place in SOEP from 1998 on are touched upon briefly in Section 3. Rather than concluding with a summary, the final section offers reflections on current problems of research policy. The paper does not present a comprehensive scientific synopsis of the SOEP’s development since 1984, but leaves this as a subject for further research.

## **2 German reunification and the SOEP**

On the evening of November 10, 1989, less than 24 hours after the fall of the Berlin Wall, I remarked to my wife: “That’s a shame—now the SOEP is no longer representative.” At that point, the SOEP covered West Germany (the Federal Republic of Germany [FRG]) but not East Germany (the German Democratic Republic [GDR], a satellite state of the Soviet Union). Despite such early insights into the importance of German reunification for SOEP, the road to implementing the new East sample (Subsample C) was far from easy. The 1990 research proposal for SOEP’s scientific and service tasks was approved by the German Research Foundation. The proposal made only minor remarks on the more than 100 pages detailing the need for research on possible reunification (Hanefeld/Schupp 2009). However, the SOEP’s host institute, the German Institute for Economic Research (DIW Berlin), was involved in “reunification research” from the outset under its President, Lutz Hoffmann. The proposal to extend the West SOEP to East Germany was therefore a logical continuation of the DIW’s own core research interests.

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<sup>1</sup> The German version of this paper contains additional personal reflections and a full bibliography of sources in German (Wagner 2008).

## 2.1 Historical paths and dead ends

Research on the new situation in Germany was organized quickly within the DIW.<sup>2</sup> Just five days after the Berlin wall came down—on November 15, 1989—SOEP project director Gert Wagner first introduced the topic of “micro-analytical social and economic research in the GDR” in an internal memo to the “Ad Hoc Group GDR Research at DIW.” According to this memo, the Chairman of the SOEP Advisory Board, Cologne sociologist Hartmut Esser, had also already contacted the Federal Ministry for Intra-German Relations regarding East-West migrants (who migrated from GDR to West Germany). However, neither the heads of the DIW research departments nor their department members reacted to this memo.<sup>3</sup>

But at least something was being done as far as opinion polls were concerned. In a flyer published on November 20, 1989, the EMNID Institute, a pollster company, had offered DIW *inter alia* the possibility to conduct a “survey of GDR citizens in West Berlin”. In addition, it announced that “preparations are underway to be able to conduct surveys for you *in the GDR* soon.”

Just a few weeks later in a special session of the DIW’s heads of departments, the SOEP project director and the President of the DIW on January 5, 1990, proposals for GDR-related projects were discussed. The SOEP project group proposed a migrant panel that was to be “promoted” to the Ministry of Economic Affairs, which has traditionally provided federal financing to the DIW. In addition, a survey on “Living and Working Conditions in the GDR” was proposed as a project of the SOEP group. What was envisaged was just a cross-sectional survey. In order to promote this idea—completely alien to the macro-economists within DIW—, it was claimed that a “survey of this kind (...) would of course fit well into future of German-German structural reporting,” that is, into one of the large projects commissioned by the Federal Ministry of Economic Affairs and regularly assigned to DIW.<sup>4</sup>

On January 6, 1990, the idea for a “cross-sectional survey” project was proposed to the Ministry of Economic Affairs in Bonn. It is not possible to reconstruct this from the records available, but clearly the idea for an early survey in the territory of the GDR gained increasingly in importance; the one-off surveying of migrants was pushed into the background.

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<sup>2</sup> “Transformation research” at the DIW was promoted not only by the new president, Lutz Hoffmann, who was—by lucky coincidence—a specialist in economic transformation (in the third world !), but particularly by the later Undersecretary of State in the Federal Department of Economic Affairs, Dr. Heiner Flassbeck, who in 1989 was a senior researcher at the DIW.

<sup>3</sup> At this time (2002), SOEP was not an official department of the DIW but only a “project group”.

In an internal memo of February 2, 1990, the project director of the SOEP group reported on “prospects following talks with the BMFT (Federal Ministry for Research and Technology).” These took place on the sidelines of a WZB (Social Science Research Center, Berlin) Board of Trustees meeting held on February 1.<sup>5</sup> The wording of this memo is significant: “With regard to the Living and Working Conditions Survey, which probably only has a small chance of receiving funding from the Federal Ministry of Economics, an interesting prospect has come to light. The BMFT makes special funds available for research on the GDR. In principle, it is conceivable for a Living and Working Conditions Survey to be financed using these funds. (...) Since it matters to the BMFT that such a survey is not just a one-off, it is important to know that the group headed by Zapf at the WZB plans to extend the Welfare Survey to the GDR in 1992. I [project director Gert G. Wagner] propose that together with Zapf, we check whether a Living and Working Conditions Survey could be conducted jointly in 1990. In my opinion, Zapf’s cooperation with the Institut für Soziologie und Sozialpolitik (Institute for Sociology and Social Policy) and the start of our cooperation with the Hochschule für Oekonomie (University of Economics) (East Berlin) provide excellent starting points.”

