

The Labor Market Status of American Jews: Patterns and Determinants

AMONG THE MOSAIC OF racial and ethnic groups making up the population of the United States, most are defined in terms of race or country of origin. Some, however, are defined on the basis of religious identity or ancestry. The latter category includes American Jews.

Jews are a small minority in the United States, comprising about 2.5 per cent of the total population. However, they have had a major impact on the economic, political, and cultural life of the nation. In part this is due to their high level of schooling, occupational attainment, and entrepreneurial achievement.

While successful, American Jews are also a troubled minority. As a religiously-based ethnic element, they are open to the negative impact of increased secularization. The high level of income and education which Jews enjoy has been both a cause and consequence of very low fertility rates. In addition, there has been an increase in intermarriage on the part of Jews, reflecting, to some degree, their growing level of education and greater number of generations since immigration to the United States.¹ These trends suggest that the Jewish population may decline in absolute numbers and as a proportion of the total population.² If so, Jews may fall victim to their own success.

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¹See Bernard Lazerwitz, "Jewish-Christian Marriages and Conversions," *Jewish Social Studies*, Winter 1981, pp. 31-46.

²See Calvin Goldscheider, "Demography and American Jewish Survival," in Milton Himmelfarb and Victor Baras (eds.), *Zero Population Growth—For Whom? Differential Fertility and Minority Group Survival* (Westport, 1978), pp. 119-148.

The purpose of this article is twofold. First, it will present a comparative analysis of Jews and non-Jews in the United States labor market. Basic quantitative information about the labor market status of many racial and ethnic groups is quite abundant, but this is less true for Jews. Second, the article considers alternative hypotheses as to why Jews have been so successful in the labor market. This analysis has considerable importance not merely for understanding the labor market adjustment of Jews, but also for explaining why other racial and ethnic groups have been less successful.

This article employs the methodology of social science research. Hypotheses are developed on the basis of analytical reasoning and are tested with data. Those hypotheses that are not consistent with the data are rejected, while those that are consistent are retained for further analysis. This methodological approach helps focus the discussion and analysis, and is essential for identifying substantive relationships between variables.

Data Availability

There has been relatively little systematic, quantitative research on the labor market experiences of American Jews. In contrast, during the past three decades there have been numerous quantitative studies of disadvantaged minorities, especially Blacks and Hispanics. In part, this disparity reflects the realities of the data resources that are available. The major source of data for studies of the labor market status of various American racial and ethnic groups has been the decennial censuses of population and the periodic and special household surveys conducted by the U.S. bureau of the census. With the exception of one survey, however, the bureau of the census has not inquired about religion.³ Thus, information about Jews can only be gathered in part and with considerable difficulty from the census data, e.g., by isolating persons of Russian origin or with a Jewish "mother tongue."⁴ Other household survey data, generally privately collected, will include a question about religion on occasion, but the sample size for Jews in these surveys tends to be very small.⁵

³The exception is the supplement to the March 1957 Current Population Survey. Although some tables have been released, the bureau of the census has not made available a public use sample (microdata file). The bureau of the census has recently introduced a question on ethnic ancestry in its censuses and surveys, but the question does not permit the identification of religiously-based ethnic groups, such as Jews.

⁴See Barry R. Chiswick, "The Earnings and Human Capital of American Jews," *Journal of Human Resources*, Summer 1983, pp. 313-336; and Erich Rosenthal, "The Equivalence of United States Census Data for Persons of Russian Stock or Descent with American Jews: An Evaluation," *Demography*, May 1975, pp. 275-290.

⁵The data include the National Opinion Research Center General Social Survey, the Princeton Fertility Sample, the National Bureau of Economic Research-Thorndyke Sample, and the National Academy of Sciences Twin Sample. See Jere R. Behrman *et al.*, *Socioeconomic Success* (Amsterdam, 1980); David Featherman, "The Socioeconomic Achievement of White

There have been surveys that have focused exclusively on Jews, such as the 1971 National Jewish Population Study and the 1981–1982 National Survey of American Jews.⁶ These surveys are useful for comparisons among Jews and for testing the reliability of alternative methods for identifying Jews in the general data. But as is the case with other surveys limited to any one group, comparisons with other bodies of data are fraught with difficulty, because of differences in survey methodology, questionnaire design, and coding procedures.⁷

The analyses for contemporary American Jews presented in this article are based on two data sources. One is the March 1957 Current Population Survey, a probability sample of about 35,000 households, in which questions were asked regarding the schooling, income, religion, and other demographic characteristics of all persons aged 14 and over.⁸ Of these households, 1,100 had a Jewish head. The 1957 Current Population Survey data suffer from several deficiencies. A Public Use Sample (microdata file) has not been released. The tables made available by the Bureau of the Census provide only limited cross-tabulations. Moreover, data on nativity and year of immigration for the foreign-born are absent. This is significant, since we know from various sources that, other things being equal, second-generation, white, male Americans earn five per cent more than white males with native-born parents; immigrants in the United States earn less than comparable native-born men during their first few years in the country, reaching earnings-parity at about 10 to 15 years of residence; and immigrants have higher earnings than the native-born if they have been in the U.S. for more than 15 years.⁹ Since Jews are disproportionately first- and second-generation Americans, immigration generation may be responsible for some

Religio-Ethnic Subgroups: Social and Psychological Explanations," *American Sociological Review*, April 1971, pp. 207–222; Galen L. Gockel, "Income and Religious Affiliation: A Regression Analysis," *American Journal of Sociology*, May 1969, pp. 632–646; and Andrew M. Greeley, *Ethnicity, Denomination, and Inequality* (Beverly Hills, 1976). These studies show higher levels of schooling, occupational attainment, and income for Jews, but the Jewish samples are small.

⁶See Fred Massarik and Alvin Chenkin, "United States National Jewish Population Study: A First Report," *AJYB*, Vol. 74, 1973, pp. 264–308; Fred Massarik, "National Jewish Population Study: A New United States Estimate," *AJYB*, Vol. 75, 1974–1975, pp. 299–300; and Steven Martin Cohen, "The 1981–1982 National Survey of American Jews," *AJYB*, Vol. 83, 1983, pp. 89–111.

⁷For an interesting comparative analysis based on data from several contemporary sources, see Erick Rosenthal, "The Jewish Population of the United States: A Demographic and Sociological Analysis," in Bernard Martin (ed.), *Movements and Issues in American Judaism* (Westport, 1978), pp. 25–62.

⁸The question on religion in the special supplement was "What was your religion—Baptist, Lutheran, etc.?" The data are described in U.S. bureau of the census, "Religion Reported by the Civilian Population of the United States: March 1957," *Current Population Reports, Population Characteristics*, P-20, No. 79, February 2, 1958.

⁹See Barry R. Chiswick, "Are the Sons of Immigrants at an Earnings Disadvantage?" *American Economic Review*, February 1977, pp. 376–380; and Barry R. Chiswick, "The Economic Progress of Immigrants: Some Apparently Universal Patterns," in William Fellner (ed.), *Contemporary Economic Problems 1979* (Washington, 1979), pp. 359–399.

of the income advantage they enjoy.¹⁰ Finally, it is now more than 25 years since the March 1957 Current Population Survey, and much could have happened since then.

