Brenner, Lukas / Stolper, Oscar (2020): Mind the gap: inheritance and inequality in retirement wealth. In: Intergenerational Justice Review, 6 (2), 63-72.

Online Appendix

Table A1: Variable descriptions

Private pension (EUR)	Continuous variable of a household's total aggregated value of all private pension saving accounts (including state-subsidised private pensions, endowment life insurances and other non-subsidised private pension products; excluding all occupational pension plans and direct insurances); in EUR
Private pension ownership	Dummy variable equals one if household owns private pension products (as defined above), zero otherwise
Gift/ inheritance received	Dummy variable equals one if household has received a gift or inheritance with threshold value >10,000 EUR between survey wave 1 and 2 [2011-2014], zero otherwise
Gift/ inheritance (EUR)	Continuous variable specifying the euro value of received gifts or inheritances between survey wave 1 and 2 [2011-2014]; threshold value for gifts/inheritances to be included is >10,000 EUR; in EUR
Gift/ inheritance anticipated	Dummy variable equals one if household expects to receive a large gift or inheritance in the future, zero otherwise
Household net income (ln)	Monthly net income of household in EUR (for the creation of propensity scores the natural logarithm of the variable is used)
Household net wealth (ln)	Total wealth less liabilities of household in EUR (for the creation of propensity scores the natural logarithm of the variable is used)
Household members	Total number of household members

Household members employed	Number of household members within household that are in employment
Male	Dummy variable for gender of *Financially Knowledgeable Person* (FKP); equals one if respondent is male, zero for female
Married	Dummy variable equals one if FKP is married, zero otherwise
Age	Ordinal variable expressing the age of the FKP
Unemployed	Dummy variable equals one if FKP is unemployed, otherwise zero
Self-employed	Dummy variable equals one if FKP is self-employed, otherwise zero. [Note: As control variable in panel regression, this covariate can be interpreted as "change into/out of self-employment"]
Financial literacy	Ordinal variable expressing the number of correctly answered "big three" financial literacy questions; score ranges from 0-3, dependent on correct answers to following questions: Question 1 (compound interest effect): *"Let us assume you have a balance of €100 in your savings account. This balance bears interest at an annual rate of 2%, and you leave it there for 5 years. What do you think: How high is your balance after 5 years?" ["Higher than €102 / Exactly €102 / Lower than €102"]* Question 2 (inflation): *"Let us assume that the interest paid on your savings account is 1% per year and the inflation rate is 2% per year. What do you think: After a year, will you be able to buy just as much, more or less than today with the balance in your savings account?" ["More / Just as much / Less than today"]* Question 3 (diversification): *"Do you agree with the following statement: 'The investment in the stock of a single company is less risky than investing in a fund with stock in similar companies'?" ["I agree / I do not agree"]*
University degree	Dummy variable equals one if FKP has a university degree, including university of applied sciences ("Fachhochschule"), otherwise zero

Financial risk tolerance	Ordinal variable measuring the households attitude towards financial risk; ranging from (1) "We are not ready to take any financial risks" to (4) "We take significant risks and want to generate high returns"
Financial advice received	Dummy variable equals one if FKP has used a consulting service at the FKP's principal bank in the past three years, otherwise zero

Notes: The upper part of this table specifies the key dependent and independent variables used in our regression models. The lower part of the table lists all covariates used in the propensity score matching approaches and/or as control variables in our regression models.

Table A2: Summary statistics (all households)

