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Immigration and wealth inequality in old age: The case of Israel

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Abstract

Relatively little research has been devoted to the long term implications of immigration for the accumulation of household wealth. This accumulation has significance both for the well-being in old age and for intergenerational transmission of advantage and disadvantage. Our study addresses the nativity wealth gap and examines its sources. Data for the analysis were obtained from the SHARE-Israel study conducted in 2005–2006. Our sample includes 1366 Jewish households, either native-born or immigrant. We use OLS regression to estimate the nativity wealth gap and arrive at a number of noteworthy findings. First, immigrant–native disparities are large and do not disappear even after many decades of residence. Second, an important source of the disparity in accumulated household wealth is the fact that immigrants are considerably less likely than natives to have received a substantial inheritance. Third, wealth is strongly related to household income and more so among some immigrant groups than among natives. Fourth, there is substantial variation in the wealth of immigrant groups defined by their geo-cultural origin.
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1. Introduction

Studies of immigration across a wide range of countries have invariably noted the disadvantage that immigrants face upon arrival in the host society; a disadvantage exemplified in their occupational distribution and their earning patterns compared to the native population (Chiswick, Cohen, & Zach, 1997; Semyonov & Lewin-Epstein, 2002). The lower earnings of immigrants are attributed to language difficulties, skill disparities, information gaps and discriminatory practices. They typically decline and, in some cases, disappear with the passage of time (Borjas, 1994). Yet, the long term consequences of

immigration for the economic well-being of immigrants and for the distribution of resources across groups in society have not yet received sufficient attention.

Even if immigrants reach earning parity with natives at some point in the course of their working life, the gap in accumulated assets may still be substantial. This is of particular importance when attention is turned to older cohorts of the population; those whose well-being depends primarily on the assets and benefits accumulated in the past. Indeed, a more complete account of the position of immigrants in the stratification system of receiving societies will benefit from the study of the nativity wealth gap (Bauer et al., 2007; Hao, 2007; Semyonov & Lewin-Epstein, 2011) to complement our knowledge of labor market disparities.

In the present study we aim to contribute to this endeavor by studying differences in household wealth

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between the native-born and the immigrant populations in Israel and the factors that contribute to this gap. The questions our study addresses are: what is the wealth gap between Jews born in Israel and Jewish immigrants? To what extent is the nativity wealth gap accounted for by different labor market experiences of natives and immigrants, and to what extent do differences in inter-generational transfers contribute to the nativity wealth gap? As immigrants to Israel comprise a rather heterogeneous population, our study also investigates wealth differences among sub-populations of immigrants. Our study focuses on the older segment of the population (age 50 and older) and will therefore provide important insight into the understudied topic of the economic well-being of the aging immigrant population.

2. Theoretical considerations

2.1. Beyond labor market integration

Sociological research on wealth has been rather sparse (for review see Keister & Moller, 2000; Spilerman, 2000) and focused primarily on racial and ethnic differences in the United States (Conley, 2001a, 2003; Oliver & Shapiro, 1995). Recently, however, there has been growing interest in incorporating the study of household wealth within the framework of socioeconomic attainment and stratification research (Conley, 2001b; Pfeffer & Hällsten, 2012; Semyonov & Lewin-Epstein, in press; Torche & Spilerman, 2006; Zissimopoulus & Smith, 2011). Such an approach draws attention to the micro-determinants of wealth accumulation and its importance for understanding social and economic disparities among different population groups.

The reasons for considering wealth as a distinct dimension of stratification, and for the study of wealth distribution and its determinants, can be grouped into two broad categories. First, wealth is more unequally distributed than income or earnings (Keister, 2007; Wolff, 1995). Therefore, studies of labor market earnings do not capture the full extent of inequality in economic well-being. Second, the distribution of wealth affects not only present members of the household but the life chances of future generations as well (Conley, 2001b; Spilerman, 2004). The study of household wealth is important, therefore, not only for understanding the life chances of older cohorts who are no longer economically active, but also for the link it creates between family and societal processes over the life-cycle.

Unlike income, which represents the household's economic position at a given point in time wealth represents assets typically accumulated over an extended period. It is a measure of stock rather than flow and, as such, provides a useful indication of economic potential (Gittleman & Wolff, 2004). This is particularly relevant when studying older cohorts, some of which may no longer be in the labor market. Their standard of living and quality of life are more dependent on household wealth than on current income.

