National Insurance Institute Research and Planning Administration





Ethnic Gaps in Higher Education and Earnings Among Second and Third Generation Jews in Israel

> Yinon Cohen, Yitchak Haberfeld Sigal Alon, Oren Heller, Miri Endeweld



Working Papers 135 June 2021

National Insurance Institute Research and Planning Administration



## Ethnic Gaps in Higher Education and Earnings Among Second and Third Generation Jews in Israel

Yinon Cohen\* Yitchak Haberfeld\*\* Sigal Alon\*\* Oren Heller\*\*\* Miri Endeweld\*\*\*

- \* Columbia University
- \* Tel Aviv University
- \*\*\* National Insurane Institute

We thank Momi Dahan and Tali Kristal for their comments on an earlier version of this paper.

Working Papers **135** Jerusalem, June 2021 www.btl.gov.il

#### Abstract

This paper compares ethnic gaps in socioeconomic characteristics between third- and second-generation Jewish immigrants in Israel. Using administrative data for over one million men and women, 25-43 years old in 2018, the results suggest that the well-documented educational and earnings advantages of Ashkenazim (Jews of European/American origin) over Mizrahim (Jews of Asian/African origin) in the second generation, have not narrowed and, in the case of education, have even increased in the third generation, especially among men. In both generations, persons of mixed ethnicity are more similar to Ashkenazim than to Mizrahim. Multivariate analyses reveal that parental income and socioeconomic standing of childhood communities explain only a modest portion of the ethnic gap in the odds of obtaining an academic degree. Finally, in both generations, ethnic gaps in rates of obtaining an academic degree are smaller among younger birth cohorts, suggesting that the Mizrahi-Ashkenazi gap may have narrowed over time, though not between the second and third generation.

There are persisting socioeconomic gaps in Israel between Ashkenazim (Jews whose origin is from Europe or America), who have achieved high levels of education and earnings and their Mizrahi counterparts (Jews whose origin is from Asia or Africa), who have never caught up with them. Numerous studies documented the ethnic gaps and/or provided macro sociological explanations for their persistence among the second generation (i.e., Israeliborn to foreign-born parents), increasingly recognizing the institutional discrimination faced by new Mizrahi immigrants and their offspring during Israel's first decades (see, for example, Peres 1971, 1977; Smooha 1978; Smooha & Kraus 1985; Shohat 1988; Swirski 1999; Khazoom 2003; Shenhav 2006; Perlmann & Elmelech 2012, Mizrachi 2016; Lamont et al. 2016). For lack of data, however, less is known on the socioeconomic gaps between Mizrahim and Ashkenazim in the third generation, namely, among Israeli-born Jews whose parents were also Israeli-born, but their grandparents were born abroad. This is unfortunate, because the group of third generation immigrants already comprise a substantial portion

among Israeli-born Jewish adults.<sup>1</sup> Fortunately, the administrative data available in the Israeli National Insurance Institute (NII) enable us to identify the ethnic origin of third generation Israelis. This paper utilizes these data to describe and analyze the schooling levels of over 1.162 million Israeli Jews who were 25-43 years old in 2018, according to their ethnic origin and generation. However, because educational gaps have been increasingly responsible for gaps in labor market outcomes, we will also present descriptive data regarding ethnic earnings gaps by generation.

<sup>&</sup>lt;sup>1</sup> Palestinian-Arab Israelis are not included in this paper because the vast majority of the 1.6 million Palestinian citizens of Israel are native-born whose parents and grandparents were born in Israel/Palestine.

## Contents

1. Israel Migration History and the Rise of Third Generation Jewish Israelis	1
2. Data and Variables	3
3. Results	7
4. Discussion and Conclusion	21
References	27
Appendix	

## 1. Israel Migration History and the Rise of Third Generation Jewish Israelis

In 1918, when the British completed the conquest of Palestine, its Jewish population was estimated to be about 60,000. By May 15, 1948, when Israel was established, the number of Jews increased more than tenfold, to around 620,000, over 80% of them Ashkenazim. Most of the Jewish population growth during this 30-year period was due to immigration, mostly from Europe.

During statehood, immigration continued to be a major source of Jewish population growth. In the three-and-a-half years after its establishment, Israel brought nearly 700,000 Jewish immigrants to settle in Israel, in what is known as the 'mass migration.'

These Jewish immigrants not only transformed the national composition of the population of Israel – they 'replaced' the same number of Palestinians who were forced out of Israel during the 1948 war – but also the ethnic composition of the Jewish population of the new state. The proportion of Mizrahim among Israel's Jews increased from less than 20% in 1948 (Goldscheider 1996: 30), to about 38% in 1955 (Peres 1977: 45). In the 15 years between 1952 and the end of 1967, additional 600,000 Jewish immigrants arrived. This migration wave accentuated the ethnic transformation of the Jewish State, as immigrants from Asia and especially North Africa comprised about 60% of the newcomers. Since Mizrahi immigrants in the 1950s and 1960s were younger and had a higher fertility rate than Ashkenazim, the proportion of Mizrahim in the Jewish population grew, reaching parity with Ashkenazim in 1968, where each group comprised about 47% of the Jewish population, while the remaining 6% of Jews at that year were third generation immigrants whose ethnicity is unknown (Cohen 2002).

The Israeli victory in the 1967 war and its aftermath attracted over 200,000 Ashkenazi Jewish immigrants from the developed countries in America and Western Europe as well as most of the Mizrahim who remained in Arab countries in the middle east. Cold war politics enabled about 160,000 Soviet Jews, most of them Ashkenazim, to immigrate to Israel in the 1970s and 1980s, and the collapse of the former Soviet Union brought to Israel

additional half a million Soviet Jews between 1989 and 1993<sup>2</sup> (Cohen 2002) and additional half a million since 1994. Over four-fifths of the immigrants arriving during 1968-1993 were Ashkenazim, thereby reversing the decline in the share of Ashkenazim in the population. By 1993 Ashkenazim and Mizrahim comprised about 40% and 36% of the Jewish population of all ages, respectively, while the share of third generation Jews, whose ethnicity is unknown, reached 24% (Cohen 2002). By 2019, according to the Israeli Central Bureau of Statistics (ICBS 2020), the combined share of all first and second generation Mizrahim and Ashkenazim declined to 52% of the Jewish population, while the remaining 48% were third generation Jews whose ethnicity is unknown.

The ethnicity of third generation Jews is unknown due to the ICBS method of classifying the population to what it refers to as "origin." To determine their origin, Jewish Israelis are classified by the ICBS according to their (or the father's) country of birth. Possible "origins" do not include Mizrahim or Ashkenazim, but only continents of birth. If, however, both respondents and their fathers were born in Israel, they are assigned an "Israeli origin." This being the case, in official statistics and in census micro data, third generation Jews are classified as having an "Israeli origin," regardless of their grandparents' country of birth. This procedure results in the elimination of ethnicity from official statistics within two generations, or about fifty years. Moreover, relying on the country of birth of one parent only (usually the father) dictates a binary ethnic classification, whereas increasing numbers of Israeli-born Jews are of mixed ethnicity (i.e., one of their parents is Ashkenazi and the other Mizrahi). Whether such administrative rulings affect identities or change the role of ethnicity in Israel remains to be seen (Lewin Epstein & Cohen 2018). So far, available evidence suggests that the role of ethnicity has not diminished in the past fifty years, at least with respect to social and economic standing. Gaps in higher educational and earnings – arguably the two most important indicators for social standing in contemporary Israel – are not smaller in the second generation than the gaps observed in the first generation (Amir 1987; Nahon 1987), nor have the ethnic gaps

<sup>&</sup>lt;sup>2</sup> We refer to 1993 because our study includes persons born in Israel no later than that year.

within the second generation appreciably attenuated over time (Mark, 1996; Cohen & Haberfeld 1998; Haberfeld & Cohen, 2007, but see Dahan [2016] for more optimistic results).<sup>3</sup> A handful of studies, based on the merged 1983-95 census file, were able to study the gaps among young members (25-34) of the third and second generations in 1995, reporting a generational decline in ethnic gaps in post-secondary education (Friedlander et al. 2002), but not in the rates of obtaining academic degrees (Cohen et al. 2007) nor in high school matriculation (Dahan et al. 2002). A recent study from the 21<sup>st</sup> century is based on a very small sample of second and third generation Jews, found that the ethnic gaps in higher education have declined between the generations (Cohen, Lewin Epstein & Lazarus 2019).

Evidently, a study based on an updated information for nearly the entire population of Israeli-born Jews, when the number of adult third generation Jews is large enough, covering a wider age range, is in order. It will enable us to advance our knowledge of trends in ethnic socioeconomic gaps in Israel across generations.