Panel A: Demographics of relevant panel households																
	Group A: heirs Gift/inheritance received during 2011-2014: Yes						Group B: non-heirs Gift/inheritance received during 2011-2014: No							t-statistic		
		-----------Wave 1-----------			---------Wave 2---------				-----------Wave 1-----------			-----------Wave 2-----------			Difference in means (Heirs vs non-heirs)	
	N	Mean	Std.-Dev.	Median	Mean	Std.-Dev.	Median	N	Mean	Std.-Dev.	Median	Mean	Std.-Dev.	Median	Wave 1	Wave 2
Household net income (EUR)	111	3,270	3,063	3,600	3,637	3,865	4,000	1,143	2,407	1,856	2,600	2,609	1,785	3,000	2.81***	2.79***
Household net wealth (EUR)	111	223,683	552,790	180,000	283,205	450,213	300,000	1,143	126,149	489,637	74,400	131,604	264,370	100,000	1.97**	3.65***
Household members	111	2.179	1.068	3	2.343	1.201	3	1,143	2.272	1.265	2	2.348	1.281	2	-0.58	-0.03
Household memb. employed.	111	1.507	0.752	2	1.503	0.711	2	1,143	1.307	0.808	2	1.370	0.764	2	1.65*	1.17
Male	111	0.540	0.501	1	0.540	0.501	1	1,143	0.533	0.499	1	0.533	0.499	1	0.08	0.08
Married	111	0.511	0.502	1	0.599	0.492	1	1,143	0.462	0.499	1	0.495	0.500	1	0.62	1.29

Age	111	44.014	10.759	47	47.227	10.688	50	1,143	42.090	11.229	47	45.402	11.242	50	1.08	1.03
Unemployed	111	0.001	0.032	0	0.037	0.189	0	1,143	0.081	0.273	0	0.087	0.281	0	-6.78***	-1.96**
Self-employed	111	0.156	0.364	0	0.205	0.406	0	1,143	0.090	0.286	0	0.091	0.288	0	1.02	1.62
Financial literacy	111	2.668	0.523	3	2.794	0.585	3	1,143	2.535	0.769	3	2.555	0.726	3	1.65*	2.91***
University degree	111	0.429	0.497	0	0.438	0.498	1	1,143	0.195	0.396	0	0.230	0.421	0	3.17***	2.78***
Financial risk tolerance	111	1.667	0.663	2	1.551	0.582	2	1,143	1.442	0.584	1	1.407	0.575	1	2.34**	1.76*
Private pension ownership	111	0.792	0.408	1	0.833	0.375	1	1,143	0.622	0.485	1	0.640	0.480	1	2.70***	3.04***
Private pension (EUR)	111	24,506	46,073	13,900	38,497	38,497	18,000	1,143	16,696	54,445	5,940	17,893	34,725	8,660	1.58	2.62***
(uncondtl' of ownership)																

Table A2: Summary statistics (all households)—continued

	Group A: heirs (total N=111)					Group B: non-heirs (total N=1,143)				
Wave 1 figures - conditional means displayed			Asset amount in EUR *(conditional on owning asset)*					Asset amount in EUR *(conditional on owning asset)*		
	Ownership %	N	Mean	Std.-Dev.	Median	Ownership %	N	Mean	Std.-Dev.	Median
Private pension products	79.2%	87	30,949	49,858	20,000	62.2%	779	26,845	67,047	17,332
t/o state-subsid. priv. pension	48.9%	52	9,405	33,661	7,050	37.1%	438	6,810	37,894	3,000
t/o endowment life insurance	56.3%	66	33,803	45,512	30,000	42.2%	593	28,276	41,321	23,000
t/o other private pension	23.9%	28	22,223	16,874	15,750	19.0%	254	22,645	70,984	10,030

Notes: This table reports descriptive statistics of our overall sample of panel households. Households that are retired and households in which the *Financially Knowledgeable Person* (FKP) has switched during the survey are excluded. Group A includes households that *did* receive a gift/inheritance

>10,000 euros during period 2011-2014, Group B includes those who did *not* receive a gift/inheritance during this period. Note that households, who received a gift/ inheritance in the years *before* wave 1 (2010/2011) are not excluded in this summary statistic yet (thus, the larger number of "heirs"). Panel A displays demographics for wave 1 and wave 2 of both groups. *t*-tests are calculated for the differences in means between Group A (heirs) and Group B (non-heirs) as displayed in the last and second-to-last column. Panel B shows wave 1 (2010/2011) figures and displays conditional means. Taylor-linearised standard errors are used to estimate standard deviations. Data is weighted and representative of the German non-retired population, equal in representation to ~27M households. ***, ** and * indicate statistical significance at the 1%, 5% and 10% level, respectively.