

Untitled Demography Proposal

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Table of Contents

| | |
|---|-----------|
| Introduction | 1 |
| 0.1 Kinds of Russians | 1 |
| Chapter 1: Population of Israel | 3 |
| 1.1 Arrival of the Russians | 3 |
| Chapter 2: Labor Market Stratification Theory | 5 |
| Chapter 3: Methodology | 7 |
| 3.1 Occupational Prestige | 7 |
| 3.2 Factors Affecting Income | 8 |
| Chapter 4: Review of Literature - | 9 |
| 4.1 ## File:Lit Review 3{#litReview3}Characteristics of the FSU pop | 9 |
| 4.2 Theories of Immigration | 9 |
| 4.3 Economic Stuff | 9 |
| 4.4 Policy of Absorbtion | 9 |
| Appendix 1: Data Sets | 13 |
| 4.5 List of data sets obtained from the Central Bureau of Statistics for this project. | 13 |
| References | 15 |

List of Tables

List of Figures

Introduction

0.1 Kinds of Russians

- Jews
- non-Jews
- those who immigrated to Israel
- those who immigrated to other countries 1. US 2. Germany and W. Europe 3. elsewhere
- those who stayed in Russia

The term *Russian* in common Israeli parlance is a synecdoche referring to immigrants from the several states of the Former Soviet Union (FSU) who have arrived in several waves since 1989. An immigrant who came to Israel¹ in 1992 or 2002 from Georgia or Latvia is a *Russian*. Former Foreign Minister Moshe Sharett was born in the Russian Empire, in what is now Ukraine. He made aliyah in 1910. He may be called an Ashkenazi Jew, a member of the Second Aliyah, the New Yishuv and the Generation of the Founders, but he is not called a *Russian*. The 167,000 Soviet olim between the Six-Day War and 1988 form an edge-case, they may be called either Israeli or Russian depending on their perceived level of integration into Israeli society. This research deals with the place of post-1989 FSU olim in the ethnically stratified Israeli labor market. It attempts to determine if the Israeli labor market meets the objective criteria set by economists that would classify it as ethnically stratified. It then looks for data which could aid in placing the Russians within this system of stratification. Finally it seeks to determine their place within this system and any changes that have occurred over time to the system and their position within it.

1. Immigrant to Israel: m.s. *oleh*, f.s. *olah*, pl. *olim*.

Chapter 1

Population of Israel

At the end of 2015 the population of Israel included 6.2 million Jews, 1.7 million Arabs and 357,500 others.¹ Among these others are 300,000 non-Jewish immigrants from the FSU.² These new immigrants from the FSU entered into a labor market with an existing system of stratification, with European and American Jews and the top, African and Asian Jews in the middle and Arab citizens of Israel at the bottom.³ Historical migration patterns had put this stratified system in place, with pre-state immigration mostly coming from Central and Eastern Europe. These early immigrants established the pre-state institutions that became the foundations of the Israeli state. They were in an advantageous position to occupy positions of high status and high political, economic and social power. The lasting socioeconomic effects of the circumstances surrounding initial absorption conditions and spatial location have been noted.⁴ Among the dimensions of social stratification are income, occupation, education, political power, standard of living and place of residence.⁵ This paper specifically reviews the question of occupational stratification as measured by occupational prestige.

1.1 Arrival of the Russians

After the founding of the state, a Mass Immigration (1948-1952) took place which more than doubled the population from 600,000 to almost 1.5 million. Immigration then became moderate and sporadic from 1953 to 1989, (Bar-haim and Semyonov 2015, 325) averaging around 50,000 per year. (Goldscheider 2002, 43) The first wave of FSU olim, from 1989 to 1991 numbered 400,000. The second wave lasted until 1995 and brought 300,000 more. Between 1995 and 2006 50,000 more arrived in Israel. (Israel Central Bureau of Statistics 2009) The conditions of FSU olim absorption, including the shift in government policy in 1989-1990 to *direct absorption* in which olim received an *absorption basket* of grants which they then had discretion to spend have been

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1. (Statistics 2015).
 2. (Cohen 2009).
 3. (Haberfeld and Cohen 2007).
 4. (Bar-haim and Semyonov 2015, 325–26).
 5. (Semyonov and Lewin-Epstein 1987, 8).

discussed and compared with earlier policies.(Semyonov, Moshe; Lewin-Epstein 2011) One finding was that, used to full-employment and low-quality housing in the Soviet Union, FSU olim would share crowded, expensive accomodations in the center of Israel rather than one-family flats in peripheral areas.⁶ Recent interviews with FSU olim who were University students in Israel showed the persistence of a drive for higher education, despite its decreased monetary rewards in Israel as compared to the Soviet Union.⁷

6. (Evans 2011).

7. (Lerner, Rapoport, and Lomsky-Feder 2007).