#### 2. Data and Variables

We use administrative data from the National Insurance Institute (NII) that were augmented with data from the Israeli population registrar as well as from the Israeli tax authority. The combined data set includes rich demographic and socioeconomic information for all adults, including country of birth for parents and grandparents (from the population registrar), earnings (from the tax authorities) and whether the person is enrolled in a given year in one of Israel's colleges and universities leading to an academic degree (from the NII). These data enabled us to analyze the rates of higher education and earnings among Israeli born Jews of Mizrahi, Ashkenazi and Mixed ethnic origin of the second and

<sup>&</sup>lt;sup>3</sup> Focusing on income, Dahan (2016) reported that the net income gap between households headed by firstor second-generation Ashkenazim and Mizrahim declined from 40 percent in mid 1990s to 27 percent in 2011.

third generation, 25-43 years old in 2018 (born between 1975 and 1993). We set the upper age limit at 43 because the NII started collecting educational information only in 1995, hence there is no information about persons attending institutions of higher education before that year. In addition, since members of the third generation are relatively young – their mean age is about 3 years less than that of the second generation – including older cohorts would result in comparing older members of the second generation with younger members of the third generation.<sup>4</sup> The younger age threshold is set at 25 because most Jewish Israelis serve in the military, and do not begin their higher education before they are 21 or 22 years old.

The size of this cohort is about 1.328 million persons (see Appendix A). Excluded from the analysis are about 165,000 persons, comprising 12.5% of this cohort, mostly for missing ethnic data (about 150,000 persons). In addition, excluded are less than 8,000 fourth-plus generation Israelis, and a similar number of second-generation immigrants from Ethiopia, whose particular origin and immigration history sets them apart from other Mizrahi immigrants.<sup>5</sup>

After all exclusions, our study includes 1,162,197 Israeli-born Jews 25-43 years old in 2018, comprising nearly 88% of the population of Israeli-born Jews of this age group. Over half of them (54%) are Mizrahim, about a third (34%) are Ashkenazim and the remaining 12% are persons of mixed ethnicity. Of the 1.162 million individuals, 43% belong to the third generation (both parents were born in Israel) and 57% are second generation immigrants. Over half of the second generation belongs to a group sometimes referred to as the "2.5 generation" (Ramakrishnan, 2004), where one of the parents was born abroad and one in Israel.

<sup>&</sup>lt;sup>4</sup> Mizrahim are slightly older than Ashkenazim in the second generation, but younger in the third generation: mean age for second generation (combined with the 2.5 generation) Mizrahim and Ashkenazim is 35.5 and 34.4, respectively. The respective figures for the third generation are 31.2 and 32.5.

<sup>&</sup>lt;sup>5</sup> The exclusion of Ethiopians did not affect the results since they represent only 1.1% of the population of second-generation immigrants, and there were no third-generation Ethiopians in the relevant age group in 2018.

#### 2.1 Variables

Ethnic origin: We assigned ethnic origin and generation according to the algorithm developed by Cohen et al. (2007) and Cohen et al. (2019): The second generation consists of those born in Israel to immigrant parents. They were classified into three origin groups: Mizrahim, if both parents were Mizrahim (born in Asia or Africa); Ashkenazim, if both parents were Ashkenazim (born in Europe or America); and Mixed, if one parent was born in Asia or Africa (Mizrahi), and the other in Europe or America (Ashkenazi). The 2.5 generation, which we combine in most analyses with the second generation, consists of offspring of parents, one of whom was Israeli-born and the other an immigrant. In this case, we use the grandparents' information to determine the origin of the Israeli-born parent. Here too we identify three groups, Mizrahim, if the origin of one parent is Asia or Africa and that of the grandparents (in the case of the parent born in Israel) is also Asia or Africa. Individuals are classified as Ashkenazim, if the origin of one parent is Europe or America and that of the grandparents (in the case of the parent born in Israel) is Europe or America. If one or both grandparents (on the side of the Israeli-born parent) were born in Israel, the assigned ethnicity was according to that of the foreign-born parent. Finally, we define as mixed origin those with one Mizrahi and one Ashkenazi parent (or grandparent).

The third generation includes respondents whose parents are Israeli-born. Their ethnic origin is determined by that of their grandparents. The classification rule that we used in this case is that if at least one grandparent was born in Asia or Africa (Mizrahi) and no grandparent was born in Europe or America (Ashkenazi) the respondent was classified as Mizrahi. If at least one grandparent was born in Europe or America (Ashkenazi) and no grandparent was born in Asia or Africa (Mizrahi) and no grandparent was born in Asia or Africa (Mizrahi), the respondent was classified as Ashkenazi. All other cases (at least one grandparent from each ethnic group) were classified as Mixed.

<u>Education</u>: Our measure for having at least a BA degree is attending at least three years in an institution of higher education – enrollment information is collected annually by the NII for all Israelis – which is the normal number of years for obtaining a BA degree in Israel and much of Europe. Those 25-27 years old, who were enrolled in an institution of higher education for the first time in 2018 – comprising about 1.77% of the total sample and 9.85% of those 25-27 – are assumed to graduate and are thus classified as having a B.A degree. The proportions are slightly higher among men than women and among Ashkenazim than Mizrahim, but they do not appreciably change the results regarding gaps among the youngest age group in either generation.<sup>6</sup>

On the face of it, our measure for higher education appears to be an overestimate for the proportion of those with at least a BA degree, because it assumes that all those who were enrolled for at least three years graduated, and all those 25-27 who are currently studying will eventually graduate. However, the NII misses graduates who study abroad, or complete their degrees in less than three years – these groups are not recorded by the NII as being enrolled in institutions of higher education in Israel for at least three years. These two opposing effects appear to offset each other: the overall rate of college or university graduation (as defined above) in the NII data, 41.8%, is about the same as the rates obtained using ICBS data.<sup>7</sup>

While the overall rate of obtaining academic degrees based on the NII data appears to be accurate, the question is if dropping out of college – the main possible source of error for educational (mis)classification in the NII data – is correlated with ethnicity. The available evidence suggests that the answer is negative: dropout rates of second generation Mizrahim and Ashkenazim are nearly identical (Alon 2015b). Moreover, the proportion of dropouts

<sup>&</sup>lt;sup>6</sup> Similarly, we assume that those 42 or 43 years old, who were enrolled in an institution of higher education in 1995 or in both 1995 and 1996 (before they were 20 years old), also have a BA degree. Since enrollment records are available only from 1995, we can observe only their last one or two years of enrolment in a higher education institute. Such persons (mostly women), comprise only 0.13% of the total sample and 1.45% of those 42-43 years old, and their inclusion as having a BA degree does not change the results regarding the oldest age group.

<sup>&</sup>lt;sup>7</sup> There are two measures for academic degrees in ICBS data, one based on the type of institution from which respondents received their highest degrees, and the second is based on actual degree obtained. In 2018, according to our analysis of the Israeli Social Survey, 43.9% of Israeli-born Jews, 25-44 years old had at least "first academic degree or a parallel degree including an academic certificate," while 41.6% received their highest educational degree "from an institution [leading] towards to an academic degree."

in the NII sample – measured as being enrolled for less than three years (and not currently enrolled) in an academic institution of higher education – is similar across ethnic groups and generations,<sup>8</sup> and there is no reason to believe that the situation is different among those dropping out after attending three or more years in an institution of higher education.

<u>Type of higher Education Institution</u>. We focus on higher education because in the labor market, the critical certificate for success has increasingly become a first academic degree (B.A or its equivalent) rather than non-academic post-secondary education. However, because of differences in the economic premium of a college degree by institution (Alon 2015b, Shwed & Shavit 2006), in some educational analyses we distinguished between graduating from various types of colleges and universities.

Earnings: Earnings data in NII are obtained from the Israeli tax authority (including for self-employed). We limit earnings analyses to persons who worked at least 8 months in 2017, the last year for which earnings data are available. Unfortunately, data on work hours are not available.

### 3. Results

#### 3.1 Education

The middle panel of Figure 1, grouping the 2.5 with the second generation, presents the percent of respondents with at least a first academic degree among the three ethnic groups by generation. The results regarding the second generation confirm what we know from numerous previous studies: Ashkenazim are much more likely than Mizrahim to have academic degrees. Specifically, 49.6% of Ashkenazim have at least a B.A. degree, compared to 34.1% among Mizrahim. In the third generation Ashkenazim increased their educational levels more than Mizrahim: 53.3% of Ashkenazim and 34.7% of Mizrahim are university or college graduates. Consequently, the ethnic gap is somewhat greater in the third generation than in the second generation. Measured in percentage points, the

<sup>&</sup>lt;sup>8</sup> In the second generation the proportion is 10.1% for Ashkenazim and 10.5% for Mizrahim; in the third generation the respective figures are 9.9% and 9.6%.

Ashkenazi/Mizrahi gap is 15.5 points in the second generation, compared to about 18.6 points in the third generation, an increase of about 3 percentage points. Persons of mixed ethnicity are much more similar to Ashkenazim than to Mizrahim. In fact, they are hardly distinguishable from Ashkenazim in both the second and third generations.

#### Figure 1: Percent with at least BA degree by ethnicity and generation



These findings are robust. As shown on the right and left panels of Figure 1, they are replicated when members of the 2.5 generation (one parent was born in Israel) are classified together with the third generation (right panel), or when the 2.5 generation is excluded from the analysis, or is included as a separate category (left panel). This being the case, in all subsequent analyses we combine the 2.5 generation with the second generation.