In this meeting, the idea to create a panel studying the German reunification process was, however, seen more in the light of a migrant sample. The memo continues: “The BMFT addressed the problem of immigrants for our panel sample of its own accord. The BMFT was also sensitized in particular by the Chairman of the SOEP Advisory Board (see Esser 2009). (...). Both are of the opinion that an immigrant sample is needed as a supplement to the Socio-Economic Panel. That would be our Sample C.”

This assumption that the SOEP extension would be an immigrant sample turned out in the end to be false: the “GDR sample” became Sample C; the immigrant sample (Sample D) came only four years later—not least owing to detailed methodological recommendations by the Chairman of the Advisory Board.

Finally, there was the following note in the memo about the meeting of February 1, 1990: “The BMFT proposes that on this subject [i.e., the Immigrants Panel but not the Living and Working Conditions Survey] we call a meeting of the new SOEP Advisory Board this same month.” With this proposal, the BMFT was placing a high demand on an Advisory Board, which deals mainly with pure research and does not expect to be convened on such short notice. And in fact, the meeting actually took place on March 13. The memo continued: “With

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<sup>5</sup> The discussion was between senior government official Dr. Harald Uhl (who is always meant when the BMFT is referred to here) and the head of his department in the ministry at that time, Mr. Knoerich.

all the skepticism generated in the face of this ‘euphoria,’ we should nevertheless quickly start brainstorming ideas for the design of an immigrant panel.”

In the end, the SOEP group’s concerns focused both on the migrant and the GDR “problem.” In a letter dated February 8, 1990, the SOEP notified the BMFT of the feasibility of a Labor Market and Living Conditions Survey in eastern Germany. It also said that this might be followed by a Welfare Survey in 1992; in other words, that the result would not just be a one-off snapshot. It concluded with the words: “The idea, still a radical one at present, of expanding the Socio-Economic Panel to the GDR also cannot be completely rejected. A Labor Market and Living Conditions Survey would be a pre-test for setting up a GDR panel.” As early as February 12, 1990, the fieldwork institute for the SOEP (i.e., its head, Bernhard von Rosenblatt) reported by phone on cooperation between Infratest Sozialforschung and a GDR institute (the Division of Sociological Research of Radio GDR). On February 13, 1990, the BMFT wrote to the SOEP project director: “Thank you for your letter dated February 8 of this year with the outline of a Labor Market and Living Conditions Survey in the GDR. I have the impression that this is a project that is feasible in the short term, with relatively low additional costs, and therefore, I would like to ask you to submit the relevant application to the BMFT. Please find enclosed the required forms.”

On February 13, the project director also informed the BMFT in a letter (the two letters crossed): “Rapidly building up the Socio-Economic Panel by also including immigrants (...) now appears to be premature, since the pan-German development seems to be progressing at such a fast rate that an immigrant sample could soon be out of date. On the one hand, it is possible that there will be remigration on a larger scale than is conceivable at present; on the other hand, in the event of unification of the Federal Republic of Germany and the GDR, we will also have to think about expanding the Socio-Economic Panel to what is currently the territory of the GDR.” The letter goes on: “The Labor Market and Living Conditions Survey in the GDR as we proposed in our letter dated February 2, 1990, could serve as a pre-test for a project of this type.” Nevertheless, it was emphasized that saving the addresses of migrants for future continuous surveys could be useful. March 12 was envisaged as the date for a meeting of the Advisory Board. The letter arrived in Bonn without delay. On February 14, the BMFT phoned to encourage calling together the SOEP Advisory Board as quickly as possible.

On February 15, 1990, initial talks were conducted with the trusted colleagues in Zapf's group at the WZB, which already had increasing contact with the eastern German ISS.<sup>6</sup> On February 15, preliminary discussions were so far advanced that Jürgen Schupp, Survey Manager of the SOEP, asked Infratest Sozialforschung (Bernhard von Rosenblatt) to submit a non-binding offer for a Labor Market and Living Conditions Survey in the GDR.<sup>7</sup> There was still no real mention of the "first wave" of an East Sample of the SOEP. Just as in the exchange of letters with the BMFT, this survey was interpreted as an initial cross-section of a series of subsequent welfare surveys. From today's perspective, the planned timing was confusing, however, since it would have undermined the actual potential of an initial panel wave: "The important question of the timing of the survey is difficult to answer because of the historically dynamic situation. In any case, if it becomes apparent that a monetary union between East and West Germany is imminent, the intention is to wait for this event."

On February 20, 1990, the Chairman of the SOEP Advisory Board, Hartmut Esser, is informed by letter: "Regarding the planned 'Labor Market and Living Conditions Survey,' it is to be noted that the initial idea for this was developed at DIW at the beginning of January—in other words, at a time when there had not yet been any mention of a swift unification of the two German states. As you can gather from the letter to the BMFT on this matter, we also now see this survey very much as a methodologically significant pretest. Mr. Zapf's working group (represented by Roland Habich, WZB) will also be involved if the funding works out. Toward the middle of this week, Mr. Schupp will hold the first specific talks about development of the survey questionnaire with our East German partners in East Berlin."