The other data source is the 1970 Census of Population, 15 Per Cent Questionnaire—the “long form” administered to 15 per cent of the population. It is the most recent data file that provides a large sample, a mechanism for identifying Jews and non-Jews, and a statistical control for immigrant generation. Among adult, native-born, white men with a foreign-born parent, i.e., second-generation Americans, those who reported their mother tongue as Yiddish, Hebrew, or Ladino are classified as Jews, while those with a different mother tongue are classified as non-Jews.¹¹ It is estimated that this procedure permits the identification of about 60 per cent of second-generation American Jews, and that less than five per cent of those identified as non-Jews are actually Jews with a non-Jewish mother tongue.¹² Tests suggest that the procedure does not generate biases in means or in the partial effects of

¹⁰Immigrant generation of persons aged 25–64 (per cent):

Generation	Jews ^a	White Males ^b
First (Foreign-Born)	14	5
Second (Foreign-Born Parents)	63	18
Third and Higher (Native-Born Parents)	<u>23</u>	<u>77</u>
	100	100

^aJewish household heads.

^bIncludes Jews.

The data are from Massarik and Chenkin, *op. cit.*, Table 4, p. 276 and U.S. bureau of the census, *1970 Census of Population, Public Use Sample, 15 Per Cent Questionnaire* (data tape, one-in-a-hundred sample of the population), 1973.

¹¹A person has a non-English mother tongue if there was a language other than, or in addition to, English spoken in the home when the person was a child. Ladino is the language of Sephardic Jews.

¹²The procedure is developed and implemented in Chiswick, “The Earnings and Human Capital of American Jews,” *op. cit.* See also Ira Rosenswaik, “The Utilization of Census Mother Tongue Data in American Jewish Population Analyses,” *Jewish Social Studies*, April–July, 1971, pp. 141–159; and Frances E. Kobin, “National Data on American Jewry, 1970–71: A Comparative Evaluation of the Census Yiddish Mother Tongue Subpopulation and the National Jewish Population Survey” in U.O. Schmelz *et al.* (eds.), *Papers in Jewish Demography, 1981* (Jerusalem, 1983), pp. 129–143. The procedure cannot be applied to more recent data, such as the 1976 Survey of Income and Education and the 1980 Census of Population, because the Bureau of the Census has dropped the questions on nativity of parents and mother tongue. The procedure can be applied to the 1920 and 1940 censuses, as they included questions on nativity, nativity of parents, and mother tongue. Public use samples from these censuses are being produced.

explanatory variables (regression coefficients). The procedure was limited to second-generation Americans so as to avoid confounding the findings by other variables, e.g., the experience of immigrants in their countries of origin and the substantial loss of Jewish mother tongues among American Jews with both parents born in the United States.

Income and Its Determinants

The data from the 1957 Current Population Survey indicate that American Jews have a higher level of income than members of other major religious groups (Table 1). Among men aged 14 and over, with income, Jews received 36 per cent more than the overall median and 24 per cent more than Roman Catholics, the next highest group. Jewish women also had higher incomes—45 per cent more than the overall median and 13 per cent more than Roman Catholic women.

To some extent the higher income of Jews may be related to place of residence. Reported incomes are lower in rural areas, in part because of a lower cost of living (e.g., shelter), and in part because more income is received "in-kind" through own-production (particularly for farmers). American Jews are less likely than others to live in rural areas or to be employed in agriculture.¹³

Another measure of labor market outcome is occupational status. American Jews are more likely to be employed in higher-status occupations, such as professional and managerial jobs (Table 2). In 1957 one-fifth of employed male Jews were professionals, as compared with about one-tenth of other white males; over three-tenths of Jews were managers and proprietors, also more than double the proportion of other whites. Jews were also more than twice as likely to be in sales occupations. On the other hand, Jews were half as likely to be craftsmen, foremen, or operatives;

¹³Proportion living in rural areas (aged 14 and over) and proportion of employed men in agriculture (aged 18 and over), by religion in March 1957 (per cent):

	Jewish	Protestant			Roman Catholic	Total ^a
		Total	White	Black		
Rural	3.9	44.4	44.8	33.9	21.2	36.1
Agriculture ^b	0.2	11.9	11.7	13.4	5.5	9.8

^aIncludes persons with no religion, other religions, and religion not reported.

^bFarmers, farm managers, farm laborers and foremen.

The data are from U.S. bureau of the census, "Tabulations of Data on the Social and Economic Characteristics of Major Religious Groups, March 1957," mimeo, Tables 1 and 15 (no date).

TABLE 1. MEDIAN INCOME OF PERSONS AGED 14 AND OVER WITH INCOME, BY RELIGION, 1956 (DOLLARS)

Religion	All Persons		Employed Persons in Urban Areas Standardized by Occupation ^b	
	Male	Female	Male	Female
Jewish	4,900	1,660	4,773	2,352
Protestant	3,463	1,040	3,780	2,031
White	3,728	1,198	4,553	2,263
Non-White	2,005	776	3,038	1,831
Roman Catholic	3,954	1,470	4,509	2,282
Total	3,608 ^a	1,146 ^a	4,472 ^c	2,255 ^c

^aIncludes persons with other religion, no religion, and religion not reported.

^bWithin each sex, standardized by major occupation group for the urban employed in the three major religions.

^cFor the three major religious groups.

Source: U.S. bureau of the census, "Tabulations of Data on the Social and Economic Characteristics of Major Religious Groups, March 1957," unpublished tables, no date, Table 18.

one-third as likely to be in service occupations; one-tenth as likely to be laborers (non-farm); and even less likely to be in agricultural jobs.

Although both income and occupation are measures of labor market status, it is useful to investigate whether the income differences among the three major religious groups reported in columns (1) and (2) of Table 1 are due to differences in occupational attainment. Columns (3) and (4) of Table 1 consider only employed persons in urban areas, thereby controlling for group differences in the proportion living in urban and rural areas. In addition, the median income data control for group differences in occupational status by standardizing for this variable.¹⁴ These two modifications substantially narrow group differences in median incomes. Among adult males the ranking changes, as white Protestants now have slightly higher incomes than Roman Catholics. The Jewish income advantage, however, is 6.7 per cent overall, 5.9 per cent compared to Catholics, and 4.8 per cent compared to white Protestants. Thus, on average, among urban men in the same major occupational category, Jews have higher incomes.

To what extent is the higher income of Jews due to level of schooling? The data from the 1957 Current Population Survey indicate that for all persons aged 25 and over, as well as among employed men, the median schooling of Jews is 1.5 years

¹⁴The income data are standardized by the occupational distribution of the three major religious groups.