Figure 2: Percent with at least BA degree by ethnicity and gender (Gen 2.5 -> Gen II)

Figure 2 shows that the patterns in the educational gaps, observed in Figure 1, are similar in both gender groups. Like their counterparts in many rich countries, Israeli women are more likely than men to have at least a BA degree. In Israel, women's advantage is in part because ultraorthodox women are more likely than their male counterparts to attend college. The rise in the ethnic gap in the third generation is more modest among women than men. Among women, the ethnic gap in higher education increased from 15.6 percentage points in the second generation to about 17.6 points in the third generation, an increase of about 13%. Among men, the gap increased by about 24%, from 15.6 points in the second generation to 19.4 points in the third. Here too, we can see that the persons of mixed ethnicity of both gender groups are very similar to Ashkenazim.

Figure 3 presents the results by age groups. At each age group there is about a 5-point increase in the higher education rate of third generation Ashkenazim compared to their second-generation counterparts, while among Mizrahim, rates of higher education by age groups are similar in both generations. Yet in both generations, the Mizrahi-Ashkenazi

gaps are substantially smaller among younger birth cohorts. Persons of mixed ethnicity are in between Mizrahim and Ashkenazim in the oldest birth cohort, but with time, younger cohorts of mixed ethnicity, both men and women, in both generations, increased their attendance in higher education institutions, and are more similar to Ashkenazim, reaching near parity or even slightly surpassing Ashkenazim in the youngest birth cohort.

Figure 3: Percent with at least BA degree by age and ethnicity, women and men, II and III generations



The narrower ethnic gaps among younger birth cohorts could be due to two main processes: first, it is possible that educational ethnic gaps develop with age, as more Ashkenazim than Mizrahim pursue academic degrees well into their thirties. Alternatively, and not mutually exclusive, it is possible that the smaller gaps among younger birth cohorts reflect a real narrowing of the ethnic gap in education over time, as successive Mizrahi cohorts increase

their higher education more than their Ashkenazi counterparts, thereby narrowing the ethnic gap over time. Because our results are cross sectional and not longitudinal, we cannot tell precisely the relative impact of each of these two processes. However, Table 1 suggests that the latter process likely dominates the narrowing of the gaps among those in their early thirties (compared to those 40-43). The table compares the ethnic gaps between the age groups 30-34 and 40-43 among 1) all persons in these age groups; and 2) among those in the same age groups who have already completed at least three years of higher education before they were 30 years old. Column 5 reveals that in both generations and both gender groups, the Mizrahi/Ashkenazi gaps are smaller by 5.0-7.5 percentage points in the 30-34 age group compared to the gaps among those 40-43. The respective declines among those who received their degree before they were 30 years old are similar: 5.3-8.3 points (column 6), implying that the narrower gaps among the younger cohort are not because ethnic gaps develop with age; rather the declines are due primarily to steeper rises in the higher education of successive Mizrahi than Ashkenazi cohorts, especially among women.<sup>9</sup> Taken together, the narrower ethnic gaps among men and women in their thirties, compared to those 40-43 years old, reflects, for the most part, a real narrowing of the educational gaps among persons entering the higher education system in the 2000s and 2010s, regardless of their generation.

<sup>&</sup>lt;sup>9</sup> The pattern of results (not shown), namely, declining ethnic gaps with age, is similar when including those 35-39 in the comparisons.

				Decline in		
Cohort (age):	30-34		40-43		Gap <sup>1</sup>	
Age obtained BA:	All	<30	All	<30	All	<30
	1	2	3	4	5	6
Women						
II Gen. Ashk.	57.7	55.8	55.4	51.5		
II Gen. Miz.	44.6	42.7	35.9	31.4		
Gap (Ashk-Miz)	13.1	13.1	19.5	20.1	6.4	7
III Gen. Ashk.	61.3	59.6	61.0	57.2		
III Gen. Miz.	43.4	41.5	35.6	30.8		
Gap (Ashk-Miz)	17.9	18.1	25.4	26.4	7.5	8.3
Men						
II Gen. Ashk.	44.7	41.4	44.9	38.8		
II Gen. Miz.	29.6	27.0	24.8	19.0		
Gap (Ashk-Miz)	15.1	14.4	20.1	19.8	5.0	5.4
III Gen. Ashk.	48.7	45.4	50.2	43.2		
III Gen. Miz.	28.9	26.5	24.8	19.0		
Gap (Ashk-Miz)	19.8	18.9	25.4	24.2	5.6	5.3

Table 1. Percentage with at least a BA degree by gender, age, ethnicity, and generation: all persons, and those who completed their degree before age 30.

<sup>1</sup>Decline in ethnic gap in percentage points between those 40-43 and 30-34 years old: column 5 = column 3 - column 1; column 6 = column 4 - column 2). Multivariate analysis: In Israel, as in other countries, one's educational attainment is known to be affected by parental characteristics. Cohen et al. (2019) reported that the probability of Mizrahim to have at least a B.A degree was still lower significantly even after controlling for parental education and occupation. Other studies showed that parental income and number of siblings affect higher education in later life (Cohen et al. 2007). The NII data set does not include information on parental education and occupation, but it includes information on parental income when respondents were 12 years old, and a socioeconomic index (SEI) for parental community of residence in the year 2000, when sample members were 7 to 25 years old. In the US, parental income is the main predictor for college attendance (Piketty 2020), and growing up in an affluent neighborhood was found to enhance children's education (Wodtke, Harding & Elwert 2011). In Israel, previous research reported that the Mizrahi disadvantage in schooling and other socioeconomic indicators is related to their relatively poor communities of residence (Spilerman & Habib 1976; Semyonov & Tyree 1981; Adler et al. 2005; Alon 2015a). While it is established that parental background affects respondent's college education, the outstanding question is the extent to which the disadvantage of Mizrahim in higher education is due to parental income and the socioeconomic level of the communities in which they grew up.

	1	2	3	4	5	6
Variables	ALL		Men		Women	
Constant	0.643	0.300	0.705	0.325	1.076	0.540
[2nd Generation Ashkenazi]						
2nd Generation Mizrahi	0.518	0.619	0.494	0.601	0.543	0.639
2nd Generation Mixed	0.921	0.903	0.917	0.904	0.926	0.905
3rd Generation Mizrahi	0.526	0.584	0.503	0.566	0.547	0.600
3rd Generation Ashkenazi	1.144	1.033	1.158	1.038	1.129	1.028
3rd Generation Mixed	1.048	0.890	1.049	0.892	1.052	0.893
Women	1.826	1.945				
Parental earnings (in 000')		1.405		1.398		1.415
Parent SEI (in S.D.)		1.637		1.744		1.546
Pseudo R <sup>2</sup>	0.037	0.107	0.026	0.104	0.020	0.086
N <sup>3</sup>	1,154,416		583,743		568,673	

Table 2. Odds ratios for attaining at least a B.A. degree: second- and third generation Jews
25-43 years old. <sup>1,2</sup>

<sup>1</sup>All regressions control for age.

<sup>2</sup>All odds ratios are statistically significant at the 0.01 level, though statistical significance is less important given that the results are based on nearly the entire population of Israeli born Jews, 25-43 years of age.

<sup>3</sup>Less than 0.5% cases (less than 8,000 cases) with missing parental income information were excluded from the regression analyses.

Table 2 presents the odds ratios for having an academic degree obtained from logistic regressions including annual parental income, community SEI and dummy variables controlling for birth year (not shown), as well as the six combinations of ethnic origin and generation. Columns 1, 3 and 5 of Table 2, controlling for birth cohorts but not for parental

background, tell us what we have seen in Figures 1 and 2 (without controls for age) – Mizrahim, of both the second and third generation, are less likely to hold B.A. degrees than second generation Ashkenazim, while the probabilities for third generation Ashkenazim and persons of mixed ethnicity to be graduates are higher than that of the baseline group, second generation Ashkenazim. Note, however, that the odds ratios for third generation Mizrahim should be compared with third generation Ashkenazim, whose odds ratios are larger than 1 (1.158 and 1.129 for men and women, respectively). These comparisons reveal that even after controlling for age, the ethnic gap in obtaining an academic degree is greater in the third than in the second generation, especially among men.

Columns 2, 4 and 6 add parental labor income and community SEI to the model. Clearly, affluent parental background raises the probabilities of B.A. graduation among respondents. Adding the two parental background variables, the odds ratios for Mizrahi men increased from .494 (column 3) to .601 (column 4) in the second generation and from .503 to .566 in the third generation. The respective figures for women are from .543 to .639 and from .547 to .600. Likewise, the decline in the odds ratios in models 4 and 6 for third generation Ashkenazi men and women, suggests that parental background is responsible for much of their advantage compared to their second-generation counterparts. Yet the effects for Mizrahi ethnicity are still large (and statistically significant) among persons of the same parental background, Mizrahim (and second-generation persons of mixed ethnicity) are less likely to be college or university graduates than second generation Ashkenazim. While the general pattern of the results is similar for both gender groups, the odds ratios are slightly larger for Mizrahi women than men, in both generations.