On February 21, 1990, Roland Habich (WZB) and Jürgen Schupp (SOEP) visited Eckard Priller and Wilhelm Hinrichs (both of the ISS) in East Berlin. On March 6, Infratest submitted an offer for a "Labor Market and Living Conditions Survey." Reference was made to the cooperation between the SOEP and the Social Indicators Working Group of the WZB. The survey was to be conducted in cooperation with the "Division of Social Research of Radio GDR". This group which will still work together with its trained interviewers would merge as a "joint venture" with Infratest Sozialforschung. Infratest would be in charge of managing quality control and all necessary budgeting. The costs stated in the offer amounted to DM

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<sup>6</sup> Institute for Sociology and Social Policy at the Academy of Sciences of the GDR. See also, for example, Zapf (1998, p. 513 and pp. 516ff).

<sup>7</sup> On February 16, the EMNID Institute was also asked to submit an offer.



148,000 for a survey of 2,000 households. Taking into consideration the financial contribution made by Infratest, the survey was contracted for DM 138,000 (plus VAT).<sup>8</sup>

The subsequent meeting of the SOEP Advisory Board was to be decisive. It was a special event simply because with the new financing of the SOEP a new advisory board needed to be set up.<sup>9</sup> At its first meeting on Tuesday, March 13, 1990 (that is, five days before the first free elections in the GDR), this new Advisory Board—in which some of the members had only just met—had to deal immediately with the sweeping developments underway in Germany. With this in mind, the SOEP group had invited colleagues from the GDR with whom they had already established working contact to participate in the meeting as guests.<sup>10</sup> The meeting took place in the new building of the WZB on Reichpietschufer in West Berlin and was attended by Horst Berger, Wilhelm Hinrichs, and Eckard Priller (all of the ISS: Institute for Sociology and Social Policy, Berlin, GDR) and Michael Steinhöfel (University of Economics, Berlin, GDR).

## **2.2 SOEP Sample C: Private households in the GDR**

At the meeting of the SOEP Advisory Board on March 13, 1990, the project group stated that there were still two problems of equal weight for the SOEP, both consequences of the German unification process: (1) adequate representation of migrants from the GDR who had moved to the FRG and (2) representation of the people of eastern Germany in the SOEP. What had become clear to the SOEP group, though, was that the earlier a “pan-German” survey was started, the sooner the “migrant problem” could also be investigated as an analysis of “regional mobility” with the standard SOEP follow-up rule.

With regard to these two problems, the minutes of the Advisory Board meeting noted that “after detailed discussion, the Advisory Board is of the opinion that special immigration studies do not fall into the scope of responsibility of the SOEP.” Nor did the board believe that a

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<sup>8</sup> Infratest was interested in the experience of setting up a random sample in GDR and so Infratest was willing to cover part of the overall costs. EMNID also submitted a survey for DM 125,000 (plus/minus 10%), dated March 9, 1990.

<sup>9</sup> SOEP was funded by a special public funding program of the BLK (Bund-Länder Commission for Educational Planning and Research Promotion) provided through the DFG (see Hanefeld and Schupp 2009).

<sup>10</sup> The official invitation came in the form of letter from the project director to Eckhard Priller, dated March 6, 1990. No mention was yet made of a first wave of SOEP in the GDR in this letter; only of a “representative social science labor market and living conditions survey.”

comprehensive immigrant sample was workable from a methodological point of view. It considered the longitudinal immigrant sample planned by the Institute for Employment Research (IAB) sufficient to examine the migrant problem scientifically.

This conclusion had been agreed on beforehand in a telephone conversation with the head of the IAB, Friedrich Buttler, who was also a new member of the SOEP Advisory Board, in order to pave the way for the new SOEP Sample C. This made it possible to cleverly put the idea of a migrant panel, which had been under preparation and careful consideration for such a long time, on the back burner without it being completely forgotten by the SOEP group.<sup>11</sup> Thus the way was cleared for a “Socio-Economic Panel in the GDR.” The Advisory Board did not need much persuading about the new Sample C; quite the reverse. This was emphasized in the minutes:

“The Advisory Board considers it to be of extreme importance to establish a sample for longitudinal studies in the territory of the GDR as soon as possible.” This possibility—over and above the Labor Market and Living Conditions Survey—had already been sounded out in talks with Infratest Sozialforschung. The minutes continued: “Reporting on Infratest’s cooperation with survey institutes in the GDR, Mr. Rosenblatt rates the potential to draw a real random address sample as well as the prerequisites for the fieldwork in the GDR as extremely high.”

