

Ruppin Index of Immigrant Integration in Israel

November 2010

Prof. Moshe Semyonov
Prof. Yitzhak Haberfeld
Prof. Rebeca Raijman
Prof. Raphael Bar-El
Dr. Karin Amit
Dr. Sibylle Heilbrunn
Dr. Svetlana Chachashvili-
Bolotin

Editors:
Dr. Miki Malul
Dr. Mosi Rosenboim



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The Ruppin Index Team:

Prof. Moshe Semyonov

Prof. Yitzhak Haberfeld

Prof. Rebeca Raijman

Prof. Raphael Bar-El

Dr. Karin Amit

Dr. Sibylle Heilbrunn

Dr. Svetlana Chachashvili-Bolotin

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Dr. Mosi Rosenboim

המרכז האקדמי רופין
המכון להגירה ושילוב חברתי (עליה וקליטה)
עמק חפר 40250 ישראל

Ruppin Academic Center
Institute for Immigration and Social Integration (Aliyah and Klitah)
Emek Hefer 40250 Israel

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Executive Summary

The 'Ruppin Index for Immigrant Integration in Israel' was developed by the Institute for Immigration and Social Integration (*Aliyah* and Absorption) at the Ruppin Academic Center. The Index offers variables that examine the extent to which various immigrant groups integrated into Israeli society according to four dimensions: Social integration, standard of living, economic-occupational integration, and satisfaction and optimism.

The Ruppin Index was constructed in a way that will allow an annual follow-up of a series of data within seven population groups: Immigrants from the Commonwealth of Independent States (the former USSR); Ethiopian immigrants; veteran immigrants; all other immigrants after 1989; second generation *Mizrahim*; second generation *Ashkenazim* and Arab citizens of Israel.

This Index focuses on those changes occurring in the various dimensions for the period from 2003 to 2008.

The Main Findings

- **Social Integration:** We found that during the years 2003-2008 there was a significant improvement in the number of immigrants proficient in the Hebrew language (an increase from 12% to 22%). This increase indicates the improvement in integrating immigrants into the host society. In contrast, within the Arab population there is a comparative regression in this area (a decrease from 36% to 29%).
- **Standard of Living:** We found a convergence of earnings towards the second generation Ashkenazim for all segments of the population, apart from the veteran immigrants and the Arabs (the gap between the Arabs and the second generation Ashkenazim widened by 3% from 2003 to 2008). The greatest improvement in

earnings relative to second generation Ashkenazim was that of the immigrants from the Commonwealth of Independent States (former USSR) (a relative gap-narrowing of 26% from 2003 to 2008).

- In contrast, we found that there was a decrease in the ability to cover expenses among the immigrants from the former USSR (an increase of 3% among those who felt they had difficulty in covering expenses), and this was in comparison with the stability of this dimension for all other population groups. For product consumption such as cars, computers and vacations, the various population groups converged towards the second generation Ashkenazim.
- The incidence of poverty for gross and net earnings remained stable from the year 2003 to 2008, both for immigrants from the former USSR and for the Jewish population. In each case, the incidence of poverty according to gross income among the immigrants is 40% greater than that of the Jewish population while the net income stands at a gap of 20%. This indicates the importance of the government's intervention, through transfer payments, towards reducing poverty within the immigrant population.
- In the summarizing dimension for standard of living - which weights the following dimensions: average monthly income per capita, ability to cover expenses, product consumption, housing density and satisfaction from their economic situation - we see that all of the groups narrowed the gap relative to the second generation Ashkenazim throughout the years, apart from the Israeli Arabs, for whom the gap grew by 6%.
- **Occupational Integration:** It is apparent that from the year 2003 until 2008 there was an improvement in the potential for integration into the labor market of all of the immigrants (apart from the veteran immigrants) in relation to the second generation Ashkenazim. In addition, income from employment rose amongst all the groups, apart from the Arab Israelis, whose income remained almost without change. If we are dealing with the country's ability to absorb immigrants, this finding is encouraging; we learn from it that as the years progress, the ability to

integrate immigrants into the labor force is improving. However, at the same time, for the Israeli Arabs the gap is growing in relation to the second generation Ashkenazim by about 2.5%.

- It is apparent that a gap exists for the immigrants from the former USSR and the second generation Mizrahim between individuals' subjective perception of their occupational integration and the objective reality. Objectively, during the years 2003-2008 immigrants from the former USSR narrowed the gap relative to the second generation Ashkenazim by approximately 50%, while the subjective gap narrowed by only 10%. A similar phenomenon exists for the second generation Mizrahim and the immigrants from Ethiopia. This data may indicate that the immigrants from the former USSR, immigrants from Ethiopia and the second generation Mizrahim do indeed find employment but they earn less than what they expect to receive.
- **Satisfaction and Optimism:** In the dimension for overall satisfaction from life we found an improvement in immigrants' overall satisfaction (an increase from 65% satisfied in 2003 to 73% satisfied in 2008). In addition, it is apparent that the level of satisfaction for the immigrants from the former USSR increased and came nearer to the average level of satisfaction in the general population. Satisfaction also increased in the Israeli Arabs, from 75% to 83%.

In conclusion: It can be seen that in general, with the passing of the years, the integration of immigrants into Israeli society and into the country's labor market is improving. The analysis of the different dimensions shows the convergence of all the immigrant groups towards the veteran population.

Editors' Foreword

The Ruppin Index for Immigrant Integration in Israel was developed by the Institute for Immigration and Social Integration (*Aliyah* and Absorption) at the Ruppin Academic Center, and is published in periodic reports.

The index was created to provide a scientific research tool that will offer a greater understanding into the processes that facilitate, as well as those that inhibit, the integration of immigrants into Israeli society. This research tool will also aid in the policy shaping, decision making, and upgrading of programs for integrating immigrants into Israeli society, as well as provide a deeper understanding of the processes of Israeli society.

The previous report was based on a review of research findings on immigration in Israel and in the world, and performed in collaboration with prominent researchers in this field, both in Israel and of international renown. This first Ruppin Index thereby constructed a sequence of major variables that when examined will provide the researcher a way to systematically follow the degree of immigrant integration into Israeli society. These variables have been grouped into four dimensions, which together create a clear picture of the status of immigrants in Israel, in terms of:

- Social integration
- Standard of living
- Economic-occupational integration
- Satisfaction and optimism

The Ruppin Index was constructed to follow seven population groups on a yearly basis:

- Immigrants from Commonwealth of Independent States (former USSR)
- Ethiopian immigrants

- Veteran immigrants
- All other immigrants after 89
- Second generation Mizrahim
- Second generation Ashkenazim
- Arab citizens of Israel

We are honored to present you with the second Ruppin Index of Immigrant Integration in Israel, which provides an update to the previous index. The first index was prepared by Dr. Aviva Zelzer-Zovadia in May of 2007.¹

In this updated report, and for each of the four measures examined, we will present the differences amongst the various population groups, with special emphasis on a comparison between new immigrants and native-born Israelis. In addition, we will examine the trends of the different measures in each population group over the years, comparing the changes in status of immigrants in 2003 and 2008. Towards this end, we have endeavored to maintain the components of the Index to maximize the ability to follow change in immigrant absorption over a period of time.

We would like to thank Prof. Rafi Bar-El, Prof. Moshe Semyonov, Dr. Svetlana Chachashvili, Dr. Karin Amit and Ms. Yasmin Alkalay for the smooth passing of the baton, and for their useful advice, which greatly assisted in the preparation of this report.

Dr. Malul Miki and Dr. Rosenboim Mosi

¹ Following the Index published May 2007, an additional index was published in December 2007, “The Annual Index for Immigrant Integration in Israel – Index 2.” This index was based on a unique survey prepared by the staff of the Ruppin Academic Center.

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1 Background

“The State of Israel will be open for Jewish immigration and for the ingathering of the exiles.” This is stated in Israel’s Declaration of Independence. The scope of immigration to Israel in relation to the size of the population makes it a unique phenomenon on the world map. As of 2008, immigrants constituted approximately 30% of the Jewish population.

The immigration to Israel over the years occurred in a few major waves (Amit & Semyonov, 2006):

- Immigration to Israel prior to the establishment of Statehood (until 1948)
- The massive wave of immigration to Israel immediately after the establishment of the State (1948-1952)
- Sporadic immigration over the next three decades (1953–1989)
- The mass immigration of Jews from the former USSR (1989-1998) and two major waves of Ethiopian immigrants in the 80s and 90s.
- Immigration from western states (primarily North America, France and Argentina) in the past decade (1995-2005)

From the very outset of absorption in Israel, the underlying perception is that *aliyah* to Israel is a “returning Diaspora.” It follows that the process of integration would be a natural one of reconnection to one’s homeland. In the first decades of the establishment of the state, the main conceptualization amongst those dealing with *aliyah* (both researchers and field workers) was that of a “melting pot.” Those supporting this claimed that the new immigrants would integrate into Israeli society whilst adapting to its newly created modern western world characteristics (Eisenstadt, 1967, 1993). However, over the years it became apparent that in spite of the Jewish–cultural common denominator and the Zionist campaign - both inherent in the basic concept of *aliyah* - there are very

significant differences in the social, cultural and economic integration of the various population groups. The abundance of evidence gathered relating to difficulties in immigrant absorption in the 50s led to the realization that the 'melting pot' approach had failed (Lisk, 1999). Moreover, reality has shown us that within some of the different groups that immigrated in the 50s, those very same difficulties in integration continued to appear in the second and third generations (Amit, 2005, Friedlander et al, 2002; Cohen and Haberfeld 1998). The evidence of this is confirmed by the research indicating cultural, social and economic difficulties in the absorption of immigrants from the former USSR (Ben Raphael, Ulshien & Gates, 1994; Shwarhold and Tor Caspa, 1997; Rajjman & Semyonov, 1998) and in the absorption of immigrants from Ethiopia (Shabtay, 1995).

The question of immigrant integration and adjustment to the host society (which is different than the actual absorption progress) has come to be a major issue impacting the very nature and character of the society in which we live: Israel is a society of immigrants. Consequently, this influences all aspects of life: the educational system, welfare, health, internal affairs, security, employment, economic market, culture, central government, local government, media and more. Integration is defined as the process in which an immigrant becomes a part of the community in the new country's society.

Much research is available that indicates the difficulties involved in immigration. Though conducted sporadically, they all reinforce the need to create a uniform, systematic and comprehensive knowledge base that spans the years. This knowledge base should support policy makers and decision makers, the different agencies that actually deal with daily immigration on a daily basis, researchers and students, so that they will be more equipped to examine trends, reach conclusions, and to make decisions based on methodical knowledge and a multi-system view.