<u>Type of institution of higher education</u>: During the post-1995 period, dozens of B.A.granting colleges were established, and non-granting teacher colleges received authorization to grant B.A. degrees, enabling more Israelis to obtain academic degrees (Alon 2015a). It is possible that Mizrahim disproportionally study in these less selective colleges, while Ashkenazim tend to obtain their academic degrees in one of the more selective and established Israeli research universities, thereby adding another dimension to the ethnic gaps in education. Figure 4 is designed to address this issue. It presents the type of last institution attended by those with at least a BA degree. The figure distinguishes between four types of institutions of higher education: selective universities; other universities; general colleges; and teacher college specializing in training teachers.<sup>10</sup>





Among both men and women with higher education, a higher proportion of Mizrahim than Ashkenazim received their degrees in a college, while a higher proportion of Ashkenazim obtained their degrees in Israel's universities, especially the most selective. The differences between the ethnic groups are substantial, especially among men – in both generations nearly 60% of Ashkenazi men attend universities, compared to less than 40% among their Mizrahi counterparts. The pattern among women is similar, though less pronounced – about 50% of Ashkenazi women of both generations attend universities, compared with 38% and 32% of Mizrahi women of the second and third generation,

<sup>&</sup>lt;sup>10</sup> We followed Alon (2015a) in classifying four universities as most selective: Hebrew University, Tel Aviv University, Israeli Institute of Technology (Technion), and Weitzman Institute.

respectively. Among both men and women, the gaps in the rates of attending universities is slightly greater in the third generation. Persons of mixed ethnicity are in between the two ethnic groups, but closer to Ashkenazim.

Previous research hypothesized that much of the Ashkenazi advantage in university vs. college attendance is due to the rise of teacher's colleges. Such colleges were expected to have higher enrollment of Mizrahi than Ashkenazi women seeking teaching certificates (Cohen et al. 2019). However, the results presented in Figure 4 do not support this hypothesis. In both the second and third generations, the same proportion (about 10%) of Mizrahi and Ashkenazi women received their degrees in teachers' colleges. Not surprisingly, however, very few men (less than 1%) obtained their degrees in teachers' colleges.

#### 3.2 Earnings

Figure 5 presents median monthly earnings in 2017 for persons 30-43 years old by ethnicity, generation and gender. Here we limited the analysis to persons 30-43 in order to exclude workers in their first years in the labor market (aged 25-29), when they are job shopping and work intermittently before entering more stable employment. Not surprisingly, Ashkenazim, who are more likely to have an academic degree, earned more than the less educated Mizrahim in both the second and third generations, while those of mixed ethnicity are closer to Ashkenazim than to Mizrahim. The Mizrahi/Ashkenazim earnings ratios (not shown) for men in the second and third generation are .91 and .84, respectively, and for women .95 and .91. The higher earnings gaps in the third generation are probably due, at least in part, to small changes in age differences in the average ages of the ethnic groups: in the second-generation Mizrahim are 1.1 years older than Ashkenazim, while in the third generations Mizrahim are *younger* than Ashkenazim by 1.3 years (there are no gender differences in age).



Figure 5. Median monthly earnings for persons 30-43 years old by ethnicity and generation<sup>1</sup>

<sup>1</sup>In 2017 New Israeli Shekels (NIS) among persons who worked at least 8 months in 2017. 1 USD  $\approx$  3.5 NIS (in both 2017 and 2020).

To control for age, Figure 6 presents monthly earning by age for the ethnic groups by generation among all those 25-43 years old. The results are as expected. In young ages (before 30), when more Ashkenazim are in institutions of higher education or have just finished their studies, they earn less than Mizrahim who are more likely to have entered the labor force earlier and gained some experience that led to earnings growth. But as any labor textbook explains, college graduates overtake high school graduates relatively early in life and increase their earnings advantage with age. In Figure 6, for both generations and both gender groups, the earnings crossover occurs at about age 30 and the earnings gaps increase with age. Lowest Mizrahi/Ashkenazi earnings ratios (not shown) for men

are .81 and .78, reached at ages 43 and 42 for second and third generation men, respectively. The same pattern of results – increasing gaps with age – is observed among women, though the earnings ratios are smaller among women reaching "only" .90 and .88 at age 43 in the second and third generation, respectively. Clearly the ethnic earnings gap is smaller among women, a finding which is consistent with previous research (e.g., Haberfeld & Cohen 2007). This is in large part due to the fact that women's earnings are substantially lower than men's for a variety of reasons including labor supply, labor market discrimination, and possibly because ethnic differences in field of studies are less pronounced among women than men.





The observed earnings gaps will most likely increase with age, even after age 43. This is because the rate at which earnings increase with age and experience is positively correlated

with schooling. In other words, age-earning profiles for persons with academic degrees are steeper and peak at an older age than for workers with no academic degrees. This implies that for both generations, the ethnic earnings gaps for the cohort born in 1975-87 (30-43 years old in 2018) will increase in the coming decade as they age, reaching their peak in 10-15 years when they will be 40-58 years of age (see Yaish and Gabay-Egozi [2019] for analyses based on longitudinal data showing rising ethnic earnings gaps with age in Israel). Moreover, if the earnings premium for higher education (vs. high school graduates) will continue to rise – it increased from 40% in 2000 to 52% in 2017 (Kristal and Rozenfeld-Kiner forthcoming) – the gaps between Ashkenazim with higher rates of academic education and Mizrahim with lower rates of academic education will increase even more.<sup>11</sup>

The earnings gaps presented in Figures 5 and 6 reveal that the hierarchy in earnings is dominated by gender more than by ethnicity or generation: men of Ashkenazi or mixed origin are at the top, followed by Mizrahi men who earn, at age 43, between 81 and 88 percent of the benchmark group (second generation Ashkenazi men). Then, far behind, are the six women groups who earn only 52-64 percent of the benchmark group at that age.

<sup>&</sup>lt;sup>11</sup> We also analyzed the earnings gaps among Mizrahim and Ashkenazim with academic degrees, and the results reveal an Ashkenazi advantage, especially among men (data not shown). The Mizrahi/Ashkenazi earnings ratio is .96 for men in the second generation and .87 in the third generation (but recall that Mizrahim are 1.3 years younger than Ashkenazim in the third generation). Among women with academic degrees, the Ashkenazi advantaged is small and limited to the third generation (earnings ratio of .98), while in the second-generation, Mizrahi women earn slightly more than their Ashkenazi counterparts (earnings ratio of 1.03). Field of studies, type of educational institution, age differences, and higher degrees (MA, PhD), are just some possible factors that may explain the earnings advantage of Ashkenazi men among those with academic education. More research is needed to address the complex question of ethnic earnings differences among persons with at least a BA degree.

	1	2	3	4
	NIS	NIS	Ratio	Ratio
Age:	30-43	43	30-43	43
Men				
II Gen. Ashkenazi	13,526	17,786	1.00	1.00
III Gen. Ashkenazi	13,632	18,453	1.01	1.04
II Gen. Mixed	13,181	16,983	0.97	0.95
III Gen. Mixed	12,567	17,988	0.93	1.01
II Gen. Mizrahi	12,341	14,345	0.91	0.81
III Gen. Mizrahi	11,432	15,713	0.85	0.88
Women				
II Gen. Ashkenazi	9,055	10,403	0.67	0.58
III Gen. Ashkenazi	9,009	10,811	0.67	0.61
II Gen. Mixed	9,000	10,012	0.67	0.56
III Gen. Mixed	8,891	11,363	0.66	0.64
II Gen. Mizrahi	8,559	9,170	0.63	0.52
III Gen. Mizrahi	8,226	9,770	0.61	0.55

Table 3. Monthly earnings in New Israeli Shekels (NIS) and earnings ratios relative to second-generation Ashkenazi men.

Source: Figures 5 and 6.

### 4. Discussion and Conclusion

The main results of our study are unequivocal: the gaps in rates of academic education between Mizrahim and Ashkenazim have not narrowed between the second and third generation, but actually increased. Measured in percentage point, the increase in the gaps is by about 13% among women and by 24% among men. This, however, does not mean

that ethnic educational gaps increased over time. Rather, in both generations the Mizrahi-Ashkenazi gaps in higher education are smaller in 2018 among birth-cohorts born in 1975-1993 (analyzed in this paper), than the gaps found in 1995 for birth cohorts born in 1961-1970 (Cohen et al. 2007). In other words, ethnic gaps in higher education, while still very large in 2018, have somewhat declined in the past 23 years.

Our results with respect to the slightly greater gap in the third- than second generation are more similar to previous research that found little changes in the gaps between the second and third generation (Cohen et al. 2007), but differ from more optimistic studies reporting substantial narrowing of the educational gap in the third generation. These latter studies, however, focused on all tertiary education including non-academic (Friedlander et al. 2002) or were based on very small samples (Cohen et al. 2019). By contrast, the results of the present study focus on academic education and are based on administrative data including nearly the entire cohort of over one million Israeli-born Jews 25-43 years old in 2018. This being the case, we believe the results of this study represent the 'true' state of affairs with respect to Ashkenazi/Mizrahi gaps in higher education and earnings in contemporary Israel. The results imply that it would take more than three generations for Mizrahim to reach educational parity with Ashkenazim.

