Abstract - English Translation: Harald Graf

Model Concept for a Referendum on Future Income Distribution in Germany

This paper presents a model concept for a referendum on the future distribution of income in Germany. The starting point is the increasing inequality since the late 1990s, which has particularly favored the top income decile. The analysis shows that reversing this 30-year trend today would not only benefit lower-income groups but also financially favor more than two-thirds of the population.

The key question is whether the trend of the past 30 years has been supported by the majority of society or whether it represents an unintended development.

To better align future developments with the preferences of the electorate, a referendum is proposed in which citizens can choose between different income distribution models - ranging from maintaining the status quo to more socially balanced or less equitable alternatives. To ensure clear voting options, a stepwise interpolation with consistent Gini coefficient intervals is suggested, both in the direction of and against the current 30-year trend.

The income distribution model chosen by the population could serve as a binding legislative goal. To facilitate implementation, an incentive system for members of parliament is outlined, which includes performance-based remuneration: A bonus is only paid if the selected income distribution is largely achieved while maintaining economic growth at the Eurozone level.

Beyond the 30-year trend, additional interpolation targets are discussed for structuring voting options related to legislative goals.

An alternative approach could be that political parties define binding distribution targets before elections for the duration of the next legislative period, which would then be aggregated into a common goal after coalition formation. Achieving these targets could also be encouraged through an incentive system that includes performance-based bonuses for legislators.

To explore potential long-term preferences of the population beyond defining legislative goals, it is suggested to hold referendums on long-term income distribution targets every 10 to 20 years. The gradual alignment with the chosen long-term target should be rewarded with a separate, smaller bonus for politicians. A mountaineering analogy is used to illustrate a meaningful ratio between short-term legislative and long-term strategic incentives.

The proposed voting concepts aim to enhance transparency, strengthen democratic participation, and rebuild public trust in political decision-making processes.