As can be seen above, the study of immigrant integration to an absorbing society needs to consider a variety of dimensions that reflect integration. In this document, we will briefly

review a number of core dimensions that guided the creators of the Ruppin Index for Immigrant Integration.

Social Integration

The literature on immigration researches the social integration of immigrants in relation to the following main topics: language proficiency, sense of identification with and belonging to society and extent of the immigrants' social capital. Knowledge of the language is a core parameter in the integration of immigrants into the absorbing country. Language plays a key role in immigrants' integration into the new labor force, and in their success to integrate socially (Yost and Lucas, 2002; Chiswick, 1998, 2002). Furthermore, mastering the language is connected to identity issues and a sense of belonging, whereas lack of mastery of the language can testify to a reluctance to integrate (Ben Rephael, Ulshtein & Gates, 1994).

Another parameter of immigrant integration that is examined in relation to immigrant integration relates to the sociological term "social capital" (Bourdieu, 1986). Social capital is the resource pertaining to the ongoing social interaction that the individual or group has, which is based on mutual commitment. With social capital, individuals can more easily tap into the available economic and cultural resources and secure benefits through membership in organizations and social networks. Researches that deal with the integration of immigrants into the host society indicate the relative deficiency of social capital that immigrants have when they arrive in comparison to the native born.

To overcome this deficiency, and to assist and offer support to the immigrant, organizations are established and social networks are formed, both for the family and also on a broader level of social groups. (Portes, 1998). It is therefore interesting to see the correlation between proficiency of language and level of social capital that immigrants have in the different population groups of immigrants in Israel: How many social

networks do they have? Are they by majority with other immigrants of the same country of origin? Or are they multi-cultural?

Integration According to Standard of Living

The standard of living is one of the main aspects that researchers of immigration look at, but it also highly concerns the policy makers and the immigrants themselves. The immigrants' expectations to integrate economically and be financially successful once they have immigrated are most often a core factor in their decision to immigrate; and the decision to absorb immigrants is also coupled with the absorbing society's expectation that the immigrants will have a positive effect on the country's economy (Bommes & Kolb, 2006).

Economic integration can be seen in the immigrants' ability to earn a salary that allows them to benefit from a decent standard of living that covers their living expenses, to be able to purchase various products, to have proper living conditions, and to be satisfied with their economic situation. The economic integration of immigrants is usually measured over a period of time, and is tested according to their successful upward movement on the economic ladder until a time when they and their offspring have a standard of living closely resembling that of the "locals" or "veterans." Economic integration is also a factor that can influence the probability of leaving the country. For example, Arian et al (2009) found two main factors that influenced the immigrants' volition to stay in Israel: the security situation and the desire to improve their standard of living.

Economic and Occupational Integration

The job market is a good indicator of the socio-economic integration of immigrants - from the standpoint of the immigrant and the absorbing country.

The literature provides various parameters for measuring integration into the job market that relate to the immigrants' socio-economic achievements in the absorbing country. These parameters include: joining the work force, type of profession, position and job income. These accomplishments will be influenced mainly by the human capital that the immigrant brings to the new country (education, mastery of the language, experience in the job market), for this will influence the potential that the immigrant has to integrate into the local job market.

The literature on immigration indicates that joining the work force of the target country comes at a heavy price for new immigrants, for it is difficult to find an occupation that fits their qualifications (Stier & Levanon, 2003). However, as time goes by, their status in the job market improves. This happens since the immigrants gain experience and seniority, improve their language skills, learn more about the local job market, and have more access to social networks and occupational opportunities. As a result, the immigrants go through a process of socio-economic mobility and the economic gaps between them and the 'veterans' or "locals" tend to decrease. Other research reports differences in ethnic and gender groups that affect the patterns of integration and economic success in the job market.

In light of the above, it is clear that to understand the processes and factors involved in the integration of immigrants into a new society, a number of variables need to be taken into account, most of which are expressed in the above three dimensions. In this report we will present the Ruppin Index for Immigrant Integration into Israel through the development of discrete measures for social integration: standard of living, economic and occupational integration, and satisfaction and optimism.

2 The Methodology

The Ruppin Index for immigrant absorption in Israel is composed of four sub-dimensions that will be presented separately and adjacently, at this stage. These dimensions contain various aspects considered to be relevant for testing the degree of immigrant absorption. The dimensions, created from the weighting of several different variables, are examined in relation to seven ethnic groups in Israel. Four of these groups are immigrants and three are native-born Israelis.

Our underlying thinking in developing the Ruppin Index was that its added value would be recognized over time. From the perspective of years, it will not only provide researchers with a tool for examining trends in immigrant absorption through the various dimensions, but also enable them to conduct a long-term comparison study. After an extensive examination of all the existing official surveys carried out in Israel, we chose the Israeli Central Bureau of Statistics' social survey as our database. In addition, this is an annual social survey, and therefore provides us with the ability to rely on a yearly follow-up. Approximately 4,000 households took part in this official survey, which is the only official survey that covers the majority of relevant parameters. Presented in the survey are 140 questions covering a broad spectrum of topics, including: demographic background data (age, ethnic group, religion and family status); data related to standard of living (home ownership, ownership of various products and a subjective view of economic attainment); data of education, occupation and the job market (salary and job status).

This survey also provides data that is more difficult to extract from other surveys, such as: proficiency in language, social/familial relationships, volunteering, exposure to crime and a subjective sense of satisfaction. Further, since the same questions are repeated in each survey, basing the Ruppin Index on this social survey ensures an annual foundation of data that is sound, uniform and reliable. It also eliminates the need for engaging

outside resources that would be necessary if we had to conduct our own social survey. Yet, since the social survey does not include many questions that are essential to the Ruppin Index, the Institute for Immigration and Social Integration aims to eventually conduct comprehensive surveys every few years. This will broaden the scope of the Ruppin Index to incorporate important issues that presently are not expressed in the existing social survey. In addition, we project that the impact of this broader database will cause a flood of new issues to be included in future social surveys, due to their significance in understanding core processes of Israeli society.

The procedure for constructing the dimensions involved a few stages:

In the first stage, we decided on the dimensions for absorption (“dimensions”) that we want to characterize and focus on. The four dimensions chosen are: The social integration of the immigrants into Israeli society, their standard of living, their economic and employment integration and their satisfaction and optimism.

In the next stage we identified the issues (“variables”) that make up each of the four dimensions (“dimensions”). Then we tested the validity of those variables to ensure that all items in each dimension are indeed linked to that same contextual realm, and that each item included in the dimension does represent another facet of that same dimension of integration. Finally weights were assigned to those items constituting each dimension—which were based on theoretical weightings according to the importance of each item to the whole dimension of integration.

3 The Data

The data used to form the dimensions is based on the Central Bureau of Statistics' social survey from the years 2003, 2005 and 2008. This survey is conducted annually, each time with the identical questionnaire, and it therefore provides a means to compare the data over a span of years. This annual survey is conducted with a sample population representing Israeli residents age 20 and above. The interviews are conducted in one of three languages: Hebrew, Arabic, or Russian. The data provided by those interviewed includes: demographic and economic characteristics (for example: age, occupation, income); and attitudes, feelings and perceptions (for example: satisfaction from their occupation). Those interviewed provided data about their demographic and economic characteristics (for example: age, occupation, income) as well as data about their attitudes, feelings and perceptions (for example: satisfaction from their occupation).

We chose many questions from the social survey that we deemed important for the construction of these dimensions. The Index focuses on the age group 25-60, for whom the question of socio-economic integration is very significant. Unfortunately, at this time there is no available study of how child immigrants integrate, since there is a lack of year by year, systematic data.

The development of the Index and the initial testing were conducted, as mentioned above, on seven population groups: four groups of immigrants and three groups of native Israelis.

The 4 immigrant groups:

- Immigrants from the Commonwealth of Independent States from 1989 onwards (herein known as the former USSR)
- Immigrants from Ethiopia
- Immigrants from other countries from 1989 onwards (mostly from western countries)

- Veteran immigrants 1948-89

The three comparison groups:

- Native-born Israelis of Asian and African ethnicity (herein, Second Generation Mizrahim)
- Native-born Israelis of European and American ethnicity (herein, Second Generation Ashkenazim)
- Arab citizens of Israel

4 Breakdown of the Variables and the Dimensions

On the basis of existing variables from the Central Bureau of Statistics' social survey, together with a great deal of thought invested through joint teamwork, a final list of variables was ultimately created; and the Ruppin Index was formed from four independent sub-dimensions. The details of the four dimensions are:

- The dimension for social integration of immigrants to Israel
- The dimension for integration according to standard of living
- The dimension for economic-occupational integration
- The subjective dimension, including issues regarding satisfaction and optimism

In the construction of each dimension, we needed to create a series of standardized variables that would eventually be assigned to one of the dimensions, based on reliability considerations to do with internal consistency.

4.1 *The Social Integration Dimension*

The dimension of immigrants' social integration is constructed from the following variables:

- Level of proficiency in the Hebrew language
- Sense of loneliness

Once we completed the reliability tests on data from the social survey, it was clear we were unable to construct a reliable dimension for social integration based solely on the small number of variables provided in the survey; a dimension that would be needed to examine this issue. Therefore, we decided to analyze the social dimension by means of a separate test of only the basic variables.

For the other three, we did succeed in creating dimensions that met the set criteria for reliability based on data from the social survey.

4.2 The Dimension for Integration According to Standard of Living

The dimension for integration of immigrants into Israel according to standard of living is constructed from the following variables:

- Household income per capita
- Ability to cover expenses
- Weighting of product consumption (car, computer, internet, recreation in Israel and abroad)
- Housing density (persons per room)
- Economic satisfaction

The five dimension variables were standardized,² received an equal weight, and were combined into a final general score that is expressed in two manners:

The first, by calculating the relative position (in the standardized scores) of each group in relation to the average:

A score of 0 = the average score of the sample

A positive score = above the sample average

A negative score = below the sample average

The second is by calculating the relative position (in standardized scores) of each group in relation to the group of native-born Israelis of European and American ethnicity (second generation Ashkenazim).

4.3 The Dimension for Economic-Occupational Integration

² These were converted to standard scores in order to combine variables of different value hierarchies

The dimension for economic-employment integration is constructed from the following three dimensions:

4.3.1 Potential Integration into the Job market – Human Resources

This dimension is made up of the following variables:

- Academic education - A weight of 1/3 in the dimension for potential integration
- Proficiency in Hebrew language – A weight of 1/3 in the dimension for potential integration
- Experience in Israeli job market - A weight of 1/3 in the dimension for potential integration

The original dimension included job experience abroad. However, since this data is not available in the abridged survey from 2008, we had to discontinue use of this variable.