The persistence and even widening of the ethnic gap in socioeconomic attainment in the third generation is not unique to Israel (Borjas 1994). Earnings of third generation immigrants were found to be lower than that of the second generation in the US (Carliner 1980) and Sweden (Hammarstedt 2009). Previous research on the educational levels of third generation Mexican immigrants in the US relative to the second generation reached no conclusive results (Telles & Ortiz 2008, Ortiz & Telles 2017, Bean et al. 2015), though the weight of the evidence points at the persistence of the gap in the third generation, even when the group of Mexican Americans included the third-plus generation (Waters & Gerstein Pineau 2015). Apparently, in immigrant societies such as the US and Israel, the distinction between second and third generation immigrants is not as salient, in part because of immigrant replenishment (Waters & Jimenez 2005). In Israel, third generation Mizrahim, much like Mexican-Americans in the US, were connected to the immigrant generation and the immigration experience. The cohort of the third generation covered in

our study was born between 1975 and 1993. For the most part, their grandparents immigrated to Israel after 1947, hence most of their parents were born in the 1950s and 1960s. During these decades and well into the 1980s, Mizrahim were subjected to many forms of individual and institutional discrimination that most likely affected all Mizrahim including the (second-generation) parents and their (third-generation) Mizrahi children. In their own eyes as well as in the eyes of relevant actors – state agencies, educational professionals, employers and the public at large – these members of the third generation were most likely indistinguishable from their same-age counterparts of the second generation (Cohen et al. 2019, Lamont et al. 2016).

Part of the advantage of Ashkenazim in higher education is rooted in their more advantageous family backgrounds. But as shown in the regressions, this is not the entire or even the main explanation for the failure of Mizrahim to reach the same educational level as Ashkenazim in either the second or third generation. One plausible explanation for the persistence of the Ashkenazi advantage is that schools in neighborhoods and towns with large concentration of Mizrahim are disproportionately geared towards vocational degrees as opposed to academic matriculation diplomas which are required for colleges and universities (Ayalon & Shavit 2004). The regressions include a measure for socioeconomic standing of communities, and (together with parental income) it explains part of the Mizrahi disadvantage in higher education: the odds ratios for Mizrahim increased by about 20% (from about .5 to .6) when the background variables are added to the model. However, the measure we used covers entire communities without distinguishing between neighborhoods or schools, which means that all those residing in Israel's large cities received the same SEI score for their community. While admittedly crude, the measure we used does capture differences between small and midsize affluent homogeneous communities in central Israel and poorer communities in northern and southern Israel, hence the regression results cast some doubt on the hypothesis that living in poorer communities is the entire or main explanation for the Mizrahi disadvantage in higher education.

While ethnic gaps in higher education did not narrow and even increased across generations, they appear to be declining over time, as successive cohorts of Mizrahim have

narrowed the gap with successive Ashkenazi cohorts, especially among women. Our data support this conclusion with respect to persons over 30 who for the most part, completed their first academic degree. It is too early to tell, however, if this trend of narrowing ethnic gaps over time will continue among those below 30 years old.

The ethnic gaps are smaller among younger birth cohorts at least in part due to the rise in the educational level of younger Mizrahi men and especially women attending institutions of higher education in the 21<sup>st</sup> century. This rise was made possible in large part due to the expansion of the Israeli higher education system. But the stratified expansion of the higher education system is responsible for the rise of a new qualitative, horizontal dimension of ethnic educational stratification (Lucas 2001), whereby most Mizrahim attend less selective colleges while the majority of Ashkenazim attend the more selective universities (Zussman et al. 2006). A second qualitative dimension of educational inequality, ignored in our study, is field of study. As reported by Alon (2015b), a higher proportion of Ashkenazim than Mizrahim with an academic degree earned it in high paying STEM (Science, Technology, Engineering and Mathematics) fields. These factors, selectivity of institutions and fields of study, probably explain our findings that among those with academic education, Ashkenazi men earned more than their Mizrahi counterparts.

The above suggests that while younger cohorts of Mizrahim, in both generations, were able to narrow the BA gap with Ashkenazim, other developments gave rise to new qualitative dimensions of ethnic educational inequality. Moreover, even the quantitative ethnic gaps reported in this study may underestimate the true ethnic gaps in higher education. The educational measure we use, attaining a B.A. degree, disregards higher degrees. It is likely that as rates of college and university completion approach saturation among Ashkenazim, their advantage extends to higher academic degrees such as M.A., MD, and PhD, as expected by the Maximum Maintained Inequality hypothesis (Raftery & Hout 1993). Indeed, in the NII data, among those who had at least a BA degree, Mizrahim spent on average, 4.7 years in institutions of higher education, while Ashkenazim spent 5.1 years.

Consistent with previous research, the results reveal that persons of mixed Mizrahi-Ashkenazi ethnicity are more similar to Ashkenazim than Mizrahim with respect to their higher education (Okun & Khait-Marelly 2008, 2010, Cohen et al. 2007; Cohen et al. 2019) and earnings. In fact, controlling for age, women of mixed origin have higher rates of college or university graduation than Ashkenazi women. Indeed, this was the hope of the Israeli melting pot ideology, namely, that over time most Israeli Jews would be of mixed ethnic origin, and the Mizrahi-Ashkenazi cleavage would disappear. There are two problems with this wishful thinking. First, the share of persons of mixed Mizrahi-Ashkenazi ethnicity among the population of Israeli-born 25-43 years old in 2018 is less than 12%.<sup>12</sup> It will take more years and a rise in the rate of intermarriage for the share of persons of mixed ethnicity to reach plurality, let alone a majority, among adult Israeli-born Jews. Second, intermarriages were found by past research to be non-random. Rather, such marriages typically occurred between highly educated Mizrahim and Ashkenazim (Okun & Khait-Marelly 2010), implying that the remaining group of Mizrahim who marry fellow Mizrahim is likely to be of increasingly lower education than average. Given the wellestablished finding that parental background, in particular education, affects offspring education, this pattern will not only reproduce ethnic gaps, but it may exacerbate socioeconomic gaps between Mizrahim on the one hand, and the two groups of Ashkenazim and persons of mixed ethnicity on the other. It is plausible that this process explains part of the increase in educational gaps in the third generation between Mizrahim on the one hand and the other two groups of Ashkenazim and persons of mixed ethnicity on the other. However, more research is needed to test this hypothesis rigorously.

The earnings results reveal a substantial Ashkenazi advantage, especially among men. While we did not estimate casual models for earnings, past empirical research suggests that, most likely, much of this earning advantage is due to the Ashkenazi advantage in higher education. But the ethnic earnings gaps underscore a large gender effect that is too often overlooked. While women, irrespective of ethnicity and generation, are more likely than demographically comparable men (i.e., men of the same ethnicity and generation) to have a BA degree, they earn much less than men. For earnings

<sup>&</sup>lt;sup>12</sup> The proportion is less than 10%, 11% and 14% in the 2nd, 2.5, and 3rd generation, respectively.

determination, gender appears to be more consequential than ethnicity or generation. To be sure, Ashkenazi women and those of mixed ethnicity earn more than Mizrahi women, but once men are included in the hierarchy, the gender gap dwarfs the ethnic gaps. As we know from the vast literature of intersectionality (Mcmaster & Cook 2019), this does not mean that ethnicity is not important for women's earnings. Rather, the relationship between gender, ethnicity and class is complex and context dependent. Multivariate analysis is necessary for disentangling how these factors as well as work hours, field of study, and other educational and labor market variables interact in producing the earnings gaps presented in Table 3, where Ashkenazi men are at the very top and Mizrahi women are at the bottom of the Jewish hierarchy.

Finally, the above discussion suggests that the Israeli ICBS should regularly track the socioeconomic attainment of Mizrahim, Ashkenazim and persons of mixed ethnicity of both the second and third generations in order to ascertain trends in ethnic gaps. Unfortunately, the ICBS does not provide any statistics on third generation Israeli Jews by ethnicity, hence researchers must rely on special data sets such as the one used in this study to track the progress of Mizrahim and Ashkenazim. This problem is not unique to Israel (Tran 2018; Jimenez et al. 2018). One of the main recommendations of the American National Academy of Sciences studying the integration of US immigrants, was to collect data on third generation immigrants in America (Waters & Gerstein Pineau 2015). In Israel this can be easily done since the ICBS has complete ethnic and generational data. All it needs to do is to follow (or slightly modify) the algorithm for classifying Mizrahim, Ashkenazim and persons of mixed ethnicity used in this study, and provide annual statistics such as educational levels and earnings by ethnicity and generation.

