The influence of income and wealth on the individual party preference in Germany

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What determines voting behavior and party preferences in democracies? Today, there is little doubt that the relationship between economic variables and voting behavior is quite strong. Downs (1957) and Key (1964) gave this relation a theoretical foundation, known as the economic voter hypothesis. The first wave of studies that focused on the influence of economic conditions on electoral outcomes mainly used aggregate (macroeconomic) datasets and most of them gave empirical support for the economic voter hypothesis (Lewis-Beck/Stegmaier, 2000). However, triggered by the paper of Fiorina (1978) who pleaded for the use of microeconomic data to test individual voting decisions, the second wave of studies concentrates on individual datasets (see e.g. Krumpal/Vatter, 2008). Most of them took several control variables like, age, education, gender and refer to individual income as economic variable. Due to the poor database for individual wealth, there is only little literature about the influence of wealth on the political support. Therefore, the intention of the recent study is to show which additional impact individual wealth has on the party preference in Germany, if income is considered. Two different income and wealth measures are taken from the German Socio-Economic Panel for the year 2007. First, individual income and wealth and second, income and wealth per household person. As model a multinomial logit model is used. The results are as follows: The model which refers to individual measures fit the data a little bit better than that of per household persons. As higher the economic welfare of the individual as higher the predicted difference between supporting CDU/CSU and supporting the SPD and vice versa. The effect of disenchantment with politics in East Germany outweighs the general positive income and wealth effect. The influence of income and wealth of sympathizing with the FDP is surprisingly only weak.
References