TABLE 2. OCCUPATIONAL DISTRIBUTION OF EMPLOYED MALES, AGED 18 AND OVER, BY RELIGION, 1957 (PER CENT)

Occupation	Religion						Ratio Jewish to Total ^b
	Jewish	Protestant		Roman Catholic	Total ^a		
		Total	White				
<u>White-Collar</u>	77.5	34.3	37.8	9.4	34.6	35.5	2.18
Professional, Technical and Kindred	20.3	9.9	10.9	2.6	8.9	9.9	2.05
Managers and Proprietors (Except Farm)	35.1	12.6	14.1	2.2	12.5	13.3	2.63
Clerical	8.0	6.5	6.8	4.1	8.4	6.9	1.16
Sales	14.1	5.3	6.0	0.5	4.8	5.4	2.61
<u>Blue-Collar, Farm and Services</u>	22.3	65.7	62.3	90.6	65.5	64.5	0.35
Craftsmen and Foremen	8.9	19.8	21.2	9.7	22.5	20.0	0.45
Operatives	10.1	20.5	19.7	27.0	22.4	20.9	0.48
Service	2.3	5.5	4.3	14.1	7.7	6.1	0.38
Agricultural ^c Laborers (Except Farm)	0.2	11.9	11.7	13.4	5.5	9.8	0.02
TOTAL ^d	100.0	100.0	100.0	100.0	100.0	100.0	

^aIncludes persons not reporting the three major religious groups.

^bRatio of Jewish to total.

^cIncludes farmers, farm managers, foremen, and farm laborers.

^dDetails may not add to total due to rounding.

Source: U.S. bureau of the census, "Tabulations of Data on the Social and Economic Characteristics of Major Religious Groups, March 1957," unpublished tables, no date, Table 15.

more than the overall median, and one year more than that of white Protestants (Table 3). Among men living in urban areas, there is little difference in earnings between Jews and non-Jews with less than 8 years of schooling (Table 4). Among those with 12 years of schooling, the median Jewish income exceeds the overall median by 7.7 per cent; among those with 16 or more years of schooling, the Jewish median is 30.1 per cent higher. Compared to white Protestants, the Jewish earnings advantage is 4.9 per cent and 26 per cent, respectively, for those with 12 and 16 or more years of schooling. Thus, at the median schooling level, Jews earn more than

TABLE 3. MEDIAN YEARS OF SCHOOLING COMPLETED, BY RELIGION, MARCH 1957

Religion	Persons Aged 25 and Over	Employed Persons Aged 18 and Over	
		Male	Female
Jewish	12.3	12.7	12.6
Protestant	10.7	11.2	12.1
White	11.3	11.7	12.3
Non-White	Under 8	8.0	8.8
Roman Catholic	10.4	11.3	12.1
Total ^a	10.6	11.2	12.1

^aIncludes persons with other religion, no religion, and religion not reported. For persons aged 25 and over the median for "Other Religion" is 8.9 years and for "No Religion" is 8.6 years. Source: U.S. bureau of the census, "Tabulations of Data on the Social and Economic Characteristics of Major Religious Groups, March 1957," unpublished tables, no date, Tables 2 and 12.

TABLE 4. MEDIAN INCOME OF URBAN MEN, AGED 14 AND OVER, BY RELIGION AND EDUCATION, 1956 (DOLLARS)

Years of Schooling Completed	Jewish	Protestant			Roman Catholic	Total ^a	Ratio Jewish to Total
		Total	White	Black			
0-7	2,609	2,558	2,812	2,249	2,819	2,654	0.98
8	3,844	3,582	3,712	2,864	3,729	3,631	1.06
9-11	4,672	3,639	4,850	2,849	4,170	3,858	1.22
12	4,913	4,628	4,684	3,092	4,567	4,563	1.08
13-15	5,026	4,529	4,712	(b)	4,361	4,526	1.11
16+	8,041	6,049	6,375	(b)	5,727	6,179	1.30

^aIncludes persons with other religion, no religion, and religion not reported.

^bSample size too small for the reporting of medians.

Source: U.S. bureau of the census, "Tabulations of Data on the Social and Economic Characteristics of Major Religious Groups, March 1957," unpublished tables, no date, Table 19.

other white men. The earnings advantage of Jews relative to comparable non-Jews rises with the level of schooling.

Similar patterns emerge from an analysis of the 1970 Census of Population, 15 Per Cent Questionnaire data. Using means rather than medians, among second-generation American men, Jews have 55 per cent higher earnings, 2.3 more years of

schooling, and are more likely to be living in urban areas (Table 5).¹⁵ The higher earnings of Jews are in part attributable to higher levels of schooling and urban residence. Using multiple regression analysis to control statistically for schooling and demographic variables (age, marital status, place of residence, etc.), it emerges that Jews have 16 per cent higher earnings than second-generation, white, non-Jewish men of British parentage (Table 6). The earnings of other non-Jewish men do not differ from those of British origin, except for men of Mexican and French-Canadian parentage, who have lower earnings.¹⁶ Controlling for the major occupational categories reduces the earnings advantage of Jews from 16 per cent to 10 per cent. In other words, one-third of the higher earnings of Jews of the same schooling, age, marital status, and area of residence as non-Jews is due to their higher occupational status.¹⁷

About half of the American Jewish population lives in the urban areas of New York, New Jersey, and Connecticut,¹⁸ where one-fifth of non-Jews make their home. Could the higher earnings of Jews be attributable to their disproportionate residence in these high income states? Even when the 1970 Census of Population, 15 Per Cent Questionnaire data are limited to urban areas in these three states, Jews have eight per cent higher earnings than other native-born white men.

The 1970 Census of Population, 15 Per Cent Questionnaire data on American Jews can also be used to compare the schooling and earnings of native-born American Jews with native-born members of other racial and ethnic groups (Table 7).¹⁹ Jewish men have higher earnings than the male members of any other group; native-born Chinese

¹⁵Second-generation Americans are less likely to be rural and southern than those with native-born parents.

¹⁶The significant effect of U.S.S.R.-origin parents in Table 6 results from the large proportion of non-identified Jews in this category.

Higher earnings and occupational status have also been reported for Jews in other Western countries. For Canada, see Nigel Tomes, "The Earnings of Jews in Canada: Notes on Earnings Regressions," department of economics, University of Western Ontario, mimeo, 1982. Gur Ofer (department of economics, Hebrew University, Jerusalem) reported in a personal conversation that his comparative study of retrospective data on Russian Jewish emigrants in Israel and data from Soviet sources reveal higher earnings for Soviet Jews. See also Daniel J. Elazar with Peter Medding, *Jewish Communities in Frontier Societies: Argentina, Australia, and South Africa* (New York, 1983).

¹⁷In the 1970 Census of Population, 15 Per Cent Questionnaire data, 27 per cent of Jewish men are professionals, compared to 15 per cent of non-Jewish men. Medicine and law alone account for 9.7 per cent of Jews, compared to 2.1 per cent of non-Jews. Jews are also more likely to be nonfarm managers (26.5 per cent compared to 13.4 per cent) and in sales occupations (19.7 per cent compared to 7.0 per cent). The proportion in clerical jobs is similar (about 8 per cent). A smaller proportion of Jews are in the lower skilled areas; 18.3 per cent of Jews and 56.2 per cent of non-Jews are in blue-collar, farm, and service occupations. See Chiswick, "The Earning and Human Capital of American Jews," *op. cit.*, Table 4.