Chapter 2

Labor Market Stratification Theory

The theory of an ethnically stratified labor market was elaborated by Edna Bonacich. Different ethnic groups in the labor market have varying costs of labor due to differing resources and motives for participation in the labor market. Ethnic antagonism will result from this price differential as the higher-priced group attempts to maintain employment. The expensive labor group will attempt to resist displacement in the market through exclusion or a caste arrangement.¹ Professors Semyonov and Lewin-Epstein have applied the theory to the Israeli case in several works, famously in the book *Hewers of Wood and Drawer of Water* in which they found non-citizen Arabs who entered the labor market after the Six-Day war to have formed a lower-stratum beneath the three afore-mentioned groups.² Recently Bar-Chaim and Semyonov identified ten geo cultural groups in the Israeli labor market based on ethnic origin and immigrant generation. These groups are immigrants from 1.Asia, 2.Africa, 3.Europe and America, 4.the Former Soviet Union, 5.Ethiopia. Second generation 6.Asian, 7.African, 8.European or American, 9.third generation Israeli Jews and 10.Arabs. Their work produced interesting findings and quantified observations made by other observers. For instance, immigrants from the FSU ranked 3rd highly in education, with 13.64 years of formal schooling to the 15.22 completed by the Israeli-born children of European and American immigrants and the 14.58 years of European and American immigrants themselves. They had more than 2 and a half more years of average formal schooling than the Asian immigrant group's 11.02, and yet their mean ISEI occupational prestige was 43.84, only slightly above the Asian group's 43.81.(Bar-haim and Semyonov 2015, 330)

This research sought to deal specifically with the case of stratification in occupation. All occupations are ranked on a one-hundred point scale of occupational prestige. Respondents then are asked their ethnicity and occupation. From this data the range of occupations held by an ethnicity can be described and compared to that held by another group.

1. (Bonacich 1972).

2. (Semyonov and Lewin-Epstein 1987).

This work discusses three refinements to Bonacich's Ethnic Antagonism. In the *succession model*, each new group of immigrants takes the least-prestigious and poorest paid occupations in the hierarchy pushing existing groups up the ladder. They however prefer the *queuing model* by which a surplus of lowest-status ethnic group members, competing for a limi

Chapter 3

Methodology

Many proxies are available for social position within a stratified society. These include individual or household income, household wealth, ownership of durable goods, access to education, health care and political power. Because of limited access to long-term, stable employment in large firms or the public sector, immigrants may turn to self-employment.(Semyonov and Barck de Raijman 1994, 376) Thus, there is a need to compare groups on the basis of total individual earnings, including self-employment income, and not on salary data alone.(Plaut 2014) Differing labor-force participation rates by gender among the ethnic groups can yield differing household incomes from similar individual incomes. Some have sought to instead measure a household's standard of living by its consumption, rather than its income.(Lach 2007, 579)

3.1 Occupational Prestige

I sought to focus on the question of occupational prestige among FSU olim. The position of ethnic groups within the labor market is shown by their mean status and standard deviation on Andrea Tyree's 100 point scale for occupational prestige in Israel.¹ This scale has been employed in several papers.² These would later be converted to the International Socio-Economic Index of occupational status (ISEI).³ Their spread throughout the occupational structure is represented by an Index of concentration, with one representing a perfect spread among all occupations of all prestige levels. Changes over time have been studied by asking immigrants their current occupation, and their occupation of five years previous. A Socioeconomic Status gap between occupational status in 1983 and 1978 was then calculated. Israeli men gained in average status, moving from a mean occupational prestige on Tyree's scale of 44.5 to 48.0. Western European and North American immigrants suffered a drop in status from 59.1 to 57.4 that was less than half the decrease (55.0 to 50.1) felt by immigrants from Latin America.⁴

1. (Tyree 1981).

2. (Semyonov and Lewin-Epstein 1987; Semyonov and Barck de Raijman 1994; Semyonov and Lewin-Epstein 1991).

3. (Ganzeboom, De Graaf, and Treiman 1992; Bar-haim and Semyonov 2015).

4. (Semyonov and Barck de Raijman 1994, 383).

3.2 Factors Affecting Income

Generally those who are older and live in cities earn a higher income than young people in rural areas. Sixty-six percent of Israeli-born sons of European and American immigrants live in Metropolitan Areas, their average age is 45.22. The FSU immigrant population is more than a year older (46.6 years) and only forty-two percent of them live in Metropolitan Areas. How do these factors affect the 70% more average income from salary (14,819 NIS/month to 8,646) received by the native-born group? How much of it is due to the previously discussed one and a half year gap in formal schooling between groups, and how much to occupational prestige? (Bar-haim and Semyonov 2015, 330) Semyonov and Lewin-Epstein have defined a process of *Decomposing Income Differentials* in which multiple regression is used to determine the contribution made to income by the components of the model, and the residual which is due to ethnicity.