#### References

- Adler, Irit, Noah Lewin Epstein & Yossi Shavit. 2005. Ethnic stratification and place of residence in Israel: a truism revisited. *Research in Social Stratification and Mobility*, 23: 155-190.
- Alon, Sigal. 2015a. *Race, Class and Affirmative Action*. New York: Russell Sage Foundation.
- Alon, Sigal. 2015b. "Field of Study Variation throughout the College Pipeline and its Effect on the Earnings Gap: Differences between Ethnic and Immigrant Groups in Israel." Social Science Research 52: 465–478
- Amir, Shmuel. 1987. Trends in earnings gaps among Jewish men during the 1970s by country of origin. Pp. 43-64 in *Survey No. 63*. Jerusalem: Bank of Israel.
- Ayalon, Hanna, & Yossi Shavit. 2004. Educational reforms and inequalities in Israel. Sociology of Education, 77: 103-120.
- Bean, Frank, Susan Brown & James Bachmeier. 2015. Parents Without Papers: The Progress and Pitfalls of Mexican American Integration. NY: Russell Sage Foundation.
- Borjas, George J. 1994. Long-Run Convergence of Ethnic Skill Differentials: The Children and Grandchildren of the Great Migration. *Industrial and Labor Relations Review* 47 (4): 553-573.
- Carliner, Geoffrey. 1980. Wages, earnings and hours of first, second, and third generation American males. *Economic Inquiry* 18 (1): 87-102
- Israeli Central Bureau of Statistics. 2020. *Statistical Abstract of Israel, No* 71. https://www.cbs.gov.il/en/publications/Pages/2020/Statistical-Abstract-of-Israel-2020-No-71.aspx
- Cohen, Yinon. 2002. From haven to heaven: changes in immigration patterns to Israel. In Danny Levy & Yifaat Weiss (Eds), *Citizenship and Identity: Germany and Israel in Comparative Perspective* (pp. 36-56). New York: Berghahn Books.

- Cohen, Yinon, & Yitchak Haberfeld. 1998. Second generation Jewish immigrants in Israel: have the ethnic gaps in schooling and earnings declined? *Ethnic and Racial Studies*, 21: 507-528.
- Cohen, Yinon, Yitchak Haberfeld & Tali Kristal. 2007. Ethnicity and Mixed Ethnicity: Educational Gaps among Israeli-born Jews. *Ethnic and Racial Studies*, 30: 896-917.
- Cohen, Yinon & Neve Gordon. 2018. Israel's Biospatial Politics: Territory, Demography, and Effective Control. *Public Culture*, 30 (2): 199-220.
- Cohen, Yinon, Noah Lewin Epstein & Amit Lazarus. 2019. Mizrahi-Ashkenazi educational gaps in the third generation. *Research in Social Stratification and Mobility* 59: 25-33.
- Dahan, Momi. 2016. How successful was the melting pot in the economic field?
- Israel Economic Review 14 (1)0: 1-51.
- Dahan, Momi, Natalia Mrionichev, Eyal Dvir & Shmuel Shye. 2002. Have the educational gaps narrowed? *Economic Quarterly* 49: 159-188 (Hebrew).
- Friedlander, Dov, Barbara Okun, Zvi Eisenbach & Lilach Elmakias. 2002. Immigration, social change, and assimilation: educational attainment among birth cohorts of Jewish ethnic groups in Israel. *Population Studies*, 56: 135-150.
- Goldscheider, Calvin. 1996. Israel's Changing Society: Population, Ethnicity, and Development. Boulder, Co: Westview Press.
- Haberfeld, Yitchak & Yinon Cohen. 2007. Gender, Ethnic, and National Earnings Gaps in Israel: the Role of Rising Inequality. *Social Science Research*, 36: 654-672.
- Hammarstedt, Mats. 2009. Intergenerational Mobility and the Earnings Position of First-, Second-, and Third generation Immigrants. *Kyklos* 62 (2): 275–292.
- Jimenez, Tomas, Julie Park & Juan Pedroza. 2018. The New Third Generation: Post-1965 Immigration and the Next Chapter in the Long Story of Assimilation. *International Migration Review* 52(4): 1040–1079.

- Khazzoom, Azziza. 2003. The great chain of Orientalism: Jewish identity, stigma management and ethnic exclusion in Israel. *American Sociological Review* 68: 481-510.
- Kristal, Tali & Alina Rozenfed-Kiner. Forthcoming. The Israeli Labor Market. In Ben Porat, Guy et al. (Eds), *Routledge Handbook of Modern Israel.*
- Lamont, Michele, Moraes Silva, Graziella, Welburn, Jessica S., Guetzkow, Joshua
- Mizrachi, Nissim, Hanna Herzog & Ellisa Reis. 2016. Getting Respect: Responding to Stigma and Discrimination in the United States, Brazil, and Israel. Princeton: Princeton University Press.
- Lewin Esptein, Noah & Yinon Cohen. 2019. Ethnic origin and identity in the Jewish population of Israel. *Journal of Ethnic and Migration Studies*. 45 (11) 2118-2137.
- Lucas, Samuel. R. 2001. Effectively Maintained Inequality: Education Transitions, Track

Mobility, and Social Background Effects." American Journal of Sociology106:1642-90.

- Mark, Nili. 1996. The contribution of education to earnings differentials among ethnic groups in Israel. *Israel Social Science Research*, 11: 47-86.
- Mcmaster, Natasha Codiroli & Rose Cook. 2019. The contribution of intersectionality to quantitative research into educational inequalities. *Review of Education* 7(2): 271-292.
- Mizrachi, Nissim. 2016. Sociology in the Garden. Israeli Studies Review 31(1): 36-65.
- Nahon, Yaakov. 1987. Education Levels and Employment Opportunities: The Ethnic Dimension. Jerusalem: Jerusalem Institute for the Study of Israel (Hebrew).
- Okun, Barbara & Orna Khait-Marelly. 2008. Demographic Behavior of Adults of Mixed Ethnic Ancestry: Jews in Israel. *Ethnic and Racial Studies*, 31:1357-1380.
- Okun, Barbara & Orna Khait-Marelly.. 2010. The Impact of Intermarriage on Ethnic Stratification: Jews in Israel. *Research in Social Stratification and Mobility* 28:375-394.

- Ortiz, Vilma & Edward Telles. 2017. Third Generation Disadvantage among Mexican Americans. *Sociology of Race and Ethnicity* 3(4): 441–457.
- Peres, Yochanan. 1971. Ethnic Relations in Israel. American Journal of Sociology 76:1021-1047.
- Peres, Yochanan. 1977. Ethnic Relations in Israel. Tel Aviv: Sifriat Hapoalim (Hebrew)
- Perlmann, Joel & Yuval Elmelech. 2012. Ethnic inequality in the education of immigrants and second-generation immigrants: A Reexamination. *Megamot, 48*: 486–503 (Hebrew)
- Piketty, Thomas. 2020. Capital and Ideology. Cambridge: Harvard University Press.
- Ramakrishnan, Karthick. 2004. Second generation Immigrants? The "2.5 Generation" in the United States. Social Science Quarterly, 85(2): 380–399.
- Raftery, Adrian & Michael Hout. 1993. Maximally Maintained Inequality: Expansion,
  Reform and Opportunity in Irish Education 1921-75." *Sociology of Education* 66:41-62.
- Shenhav, Yehouda. 2006. The Arab Jews: A Postcolonial Reading of Nationalism, Religion, and Ethnicity. Stanford CA: Stanford University Press.
- Shohat, Ella. 1988. Sephardim in Israel: Zionism from the Standpoint of Its Jew- ish Victims. *Social Text* 19–20: 1–35.
- Semyonov, Moshe & Andrea Tyree. 1981. Community segregation and the cost of ethnic subordination. Social Forces 59(3): 649-666.
- Smooha, Sammy. 1978. Israel, pluralism, and conflict. Berkeley: U.C. Press.
- Smooha, Sammy & Vered Kraus. 1985. Ethnicity as a factor in status attainment in Israel, Research in Social Stratification and Mobility, 4: 151-175.
- Spilerman, Seymour & Jack Habib. 1976. Development towns in Israel: the role of community in creating ethnic disparities in labor force characteristics. *American Journal of Sociology*, 81: 781-812.
- Shwed, Uri, & Yossi Shavit. 2006. "Occupational and Economic Attainments of College and University Graduates in Israel". European Sociological Review 22(4): 431-442.

Swirski, Shlomo. 1999. Politics and education in Israel, NY: Falmer Press.

- Telles, Edward & Vilma Ortiz. 2008. *Generations of Exclusion: Mexican Americans, Assimilation and Race*. NY: Russell Sage Foundation.
- Tran, Van. 2018. Social Mobility across Immigrant Generations: Recent Evidence and Future Data Requirements. *The Annals of the American Academy of Political and Social Science* 667(1):105-188.
- Waters, Mary & Marisa Gerstein Pineau. (Eds.). 2015. *The Integration of Immigrants into American Society*. Washington D.C.: The National Academies Press.
- Waters, Mary & Thomas Jimenez. 2005. Assessing immigrant assimilation: new empirical and theoretical challenges. *Annual Review of Sociology*, 31: 101-125.
- Wodtke, Geoffrey T., David J. Harding and Felix Elwert. 2011. "Neighborhood effects in temporal perspective: the Impact of long-term exposure to concentrated disadvantage on high school graduation." *American Sociological Review* 76:713-736.
- Yaish, Meir, and Limor Gabay-Egozi. 2019. Intracohort Trends in Ethnic Earnings Gaps: The Role of Education. *Socius* 5:1-14.
- Zussman, Noam, Orly Forman, Tom Kaplan & Dimitry Romanov. 2006. Differences in quality of education between Universities and colleges: analysis of labor market returns. Working Paper No. 42, Neeman Institute, Haifa, Israel (Hebrew)

## Appendix

Number of cases: cohort of Israeli-born Jews, 25-43 years old in 2018 by ethnicity and generation.