¹⁸See Alvin Chenkin, "Jewish Population in the United States, 1972," *AJYB*, Vol. 74, 1973, pp. 307-309.

¹⁹These data are limited to persons born in the United States so as to avoid confounding the patterns by the characteristics of immigrants. The sample sizes for individuals of Puerto Rican and Cuban origins are too small for inclusion in the table.

TABLE 5. MEANS OF VARIABLES FOR SECOND-GENERATION ADULT WHITE MEN, BY RELIGION, 1970

Variable	Jewish ^a	Non-Jewish	Total
Earnings (\$)	16,176	10,431	10,781
Age (Years)	49.2	47.2	47.3
Schooling (Years)	14.0	11.7	11.8
Residence			
Rural (Per Cent)	2.2	16.7	15.8
Southern (Per Cent)	10.5	9.7	9.7
Population (Per Cent)	6.1	93.9	100.0

^aPersons who reported Yiddish, Hebrew, or Ladino as their mother tongue.

Source: 1970 Census of Population, 15 Per Cent Questionnaire, one-in-one-hundred sample.

TABLE 6. PARTIAL EFFECT ON EARNINGS OF BEING JEWISH AND PARENTS' COUNTRY OF BIRTH FOR NON-JEWS, FOR NATIVE-BORN ADULT MEN WITH FOREIGN-BORN PARENTS, 1970^a

Origin	Per Cent Difference in Earnings	T-Ratio
British Isles	—	—
Jewish ^b	16.0	12.41
Western Europe	-0.9	-0.95
Southern Europe	-1.0	-1.12
Central Europe	-0.2	-0.16
U.S.S.R.	5.8	4.63
Balkans	2.1	1.34
Canada	-3.9	-3.33
Mexico	-21.5	-14.68
Other Latin America	-0.6	-0.14
Asia/Africa	-0.5	-0.22

^aBritish Isles is the benchmark. Controlling for schooling, labor market experience, marital status, and urban/rural, south/non-south residence. Country categories are defined by parent's country of birth for non-Jews: father's country if he was foreign-born, otherwise mother's country.

^bPersons who reported Yiddish, Hebrew, or Ladino as their mother tongue.

Source: Barry R. Chiswick, "The Earnings and Human Capital of American Jews," *Journal of Human Resources*. Summer 1983, pp. 313-336.

TABLE 7. CHARACTERISTICS OF ADULT NATIVE-BORN MEN, BY RACE AND ETHNIC GROUP, 1970^a

Race and Ethnic Group	Earnings (\$)	Means		Partial Effect of Schooling on Earnings ^b (Per Cent)
		Age (Years)	Schooling (Years)	
<u>White</u>				
All	9,653	42.7	11.9	7.0
Native-Born Parents	9,441	41.7	11.9	6.9
Foreign-Born Parents	10,567	47.1	11.9	7.2
Jewish ^c	16,176	49.2	14.0	8.0
Non-Jewish ^c	10,431	47.2	11.7	6.8
<u>Mexican-Origin^d</u>				
All	6,330	39.5	9.3	5.2
Native-Born Parents	6,602	38.8	9.7	5.0
Foreign-Born Parents	6,664	40.3	8.9	5.7
<u>Black (Urban)</u>				
All	6,126	42.0	9.9	4.4
Native-Born Parents	6,110	42.0	9.9	4.4
Foreign-Born Parents	7,719	39.0	11.8	6.8
<u>Japanese</u>	10,272	43.4	12.7	6.5
<u>Chinese</u>	10,406	41.4	13.1	6.7
<u>Filipino</u>	7,173	37.3	11.3	4.5
<u>American Indians^e</u>	5,593	40.0	9.9	5.4

^aThe data are for men aged 25 to 64 in 1970 who worked and had non-zero earnings in 1969. Earnings are defined as wage, salary, and self-employment income. The Asian data exclude men in the armed forces in 1970; the Jewish/non-Jewish data exclude persons enrolled in school. The sampling fractions are 1/1,000 for white men, 1/100 for Mexican, Jewish/non-Jewish, and Black men, and 2/100 for Asian and American Indian men.

^bCoefficient of schooling from the linear regression of the natural logarithm of earnings in 1969 on schooling, experience, experience squared, marital status dummy variable, geographic distribution, and, for some regressions, weeks worked. Geographic distribution is urban/rural and South/non-South, except for the Asian analysis, in which it is Hawaii/California/South/other non-South and urban/rural.

^cThe Jewish/non-Jewish data are for native-born men of foreign parentage (one or both parents foreign-born), where Jews are defined as those reporting Yiddish, Hebrew, or Ladino as their mother tongue (language other than or in addition to English spoken in the home when the respondent was a child).

^dThe Mexican analysis is for Spanish-surname men living in the five southwestern states with either an English or Spanish mother tongue and with parents born in the U.S. or Mexico. Although the data are limited to whites, over 95 per cent of the Mexican-origin population was classified as white in the 1970 Census. The schooling coefficient is 4.9 per cent for those with a Spanish mother tongue.

^eExcludes men living in Alaska.

Source: Barry R. Chiswick, "Differences in Educational Attainment Among Racial and Ethnic Groups: Patterns and Hypotheses Regarding the Quantity and Quality of Children," mimeo, revised, January 1983.

and Japanese men (primarily second-generation Americans) have earnings similar to foreign-parentage white men; and all three have earnings greater than white men with native-born parents (third- and higher-generation Americans). The disadvantaged minorities, as measured by earnings, are Mexican-Americans, Blacks, Filipinos, and American Indians. The ranking by educational attainment is similar to earnings, the main exception being the higher schooling level of Chinese and Japanese men as compared to white men.

It was noted above (Table 4) that in the 1957 Current Population Survey data, the ratio of earnings of Jews to non-Jews increased with level of schooling. The same pattern emerges in the 1970 Census of Population, 15 Per Cent Questionnaire data. The partial effect of an extra year of schooling on earnings (from a regression equation) is greater for Jews than for the members of any other group (Table 7). This finding persists even after holding constant occupational attainment or residence in the New York metropolitan area. The larger effect of schooling on earnings implies that Jews receive a higher rate of return on their educational investment than do members of other groups. The greater profitability of schooling for Jews may explain their higher level of investment.

American Jews at the Turn of the Century

The majority of today's adult, native-born, American Jews are descendants of immigrants who came to the United States from Eastern Europe during the period 1880–1914. An examination of the labor market status of turn-of-the-century Jewish immigrants will bring into sharper focus the nature and extent of contemporary Jewish labor market achievements.

The turn-of-the-century data suggest two conclusions: that the skill level of Jewish immigrants enabled them to close the earnings gap with the native-born and immigrants from Northern and Western Europe; that American Jews may have experienced a sharper rate of increase in occupational status and earnings than non-Jews during the twentieth century.