Chapter 4

Review of Literature -

4.1 Characteristics of the FSU pop

4.2 Theories of Immigration

4.3 Economic Stuff

4.4 Policy of Absorption

4.4.1 “Israel as a Returning Diaspora”

nice recent paper with good overviews Amit-Returning

4.4.2 “Ethnic Stratification in Israel”

There was good stuff in Bar-Chaim Bar-Chaim timing: 1989 collapse of FSU -> influx of immigrants to Israel.

4.4.3 “Migration Patterns to and from Israel”

4.4.4 “Self-Selection in moving to US or IL”

- autocite:Cohen2007a cohen Self Selection different destination countries have different returns to skills -p.650

US granted refugee status to J. from FSU until 1989 - what about exit visa from Soviet Union?

after 1989 - family reunification visa to USA, but didn't other article say this was earlier?

skilled immigrants go to countries with high returns to skills, low-skilled (less skilled) prefer social safety net countries

compare rate of earnings growth for FSU immigrants v. US natives and IL natives of similar demographics

1. 2 assumptions

1. skills are equally transferable

- non-native speaker
- advanced economies in IL and US

2. FSU immigrants are treated equally by US and IL labor markets

2. 2 waves of immigration = 1.8 Million J. + family members

1. 1968- early 80s 350k

2. late

4.4.5 TODO Cohen 2009 - Migration Patterns to and from Israel

autocite:cohen2009 has exported highlights (Cohen 2009, 115) The pdf these notes are in the file notes.org

1. success of Z.

1. % of world J. in IL

2. % J. v. A. in IL

3. pop. growth rate of J. in IL

2. p. 119 - 350k emigrants from IL, 1/2 in US

CBS # of 480k includes IL Arabs, approx. 100k 2003 ministry of absorbtion said 700k

- didn't account for mortality abroad

3. rater of return migration are higher than most other sending countries

- not every IL who abroad for 1 yr will never come backend

4. what is a good indicator for skills?

- emigrants return better educated than when they left
- but those w/ higher income stay in US, lower return

5. FSU !!!

1. 1st wave 400k 1989-1991

- 400k immigrants to IL

- high schooling - 14 yrs
- 2. then, up to 2000 (after 1992)
 - 60k to 80k annually
 - only 13 yrs schooling
- 3. conclusion
 - in post 1991, higher edu. seek USA CANADA recently Germany
 - in 2002 22k FSU J. > IL or US
- 6. impact of second intifada
 - decline since 1999 -18k in 2007 -13k 2008 from 77k in 1999
 - increase in *annual emigration* (emigrants minus returnees)

Conclusions {.unnumbered}

The existing research has extracted estimable conclusions from the datasets available from the Israeli Central Bureau of Statistics - the 2009 Income Survey and the Immigrants Survey. It has shown that due to the circumstances associated with the massive influx of FSU olim into the job market that they have still been unable to fully convert their human-capital into economic success in Israel.

Appendix 1: Data Sets

4.5 List of data sets obtained from the Central Bureau of Statistics for this project.

These files are from four surveys for various years:

1. Household Expenditure Survey
2. Income Survey
3. Labour Force Survey
4. Social Survey

| Census File | Year | Contents | Household | Individual |
|-------------|------|---------------------------|-----------|------------|
| f210 | 2008 | Census Public Use File | x | |
| f456 | 2014 | HES | x | x |
| f457 | 2013 | HES | x | x |
| f458 | 2012 | HES | x | x |
| f459 | 2011 | HES | x | x |
| f467 | 2005 | HES | x | x |
| f468 | 2006 | HES | x | x |
| f469 | 2007 | HES | x | x |
| f472 | 2009 | HES | x | x |
| f598 | 2011 | HES | x | x |
| f599 | 2010 | HES | x | x |
| f606 | 2006 | Income Survey - Household | x | |
| f607 | 2007 | Income Survey - Household | x | |
| f608 | 2008 | Income Survey - Household | x | |
| f609 | 2009 | Income Survey - Household | x | |
| f787 | 2008 | Israel Social Survey | x | |
| f798puf | 2014 | Israel Social Survey | x | |
| f820puf | 2006 | Labour Force Survey | x | |
| f821puf | 2007 | Labour Force Survey | x | |
| f822puf | 2008 | Labour Force Survey | x | |
| f823pufn | 2009 | Labour Force Survey | x | |
| f823pufy | 2009 | Labour Force Survey | x | |
| f824puf | 2010 | Labour Force Survey | x | |

| Census File | Year | Contents | Household | Individual |
|-------------|------|---------------------|-----------|------------|
| f825puf | 2011 | Labour Force Survey | x | |

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