Since wealth is more unequally distributed than income (Wolff, 1995) differences in standard of living associated with wealth are more extreme than what is typically estimated on the basis of income. From a societal standpoint excessive wealth inequality may undermine social solidarity and the democratic process by increasing social separation, conflicts and exclusion (Bauman, 2001; Domhoff, 1990; Keister & Moller, 2000; Wright, 2000). This is particularly crucial when wealth disparities overlap with status characteristics such as race, ethnicity, and citizenship.

Sociological interest in wealth further derives from the fact that household wealth and its uses are strongly linked to intergenerational processes. In vivo transfers and inheritance are important mechanisms of wealth creation in some families and differences in wealth in one generation may have strong implications for the development of human capital and living standards in subsequent generations (Elmelech, 2008; Spilerman, 2004). While the magnitude of family transfers varies quite widely, it is by no means marginal to the process of household economic well-being and to wealth accumulation (Gale & Scholz, 1994; Menchik & Jiankoplos, 1998; Semyonov & Lewin-Epstein, in press; Szydlik, 2004; Zissimopoulus & Smith, 2011). Immigration by its very nature is disruptive to family links and in many circumstances involves the loss of assets. This too is likely to affect intergenerational transfers and contribute to the wealth gap between immigrants and natives.

2.2. Immigration and wealth

Household wealth accumulation is strongly related to income patterns, spending and saving behavior, economic returns, and intergenerational transfers – both in vivo and inheritances. Differences in any one of these factors and a combination thereof could lead to wealth disparities between native-born and immigrants. With respect to labor market earnings there is ample research that illustrates the earning disparities between immigrants and natives. The disparities are typically large upon arrival in the host country and tend to diminish with years of residence in the receiving country (Chiswick, 1979, for US; Hutton & Williamson, 2008; Semyonov, 1996, for Israel). Disparities in earnings,

even if temporary, may result in quite different patterns of accumulation between native-born and immigrants and wealth gaps may actually increase with the passage of time. This is especially detrimental for immigrants that arrive in the host society at an older age; thus allowing for fewer years of asset accumulation by the time they retire from the labor force. In addition, the fact that immigrants are typically less informed about the host society may affect the efficiency of their wealth accumulation.

An important factor contributing to wealth differences between natives and immigrants is homeownership. For most households housing assets comprise the largest share of wealth. With few exceptions, studies have revealed lower rates of homeownership among immigrants (Alba & Logan, 1992; Bourassa, 1994; Lewin-Epstein & Semyonov, 2000). The housing assets immigrants own are likely to have lower value on average than the assets owned by natives (Semyonov, Lewin-Epstein, & Davidov, 2003) and overall a lower share of immigrants' wealth is typically held in housing assets (Painter et al., 2001). Aside from the economic factors that might hinder immigrants from purchasing their own residence, social and cultural factors may have an impact as well. The purchase of housing assets requires familiarity with the host country's institutional arrangements and the housing market. These take time to acquire. Consequently, immigrants are less likely to benefit from economic gains associated with housing assets (Spilerman, 2000). Difference in homeownership patterns between natives and immigrants may also be affected by diverse cultural preferences and orientations. In both cases one would expect the gap in housing assets to narrow with the passage of time.

Another possible source of wealth disparity between natives and immigrants is the different likelihood of receiving intergenerational transfers. This likelihood should vary considerably depending on the nature of migration. When immigrants leave places with depressed economies or when migration is involuntary the likelihood of receiving intergenerational transfers is low. In some cases, migration may not make much of a difference, especially when families maintain transnational kin and business ties. More often than not, however, migration represents a break with the past; especially in cases of duress migration when families are uprooted and relocate rather abruptly. Such migration often severs economic links as well as cultural and emotional ones. Immigrants, especially those who anticipate permanent residence in the receiving society, may give-up real assets in the country of origin and face difficulties in acquiring new ones in the receiving society. For a variety of reasons, therefore, it is likely that immigrants

would benefit less from intergenerational transfers – either in vivo or in the form of inheritance – than would households of native-born. This disadvantage, combined with lower levels of labor market earnings on average will result in greater economic hardship in old age and their capacity to support themselves in old age may be well below the societal average.