Arcadius Kahan has written: "While the Jewish immigrants from Eastern Europe brought along little money or physical assets, their value for the U.S. economy, and the source of their expected incomes, consisted of their skill endowment and their ability to employ their skills gainfully."²⁰ Data on the occupational distribution of pre-World War I Jewish immigrants prior to their arrival in the United States indicate that nearly two-thirds were in manufacturing (half in clothing manufacturing), about one-quarter in commerce, while relatively few were laborers, agricultural workers, or professionals. In the United States, Kahan argues, Jewish immigrants earned about the same amount as other immigrants in the same industry. Kahan also indicates that each cohort of Jewish immigrants, within 10–15 years of assuming

²⁰Arcadius Kahan, "Economic Opportunities and Some Pilgrims' Progress: Jewish Immigrants from Eastern Europe in the U.S., 1890–1914," *Journal of Economic History*, March 1978, p. 237.

residence in the United States, matched the earnings of native-born American workers of the same age and occupation. These achievements are attributed to the high proportion of skilled Jewish workers, and to their urban residence.²¹

The Dillingham Immigration Commission, which was established in 1907 to study the condition of European immigrants in the United States and to propose immigration reform, conducted a survey of about half a million workers in mining and manufacturing in 1909. The commission's report, published in 1911, included detailed cross-tabulations that have recently been put to good use by social scientists. Robert Higgs reports data on weekly earnings, English-speaking ability, literacy, and duration of residence in the United States, for adult men belonging to white, foreign-born groups (including Russian and "other" Jews), as well as the native-born (Table 8).²² Jewish immigrants, whether of Russian or "other" origin, had

TABLE 8. EARNINGS AND OTHER CHARACTERISTICS OF ADULT MALE WORKERS IN MINING AND MANUFACTURING, 1909

Group	Average Weekly Earnings (\$)	Per Cent Speaking English	Per Cent Literate ^a	Per Cent Residing in U.S. for Less than Five Years
Foreign-Born				
All ^b	11.81	63.6	85.6	38.1
Jewish ^c	13.16	76.0	93.2	38.4
Russian Jews	12.71	74.7	93.3	42.9
Other Jews	14.37	79.5	92.8	26.2
Native-Born				
White	14.37	(d)	98.2	(d)
Black	10.66	(d)	76.4	(d)

^aAble to read a language.

^bWeighted average for 35 foreign-born groups from Europe, Canada, Turkey, and Syria, including the two Jewish categories.

^cWeighted average. Sample size: 3,177 for Russian Jews and 1,158 for "Other Jews." Jews were 3.2 per cent of the sample.

^dNot reported.

Source: Robert Higgs, "Race, Skills, and Earnings: American Immigrants in 1909," *Journal of Economic History*, June 1971, pp. 420-428.

²¹In a study published in 1919, Paul Douglas noted the high skill level of Jews compared to other Eastern and Southern European immigrants. See Paul H. Douglas, "Is the New Immigration More Unskilled than the Old?" *Journal of the American Statistical Association*, June 1919, pp. 393-403. See also Simon Kuznets, "Immigration of Russian Jews to the United States: Background and Structure," *Perspectives in American History*, Vol. 9, 1975, pp. 34-124.

²²See Robert Higgs, "Race, Skills, and Earnings: American Immigrants in 1909," *Journal of Economic History*, June 1971, pp. 420-428.

higher weekly earnings than foreign-born non-Jews (Table 8). The earnings advantage over the white foreign-born was eight per cent for Russian Jews, 22 per cent for "other" Jews, and 11 per cent for Russian and "other" Jews combined. To some extent the higher earnings of Jews is attributable to the larger proportion who could speak English (76 per cent compared to 64 per cent) and who were literate (93 per cent compared to 86 per cent). Although the proportion of individuals residing in the United States for fewer than five years was the same for Jews and non-Jews (38 per cent), a larger proportion of the Russian Jews and a smaller proportion of "other" Jews were recent immigrants. Controlling for these determinants of earnings, Jews had 3-5 per cent higher earnings than other foreign-born men, a difference which is not statistically significant.²³

Compared to white, native-born men, turn-of-the-century Jewish immigrants had eight per cent lower earnings (12 per cent lower earnings for Russian Jews and no difference for "other" Jews). If, hypothetically, all Jews had been in the United States for five or more years, even with no change in literacy, there would be no earnings disadvantage for Jews (1 per cent lower earnings for all Jews; 3 per cent lower earnings for Russian Jews; and 5 per cent higher earnings for "other" Jews).

A comparison of the Dillingham Immigration Commission data with the 1957 Current Population Survey and 1970 Census of Population, 15 Per Cent Questionnaire

²³With the natural logarithm of average weekly earnings as the dependent variable, the weighted regression equations for adult, white, foreign-born men engaged in mining and manufacturing (1909) are as follows:

Explanatory Variable	Regression Equations		
	(1)	(2)	(3)
Jewish	0.0516 (0.68)	0.0311 (0.41)	0.0436 (0.55)
Per Cent Literate	0.0089 (5.93)	0.0083 (4.88)	0.0085 (4.94)
Per Cent in U.S. Five or More Years ^a	0.0019 (2.26)	—	0.0012 (0.75)
Per Cent Speaking English ^a	—	0.0019 (2.24)	0.0009 (0.54)
Constant	1.5729	1.6246	1.6014
N (Groups)	35	35	35
R	0.76	0.75	0.76
R ² (Adj.)	0.73	0.73	0.72

^aThe variables "per cent in U.S. for five or more years" and "per cent speaking English" are highly correlated with each other.

Notes: t-ratios in parentheses; designates variable not entered. Computed from data reported in Higgs, *op. cit.*

data sets suggests that, both overall and when other variables are held constant, the relative earnings of Jewish men has improved dramatically over the period.

Alternative Explanations

The high level of schooling and earnings of contemporary American Jews appears to be quite unique. What factors account for this impressive performance? Over the years, various explanations have been put forward, pointing to such things as a cultural preference for education, a history of discrimination in access to education and in the labor market, a history of persecution, and greater productivity in acquiring and implementing education. This section considers these explanatory factors, which are by no means mutually exclusive.

CULTURAL PREFERENCE FOR EDUCATION

As a group, Jews manifest a keen interest in learning. In traditional Jewish society, particularly in Eastern Europe, Torah study was an exalted religio-cultural ideal. This love of learning may well have been translated into a thirst for secular education in twentieth-century America. Thus, Alice Kessler-Harris and Virginia Yans-McLaughlin write: "Religious tradition and community approval encouraged the Jew in America to invest in education and correspondingly to increase his upward mobility. No other group had this advantage. . . ." They add: "When choices had to be made, such groups as Italians, Irish, and Poles would sacrifice the educational interests of their young, withdrawing them from school, sending them to work, and absorbing their earnings. Such decisions increased present earnings at the expense of future skills. Jews do not seem to have made similar compromises."²⁴

This line of analysis suggests that Jews value education not only for its monetary benefits, but also because it fulfills cultural and peer-group expectations. Consequently, Jews would be expected to continue their schooling for a longer period than would be warranted by strictly pecuniary considerations. This is consistent with the high level of schooling which Jews exhibit, and the high level of schooling would account for high earnings. However, it also implies an overinvestment in schooling, in that Jews continue to acquire education even if it is not financially profitable. Thus—because Jews with lesser ability would be continuing longer with their schooling—this interpretation implies that at each level of schooling Jews would have a lower average level of ability and lower earnings than non-Jews.