It goes on to say, succinctly: “Mr. Wagner reports that the first wave of a possible GDR panel could be designed and implemented very rapidly in cooperation with the social indicators group at the WZB as well as with sociologists from the Institute for Sociology and Social Policy (ISS) at the Academy of Sciences in Berlin, GDR, and labor market researchers from the University of Economics in Berlin, GDR. It is probably still possible to collect data before the monetary union takes place.” Without recording the remainder of the discussion that undoubtedly took place, the minutes go on to say: “The Advisory Board emphatically supports this possibility of collecting almost unique continuous data in the GDR within the framework of the SOEP, but the lists of questions for the FRG and the GDR in the first few years do not have to be—or should not be—identical. The Advisory Board sees the organizational integration of a GDR panel into the project group at the DIW as the only sensible option. The Advisory Board recommends corresponding increase in BLK funding.”

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<sup>11</sup> The Advisory Board would later reiterate its opinion that “special immigration studies do not fall into the scope of responsibility of the SOEP.” This reiteration which was not in the interest of the SOEP group was not foreseeable at the time (see Section 2.3 below).

This was the green light for the new East German sample.<sup>12</sup> And indeed, surpassing the Board's expectations, by the second wave of this sample, the SOEP questionnaire was already practically the same as that used for West Germany. But before that could happen, the first wave had to be organized.

On March 20, there was a meeting of representatives of the ISS and of the WZB at the DIW on the first wave of "SOEP East." On April 7, Infratest submitted a binding offer for a "GDR panel"; and then on April 9, the "project description" for a "government grant" was sent to the BMFT. The title of the project was: "A Socio-Economic Panel in the GDR—sampling the first wave of a repeated survey of 2,000 households representing the population of the GDR." On April 10, the draft questionnaires were already sent by express mail to Infratest Sozialforschung at Munich, where they were put into SOEP form over Easter spent in the office.

The work on "SOEP East" went on without any delay although shortly before Easter, the BMFT responded to a telephone enquiry by the project director saying that the funding was "not secured." This uncertainty, however, "should not stop preparations," according to Harald Uhl, the official responsible for SOEP in the BMFT. He had good reason for his confidence as the SOEP project director would learn many years later: the funding of "SOEP East" from the government's supplementary budget had indeed not yet been approved, but in the meantime, Mr. Uhl had already raised the necessary funds "bit by bit" from his colleagues in BMFT because of his own firm conviction of the project's importance.<sup>13</sup> The BMFT's notice

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<sup>12</sup> This comment on organization may seem self-evident nowadays, but in Spring 1990, there was still the question of whether the FRG could and should simply "take over" social reporting on the GDR. Any potential problems of political incorrectness were put aside by the SOEP Advisory Board in favor of a practical solution, because none of the West German participants in the meeting thought the Academy of Sciences of the GDR would be capable of setting up a "SOEP East". And in the end, the representatives of the Academy itself did not demand the right to do so, although they referred—mysteriously—to the "territorial peculiarities" of their "survey area." In fact, their involvement into SOEP's subsample C remained loose and basically did not go beyond working together to create the initial questionnaire of "SOEP East," providing active support on the pretest, and generating the very first publication using the new data (Priller et al. 1990).

<sup>13</sup> The support of leading sociologists and economists for Sample C of the SOEP was impressive and right on target. Wolfgang Zapf—as Chairman of the German Society of Sociology (DGS)—addressed the responsible Federal Minister Riesenhuber in a letter dated April 23, 1990. He mentioned—a point that was indeed factually completely accurate—that "owing to the far-sightedness of your staff" it was still possible to complete the survey before the monetary union on July 1, 1990. Zapf also emphasizes that the survey would be conducted by a West German survey institute (in cooperation with a GDR institute), "ensuring the high quality standards of West German social research." As Chairman of the SOEP Advisory Board, Hartmut Esser wrote in a letter dated April 26 to Research Minister Riesenhuber that Sample C absolutely had to be promoted. Otherwise, later, it would "rightly (...) not be possible to avoid the reproach being made that the social sciences (and hence the system of promoting science) had missed a unique historical opportunity." The internationally highly esteemed Economics Professor Heinz König – as he rightly wrote: as a user of the SOEP—in a letter dated April 27, 1990 to Minister Riesenhuber also declared himself expressly in favor of the "expansion of the Socio-Economic Panel to the GDR." And according to a memo from the project director, SOEP founder Hans-Jürgen Krupp, Senator for Finance of the Free and Hanseatic City of Hamburg as of 1988, called Minister Riesenhuber in person on May 7, 1990 to persuade him about Sample C. The call was apparently very successful. It also emerged from

of approval for the sum of DM 400,000, based on the newly approved supplementary federal budget, finally arrived on June 18, 1990. Government budget regulations, which had arrived very late, permitted expenditure of the funds by SOEP because “SOEP East” was not completed until the second half of 1990 and the actual survey ran until the beginning of July. Furthermore, Infratest Sozialforschung had acted in an entrepreneurial fashion and had made considerable progress without any valid contract to cover their costs. According to a memo, the final questionnaires of SOEP East were printed by May 15, 1990.