	Mizrahim	Ashkenazim	Mixed	Total	Percent
Total size of Cohort				1,327,866	100.0
Included in the analysis <sup>1</sup>				1,162,197	87.5
2nd generation	166,398	109,037	29,444	304,879	
2.5 generation	198,629	122,782	38,378	359,789	
2nd + 2.5 generation	365,027	231,819	67,822	664,668	57.2
3rd generation	267,790	161,763	67,976	497,529	42.8
Total	632,817	393,582	135,798	1,162,197	100.0
Percent	54.5	33.9	11.7	100.0	

<sup>1</sup>Excluded from the analysis are 165,669 persons (12.5% of the cohort): 4<sup>th</sup> generation (7,849), 2<sup>nd</sup> generation Ethiopian immigrants (7,478), and persons for whom ethnicity information was missing, mostly in the third generation (150,342).

בחינת השכר לפי גיל מראה שפערי השכר קטנים יותר בקרב הצעירים, אך כאן, ככל הנראה, הדבר נובע פחות מצמצום פערים בהשכלה גבוהה לאורך זמן, ויותר מהעובדה שפערים בהכנסה מעבודה בין בעלי השכלה אקדמית לבוגרי תיכון מתפתחים עם גיל וניסיון בעבודה. ואכן, בגיל 43, הגיל המבוגר ביותר אותו חקרנו, ההכנסה החציונית של גברים מתפתחים עם גיל וניסיון בעבודה. ואכן, בגיל 43, הגיל המבוגר ביותר אותו חקרנו, ההכנסה החציונית של גברים מתפתחים היא כ-81 ו-85 אחוזים מזו של גברים אשכנזים בדור השני והשלישי, בהתאמה. אצל נשים פער ההכנסה קטן מזרחים היא כ-81 ו-85 אחוזים מזו של גברים אשכנזים בדור השני והשלישי, בהתאמה. אצל נשים פער ההכנסה קטן יותר, כאשר הכנסתן של מזרחיות בנות ההדור השני והשלישי היא כ-88 ו-90 אחוזים מהכנסתן החציונית של היותר, כאשר הכנסתן של מזרחיות בנות ההדור השני והשלישי היא כ-88 ו-90 אחוזים מהכנסתן החציונית של האשכנזיות. מכיוון שפרופיל הגיל-הכנסה של בעלי השכלה גבוהה תלול יותר מזה של חסרי השכלה אקדמית, קרוב לוודאי שהפערים האתניים בהכנסות בקרב בני ה-43 ב-2018 יתרחבו עוד יותר ב-10.10 השנים הקרובות כשהאשכנזיות מסיוון שפרופיל הגיל-הכנסה של בעלי השכלה גבוהה תלול יותר מזה של חסרי השכלה אקדמית, קרוב לוודאי שהפערים האתניים בהכנסות בקרב בני ה-43 ב-2018 יתרחבו עוד יותר ב-10.10 השנים הקרובות כשהאשכנזים (המשכילים יותר) והמזרחים יגיעו לשנות החמישים לחייהם. זאת ועוד, אם הפרמיה עבור השכלה אקדמית לעומת השכלה תיכונית תמשיך לעלות – לפי מחקרים קודמים היא עלתה מ-40% בשנת 2000 ל-2025 בשנת 2017 – הרי שהפער האתני בשכר יתרחב עוד יותר.

למרות שפערי ההכנסה בין מזרחים ואשכנזים הם משמעותיים, חשוב להדגיש שהם קטנים יותר מהפערים המגדריים. כאשר בוחנים את מדרג ההכנסה של כול 12 הקבוצות לפי אתניות, דור ומגדר מגלים שבראש נמצאים גברים אשכנזים ומעורבים, אחריהם גברים מזרחים, והרחק במורד סולם ההכנסה נמצאות כל קבוצות הנשים, למרות שהשכלתן עולה על זו של גברים. הכנסתן החציונית של נשים מעבודה היא רק 52-55 (מזרחיות), או 58-64 אחוזים (אשכנזיות ומעורבות) מההכנסה של קבוצת הבסיס – גברים אשכנזים בני הדור השני. בקבוצת הגיל הרלוונטית, קרוב לוודאי שהוא מתאר נכונה את הפער האתני הקיים ב-2018 בין מזרחים ואשכנזים בגילאי 25-43.

עם זאת, בשעה שהפערים האתניים בהשכלה בין הדורות לא פחתו ואף גדלו במקצת, נראה שהפערים הצטמצמו לאורך זמן, וזאת לאור העובדה שהפער האתני בקרב קבוצות הגיל הצעירות, הן בדור השני והן בדור השלישי, קטן יותר מהפער בקרב קבוצות הגיל הצעירות, הן בדור השני והן בדור השלישי, קטן יותר מהפער בקרב קבוצות הגיל המבוגרות, בעיקר בקרב נשים. כך למשל, הפער האתני בין מזרחיות ואשכנזיות בנות הדור השני עמד על כ-20 נקודות אחוז בקרב בנות 40-43, אך "רק" על 13 נקודות בקרב בנות 30-34. כך גם בדור השלישי: הפער ירד מ-25 נקודות אחוז בקרב המבוגרות, בנות 40-43, אך "רק" על 13 נקודות בקרב בנות 20-30. כך גם בדור השלישי: הפער ירד מ-25 נקודות אחוז בקרב המבוגרות בנות 40-43, אך "רק" על 13 נקודות בקרב בנות 30-34. כך גם בדור השלישי: הפער ירד מ-25 נקודות אחוז בקרב המבוגרות בנות 40-45, ל-18 נקודות בקרב הצעירות בנות 30-34. לסיכום, פערי הפער ירד מ-25 נקודות אחוז בקרב המבוגרות בנות 40-45, ל-18 נקודות בקרב הצעירות בנות 30-34. לסיכום, פערי הפער ירד מ-25 נקודות אחוז בקרב המבוגרות בנות 40-45, ל-18 נקודות בקרב הצעירות בנות 30-34. לסיכום, פערי הפער ירד מ-25 נקודות אחוז בקרב המבוגרות בנות 40-45, ל-18 נקודות בקרב הצעירות בנות 30-34. לסיכום, פערי ההשכלה קטנו עם השנים, אבל גדלו במקצת בקרב בני הדור שלישי לעומת עמיתיהם באותם גילאים ששייכים לדור השני.

הפערים האתניים קטנים יותר בקרב קבוצות הגיל הצעירות בין השאר בשל העלייה בהשכלה הגבוהה בקרב מזרחיים ובעיקר מזרחיות במאה ה-21. גידול זה התאפשר, לפחות בחלקו, בשל התרחבות מערכת ההשכלה הגבוהה ופתיחת עשרות מכללות המעניקות תארים אקדמיים. ברם, ההתרחבות של מערכת ההשכלה הגבוהה יצרה ממד נוסף, רוחבי, של אי שוויון בהשכלה, והוא סוג מוסד ההשכלה הגבוהה בו למדו מזרחים ואשכנזים. הממצאים מלמדים שרוב האשכנזים למדו באוניברסיטאות, בשעה שרוב המזרחים למדו במכללות. סוג המוסד אינו הממד הרוחבי היחיד בו יש לאשכנזים יתרון על מזרחים. לפי מחקרים קודמים, גם בתחומי הלימוד – נושא שלא חקרנו בעבודה זו – יש לאשכנזים יתרון בכך שהם לומדים תחומים המובילים להכנסה גבוהה יותר.

נראה אם כן, שבשעה שלאורך זמן הפער האתני בשיעור בעלי תואר אקדמי הצטמצם בקרב בני הדור השני והשלישי, גורמים אחרים, כולל האופן בו התרחבה מערכת ההשכלה הגבוהה, הביאו להתפתחות פערים רוחביים בהשכלה בין מזרחים ואשכנזים. זאת ועוד, אפילו בממד האופקי של ההשכלה הגבוהה (קרי, בעלות על תואר אקדמי), הממצאים במחקר זה מהווים הערכת חסר של הפערים האתניים ה״אמיתיים״ ב-2018. המדד ההשכלתי אותו חקרנו, קבלת תואר ראשון לפחות, אינו מתייחס לתארים גבוהים. קרוב לוודאי שכאשר שיעורי ה-ב.א. עולים וקרבים לרוויה בקרב אשכנזים, היתרון האשכנזי גולש לתארים מתקדמים. ואכן, הנתונים מלמדים שבקרב אלו שיש להם לפחות תואר ראשון, המזרחים היו רשומים, בממוצע, 4.7 שנים במוסד להשכלה גבוהה, לעומת 5.1 שנים בקרב אשכנזים.