Empirically, however, Jews, compared to non-Jews, have higher earnings and a higher rate of return from schooling at each level of education (beyond eight years). This suggests that if Jews do have a cultural drive for education, it is not the cause of their high level of schooling, but is rather a consequence of education itself or whatever it is that generates the large investment in education.

²⁴Alice Kessler-Harris and Virginia Yans-McLaughlin, "European Immigrant Groups," in Thomas Sowell (ed.), *American Ethnic Groups* (Washington, 1978), pp. 114, 120.

DISCRIMINATION

American Jews have experienced discrimination in the labor market, as well as in access to higher education. While overt discrimination has diminished in recent decades, there is no doubt about its presence at the time when the cohorts of adults in the 1957 and 1970 data sets discussed above were of school age and making educational investment decisions.²⁵ Discrimination could be expected to result in a lower rate of return from schooling, unless the discrimination was specifically directed against individuals with lower levels of education. Indeed, labor market and schooling discrimination are cited as important explanations for the lower levels of schooling and earnings, as well as the smaller rate of return from schooling, of disadvantaged groups. Yet, American Jews apparently have a higher level of schooling and higher rates of return from schooling.

It might be argued that discrimination served as a spur, prompting American Jews to do better. This, however, raises two questions: why did it spur them to do even better than non-Jews; and why did other groups which experienced discrimination not respond in the same manner (except possibly for the Chinese and Japanese)? A more compelling explanation is that Jews were successful despite, rather than because of, discrimination. In other words, the labor market achievements of Jews in the United States would be even more impressive if not for the factor of discrimination.

PERSECUTION

It is useful to distinguish between discrimination and persecution. Discrimination is passive, e.g., a person may be denied access to a job or entry into a particular school. Persecution, on the other hand, is active, i.e., a person fears for his life and property. Persecution, in addition to discrimination, was instrumental in generating the mass emigration of Jews from Eastern Europe to the United States. European Jews were very much aware that, because of antisemitism, no place was secure, no tolerance could be guaranteed to last. An appropriate response to such externally generated insecurity is to avoid investments which are "geographic specific," i.e., investments which are productive in one location but not in another. "Human capital" is embodied in the person and is therefore portable. Hence, European Jews

²⁵See Armen A. Alchian and Reuben A. Kessel, "Competition, Monopoly, and the Pursuit of Pecuniary Gain," in H.G. Lewis (ed.), *Aspects of Labor Economics* (Princeton, 1962), pp. 170-171; Benjamin R. Epstein and Arnold Forster, "Some of My Best Friends . . ." (New York, 1962); Joe R. Feagin, "Jewish Americans," *Racial and Ethnic Relations* (Englewood Cliffs, 1978), pp. 148-187; A.C. Ivy and Irwin Ross, "Discrimination in College Admissions," in Milton A. Baron (ed.), *American Minorities* (New York, 1958), pp. 133-144; Marcia Graham Synnott, *The Half-Opened Door: Discrimination and Admissions at Harvard, Yale, and Princeton, 1900-1970* (Westport, 1979); and Lois Waldman, "Employment Discrimination Against Jews in the United States—1955," *Jewish Social Studies*, 1956, pp. 208-216.

would have an incentive to invest in human capital rather than other assets. Given the intensity of past persecution, it is possible that this attitude has been retained by American Jews. The tendency could only be encouraged by the continued existence of antisemitism. This line of reasoning suggests that Jews would tilt their investments in the direction of schooling.²⁶

There are several problems with this argument. Although human capital is embodied in the person, it is not obvious that this form of capital is always more transferable than non-human assets. Properly specified, the hypothesis suggests that persecuted groups will invest in transferable and liquid assets rather than assets that are merely portable. Legal training, for example, is highly portable, but unlike medicine, the skills (for institutional and other reasons) are not transferable across geographic areas. One test of the hypothesis is whether American Jews have a stronger preference for medicine than for law. Relative to other second-generation white American men, Jews do not show such a preference.²⁷

The hypothesis also implies a substitution of education for other investments. Yet, it is not obvious that Jews have made smaller investments in other assets, other things being equal.

A final implication of the hypothesis is that by over-investing in education, because of its portability or transferability, Jews receive a lower money rate of return. In fact, however, as indicated above, Jews appear to have a higher rate of return from education than any other group.

Persecution appears to be inadequate as a factor explaining the high levels of education, earnings, and rate of return from schooling among American Jews.

²⁶The line of argument developed here is often referred to as the "Kessel hypothesis." For a recent exchange on the hypothesis and its applicability to Palestinian Arabs as well as Jews, see Reuven Brenner and Nicholas Kiefer, "The Economics of the Diaspora: Discrimination and Occupational Structure," *Economic Development and Cultural Change*, April 1981, pp. 517-533; and Eliezer Ayal and Barry R. Chiswick, "The Economics of the Diaspora Revisited," *Economic Development and Cultural Change*, July 1983, pp. 861-875.

²⁷Using the 1970 census procedures discussed above for identifying Jews, the proportions of adult white men in medicine and law are:

	Medicine ^a	Law ^a	All Professions
Jews	6.10	3.58	27.2
Non-Jews	1.35	0.72	15.3
Ratio (Jews/Non-Jews)	4.50	5.00	2.8

^aMedicine includes doctors, dentists, and related health professionals with doctoral degrees. Law includes lawyers and judges.

Source: 1970 Census of Population, 15 Per Cent Questionnaire, one-in-a-hundred sample of the population.

HIGH PRODUCTIVITY OF EDUCATION

The apparently higher rate of return from schooling for Jews is consistent with the hypothesis that Jews are more productive in converting schooling into earnings. This may be because Jews acquire a higher quality (or more units) of human capital in a year of schooling or because they are more effective in using their human capital in the labor market.²⁸ The higher rate of return would encourage greater investment in human capital, and result in a higher schooling level and higher occupational status.²⁹ The Jewish advantage in this area may be the result of investments made by parents in their children's human capital prior to and concurrent with schooling.³⁰

Parents may be viewed as making rational decisions regarding the number and "quality per child" of their children.³¹ While number is relatively easy to determine, investments in "child quality," i.e., the value of time and other resources parents devote to their children, are not easily measured. Racial and ethnic groups may vary in the optimal combination of number and quality of children because they are faced with different situations. Fertility levels are higher when contraception is more

²⁸A pre-World War I study of Jews noted: "In the struggle for life, besides intellectual gifts, the industry, versatility, and powers of adaptation of the Jew stand him in good stead. . . . Appreciation of the value of learning and study is a tradition among Jews to an extent unequalled perhaps by any other people." See Arthur Ruppin, *The Jews of To-Day* (New York, 1913), p. 51.