From the second wave, Sample C was financed by special funding of the SOEP from the Bund-Länder Commission (BLK) through the DFG. This decision, under the proposal title “Reasons for a Socio-Economic Panel in the GDR,” was made based on application submitted by the Federal Government on May 22, 1990.<sup>14</sup>

In practical terms, the first wave of the survey proceeded as follows: an Infratest interviewer training course was held in East Berlin on April 20, 1990, and the pretest could already be evaluated on May 2. The pretest was carried out with the support of the ISS in Berlin and the surrounding area in Brandenburg. SOEP Survey Manager Jürgen Schupp and the team member responsible for maintaining the panel, Elke Holst, did not miss the opportunity to take an active role as interviewers and test the approximately half-hour questionnaire in Berlin. Eckhard Priller, ISS, generously made himself available as an “escort” for his West German research colleagues. The pilot run showed that only minor changes were required before producing the main questionnaire (Priller/Schupp 1990).

On May 7, 1990, Jürgen Schupp and Gert Wagner presented “A Socio-Economic Panel in the GDR” at a colloquium within the DIW (Subheading: “Questions, Focus of Analysis and Status of Project Preparation”). Afterwards, the questionnaire was finally “approved.”

On May 25, 1990, the final interviewer training was carried out and the survey documents were handed over by Infratest Sozialforschung to the survey institute of “Radio GDR.” Of the approximately 300 interviewers at the time, around 50 were still active in 2009. A high degree of continuity among the interviewers, who were to keep visiting the same households as far as possible, was achieved because the pool of interviewers<sup>15</sup> of Radio GDR moved into the new-

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unintentionally printed “copy addresses” in the notice of approval, later also confirmed in person by those concerned, that the reviewers of the application contacted by the BMFT were Heinz König and sociologist Hans-Joachim Hoffmann-Nowotny, Zurich.

<sup>14</sup> That is, at a time when the BMFT funding of the first wave was not yet officially secured. This is a historical footnote which shows how fast the process of unification of Germany went on in the year 1990.

<sup>15</sup> Interviewers were newly recruited above all for the western “suburbs” of the GDR, where the GDR had never allowed interviews for security reasons.

ly founded institute “Infratest Burke Berlin (IBO)” during the fieldwork on the first SOEP wave in the GDR. The methodological standards of this new institute corresponded to those of SOEP:

- A random sample of private households in the GDR according to the random route procedure
- In the households selected, a personal interview with all members of the household from the age of 16 on
- Documentation of the survey and the respondents’ addresses, which, taking into consideration the data protection legislation, would make it possible to conduct a new survey of all survey participants a year later.

The fieldwork ended after the first week of July 1990. This meant that, for the vast majority of respondents, Infratest Sozialforschung had managed to take a final “snapshot” of “life in the GDR.” Successful interviews were carried out in 2,179 households, in which 4,453 adults surveyed lived. In 2009, when wave 20 was conducted, 2,769 persons from Sample C were still included as SOEP respondents.<sup>16</sup>

### **2.3 SOEP Sample D: Immigrants in private households in West Germany**

In 1990, a second meeting of the SOEP Advisory Board took place, on October 26. The background to this was the curiosity of all participants about the status of Sample C. While other studies that were part of the research infrastructure in (West) Germany, such as the German General Social Survey (ALLBUS) or the Welfare Survey, were still only in the preparatory stages of initial fieldwork in eastern Germany, the SOEP was already able to report successful implementation with a sensational response rate of 70%.<sup>17</sup> As pleased as the SOEP group was with its success in solving the problem of “coverage of the population of the GDR,” the SOEP group was still dissatisfied with the immigration issue, which was repeatedly addressed within the framework of this Advisory Board meeting. According to the minutes, the Chairman of the Advisory Board, Hartmut Esser, considered maintaining the representativeness of the

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<sup>16</sup> Recent publications based on subsample C are e. g. Nicola Fuchs-Schündeln (2008), Easterlin and Plagnol (1998), and Huschka et al. (2009).

<sup>17</sup> The fact that this high response rate was achieved was certainly due to the enormous motivation of the interviewer pool and also because the private households resident there were not yet “over-researched and tired of being interviewed” as a result of market research and other survey institutes.

SOEP to be of greater importance than making possible special migration research. According to the minutes, the representative of the BMFT “was of the opposite opinion.”<sup>18</sup>

The background to this was a fundamental problem of research strategy. The SOEP came out of a tradition in German sociology established by Wolfgang Zapf that sought to deal with “structurally important” social groups rather than with marginal or fringe groups. Professor Zapf liked to talk about an insignificant “two percent sociology.” And, indeed, Wolfgang Zapf and his staff managed to successfully put their paradigm into practice in large-scale surveys. Although the over-dramatization of small groups’ living conditions by high-visibility researchers was and still is very real problem,<sup>19</sup> the tenets of Zapf’s school of thought proved at least a bit problematic in relation to SOEP’s further development.