4.3.2 Integration into the Job Market

This dimension will present the results of the following analyses:

- a. The rate of joining the work force and the unemployment rate.
- b. Occupational integration, constructed from the following parameters:
 - Job income (50%)
 - Professional, Technical and Managerial (PTM) occupations (30%)
 - Scope of the job position (20%)

4.3.3 Subjective Integration into the Job Market

- Satisfaction with income
- Job satisfaction

These indicators were calculated according to the pronounced differences between the various groupings in the job market. The method used in processing this dimension is similar to the way the previous dimensions were calculated:

As with the two previous dimensions, the variables of each of the three sub-dimensions are standardized, and they can be expressed in the following two ways:

The first, by calculating the relative position (in the standardized scores) of each group in relation to the average as follows:

A score of 0 = the average score of the sample

A positive score = above the sample average

A negative score = below the sample average

The second way is by calculating the relative position (in standardized scores) of each group in relation to native-born Israelis from European and American ethnicity.

4.4 The Subjective Dimension, Including Questions about Satisfaction and Optimism

It was not possible to develop a discrete dimension on the basis of the data in the social survey, as the survey did not provide enough relevant questions for evaluating this dimension.

We therefore examined two variables that would be able to give an indication of the immigrants' overall level of satisfaction:

- General satisfaction with life
- Expectations towards the coming year

5 Description of Population Sample

The number of cases in the samples for the three social surveys conducted in 2003, 2005 and 2008, according to the seven population groups, are described in the following two tables:

Table 1: Distribution of the Research Groups

Survey Year	2003		2005		2008	
	25-60	%	25-60	%	25-60	%
Immigrants from former USSR	740	17.24	762	17.39	645	15.99
Immigrants from Ethiopia	46	1.07	47	1.07	71	1.76
Immigrants after 1989	115	2.68	125	2.85	115	2.85
Veteran immigrants	832	19.38	788	17.99	528	13.09
Second generation Mizrahim	1215	28.30	1180	26.93	1219	30.23
Second generation Ashkenazim	725	16.89	704	16.07	644	15.97
Israeli Arabs	620	14.44	775	17.69	811	20.11
Total	4,293	100	4,381	100	4,033	100

Table 2: Distribution of the Research Groups by Gender

Survey Year	2003		2005		2008	
	Men	Women	Men	Women	Men	Women
Immigrants from former USSR	341	399	348	414	289	356
Immigrants from Ethiopia	27	19	23	24	34	37
Immigrants after 1989	52	63	67	58	58	57
Veteran Immigrants	397	435	379	409	247	281
Second generation Mizrahim	602	613	601	579	592	627
Second generation Ashkenazim	355	370	362	342	329	315
Israeli Arabs	321	299	386	389	410	401
Total	2095	2198	2166	2215	1959	2074

It can be seen in both Tables 1 and 2 that the sample includes 4,000 subjects from the 25-60 age group. In addition, a scarcity of data for the categories of immigrants from

Ethiopia and immigrants after 1989 is exhibited. This limits the possibility of conducting a comparative research between the years. This problematic aspect of data scarcity becomes more acute when the population groups are split into gender (Table 2). For all other immigrant groups and for the native-born Israeli groups the number of subjects is sufficient to conduct comparative analyses. In the next section we will present the findings in a comparative analysis for the years 2003, 2005 and 2008.

6 Findings

6.1 The Dimension for Social Integration

The social integration of immigrants is analyzed by using a series of variables found in the social survey. The findings presented here are the base variables that examine the level of Hebrew language proficiency and the general sense of social isolation. As in the previous report, these base variables are analyzed in a discrete manner and are not weighted by another dimension.

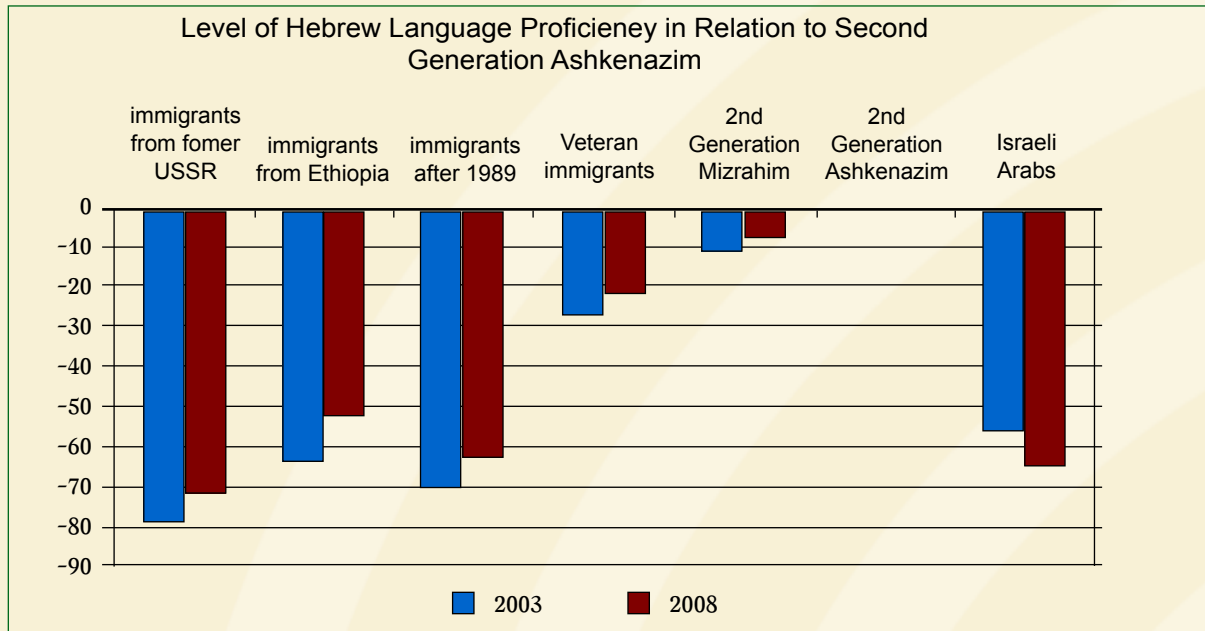
6.1.1 Language Proficiency

Table 3: Percentages reporting that they have good command of the language³

Survey year	2003	2008
Level of Hebrew Language	%	%
Immigrants from former USSR	12	22
Immigrants from Ethiopia	28	41
Immigrants after 1989	22	30
Veteran immigrants	66	72
Second generation Mizrahim	82	87
Second generation Ashkenazim	92	93
Israeli Arabs	36	29
Total	60	62

Chart 1 reveals the changes of language proficiency amongst the various groups relative to the language proficiency in second generation Ashkenazim for each year of the social survey.

³ It was possible to examine the language variable, which is a principle variable in the social dimension, in the social surveys from the years 2003 and 2008. When attempting to analyze this variable in the survey from the year 2005, an error in the data coding was discovered: everyone who answered the survey in Hebrew was automatically considered to have a good level of Hebrew. Therefore, the data obtained from this answer in the 2005 survey is not reliable.

Chart 1: Level of Language Proficiency in Relation to Second Generation Ashkenazim

have a good command of the language (above 80%). The veteran immigrants also have a good command of the language, although with lower percentages. This leads to the following picture: the lowest level of language proficiency is found in immigrants from the former USSR. Only 12% of them from 2003 and 22% from 2008 reported that they have mastered the language (these results could be biased due to the relatively small sample that represents this group). In general, a clear trend of improvement can be seen in the immigrants from the years 2003 to 2008, which is moving towards the general average. Part of this improvement is clearly derived from the fact that the time immigrants have resided in Israel has also grown in those years. Another interesting fact is that in relation to the average, the Israeli Arabs showed a significant decline in language proficiency from the years 2003 to 2008. There also appears to be a trend of closing the gap between the second generation Mizrahim and the second generation Ashkenazim, up to a disparity of only 6%.

6.1.2 Loneliness

Table 4: Percentage of Those Reporting Feelings of Loneliness

Survey Year	2003	2005	2008
Feelings of Loneliness	%	%	%
Immigrants from former USSR	38.6	45.0	48.7
Immigrants from Ethiopia	52.2	51.1	60.6
Immigrants after 1989	40.9	37.6	42.6
Veteran immigrants	43.5	45.1	49.2
Second generation Mizrahim	39.4	46.9	50.6
Second generation Ashkenazim	44.7	46.3	53.3
Israeli Arabs	39.0	46.2	35.1
General Average	41.1	45.8	47.4

Approximately half of the population has a sense of loneliness. This trend is growing and developing through the years in all population groups. It is possible to assume that life in modern society, with capitalistic values and individualism, leads to a sense of alienation, which is expressed in feelings of loneliness. A further support of this supposition could perhaps be found by analyzing the measures the government has taken in its economic policies over the past few years. These reflect a capitalist trend that advocates a substantial decrease in government benefits in addition to the policy of privatization.

6.2 The Dimension for Integration Based on Standard of Living

The economic integration expressed in the immigrants' standard of living is analyzed using a series of variables found in the social survey. These variables provide base variables used to calculate the comprehensive index for standard of living. This section will detail the findings reached for each one of the variable bases: average monthly income per capita, ability to cover expenses, weighting of product consumption, housing density and satisfaction from economic status. After a separate presentation of the different variables, we will elaborate on the findings received from processing the summarizing dimension.

6.2.1 Average Monthly Income Per Capita

Table 5: Average Monthly Income Per Capita

Survey Year	2003	2005	2008
Monthly Income Per Capita	NIS	NIS	NIS
Immigrants from former USSR	2,733	2,980	3,222
Immigrants from Ethiopia	1,436	1,288	2,005
Immigrants after 1989	3,160	2,487	3,206
Veteran immigrants	3,616	3,759	3,707
Second generation Mizrahim	3,170	3,026	3,184
Second generation Ashkenazim	4,604	4,366	4,022
Israeli Arabs	1,704	1,383	1,522
Average	3,193	3,021	2,996

In Chart 2, the gaps are apparent between the various groups and second generation Ashkenazim for income per capita.