²⁹Additional evidence on this point is to be found in the data on Jewish college students and professors. Despite the fact that a larger proportion of Jewish youth go to college, Jewish college students have higher grades, and go to higher quality institutions. Among academics, Jews, on average, are in higher quality institutions, publish more books and articles, and have higher academic ranks and salaries. See Seymour Martin Lipset and Everett C. Ladd, Jr., "Jewish Academics in the United States: Their Achievements, Culture, and Politics," *AJYB*, Vol. 72, 1971, pp. 98-107; and Seymour Martin Lipset and Everett C. Ladd, Jr., "The Changing Origins of American Academics," in Robert H. Merton, James S. Coleman, and Peter H. Rossi (eds.), *Qualitative and Quantitative Social Research* (New York, 1979), pp. 319-338.

³⁰In an essay on Jewish educational attainment, Leonard Dinnerstein writes: "Basically [East European Jews] agreed upon the importance of education in the development of a full human being. From their earliest days children imbibed this attitude, first unconsciously, later with more awareness. . . . In the home children learned to venerate books, to remain quiet while father studied, and to treat learned guests with great respect. . . . The Jewish immigrants who came to this country in the 1880's and after brought these values and traditions with them." Leonard Dinnerstein, "Education and the Advancement of American Jews," in Bernard J. Weiss (ed.), *American Education and the European Immigrant, 1840-1940* (Urbana, 1982), p. 45.

³¹For a recent development of this approach, see Gary S. Becker, *A Treatise on the Family* (Cambridge, 1981). For its application to racial and ethnic groups, see Barry R. Chiswick, "Differences in Educational Attainment Among Racial and Ethnic Groups: Patterns and Hypotheses Regarding the Quantity and Quality of Children," University of Illinois at Chicago, mimeo, 1983.

“expensive” because of cultural or religious proscriptions; when space is cheaper and children can do productive work at an earlier age; and when women have less schooling and, thus, poorer labor-market opportunities. Higher levels of fertility imply lower investments of parental time and other resources per child, and hence lower child quality.³²

American Jews are a predominantly urban group, functioning largely without religious constraint on contraception. American Jewish women have a high level of education. Given these factors, it is not surprising that Jewish women exhibit low fertility rates (Table 9).³³ Among urban women aged 15–44 years in March 1957 (standardized for age), for example, there were 1.2 children ever-born per Jewish woman compared to 1.5 overall and 1.5 for Protestants and Catholics. The Jewish/non-Jewish differential is slightly larger in the case of ever-married women in urban areas—1.6 children for Jewish women and 2.0 for all, Protestant, and Catholic women.³⁴ The data for women under age 45, however, may reflect their own high education and the high level of education and earnings of their husbands. More compelling are the data on the number of children ever-born to women aged 45 and older. These women had completed their fertility; moreover, their fertility decisions were made on the basis of the relative economic opportunities prevailing in earlier decades. Among older, ever-married women, Jews had 2.2 children per woman compared to 2.8 overall and for Protestants, and 3.1 for Catholics (Table 9). Each of the major Protestant denominations, with the exception of the Presbyterians, had a higher fertility rate than the Jews.³⁵

³²Among racial and ethnic groups in the United States, there appears to be an inverse relation between family size and educational attainment of children. Among the native-born, the Chinese and Japanese, in addition to Jews, have high levels of education and small families. This is in contrast to the large families and low schooling level of United States-born Filipinos, Mexicans, Blacks, and American Indians. A notable exception are the Mormons, who have large families and children with high levels of education. See Chiswick, “Differences in Educational Attainment Among Racial and Ethnic Groups,” *op. cit.* and Bernard Berelson, “Ethnicity and Fertility: What and So What,” in Himmelfarb and Baras, *op. cit.*, pp. 100–107.

³³Analyses of data from the 1973 and 1976 National Surveys of Family Growth also show lower fertility for Jews—overall and after controlling for age, education, and area of residence—than for either white Protestants or non-Hispanic white Catholics. The differences are smaller for “wanted pregnancies” than for “total births expected” or “children ever born.” See William D. Mosher and Gerry E. Hendershot, “Religion and Fertility Reexamined,” National Center for Health Statistics, mimeo, 1983. These findings suggest that Jews are more successful in controlling fertility either because they are more efficient in contraception or because “unplanned” children are perceived as being more costly.

³⁴In all age groups between 25 and 64 years of age, Jewish women have a higher proportion never married than white Protestants and a smaller proportion never married than Roman Catholics. U.S. Bureau of the Census, no date, Table 5.

³⁵A completed fertility rate of about 2.1 per woman is needed to maintain a stable population. This requires a higher completed fertility rate for ever-married women. The Jewish fertility rate is below these levels.

TABLE 9. MEDIAN NUMBER OF CHILDREN EVER BORN PER 1,000 WOMEN, BY RELIGION, MARCH 1957

Panel A: Women 15 to 44 Years, Standardized by Age^a

Religion and Race	Women of All Marital Classes		Ever-Married Women	
	U.S.	Urban	U.S.	Urban
Total ^b	1,677	1,504	2,188	2,009
Protestant	1,733	1,541	2,206	1,992
Roman Catholic	1,610	1,493	2,210	2,093
Jewish ^c	1,184	1,184	1,598	1,598
Non-White ^d	1,990	1,642	2,653	2,220

Panel B: Ever-Married Women, Aged 45 and Older

Detailed Religion	Children Ever Born
Total	2,798
Protestant	2,753
Baptist	3,275
Lutheran	2,382
Methodist	2,638
Presbyterian	2,188
Other Protestant	2,702
Roman Catholic	3,056
Jewish	2,218
Other, None and Not Reported	2,674

^aStandardized by age of all ever-married women, 1950.

^bIncludes persons of other religion, no religion, and religion not reported.

^cAlthough urban data for Jews are not shown separately in the source, 96 per cent of Jews aged 14 and over live in urban areas. The U.S. rate is used in urban areas for Jews for purposes of comparison.

^dIncludes persons of all religions; 90 per cent of non-white wives are Protestant.

Sources: U.S. bureau of the census, "Tabulations of Data on the Social and Economic Characteristics of Major Religious Groups, March 1957," mimeo, no date, Tables 1, 6, and 10; U.S. bureau of the census, *Statistical Abstract of the United States: 1958*, 1958, Table 40, p. 41.

The lower fertility rate among Jews is hardly a novel phenomenon.³⁶ The limited data available on European Jewish fertility in the nineteenth century suggest that it was lower than the fertility rate of non-Jews. In this country, various sources also suggest lower fertility for Jews at the turn of the century, as well as throughout the twentieth century.