בדומה למחקרים קודמים מצאנו שנחקרים בעלי מוצא אתני מעורב דומים מאוד לאשכנזים מבחינת השכלה גבוהה והכנסה מעבודה. זו הייתה גם התקווה של אידיאולוגיית כור ההיתוך הישראלי, כלומר, שעם חלוף השנים רוב היהודים בישראל יהיו ממוצא מעורב והשסע המזרחי-אשכנזי יעלם. יש שתי בעיות עם מימושו של חלום כור ההיתוך: ראשית, ב-2018 נתח המעורבים בקרב בני 25-43 הוא רק 11.7% ויש להמתין עוד שנים לא מעטות על מנת שקבוצת המעורבים תהווה נתח משמעותי, לא כל שכן רוב, בקרב המבוגרים בישראל. שנית, מחקרים קודמים מצאו שנישואין בין מזרחים ואשכנזים אינם אקראיים, אלא מתרחשים בשכיחות גבוהה יותר בקרב אשכנזים ומזרחים בעלי השכלה גבוהה יחסית. תופעה זו מביאה לכך שבממוצע, למזרחים שנישאים למזרחים אחרים השכלה נמוכה יחסית. בהינתן המתאם הגבוה בין השכלת הורים להשכלת ילדיהם, תהליך זה יכול להביא לגידול בפערים לאורך הדורות בין אשכנזים ומעורבים (שהשכלתם גבוהה יחסית) מצד אחד, לבין מזרחים (שהשכלתם נמוכה יחסית) מצד שני. לא מן הנמנע שתהליך זה אחראי על לפחות חלק מהגידול בפערי ההשכלה בין הדור השני לשלישי שנמצאו במחקר זה.

<u>הכנסה מעבודה:</u> פערי ההכנסה מעבודה (שכירה ועצמאית) לא השתנו משמעותית במשך הדורות. בשנת 2017 ההכנסה החציונית של גברים מזרחים בני 30-43, שעבדו לפחות 8 חודשים בשנה הייתה, בדור השני והשלישי בהתאמה, 91 ו-84 אחוזים מהכנסת עמיתיהם האשכנזים. המספרים המקבילים אצל נשים הם 95 ו-91 אחוזים. על פניו, פער ההכנסה גדול במקצת בדור השלישי, אולם הדבר נובע מפערי גילאים בין הקבוצות האתניות. בעוד שבדור השני המזרחים מבוגרים (בשנה בערך) מהאשכנזים, הרי בדור השלישי המזרחים צעירים (בשנה בערך) מהאשכנזים.

#### תקציר

המחקר בוחן האם הפערים בהשכלה אקדמית ובהכנסה מעבודה בין אשכנזים ומזרחים בני הדור השני (ילידי ישראל להורים ילידי חו״ל), הצטמצמו בדור השלישי, כלומר, בקרב ילידי ישראל שהוריהם גם הם ילידי הארץ, אך הסבים ו/או הסבתות שלהם נולדו בחו"ל. כיום מעל מחצית ילידי ישראל היהודים (בכל הגילאים) שייכים לדור השלישי. הם מוגדרים כבעלי ״מוצא ישראלי״ בפרסומי הלשכה המרכזית לסטטיסטיקה ואין אפשרות לדעת אם מוצאם הוא מאסיה-אפריקה (מזרחים) או מאירופה-אמריקה (אשכנזים).

אוכלוסיית המחקר היא יהודים ילידי ישראל בני 25-43 בשנת 2018 (ילידי 1975-1993), שכולם בני הדור השני או השלישי להגירה. המחקר עשה שימוש בנתונים מנהליים שמקורם במוסד לביטוח לאומי, ושאוחדו עם נתוני מס הכנסה ומרשם התושבים. קובץ הנתונים שנבנה לצורך המחקר כולל מידע על מספר שנות הלימוד של הנחקרים במוסדות להשכלה גבוהה, על הכנסה מעבודה, כמו גם על ארץ הלידה של הורי הנחקרים ו/או של הסבים והסבתות שלהם, מידע שאפשר לסווג את הנחקרים כמזרחים, אשכנזים או מעורבים (בדומה לשיטות הסיווג האתני של מחקרים קודמים). אחד היתרונות של המחקר לעומת מחקרים קודמים הוא שאינו מוגבל למדגם קטן, אלא כולל כמעט את כל האוכלוסייה – למעלה מ-87% מקבוצת הגיל הרלוונטית –1,162,197 נשים וגברים שעבורם היו נתוני השכלה ומוצא מלאים.

ההתפלגות האתנית של הנחקרים, כולם ילידי ישראל, היא כדלקמן: 55% הם מזרחים, 34% הם אשכנזים והיתר, 12%, הם בעלי מוצא אתני מעורב, אשכנזי-מזרחי. 43% מהנחקרים שייכים לדור השלישי, כלומר שני הוריהם הם ילידי ישראל ולפחות אחד מהסבים וסבתות שלהם נולד בחו״ל, והשאר, 57%, שייכים לדור השני כלומר, לפחות אחד מהוריהם נולד בחו״ל. נתח הקבוצות האתניות המרכזיות, מזרחים ואשכנזים, אינו שונה משמעותית בין הדורות, אך שיעור המעורבים גבוה יותר בדור השלישי.

ממצאי המחקר מצביעים על כך שהיתרון של אשכנזים בהשכלה גבוהה ובהכנסה לא הצטמצם (ובהשכלה אף גדל במעט) בדור השלישי: שיעור בעלי ב.א. ומעלה (המוגדרים במחקר זה כאנשים שהיו רשומים לפחות שלוש שנים במוסד להשכלה גבוהה), שיעורם של בעל השכלה גבוהה שלמדו באוניברסיטאות לעומת במכללות, והכנסה מעבודה – כולם גבוהים יותר בקרב אשכנזים מאשר מזרחים, הן בדור השני והן בדור השלישי. בעלי מוצא אתני מעורב קרובים יותר לאשכנזים מבחינת הישגיהם הסוציואקונומיים מאשר למזרחים. להלן פירוט הממצאים:

<u>השכלה גבוהה</u>: בדור השני, הפער בשיעור בעלי השכלה אקדמית בין אשכנזים (49.6% בעלי תואר ראשון לפחות) לבין מזרחים (34.1%), הוא 15.5 נקודות אחוז. בדור השלישי הפער האתני עולה ל-18.6 נקודות אחוז – שיעור בעלי השכלה אקדמית אצל האשכנזים עומד על 53.3%, לעומת 34.7% בקרב מזרחים. המאמר מציג את הפערים לפי מגדר ומראה ששיעור הנשים בעלות תואר אקדמי גבוה יותר מאשר אצל גברים, והגידול בפער האתני בין הדור השני לשלישי, קטן יותר אצלן, בהשוואה לגברים.<sup>1</sup> ספציפית, בקרב נשים הפער האתני עלה מ-15.6 נקודות אחוז בדור השני לשלישי, קטן יותר אצלן, בהשוואה לגברים.<sup>1</sup> ספציפית, בקרב נשים הפער האתני עלה מ-15.6 נקודות אחוז בדור השני לישלישי, קטן יותר אצלן, בהשוואה לגברים.<sup>1</sup> ספציפית, בקרב נשים הפער האתני עלה מ-15.4 נקודות אחוז בדור השני ל-17.4 נקודות בדור השלישי (גידול של 13% בפער האתני), ובקרב גברים הוא עלה מ-15.6 נקודות בדור השני ל-לישרים, קטן החוז בדור השלישי (גידול של 24% בפער האתני). ממצאים אלה שונים מממצאים קודמים שחלקם דווחו 19.4 שהפערים האתניים דומים בין הדורות, וחלקם, שהתבססו על מדגמים קטנים או שבחנו השכלה על תיכונית ולא רק אקדמית, דווחו אף על צמצום בפער ההשכלה בין הדורות. מכיוון שהמחקר הנוכחי מבוסס על (כמעט) כלל האוכלוסייה

<sup>&</sup>lt;sup>1</sup> אחוז בעלי ב.א. בקרב נשים, דור שני אשכנזיות, מעורבות ומזרחיות, 56.4, 54.8 ו-41.0, בהתאמה. האחוזים המקבילים לגבי נשים בדור <sup>1</sup> השלישי: 60.2, 58.9 ו-42.6.

אחוז בעלי ב.א. בקרב גברים, דור שני אשכנזים, מעורבים ומזרחים: 43.0, 40.9 ו-27.4. האחוזים המקבילים לגבי גברים בדור השלישי: 46.6, 43.9 ו-27.4. 3.4 ו-27.2.

מחקרים לדיון **135** 2021 ירושלים, תמוז תשפ״א, יוני www.btl.gov.il

אוניברסיטת קולומביה
 אוניברסיטת תל אביב
 אוניברסיטת לאומי

ינון כהן\* יצחק הברפלד\*\* סיגל אלון\*\* אורן הלר\*\*\* מירי אנדבלד\*\*\*

# פערי השכלה והכנסה בדור השני והשלישי בין יהודים/יות ממוצא מזרחי, אשכזי ומעורב







ינון כהן, יצחק הברפלד, סיגל אלון, אורן הלר, מירי אנדבלד

# פערי השכלה והכנסה בדור השני והשלישי בין יהודים/יות ממוצא מזרחי, אשכזי ומעורב





המוסד לביטוח לאומי מינהל המחקר והתכנון