Chart 2: Monthly Income per Capita Relative to Second Generation Ashkenazim

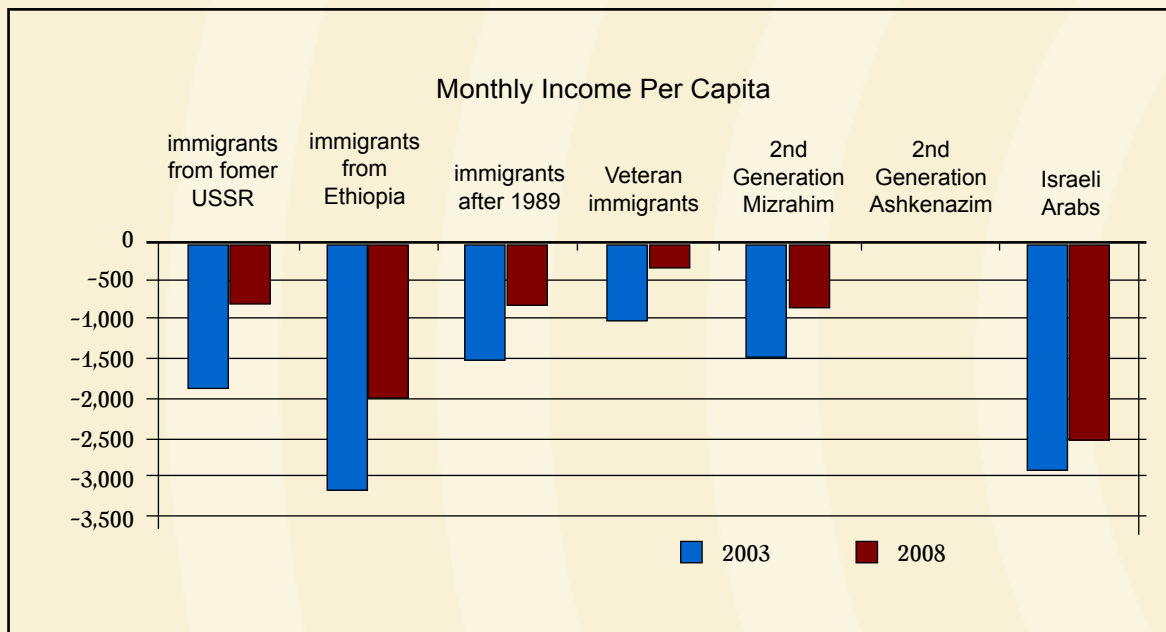


Table 5 and Chart 2 demonstrate that all of the groups improved their situations relative to the income of the second generation Ashkenazim. Immigrants from Ethiopia markedly improved their situation during those years. Yet, there are significant gaps in levels of income between the immigrants from Ethiopia and Israeli Arabs and members of the

other populations. In addition, the gap of income per capita between second generation Mizrahim and second generation Ashkenazim has closed slightly.

6.2.2 Ability to Cover Expenses

Table 6: Percentages Reporting Difficulties to Cover Expenses

Survey Year	2003	2005	2008
Ability to Cover Expenses	%	%	%
Immigrants from former USSR	48	49	51
Immigrants from Ethiopia	65	77	61
Immigrants after 1989	44	54	35
Veteran immigrants	54	50	45
Second generation Mizrahim	61	60	52
Second generation Ashkenazim	40	40	34
Israeli Arabs	58	66	67
Average	53	54	51

From Table 6 we learn that the ability to cover expenses remained relatively unchanged from 2003 to 2008. Nevertheless, it can be seen that among the Israeli Arabs and the immigrants from Ethiopia there was a decline in their ability to cover expenses. It may be that this change resulted from the changes in the government's policy for financial aid, put into place in 2003 and finding its expression in subsequent years.

6.2.3 Product Consumption

In order to take into account those aspects related to product consumption that are meaningful for evaluating the individual's standard of living, the weighting of a number of products was applied, based on a series of questions in the social survey (cars, computers, internet, recreation in Israel and abroad). The following table presents findings for this weighted variable.

Table 7: Weighted Product Consumption⁴

Survey Year	2003	2005	2008
Weighted product consumption	%	%	%
Immigrants from former USSR	51	58	39
Immigrants from Ethiopia	27	32	25
Immigrants after 1989	62	61	42
Veteran immigrants	64	70	45
Second generation Mizrahim	62	67	47
Second generation Ashkenazim	77	77	53
Israeli Arabs	42	42	32
Average	60	63	43

Table 7 reveals an increase in the level of product consumption from the year 2003 to 2008. On the other hand, in 2008 we see a sharp decrease in the weighted product consumption index. A possible explanation for the phenomenon of this decrease from 2005 to 2008 would be the financial crisis that broke out that year, resulting in a decrease in consumption. For example, “December’s auto market continues to crash” (from *Auto Magazine*, June 1, 2009) or “In the second half of 2008 a 24% decline was registered in the consumption of nonperishable goods compared to the second half of 2007” (Ministry of Finance’s announcement to the press, January 13, 2009).

⁴ This variable is calculated as the scarcity index wherein all the components receive a relative weight in relation to the population distribution in the 2003 social survey. The rarer the product, the higher is its weight. The weights allotted to the different variables are: car – 0.639, internet - 0.421, computer - 0.622, trips in Israel - 0.51, trips abroad - 0.51. Based on this formula, the maximum value that this variable can receive will be 2.492. The data presented in the table are the average population percentages for each of the groups, from the total possible maximum.

6.2.4 Living Space per Capita

Table 8: Living Space Per Capita

Survey Year	2003	2005	2008
Living Space Per Capita	Room per person	Room per person	Room per person
Immigrants from former USSR	1.1	1.1	1.2
Immigrants from Ethiopia	0.8	0.8	0.8
Immigrants after 1989	1.1	1.9	1.2
Veteran immigrants	1.3	1.4	1.3
Second generation Mizrahim	1.1	1.3	1.2
Second generation Ashkenazim	1.3	1.4	1.3
Israeli Arabs	0.9	0.8	0.8
Average	1.2	1.2	1.1

Table 8 portrays a picture consistent with the previous findings presented until now in relation to standard of living. In general, there seems to be a decrease in living space per capita in the entire population, but a relative improvement in that of the immigrants from the former USSR. The group with the highest measure for living space is the second generation Ashkenazim, while immigrants from Ethiopia and the Israeli Arabs have the least amount of living space. It seems that unlike consumption of durable goods, the consumption of housing services did not change as a result of the financial crisis, since these are long-term decisions that people make, and are less susceptible to the fluctuations of changing market conditions.

6.2.5 Dissatisfaction with Economic Situation

Table 9: Dissatisfaction with Economic Situation

Survey Year	2003	2005	2008
Dissatisfaction with Economic Situation	%	%	%
Immigrants from former USSR	78	66	66
Immigrants from Ethiopia	74	72	65
Immigrants after 1989	58	58	41
Veteran immigrants	51	46	42
Second generation Mizrahim	57	52	43
Second generation Ashkenazim	42	38	34
Israeli Arabs	60	61	58
Average	58	53	48

The final base variable that constructs the dimension for standard of living is a subjective one, which analyzes the level of satisfaction from one's economic situation. The findings from this table are interesting as they are consistent with the previous findings presented here. We can see a certain degree of decrease in the percentage of satisfaction from one's economic situation through the years. Due to the general decrease in standard of living that began in the second half of 2008, it is possible that this decrease in dissatisfaction demonstrated in 2008 originates from the changes in the respondents' point of reference. For immigrants from the former USSR, the decrease in the trend of dissatisfaction diminished in 2005, so the rate of dissatisfied in this group remains relatively high.

6.2.6 Comprehensive Index for Standard of Living

Having completed the presentation of the base variables, we will now present the summarizing dimension for standard of living. We will present the dimension in Table 10 in same way we received the data analysis in the social surveys from the years 2003, 2005 and 2008. The variables in the table are standardized scores. There are two columns for each year. In the first column, all the groups are compared to the general average of the groups in the same survey, and in the second column, all the groups are compared to the second generation Ashkenazim group. By comparing each group against the average,

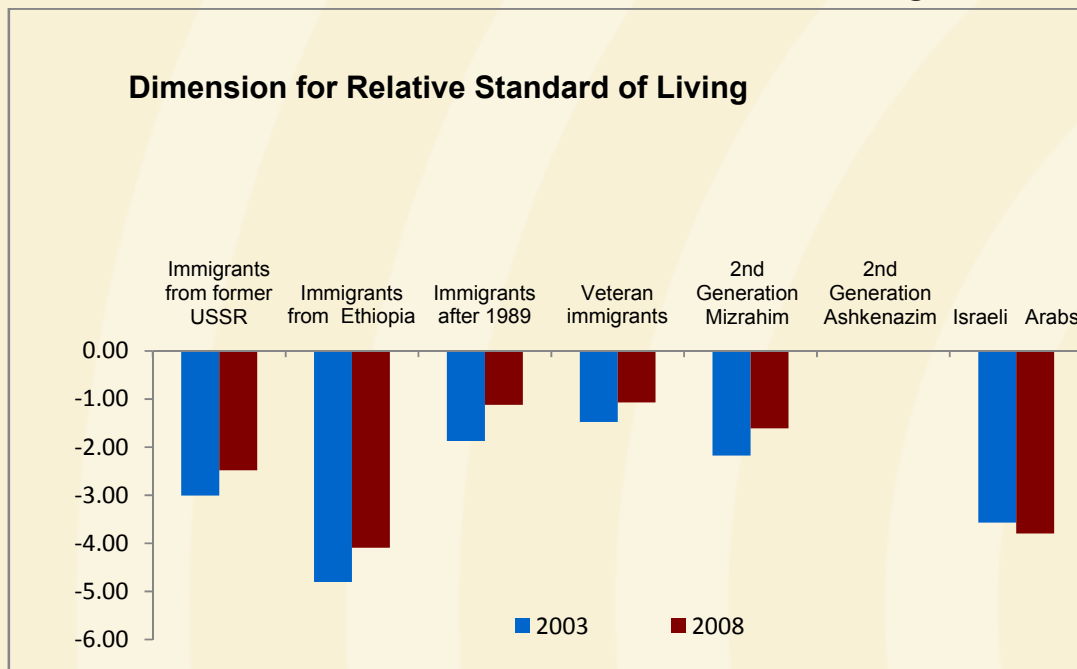
it becomes easier to analyze all the groups that are above the average (positive standardized score value) compared to the groups below the average (negative standardized score value). As the value becomes greater (in absolute value), so it becomes distanced from the average. The analysis in relation to the second generation Ashkenazim provides a comparison to the strongest population group in Israeli society. Although all groups received a negative score it is still possible to evaluate the relative gap between all groups and the strongest one.

