

Born into Dispossession: Inherited Wealth and Extreme Voting in Reunified Germany

Evelyne Brie*, Assistant Professor in Political Science, Université de Montréal

Abstract:

What explains the growing support for political extremism in post-communist societies despite extensive fiscal equalization? We address this question in Eastern Germany, where communist expropriation limited the basis for private capital accumulation over four decades. Financial insecurity is among the strongest predictors of far-right voting, yet redistribution failed to restore the dimension of material security that matters most: accumulated wealth transmitted across generations. Despite two trillion euros in transfers and significant income convergence, the East-West far-right gap has grown and is widest among those born after reunification. We argue that this pattern operates not through the mechanisms of socialization or income, but through the intergenerational transmission of accumulated capital that expropriation permanently disrupted. Using data from the **German Socioeconomic Panel (1984-2020, n = 569,823 person-years)**, we exploit the exogenous timing of inheritance receipt via an event-time regression discontinuity design, complemented by dose-response and mediation analyses. Findings show that inheritance receipt produces a significant discontinuous reduction in financial worry and increase in support for mainstream parties in western Germany, controlling for income, while it produces no detectable effect in the East. We demonstrate that this gap does not reflect differential responsiveness to wealth, but rather the far smaller amounts eastern Germans receive. Indeed, eastern inheritances typically fall below an effective threshold, and eastern recipients of West-comparable amounts respond similarly to western counterparts. Robustness tests rule out the dominant socialization account, showing that the far-right gap rises monotonically among younger eastern cohorts least exposed to communist institutions but most affected by inheritance disparities. We confirm these results with analyses conducted using the SHARE survey (2004-2019, n = 6,518) on populations born during communist rule. Overall, findings suggest that inherited wealth functions as a vehicle of democratic integration: where historical capital deficits exclude citizens from this mechanism, political resentment deepens in ways income redistribution alone cannot repair.