

Inheritances and the Intention to Bequeath
An Examination of Different Aspects of Intergenerational Wealth Transfers in Austria

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The aim of the paper is to examine different aspects of intergenerational wealth transfers in Austria.

We will focus on three sources. First, the Austrian micro data set on financial wealth (SHFW 2004) provides data which reveals insight into different transmission channels of intergenerational wealth transfers. The survey includes information related to the possible intention of a household to bequeath something in the future. Even though no time component is available, a wide range of socioeconomic variables and behavioural questions allows analyzing different aspects with regard to the connection between inheritances and wealth inequality. Second, a recent survey of the Oesterreichische Nationalbank (OeNB) on real estate of private households in Austria will allow us to get a deeper understanding of estate inheritances and we will match these data with the SHFW. Third, we will conduct group interviews with low income people in Austria. This method of economic sociology will allow us to better understand the process of inheriting and the determinants of leaving a bequest.

The paper is organized as follows: In the first part of the paper we review critically the existing economic literature on inheritances. In the second part we show stylized results on inheritances in different countries. In the third part we focus on the Austrian data sets and combine the three mentioned aspects to get some insight into the impact of intergenerational wealth transfers on wealth distribution.