Table 10: Standard of Living Dimension: Standardized Scores Compared to the Average and Compared to the Second Generation Ashkenazim Group

Survey Year	2003		2005		2008	
	Relative to average	Relative to 2 nd gen Ashkenazim	Relative to average	Relative to 2 nd gen Ashkenazim	Relative to average	Relative to 2 nd gen Ashkenazim
Immigrants from former USSR	-1.12	-3.01	-0.58	-2.14	-0.84	-2.48
Immigrants from Ethiopia	-2.92	-4.80	-2.66	-4.22	-2.45	-4.09
Immigrants after 1989	0.01	-1.87	-0.74	-2.29	0.53	-1.12
Veteran immigrants	0.41	-1.48	0.60	-0.96	0.57	-1.07
Second generation Mizrahim	-0.29	-2.17	-0.02	-1.57	0.04	-1.61
Second generation Ashkenazim	1.88	0.00	1.55	0.00	1.65	0.00
Israeli Arabs	-1.68	-3.57	-1.89	-3.44	-2.15	-3.80

Table 10 shows the standardized scores relative to the average and to the second generation Ashkenazim population group. To gain a better appreciation of these findings, Chart 3 presents the dimension scores for the various groups from 2003 and 2008, using a calculation based on a comparison with the second generation Ashkenazim. This chart also shows that apart from the Israeli Arab group, the gaps between all the other groups and the second generation Ashkenazim group have narrowed during these years. The group that narrowed the gap by the greatest percentage is the group of immigrants after 1989; narrowing the gap by 40%. We can see that the immigrants from the former USSR and the immigrants from Ethiopia narrowed the gap in 2008 by only 15%, compared to the gap existing in 2003.

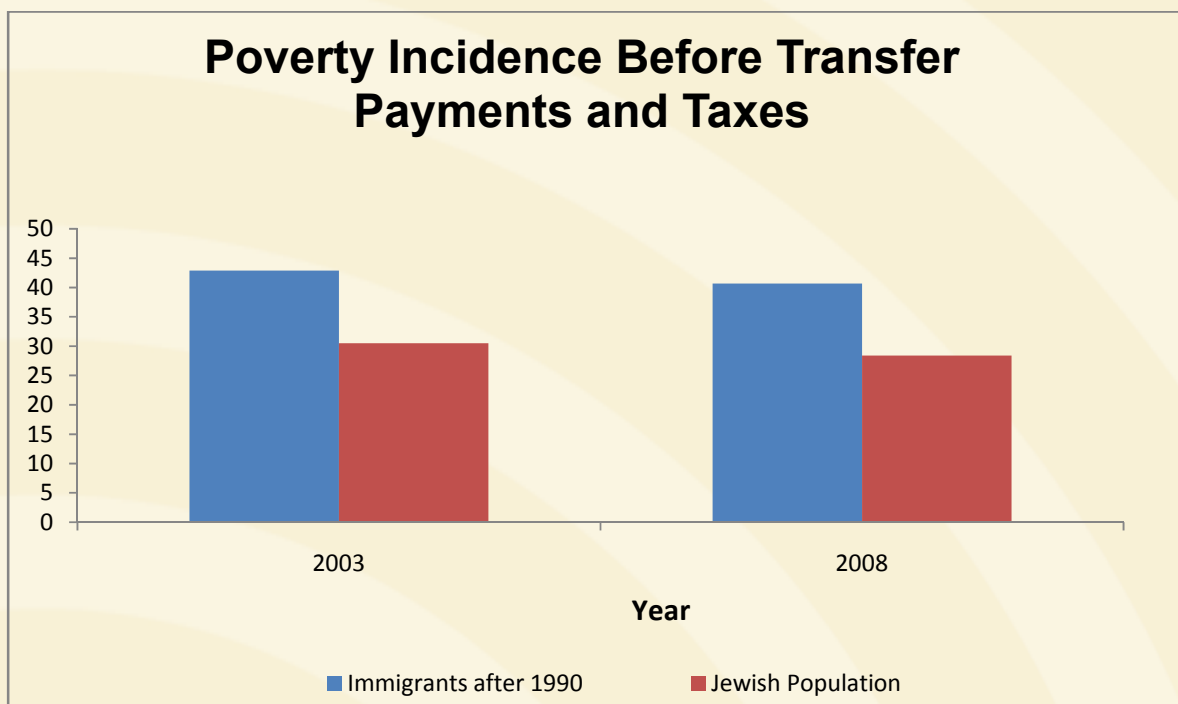
Chart 3: The Dimension for Relative Standard of Living



6.2.7 Incidence of Poverty

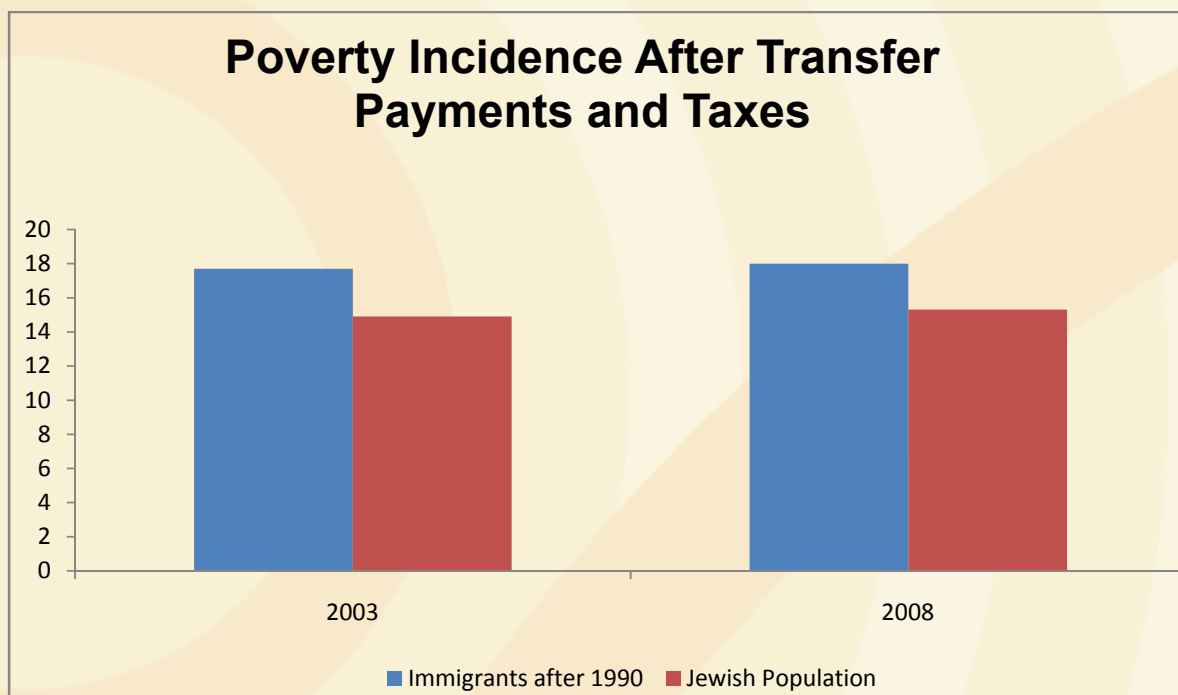
To complete the picture of the dimension for standard of living presented above, and in order to focus on the immigrants from the former USSR, we present here the changes that occurred in this group's characteristics of poverty in relation to the general Jewish population from 2003 to 2008.

Chart 4: Poverty Incidence before Transfer Payments and Taxes



Source: The National Insurance Institute of Israel's Report on Poverty 2009 and Yearly Survey 2005

Chart 5: Poverty Incidence after Transfer Payments and Taxes



Source: The National Insurance Institute of Israel's Report on Poverty 2009 and Yearly Survey 2005

Tables 4 and 5 show that, throughout the years, the incidence of poverty is significantly higher in immigrant groups, both before and after transfer payments and taxes.

The incidence of poverty before transfer payments and taxes is approximately 40% higher than in the overall Jewish population, while the incidence of poverty after transfer payments and taxes is 20% higher. From this we can understand the dependence of the immigrant populations on transfer payments. In addition, part of the phenomenon of poverty may very well be explained by factors connected with the labor market, which will be discussed in the following section.

6.3 The Dimension for Economic-Occupational Integration of Immigrants in Israel

The Dimension for Economic-Occupational Integration of Immigrants in Israel is constructed, as already mentioned, by three sub-dimensions: the dimension for potential integration into the job market, the dimension for integration into the job market and the dimension for subjective integration into the job market. The findings are presented separately for men and women. Following is the breakdown for the findings received for each of those sub-dimensions.

6.3.1 Potential for Integration into the Job Market

6.3.1.1 Human Capital

Table 11: Percentage with Higher Education

Survey Year	2003	2005	2008
Percentage with higher education	%	%	%
Immigrants from former USSR	40.6	41.3	37.9
Immigrants from Ethiopia	6.5	6.4	18.3
Immigrants after 1989	56.5	38.4	43.5
Veteran immigrants	26.3	30.5	31.7
Second generation Mizrahim	17.2	19.9	20.9
Second generation Ashkenazim	40.7	42.3	43.2
Israeli Arabs	10.8	12.3	11.2
General average	27.0	28.2	27.4

In general, this table shows that there is no change in the rate of those with higher education throughout the years 2003 -2008. Among the immigrants from the former USSR the rate of those with an education dropped. A possible explanation for this is that as the immigrants mature in age, the educated move out from the work force, whereas the younger generation of immigrants in the work force does not maintain the same level of education.

The dimension for the potential of integration into the job market is divided into three standardized base variables that were calculated with an equal weight⁵: the level of Hebrew language proficiency as presented in Table 3, the percentage of those with an academic education and those experienced in the job market in Israel.

6.3.1.2 Experience in the Israel Job Market

Table 12: Years of Experience in Job Market

Survey Year	2003	2005	2008
Experience in job market	%	%	%
Immigrants from former USSR	6	7	17
Immigrants from Ethiopia	8	6	12
Immigrants after 1989	5	5	16
Veteran immigrants	22	19	20
Second generation Mizrahim	14	13	16
Second generation Ashkenazim	18	16	17
Israeli Arabs	10	8	10
General average	14	12	15

Table 12 shows a large increase in years of experience in the job market among the following population groups: immigrants from the former USSR and immigrants from after 1989. This indicates that the younger generation is exhibiting a greater amount of

⁵ This version does not take into account the total years of work experience abroad, due to the lack of data related to this in the social survey of 2008. The dimension was recalculated to the previous years.

integration into the job market. That is, the older immigrants have left the population sample (the sample is ages 25-60) without a significant accumulation of experience in the job market, while the immigrants who arrived at relatively younger ages to Israel are already integrating into the job market. As the years progress, their weight among the population of immigrants increases.