Labor force participation rates of women vary systematically by economic and demographic characteristics. They tend to be higher for women in urban areas, for those with higher levels of education, and for those with fewer children, particularly young children. For these reasons, one would expect Jewish women to have higher labor force participation rates than other women.³⁷ The data, however, indicate just the opposite. In each broad age group covered in the 1957 Current Population Survey, married Jewish women have lower labor force participation rates than Protestant or Catholic women (Table 10). By implication, Jewish women were more likely to be staying home and providing care to their smaller number of children prior to, and concurrent with, the children's schooling.³⁸

Investments in child quality are facilitated by stable family-living arrangements. More parental time and other resources can be invested if both parents are available. Thus, lower rates of out-of-wedlock births, divorce, separation, and desertion would be associated with higher child quality. In addition, a lower frequency of "deviant behavior" on the part of parents would also tend to improve child quality. Nathan Hurvitz, writing in 1961, cites studies showing lower rates of divorce, separation, desertion, juvenile delinquency, adult crime, alcoholism, psychosis, suicide, and death from violent causes among Jews. He concludes: "Jews may have greater family solidarity and stability."³⁹

Thus, the high labor market productivity of Jewish men may be a consequence of having fewer siblings with whom to compete for parental time and other resources. This may arise in part because of a lower "cost" of contraception and a

³⁶See Becker, *A Treatise on the Family*, *op. cit.*, p. 110; Calvin Goldscheider, "Fertility of the Jews," *Demography*, No. 1, 1967, pp. 196-209; Sidney Goldstein, "Jews in the United States: Perspectives from Demography," *AJYB*, Vol. 81, 1981, pp. 3-59; Jacques Silber, "Some Demographic Characteristics of the Jewish Population in Russia at the End of the Nineteenth Century," *Jewish Social Studies*, Summer-Fall, 1980, pp. 269-280; and John S. Billings, "Vital Statistics of the Jews in the United States," *Census Bulletin*, No. 19, December 1889, pp. 4-9.

³⁷The higher income of their husbands would be an offsetting factor.

³⁸Preliminary analyses by the author using the 1970 Census of Population, 15 Per Cent Questionnaire data suggest that, other things being equal, the presence of a child in the household has a greater depressing effect on adult, female labor force participation rates of Jews than non-Jews. The greater depressing effect on female labor supply in Jewish families compared to other families is more intense the younger the age of the children. See Barry R. Chiswick, "Labor Supply and Investment in Child Quality: A Study of Jewish and Non-Jewish Women," University of Illinois at Chicago, mimeo, 1984.

³⁹Nathan Hurvitz, "Sources of Motivation and Achievement of American Jews," *Jewish Social Studies*, October 1961, p. 234.

TABLE 10. LABOR FORCE PARTICIPATION RATES FOR MARRIED WOMEN, SPOUSE PRESENT, BY RELIGION, MARCH 1957 (PER CENT)

	Total ^a	Protestant			Roman	
		Total	White	Non-White	Catholic	Jewish
<u>Total</u>	29.6	30.7	29.6	40.4	27.3	27.8
<u>Age</u>						
Under 35	27.7	29.2	28.5	34.4	24.6	21.7
35-44	35.7	37.8	36.1	51.1	31.5	24.5
45-64	32.3	32.9	31.6	45.0	30.9	30.6
65 and Over	6.4	6.0	6.2	—	6.7	—
<u>Presence of Children</u>						
No Children Under 18	35.6	35.7	34.1	47.7	36.6	30.0
With Children 6-17,						
None Under 6	36.7	37.5	36.2	52.6	35.3	28.6
With Children Under 6	17.0	18.9	18.2	23.6	13.2	11.8
<u>Urban Areas-Age</u>						
Total	31.2	33.1	31.5	43.6	28.5	24.8
Under 35 Years	30.2	32.7	31.6	39.2	26.3	21.8
35-64 Years	34.9	36.9	35.1	49.0	32.2	28.2
65 and Over	6.1	5.8	5.7	—	6.2	—

^aIncludes persons with other religion, no religion, and religion not reported.

Source: U.S. bureau of the census, "Tabulations of Data on the Social and Economic Characteristics of Major Religious Groups, March 1957," no date, Table 13.

higher "cost" of additional children. Moreover, Jewish children may benefit from greater parental inputs of resources (family size held constant), as is suggested by the lower Jewish female labor force participation rate and the greater stability of Jewish families.

Conclusion

This article has considered the patterns and determinants of the labor market status of American Jews. Data from the 1957 Current Population Survey and the 1970 Census of Population, 15 Per Cent Questionnaire indicate that American Jewish men have higher levels of schooling and labor market earnings, as well as a higher rate of return from schooling, than men belonging to other racial and ethnic groups. This does not mean that there is no poverty among Jews, since there is considerable variation in circumstances within any racial or ethnic group. It does mean, however, that Jews, on the whole, are probably America's most successful minority. Comparisons of turn-of-the-century data with contemporary data suggest

that American Jews have experienced a sharper rise in occupational attainment and earnings than other white men. This is most impressive, given the recent arrival in the United States of the bulk of the Jewish population, the foreign Jewish "mother tongue," and the discrimination which American Jews encountered in access to education and in the labor market.

The higher rate of return from schooling among Jews may be the cause of the high level of investment in education and, hence, the high earnings. But what explains the high rate of return? American Jews may be more educationally productive than others because of greater parental investments of time and other resources in each child. These large-scale investments are made possible by means of a substitution of higher "child quality" for a greater number of children. The fertility rate of Jewish women is substantially lower than that of other women. Jewish women also have a lower labor force participation rate than other women when they have children, particularly small children, at home. Thus, Jewish mothers are more likely to be providing care to their smaller number of children prior to, and concurrent with, the children's schooling. Greater stability in Jewish marriages and a lower rate of "deviant behavior" contribute to the success of the children.

Alternative explanations which appear in the literature are inconsistent with the data. All of them predict a lower rate of return from schooling for American Jews than for the majority white population, whereas in reality the precise opposite is true. Some point to a Jewish "thirst for education" as a direct causal factor, without explaining why this thirst exists in the first place. Discrimination as a spur to success is sometimes suggested, but this does not explain why Jews have been so successful, or why other groups that have experienced discrimination have been much less successful. The insecurity of location-specific assets for a persecuted minority can explain some types of schooling (e.g., medicine) in which Jews have engaged, but not others (e.g., law). Other persecuted groups have not attained a similar level of success as Jews. There is a grain of truth to each alternative hypothesis, but other factors seem more powerful.

The hypothesis regarding the trade-off of quantity and quality of children opens up important possibilities for analyzing group differences in labor market status. Still, it is a hypothesis which requires further investigation. To what extent is there an independent Jewish effect encouraging more of a preference for quality over quantity of children than is found among other groups, all other factors being equal? Did Jewish culture and experience help influence a pattern of behavior which results in the economic betterment of the average member of the group, but at the same time reduces the total size of the group? Will increased acculturation to American patterns alter Jewish behavior and reduce Jewish labor market success?

At a minimum, the analysis suggests that Jewish mothers and fathers have played a key role in the economic success of their children.