The minutes of the SOEP Advisory Board meeting state this issue succinctly: “The Advisory Board unanimously supports Mr. Mayer’s proposal to represent all immigrants in the SOEP sample if the share of immigrants in the overall population exceeds a threshold value still to be determined. A three percent or five percent threshold would be possible (Zapf). In Mr. Esser’s opinion, such an action is advantageous because a certain automatism is thus established, which would then take effect irrespective of the type of immigration.” And “Finally, the general discussion leads to the following recommendation by the Advisory Board: the cross-sectional representativeness of the SOEP must be preserved. Therefore, in addition to an immigrant sample, a survey of foreigners in the new *Länder* is to be considered, with Sample B being maintained in principle.”

The next regular Advisory Board meeting took place on May 17, 1991. The possible immigrant sample led to an unusually heated discussion. According to the minutes, Mr. Wagner emphasized that the percentage of immigrants in the population not covered by the SOEP already made up “around four to five percent” in West Germany. “In its meeting last year, the Advisory Board recommended drawing an additional sample for a percentage of this size.” However, the proposal of the project director and survey institute to draw a quota sample (as is usual for official statistics in the form of a sample survey of household income and expenditure) did not go over well. Nevertheless, the constructive recommendation was made to

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<sup>18</sup> The new civil servant who was responsible for SOEP within BMFT was Hansvolker Ziegler who was responsible directly and indirectly for more than 10 years. He was very influential for the further developments of SOEP which made possible the subsamples D to F.

<sup>19</sup> The SOEP project director had not forgotten a comment made by Wolfgang Zapf in the early eighties that one should not jump to the conclusion that the phenomenon of women having children later (over the age of 40) was a general social trend since. Zapf argued—in a comment that was completely plausible *at the time*—that influen-

conduct a “feasibility study,” meaning that “an appropriate plan for automatic adjustment of the sample to the new population be developed and existing problems listed.” The discussion was to be continued at the next meeting of the Advisory Board, which took place as planned on April 30, 1992. In the meantime, real progress was made on an immigrant sample, which was only briefly recorded in the survey institute’s report so as to avoid debates on general principles as far as possible.

The minutes state: “A preliminary investigation is currently being conducted to determine how and to what extent general population surveys can supply address material for an immigrant sample. This is being checked using two samples of 4,000 households each. (...). At the next meeting of the Advisory Board, there will be a report on this test survey, which may form the basis for a regulated SOEP immigrant sample.”

The next meeting of the Advisory Board, on April 30, 1993, brought—surprisingly—the approval of the Advisory Board for an immigrant sample. The newly appointed Advisory Board included econometrician Heinz P. Galler from Eichstätt, psychologist Gisela Trommsdorff from Constance, and economist Klaus F. Zimmermann from Munich.

The medium-term plan for the SOEP sample that was presented at the Advisory Board meeting no longer included an immigrant sample. This was due, according to the minutes, to “some unresolved problems connected to survey technique” and “not least of all, to financial aspects.” In reality, the project director did not want to risk appearing too rash or insistent on the issue. It was therefore all the more surprising when the Chairman of the Advisory Board, Hartmut Esser, asked whether after two years of preparation, the time had not come for a “positive vote” on the immigrant sample. Heinz P. Galler stressed the risk of the SOEP becoming non-representative. And it was recorded in the minutes, there was “no better methodological competence for solving the problems of drawing samples and surveying” than in the SOEP project group. And “Mr. Zimmermann continues to underline the desire of the international user community to get started with an SOEP immigrant sample immediately.” Since Infratest Sozialforschung was thoroughly prepared and the SOEP project group was also convinced of the feasibility of an immigrant sample, the Advisory Board’s recommenda-

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tial editors (“*Stern Redakteure*”) would jump to conclusions about society as a whole based on their own and very special private situation.

tion to “vigorously pursue supplementing the SOEP by an immigrant sample” was received enthusiastically by the SOEP group.<sup>20, 21</sup>

Subsample D was established in two steps. Finally in 1995, interviews were carried out in 522 households, in which 1,078 adult residents were surveyed. In 2009, when wave 15 was conducted, 565 individuals from Sample D were included as SOEP respondents.

### **3 SOEP-samples E to H: Methodological improvements**

This section reports only briefly on the other subsamples that have been added to expand the SOEP since subsamples C and D. Details of the reasons and the discussions must be reserved for a later paper reappraising the SOEP in terms of its scientific history and survey methodology.

There was only *a single guideline* for adding further subsamples E to H, namely methodological improvement of the overall SOEP sample. This was achieved by increasing and stabilizing the number of cases (which increased and stabilized the statistical power of the SOEP), oversampling of a small but selective group (high-income households), and through the controlled introduction of the CAPI (computer-assisted personal interviewing) survey method.<sup>22</sup>

An unexpected small increase in the budget available for the SOEP made it possible to test the introduction of a new interview mode, CAPI, on a comparatively small random sample under controlled experimental conditions.

Subsample E, containing about 1,000 households, was divided in half for this purpose and surveyed using CAPI or the conventional PAPI (paper and pencil) method. Each interviewer had to use both methods so as to prevent interviewer self-selection. As a result there were no effects of any consequence, i.e., no methodological artifacts (see Schräpler et al. 2006). This result has been confirmed by the literature published on this subject in following years: as

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<sup>20</sup> Funds that had been freed up by the move of the project director from an SOEP-financed position to a chair at Ruhr University Bochum from September 1992 till 1997 were a major contribution to financing.