6.3.1.3 The Dimension of Potential Integration into the Job Market

The dimension of potential integration into the job market is constructed, as mentioned before, from three base variables that were presented in Tables 3 (language proficiency), 11 and 12. However, since it was not possible to analyze the language variable in the social survey from 2005 (see footnote number 2), the dimension was calculated only for the years 2003 and 2008. The results of this dimension are presented in Table 13 and in Chart 6.

Table 13: Dimension of Potential Integration into the Job Market

Survey Year	2003		2008	
	Relative to average	Relative to second generation Ashkenazim	Relative to average	Relative to second generation Ashkenazim
Immigrants from former USSR	-0.51	-0.92	-0.18	-0.53
Immigrants from Ethiopia	-0.51	-0.92	-0.22	-0.56
Immigrants after 1989	-0.35	-0.76	-0.11	-0.45
Veteran immigrants	0.30	-0.11	0.24	-0.10
Second generation Mizrahim	0.07	-0.34	0.12	-0.22
Second generation Ashkenazim	0.41	0.00	0.34	0.00
Israeli Arabs	-0.44	-0.85	-0.53	-0.87

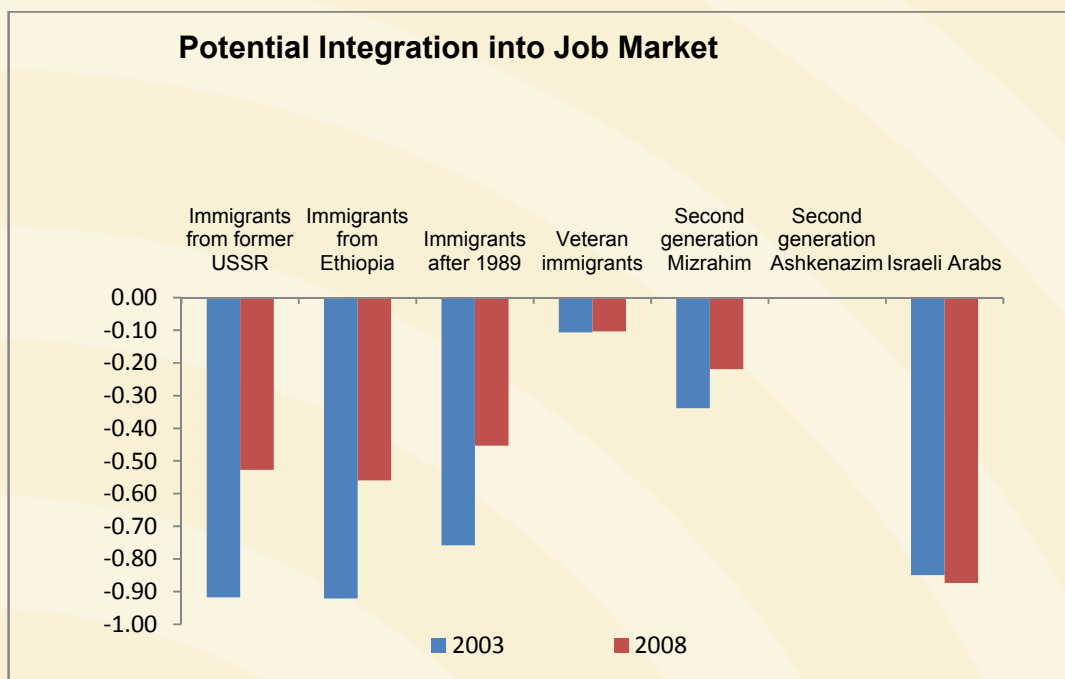
Chart 6: Potential for Integration into the Job Market

Table 13 summarizes the dimension for potential immigrant integration into the job market based on the data from the social surveys for 2003 and 2008. From the analysis of this data, an improvement was seen in integration into the job market for all immigrants (except for the veteran immigrants) in relation to second generation Ashkenazim. If we consider the country's ability to absorb immigrants, this finding is encouraging; for it is possible to learn from it that as the years pass, the ability for integration into the job market increases. Also, it demonstrates that the gap is narrowing between the second generation Mizrahim in comparison to the second generation Ashkenazim. Yet, there is a relative widening of the gap of the Israeli Arabs' integration.

6.3.2 The Dimension for Occupational Integration

In this section we will describe the main dimension for analyzing the economic and occupational integration of immigrants. Before we relate to the actual dimension, we will present two factors that are significant to the job market activity: the rate of participation in the work force and the percentage of unemployed.

Table 14: The Rate of Participation in the Work Force

Survey Year	2003	2005	2008
Rate of participation in the work force	%	%	%
Immigrants from former USSR	86	86	87
Immigrants from Ethiopia	65	72	86
Immigrants after 1989	73	73	87
Veteran immigrants	76	78	81
Second generation Mizrahim	79	84	87
Second generation Ashkenazim	81	82	87
Israeli Arabs	54	58	61
General average	76	78	81

From Table 14 we can see that from the year 2003 to 2008 there was an increase in the rate of integration into the job market. This may be as a result of two processes that occurred during those years and that are related to the job market. One is the reduction of government benefits, and the other is the rise in the minimum wage. Both these steps increased the incentive to enter the job market (and increased the substitution ratio⁶). One interesting finding is the relatively high rate of integration for immigrants from the former USSR population group.

⁶The substitution ratio = The ratio between earnings and income with no employment

Table 15: Percentage of Unemployed

Survey Year	2003	2005	2008
Percentage of unemployed	%	%	%
Immigrants from former USSR	8.9	4.5	3.1
Immigrants from Ethiopia	8.7	4.3	12.7
Immigrants after 1989	3.5	5.6	6.1
Veteran immigrants	7.0	4.2	5.5
Second generation Mizrahim	6.8	6.8	4.5
Second generation Ashkenazim	5.2	3.3	3.0
Israeli Arabs	8.5	8.6	6.2
General average	7.1	5.6	4.7

The data from Table 15 complements the data of the rate of participation in the labor force and adds an additional and important dimension to the picture. The rate of unemployed among immigrants from the former USSR significantly decreased through the years. This trend corresponds to the positive economic reality in Israel during this period of time. The high rate of participation in the labor force, together with a low unemployment rate, indicates that immigrants from the former USSR provide a significant contribution to the job market.

The dimension for occupational integration is constructed from three standardized base variables, each given a different weighting in the calculation (appearing in parentheses): job income (50%) PTM occupations (30%) and scope of job position (20%). In the first stage we will present the three variables that make up this dimension.

6.3.2.1 Job Income

Table 16 presents income from employment for the years 2003, 2005, and 2008.

Table 16: Average Income from Earnings in Shekels

Survey year	2003	2005	2008	Ratio of change from 2003 to 2008
Average job earnings	NIS	NIS	NIS	%
Immigrants from former USSR	4,878	5,357	6,648	36
Immigrants from Ethiopia	4,204	3,971	6,355	51
Immigrants after 1989	6,596	5,533	8,013	21
Veteran immigrants	7,596	7,783	9,627	27
Second generation Mizrahim	6,704	6,477	8,023	20
Second generation Ashkenazim	8,590	8,508	9,240	8
Israeli Arabs	5,645	4,993	5,640	0
General Average	6,717	6,585	7,782	16

There is a rise in the average level of income in the market from the year 2003 to 2008. We can see that the rate of income growth is positive for all the population groups (except for the Israeli Arabs). This result is consistent with the positive turnover in business in Israel during these years. In addition, among the immigrants from the former USSR the rate of improvement is highest among the population groups (apart from Ethiopian men⁷). This shows that the incomes of immigrants from the former USSR have converged towards the market income average, part of which is influenced by the rate of those employed in PTM professions, as presented in the next section.

6.3.2.2 Employment in PTM Occupations

Table 17 presents the rate of those employed in PTM occupations, for the different survey years.

Table 17 presents the rate for those employed in PTM (Professional, Technical and Managerial) occupations for the different survey years.

⁷ We are reminded that the numbers in the Ethiopian population group are limited, which has the potential of skewing the results of the sample, as we see happening here.

Table 17: Rate of Employment in PTM occupations

Survey Year	2003	2005	2008	Ratio of change from 2003 to 2008
Percentage Employed in PTM positions	%	%	%	%
Immigrants from former USSR	21.8	29.5	32.1	10.3
Immigrants from Ethiopia	9.8	22.9	14.0	4.2
Immigrants after 1989	54.3	41.9	43.5	-10.8
Veteran immigrants	40.3	43.2	44.7	4.5
Second generation Mizrahim	27.8	32.7	34.0	6.2
Second generation Ashkenazim	56.0	55.7	54.5	-1.6
Israeli Arabs	21.4	28.3	24.5	3.1
General average	34.1	37.7	37.3	3.2

Table 17 shows improvement in the rate of employment in “professional” occupations. The highest rate of change is among the immigrants from the former USSR. This could indicate an increase in the level of professions that this population group works in and can be one of the factors for improvement in incomes.

6.3.2.3 Full Time Employment

Table 18: Rate of Full-time Employment

Survey Year	2003	2005	2008
Percentage employed full time	%	%	%
Immigrants from former USSR	87.4	78.5	82.0
Immigrants from Ethiopia	88.5	71.9	73.1
Immigrants after 1989	82.5	81.0	80.6
Veteran immigrants	84.2	78.2	78.8
Second generation Mizrahim	90.2	81.9	76.8
Second generation Ashkenazim	89.2	79.8	71.6
Israeli Arabs	87.7	82.3	80.8
General average	87.9	80.1	77.7

We can learn from Table 18 that a significant majority of those employed are employed in full-time positions, and this is not contingent upon their belonging to any one particular population group. Yet, there seems to be a decrease in the proportion of those employed full time over the years. In addition, this table demonstrates that immigrants from the former USSR population group have the highest percentage of those employed full time. This is valid as of the year 2008.

6.3.2.4 The Dimension for Economic-Occupational Integration

At this point we will calculate the dimension for occupational integration based on the three dimensions presented above. In addition, the standardized score for the dimensions of each population group will be compared with the score for the second generation Ashkenazim group.

Table 19: Dimension for Integration in Occupations

Economic-Occupational Integration: Dimension for Occupational Integration	The Entire Population					
	2003		2005		2008	
Survey Year	Compared to second generation Ashkenazim	Compared to average	Compared to second generation Ashkenazim	Compared to average	Compared to second generation Ashkenazim	Compared to average
Immigrants from former USSR	-0.70	-0.31	-0.58	-0.19	-0.32	-0.07
Immigrants from Ethiopia	-0.81	-0.41	-0.77	-0.37	-0.54	-0.29
Immigrants after 1989	-0.32	0.07	-0.43	-0.04	-0.12	0.13
Veteran immigrants	-0.25	0.14	-0.20	0.19	0.01	0.26
Second generation Mizrahim	-0.42	-0.02	-0.42	-0.02	-0.21	0.04
Second generation Ashkenazim	0.00	0.39	0.00	0.39	0.00	0.25
Israeli Arabs	-0.57	-0.17	-0.62	-0.23	-0.47	-0.22

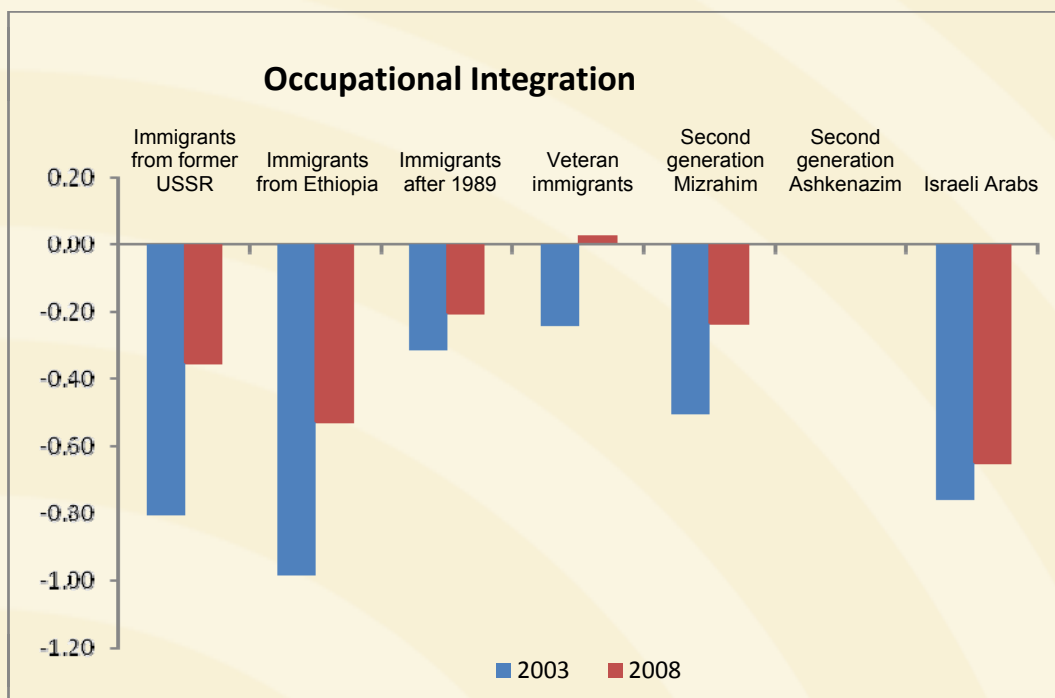
Chart 7: Dimension for Occupational Integration

Table 19 and Chart 7 summarize the dimension for occupational integration for all population groups. As shown in the table, over the years 2003-2008, the integration of the various groups into the job market steadily increases and converges towards the same proportion accepted for the second generation Ashkenazim. This phenomenon is strong especially among the immigrants from the former USSR.

6.3.3 Dimension for Subjective Integration into the Job Market

This dimension is constructed from two standardized base variables receiving equal weightings:

- Satisfaction with income
- Job satisfaction

Before proceeding with this dimension, we will present here the breakdown of these base variables according to the data from the social surveys of 2003, 2005 and 2008.

6.3.3.1 Satisfaction from Income

Table 20: Satisfaction from Income

Survey Year	2003	2005	2008
Satisfaction from income	%	%	%
Immigrants from former USSR	34	42	38
Immigrants from Ethiopia	32	34	33
Immigrants after 1989	46	49	59
Veteran immigrants	47	52	54
Second generation Mizrahim	50	48	53
Second generation Ashkenazim	51	59	57
Israeli Arabs	43	47	46
General average	46	49	50

6.3.3.2 Job Satisfaction

Table 21: Percentage of Job Satisfaction

Survey Year	2003	2005	2008
Satisfaction with Job Position	%	%	%
Immigrants from former USSR	72	76	71
Immigrants from Ethiopia	84	84	83
Immigrants after 1989	79	77	86
Veteran immigrants	87	88	87
Second generation Mizrahim	86	85	86
Second generation Ashkenazim	89	88	88
Israeli Arabs	78	75	81
General average	83	83	83

From Tables 20 and 21 we learn that the overall level of satisfaction from income is low compared with the level of job satisfaction. It is also apparent from these tables that the immigrants from the former USSR are the least satisfied with their income and with their jobs. This lack of satisfaction could result from the lack of suitability between their capabilities and their actual jobs and income.

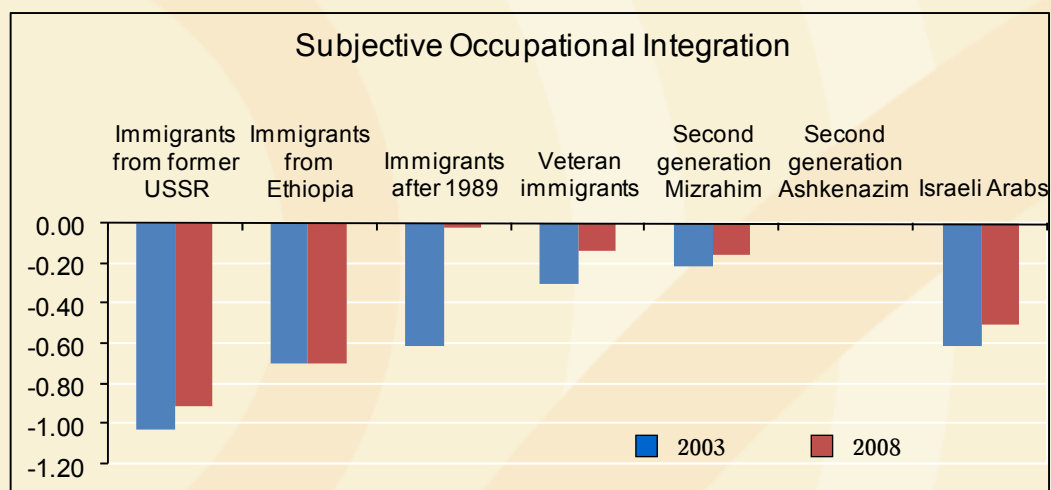
6.3.3.3 Summarizing Dimension of Subjective Integration

Having presented the base variables, we move to the presentation of the summarizing dimension for subjective integration into the job market, which is constructed from the base variables received in the surveys.

Table 22: Summarizing Dimension of Subjective Integration into the Job Market

Economic-Occupational Integration: Subjective Integration Index	The Entire Population					
	2003		2005		2008	
Survey Year						
Comparison group	Compared to second generation Ashkenazim	Compared to average	Compared to second generation Ashkenazim	Compared to average	Compared to second generation Ashkenazim	Compared to average
Immigrants from former USSR	-1.03	-0.68	-0.96	-0.54	-0.91	-0.70
Immigrants from Ethiopia	-0.70	-0.34	-0.65	-0.23	-0.70	-0.49
Immigrants after 1989	-0.61	-0.26	-0.75	-0.33	-0.02	0.19
Veteran immigrants	-0.30	0.05	-0.28	0.13	-0.13	0.07
Second generation Mizrahim	-0.22	0.14	-0.37	0.04	-0.16	0.05
Second generation Ashkenazim	0.00	0.35	0.00	0.42	0.00	0.21
Israeli Arabs	-0.61	-0.26	-0.88	-0.46	-0.50	-0.29

Chart 8: Subjective Integration into the Job Market



From Table 22 and Chart 8 we see that there has been a convergence of all the groups (apart from Ethiopia) towards the second generation Ashkenazim in the dimension for

subjective occupational integration. It seems that for most of the groups, personal feelings were consistent with the outcome as they were reflected in the dimension for objective occupational integration (Table 19). Among the immigrants from the former USSR and the second generation Mizrahim, there is a gap between the subjective perception of individuals regarding their occupational integration, and the objective reality as it is reflected in Table 19. For these groups the subjective improvement is less than the objective improvement.

6.4 The Subjective Dimension for the Question of Satisfaction

As mentioned in the methodology, a subjective dimension was not developed for identity and satisfaction, since the social survey did not include all the relevant questions for their evaluation. The variables that were analyzed are the immigrants' general satisfaction with life and their expectations towards the coming year. The findings are as follows:

6.4.1 General Satisfaction with Life

Table 23: General Satisfaction with Life

Survey Year	2003	2005	2008
Satisfaction with Life	%	%	%
Immigrants from former USSR	65	68	73
Immigrants from Ethiopia	83	85	90
Immigrants after 1989	84	77	90
Veteran immigrants	82	85	87
Second generation Mizrahim	84	87	89
Second generation Ashkenazim	90	91	92
Israeli Arabs	75	75	83
General average	80	81	85

From Table 23 we see that there was a general sense of improvement in satisfaction for the immigrant groups. It appears that the level of satisfaction for the immigrants from the

former USSR increased from 2003 to 2008 and came closer to the average level of satisfaction of the population.

6.4.2 Expectation for Improvement

Table 24: Expectation for Improvement in the Coming Year

Survey Year	2003	2005	2008
Expecting improvement	%	%	%
Immigrants from former USSR	48	51	61
Immigrants from Ethiopia	72	63	78
Immigrants after 1989	62	69	77
Veteran immigrants	45	45	62
Second generation Mizrahim	58	61	70
Second generation Ashkenazim	52	51	66
Israeli Arabs	56	58	74
General average	53	54	68

It is apparent from Table 24 that the expectation for improvement increased over the years. However, the immigrants from the former USSR are the most pessimistic of all the groups.

7 Discussion and Summary

The Ruppin Index provides estimations for examining the degree of different immigration groups' integration into Israeli society through a number of dimensions: social integration, standard of living, economic-occupational integration and satisfaction and optimism.

The purpose of the Ruppin Index is to provide tools that will benefit decision-making processes and policy shaping, and that will engender the establishment, development and improvement of services provided to the various immigrant populations.