<sup>21</sup> See Bauer and Zimmermann (1997) for the very first English-language publications. Klaus F. Zimmermann has since published over a dozen peer-reviewed papers on migration on the basis of the SOEP.

<sup>22</sup> According to the guideline of improving survey methods, which do not serve to expand the scope of the survey, further steps are desirable and also (to some extent) foreseeable in the next few years: regular drawing of refreshment samples (analogous to the subsamples E and H), improvement of representation of special groups (e. g. families, immigrants), improvement of representation of the population not living in private households, follow-up abroad, as well as improvement or expansion of the survey modes (for instance, through Internet-based tools and possibly tools that can be used by mobile phone) (cf. Anger et al. 2009).



long as face-to-face interviews are conducted, the technology does not make much difference. Differences appear more often between face-to-face and telephone interviews.

The second methodological test using sample E was a controlled change of survey method from PAPI to CAPI in the current panel for households still surveyed using the conventional method in the first wave. There were no noteworthy methodological artifacts, however, and CAPI could be used in the old samples of the SOEP as well, along with the conventional face-to-face PAPI interviews. In the current international methodological literature, a multi-method procedure is considered to be optimal for complex data.

With Sample E, it was also possible to test whether increasing the size of the samples of the SOEP was technically feasible with the database and weighting methods used (see Spiess and Rendtel 2000). Both questions could be answered in the affirmative without reservation. Thus the foundations were laid for doubling the sample size with Sample F in the year 2000. This increased the statistical power of the SOEP considerably.

Sociologist Karl Ulrich Mayer has been a particularly strong advocate of the sustained expansion of the SOEP's sample size on the SOEP Advisory Board. Not only did he consistently emphasize the importance of higher numbers of cases for analysis of smaller subgroups in the population and thus SOEP-based policy advice; he also recognized that when the sample was doubled, the number of cases in the individual birth cohorts would reach the scale of the number of cases of the German Life History Study and, at least to some extent, the SOEP could be considered a follow-up study continuing the "traditional" life history approach. The two other leading panel studies—the American PSID and the British BHPS—also contained a similar number of cases. In other words, PSID, BHPS, and SOEP were expanded from approximately 5,000 households in the beginning to around 10,000 households.<sup>23</sup>

With Sample G in 2002, a problem affecting all panel studies (and the vast majority of cross-sectional surveys) worldwide was successfully tackled: the low number of observations in the high-income range. Households in the upper 2.5 percentile of the income distribution were overrepresented in Sample G (see Schupp et al. 2009).

With Sample H, designed as a representative sample of the overall population (in private households) in 2006, the attempt was made to begin refreshing the overall SOEP sample on a regular basis and thus to achieve long-term stabilization of the number of cases cross-

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<sup>23</sup> The close cooperation between these worldwide leading panel studies and the amalgamation in the Cross-National Equivalent File (CNEF) are treated in depth in the article by Frick et al. (2007).

sectionally. This was technically possible, but it still remains to be seen whether sufficient funding will be available to finance regular refresher samples (see German Council of Science and Humanities 2009).

Subsamples E to H started together with interviews in 9,525 households, in which 17,432 residents were surveyed. In 2009, 10,272 adults from samples E to H were included as SOEP respondents.<sup>24</sup>

The emerging experience with longitudinal studies like SOEP in the late eighties and with new technological developments of relevance to fieldwork in the nineties led to (minor) changes in survey methodology. These developments also required intensified cooperation<sup>25</sup> with the survey group at Infratest Sozialforschung in Munich (Schupp 2008).

Up until the beginning of the new millennium, a number of important innovations were gradually introduced into the SOEP. Just a few will be mentioned here:

- Tracing non-sample members
- Introducing a “Gap Questionnaire” for temporary dropouts (respondents who return to the SOEP after a “break”)
- Introducing CAPI (as described above)
- Shifting to Infratest’s own coding scheme for answers to open-ended questions on occupation and industry
- Starting an “Interviewer Panel” that asks interviewers core SOEP questions to make possible unique tests of interviewer-respondent interactions

Major improvements to the content of the SOEP (see Schupp et al. 2010) as well as a detailed description of fieldwork and measurement methods that have taken place since 2001 (see Schupp 2008) will be described in a future paper. One current study is worth mentioning here in particular: in order to find out what measures can be used to achieve higher response rates in the first waves of new SOEP subsamples, we are running an “incentive test” in 2009 and

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<sup>24</sup> The number of waves which were realized with the different samples was different in 2009. The subsamples reached to following waves: Sample E wave 12; Sample F wave 10 ; Sample G wave 8 and Sample H wave 4.

<sup>25</sup> In the engineering disciplines, this type of cooperation between science and “industry” is part of the ongoing research process, and has proven extremely successful.