In this report we present an update to the Ruppin Index for Immigrant Integration in Israel that was created in the previous report, published in May 2007. While the previous Index was designed for the years 2005 and 2008, this Index focuses on those changes occurring in the various dimensions for the period from 2003 to 2008. Herein we will summarize the principal findings presented in this report:

- **Social Integration:** One of the indications for analyzing social integration is the command of the Hebrew language. We found that during the years 2003-2008 there was a significant improvement in the number of immigrants proficient in the Hebrew language (an increase from 12% to 22%), with an increase from 28% to 41% among the immigrants from Ethiopia. This indicates the improvement in integrating immigrants into the host society. In actuality, all the population groups display a trend of convergence in language proficiency towards the second generation Ashkenazim, apart from the Arab population, which has shown a comparative regression in this area (a decrease from 36% to 29%).
- **Standard of Living:** In the topic of standard of living, we found a convergence of earnings towards the second generation Ashkenazim for all segments of the population apart from the veteran immigrants and the Arabs (the gap between the Arabs and the second generation Ashkenazim widened by 3% from 2003 to 2008).

In actuality, the greatest improvement in earnings relative to second generation Ashkenazim was that of the immigrants from the Commonwealth of Independent States (former USSR) (a relative gap-narrowing of 26% from 2003 to 2008) and the second generation Mizrahim narrowed the gap by 7% relative to the second generation Ashkenazim). In contrast, we found that there was a decrease in ability to cover expenses among the immigrants from the former USSR (an increase of 3% among those who felt they had difficulty in covering expenses), and this was in comparison with the stability of this dimension for all other population groups (in the Israeli Arabs this number increased by 9%). For product consumption, such as cars, computers and vacations, the various population groups converged towards the second generation Ashkenazim. The immigrants from the former USSR narrowed the gap by 12% while the immigrants from Ethiopia narrowed the gap by 22%.

- In order to complete the picture of the standard of living, we examined the incidence of poverty for the entire Jewish population. We discovered that the incidence of poverty for gross and net earnings remained stable from the year 2003 to 2008, both for immigrants from the former USSR and for the Jewish population. In each case the incidence of poverty according to gross income among the immigrants was 40% greater than that of the Jewish population while the net income stands at a gap of 20%. This shows the importance of the government's intervention, through transfer payments, towards reducing poverty within the immigrant population.
- The rate of those dissatisfied with their economic situation was highest within the immigrants from the former USSR (66%). This rate is substantially higher than the rate of those dissatisfied in the second generation Ashkenazim group (34%). This is also true for the immigrants from Ethiopia (65%) and the Israeli Arabs (58%).
- In the summarizing dimension for standard of living, which weights the following dimensions: average monthly income per capita, ability to cover expenses, product consumption, housing density and satisfaction from their economic situation, we

see that all of the groups narrowed the gap relative to the second generation Ashkenazim throughout the years, apart from the Israeli Arabs, for whom the gap grew by 6%. For example, the immigrants from the former USSR narrowed the gap for standard of living by about 18%, and immigrants from Ethiopia by about 15%.

- **Occupational Integration:** One of the most important places for determining standard of living is the labor market. It seems that from the year 2003 until 2008 there was an improvement in the integration into the labor market (the dimension for potential integration is constructed from sub-dimensions: knowledge of the Hebrew language, higher education and experience in the Israeli labor market) of all immigrants (apart from the veteran immigrants) in relation to the second generation Ashkenazim. For example, immigrants from the former USSR and immigrants from Ethiopia bettered their circumstances (narrowed gaps) relative to the second generation Ashkenazim by 40%, and the second generation Mizrahim narrowed the gap relative to second generation Ashkenazim by about 35%. If we speak of the ability of a country to absorb immigrants, this finding is encouraging; we learn from it that as the years progress, the ability to absorb immigrants into the labor force is improving. However, at the same time, for the Israeli Arabs the gap is growing in relation to the second generation Ashkenazim by about 2.5%.
- Further, we can see that during the years 2003 through 2008 the integration of the various population groups into the job market became greater and converged towards the acceptable rate for second generation Ashkenazim. This phenomenon is especially strong among the immigrants from the former USSR. The dimension for integration is constructed from three parameters: employment in professional, technical and managerial positions, job income and the scope of the job position.
- Job income increased by 36% over the years among the immigrants from the former USSR (a rate that is higher than the average of 16% and higher than the rate of growth in the second generation Ashkenazim, which is 8%). In actuality,

job earnings increased in all the groups, apart from the Israeli Arabs, whose income remained almost without change.

- We found a significant increase in the rate of employment in professional, technical and managerial occupations. The rate of employment in these professions rose by approximately 10% among the immigrants from the former USSR, which constitutes the largest increase for all the groups. The rate of increase for the Israeli Arabs was found to be relatively low (3.1%).
- For the weighted dimension for occupational integration we find a convergence of all groups towards the second generation Ashkenazim. This also applies to the immigrants from the former USSR and the Israeli Arabs.
- In the dimension for subjective occupational integration, we found a convergence for all groups (apart from the Ethiopians) relative to the second generation Ashkenazim; a finding that correlates to the data presented above regarding the objective dimensions for integration into the job market. It is apparent that a gap exists for the former USSR and the second generation Mizrahim between individuals' subjective perception of their occupational integration and the objective reality. Objectively, during the years 2003-2008 immigrants from the former USSR narrowed the gap relative to the second generation Ashkenazim by approximately 50%, while the subjective gap narrowed by only 10%. A similar phenomenon exists for the second generation Mizrahim and the immigrants from Ethiopia, the data from which may indicate that the immigrants from the former USSR, immigrants from Ethiopia and the second generation Mizrahim immigrants do indeed find employment - and better employment than previously - but they earn less than what they anticipated they would receive.
- **Overall satisfaction from life:** In the dimension for overall satisfaction from life we found that there was an improvement in immigrants' satisfaction (an increase from 65% in 2003 to 73% satisfied in 2008). In addition, it is apparent that the satisfaction for the immigrants from the former USSR increased during the years

2003-2008 and came nearer to the average level of satisfaction in the population. Satisfaction also increased in the Israeli Arabs, from 75% to 83%.

- **In conclusion:** It can be seen that in general, with the passing of the years, the integration of immigrants into Israeli society and into the country's labor market has upgraded. The analysis of the different dimensions shows the convergence of all the immigrant groups to the veteran population.

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The Ruppin Index Team

Prof. Moshe Semyonov is the chair professor of the Bernard and Audre Rapoport Sociology of Labor Department at Tel Aviv University, and director of the Institute of Diplomacy and Regional Cooperation. He is also a professor of Sociology at the University of Illinois in Chicago, and head of the Academic Committee of the Institute for Immigration and Social Integration at the Ruppin Academic Center. Prof. Semyonov is a member of the Organizing Committee for the International Metropolis Project.

Prof. Yitzhak Haberfeld serves as a professor in the Department of Labor Studies at Tel Aviv University, and is a member of the Academic Board at the Institute for Immigration and Social Integration at the Ruppin Academic Center. His areas of research include the economic integration of immigrants and inequality in the job market.

Prof. Rebeca Raijman is an associate professor in the Department of Sociology and Anthropology at the University of Haifa, where she serves as the head of the MA program in Applied Social Research. Her areas of research include social and economic integration of migrants, labor migration, and ethnic relations. She is a member of the Academic Committee of the Institute for Immigration and Social Integration at the Ruppin Academic Center.

Prof. Raphael Bar-El is the dean of the School of Economics and Administration Sciences at the Ruppin Academic Center. He is a professor at Ben-Gurion University, where he established and directed the Department of Public Policy and Administration. His fields of interest include economic policy, regional and urban development, economic cooperation in the Middle East, entrepreneurship and innovation in peripheral regions, and location of economic activity. He has directed many regional development projects around the world, especially in Brazil. He was the head of the National Authority for Economic Planning at the Office of the Prime Minister.

Dr. Karin Amit is a senior lecturer in the Department of Business Administration and a researcher at the Ruppin Academic Center's Institute for Immigration and Social Integration. Within her function at the Institute, Dr. Amit is the coordinator for the

Academic Board, and is a member of the Organizing Committee of the International Metropolis Project. Her fields of research include: economic and social integration of immigrants, migration and social networks, migration and identity, and migration and leadership.

Dr. Sibylle Heilbrunn is a senior lecturer in the Department of Business Administration and a researcher at the Ruppin Academic Center's Institute for Immigration and Social Integration. Dr. Heilbrunn is an organizational sociologist. She is an expert in entrepreneurship in the kibbutz movement, and her recent research focuses on the entrepreneurship of women, immigrants and minorities.

Dr. Svetlana Chachashvili-Bolotin is a lecturer in the Business Administration Department and in the MA program for Immigration and Social Integration at the Ruppin Academic Center. Her main areas of research are inequality, immigration and education. Dr. Chachashvili-Bolotin is currently participating in an international project with the German-Israeli Foundation for Scientific Research in cooperation with the BMBF, Germany's Federal Ministry of Education and Research, in the area of "Immigration and Education." The purpose of this project is to compare the scholastic achievements of immigrants from the former USSR in Israel and in Germany.

The Authors of the Report

Dr. Miki Malul is an expert in Regional Economic Development and in Economic Public Policy. Dr. Malul is a partner in "Modeling With Impact" an office that provides consulting services to business entities, and also serves as a member on the Economics staff in the Taub Center for Social Policy Studies in Israel. Amongst the many consultations he has provided are the following: the preparation of the master plan for the economic development of the regional council of Abu Basma; a report examining the economic feasibility of establishing a hospital in Lehavim; and the preparation of business plans for private organizations. In his academic capacity, Dr. Malul is a member of the senior staff in the Department of Public Policy at the Ben Gurion University of the

Negev, and has served as a guest lecturer at Cornell University in New York. Dr. Malul's academic papers have been published in international journals.

Dr. Mosi Rosenboim holds a PhD in the Department of Economics at Ben Gurion University. Dr. Rosenboim is a Faculty at Ben Gurion University's Faculty of Management, and at Sapir College's Department of Applied Economics. Dr. Rosenboim's areas of research include: Finance and investment with an emphasis on the decision-making process and the behavioral aspects of decision-making, and economic development policy. Dr. Rosenboim's publications appear in many journals. He lectures in many areas including: various courses in finance (Corporate Finance, the Theory of Investment, Options, Security Analysis, Financial Management and more) and an Introduction to Microeconomics.

Dr. Rosenboim is a partner in "Modeling With Impact," an office that provides consulting services to business entities

המרכז האקדמי רופין
המכון להגירה ושילוב חברתי (עלייה וקליטה)
עמק חפר 40250 ישראל

Ruppin Academic Center
Institute for Immigration and Social Integration (Aliyah and Klitah)
Emek Hefer 40250 Israel
Tel. (972)9-8983859, Fax. (972)9-8983860, IISI-Info@ruppin.ac.il