2010 to see whether different incentive schemes (different levels of cash compensation, lottery tickets) increase initial response rates and stabilize longitudinal response.<sup>26</sup>

#### 4 Open questions

Rather than ending this paper—which is just a small footnote to scientific history—with a summary, I conclude with some personal reflections on the difficulty of financing and running a longitudinal study such as the SOEP, and also with a question to those providing public funding.

My first remark deals with the desire of funding agencies to develop a research infrastructure according to a “master plan.” My thesis is: this will never work out. Of course, it was important that the SOEP was planned extremely thoroughly in the early eighties (see Krupp 2009, Hanefeld and Schupp 2009). Hence, it did no harm when, in the early nineties, the study was not developed *further* according to a master plan; instead, challenges were addressed and (financial) opportunities used as they arose (see also Esser 2009). This “model” corresponds to that of all other contemporary household panels.

The constant struggle to overcome challenges and to secure funding is probably the secret of successful, widely used longitudinal surveys. Of course, those providing public funding for research should not conclude that a stable framework is not necessary to run a high-quality prospective panel study. In fact, the opposite is true, as shown by the fate of the American model study, the Panel Study of Income Dynamics (PSID). If the core budget is not covered by long-term public funding (in the case of the PSID, by the National Science Foundation [NSF]), but instead through fund-raising (in this case, for example, sometimes even from such private companies as Citibank), this will generally affect the quality of the survey. However: in an ongoing panel, innovations will be probably never be covered by core funding. So it is in the case of the SOEP as well. In our anniversary year 2008 (when the twenty-fifth wave of the initial West samples A and B was collected), extensive further innovations were being discussed and planned (see also Wagner et al. 2007). This additional work was not covered by the SOEP’s core funding.

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<sup>26</sup> In addition it is tested whether an improved sampling method can raise the share of successfully interviewed households in a first wave of a new SOEP subsample.

My second remark deals with the importance of paradigms and “research styles.” In the nineties, empirical social and economic research became increasingly a theory-testing science. Over time, less and less use is being made of the unique analysis potential inherent in SOEP Sample C, which makes it possible to trace the revolutionary transformation of an entire society at the micro level. Although historians can see the potential of this sample from the point of view of contemporary history, they do not have the necessary methodological know-how to analyze it. And for evaluation analysis, the “natural experiment” of the fall of the Berlin Wall has the methodological disadvantage that the whole population of a territory of the GDR was and is affected. There is no randomly selected control group, unless one makes the bold assumption that the West Germans represent such a group.

This underutilization of SOEP’s Subsample C may be especially attributed to the fact that the majority of economists, who are the best trained of all social scientists for conducting refined methodological analyses, are no longer interested in specific historical events *per se*. For example, years ago, one US-born economist on the SOEP Advisory Board declared that the East European transformation was only of interest to him as a “data-generating process”—so he was not interested in the historical phenomena of German unification *per se*. And contemporary historians, for whom the SOEP is a goldmine, have no interest either because they have no tradition of “empirical work” on the basis of survey data (disregarding the fact that traditional historical analysis also deals with empirical questions). It would be worth an attempt to encourage contemporary historians to work more with SOEP data (and other long-term surveys of empirical social research). Contemporary history would profit from the fact that these data allow them not only to cite more or less appropriate statistical results, but also—depending on the subject—to process statistical data themselves.

At this point, however, it must be made very clear that there is absolutely nothing to prevent further development of thorough evaluation studies based on the SOEP that allow causal statements. There is no doubt that social scientists will—rightly—move in this direction, which has already been mapped out by the longitudinal studies in the behavioral sciences and clinical studies (German Council of Science and Humanities 2009). It is becoming more and more apparent that the SOEP may serve as a control sample for special studies (see Geyer et al. 2009, Siedler et al. 2009). Moreover, the SOEP can significantly expand its repertoire of methods with the aid of specific behavioral experiments (see, for example, Fehr et al. 2002, Naef and Schupp 2009, and Dohmen et al. 2010).

In conclusion, I would like to raise the question whether the research structure existing today would allow us to react as flexibly to an unforeseeable event like German reunification as was the case, for example, at DIW Berlin (German Institute of Economic Research) and the WZB (Social Science Research Center) in Berlin in 1989/90. Today young social and economic scientists are, quite rightly, required to publish as much as possible in international contexts. Investments in research infrastructure as a common good for hundreds of secondary data users that do not immediately pay off are difficult to justify. What is clear, however, is that a division between “research” and “service” cannot be the solution: a world class research infrastructure can only be designed, created, and maintained by scientists themselves. Although this problem has not been recognized everywhere, it has been the subject of recent discussion among experienced scientific managers at the Economic and Social Research Council (ESRC) in Great Britain, where there is a longer tradition of research evaluations. While they have not reached a solution, experience shows that articulating a problem is the first step towards finding a solution. Maintaining and developing the research infrastructure in the social and behavioral sciences is a challenge today more than ever: not only because of tight research budgets, but also because the research community does not place sufficient priority on long-term investments in young scholars.

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