Although the obstacles faced by immigrants lead us to expect lower levels of wealth accumulation than we find among similarly endowed native-born, the limited evidence now available is less conclusive. In one of the few comparative studies to date, Bauer et al. (2007) found substantial cross-country variation in wealth disparity between immigrants and natives. These appear to be related to immigration and labor market policies. Immigration regimes that allow ample room for non-economic considerations, as in the case of family unification, may result in a less educated and skilled immigrant population. This, in turn, affects the wealth differences between immigrants and natives. By way of contrast, a skill-selective immigration regime that encourages the immigration of young skilled workers, for instance, is likely to result in very different patterns of wealth disparities.

Shamsuddin and DeVoretz (1998) demonstrated for Canada that recent immigrants (less than 8 years in Canada) had approximately half the wealth that similar native-born Canadian had. At the same time the authors concluded that immigrants are able to close the wealth gap within a period averaging 15 years. Likewise, Zhang (2002) found that on average there is no significant difference in the wealth of immigrant and native couples in Canada. In fact, he found that single immigrants actually reported higher levels of household wealth than native singles. In New Zealand single migrants reported more wealth than natives but this was largely due to the differences in the age distribution of the two groups (Gibson et al., 2007). The situation is somewhat different for migrant couples (but not mixed couples) who reported less household wealth than native couples. The gap only partially disappears when controlling for demographic and labor market factors.

In a study of immigrant wealth in the United States, Cobb-Clark and Hildebrand (2006) found that unlike the situation in Canada, households of foreign-born had substantially less wealth than their U.S.-born counterparts. Based on SIPP data for a ten year period covering most of the 1990s they reported the median wealth of natives to be 2–3 times larger than the wealth of immigrants. Hao (2004) found, however, that although a lengthy process (averaging 22 years of residence in the United States) wealth accumulation of immigrants does catch up with

that of natives. It is worth underscoring the fact that these are averages and that much diversity exists across immigrant sub-populations. Interestingly, the wealth diversity in the immigrant population was related primarily to the immigrants' place of origin and not to differences in length of residence in the host society (Cobb-Clark & Hildebrand, 2006; Hao, 2004).

3. The Israeli context: immigration and stratification

The few studies that have recently investigated the nativity wealth gap noted the importance of institutional settings and immigration regimes in establishing different patterns of wealth among immigrants and natives (Bauer et al., 2007). The argument that immigration regimes play an important role by means of their diverse immigrant recruitment policies and their incorporation mechanisms suggests that findings from one country may not be indicative of the situation in another country. Consequently, our understanding of the nativity wealth gap can greatly benefit from research efforts in countries with diverse immigration policies and populations. In this respect Israel represents an interesting and a rather unique case.

Israel defines itself as the State of the Jewish people and was established as a haven for all Jews; a place where they will be safe from persecution and discrimination. Its population of over 7 million is comprised of a Jewish majority (approximately 80% of the population) and a Palestinian minority consisting of Moslems, Christians and Druz. The Jewish population grew almost ten-fold during Israel's 60 years of statehood. This phenomenal growth was largely due to the continuous flow of immigrants. Indeed, immigration accounts for approximately 50% of the growth of the Jewish population (Della Pergula, 1998). Jews migrated to Israel from practically every country on the globe. They were quite a diverse population in terms of their personal and family characteristics as well as the environments from which they emigrated (e.g., Khazzoom, 1998). Due to Israel's ethno-religious based citizenship regime, the option of immigration leading to permanent residency is open exclusively to Jews.[2]

Immigrants that arrived in the first part of the 20th century, prior to the establishment of the state of Israel created the pre-state political, economic and civil institutions, which were in place at the time Israel gained independence. Mass immigration began only after the establishment of the State. European Jews – Holocaust survivors – began arriving in 1947 and their numbers increased dramatically in 1948 and 1949. Concomitant with the Jewish exodus from Europe, large numbers of immigrants arrived from Middle Eastern countries (primarily Iraq and Yemen) followed by immigrants from North Africa. What characterized this wave of mass migration is that it consisted of entire Jewish communities that were uprooted and resettled in Israel. Immigration to Israel continued throughout the years albeit in smaller numbers than in the first decade. The collapse of the Soviet Union, at the end of the 1980s, set the stage for another large wave of Jewish immigration to Israel. During the last decade of the 20th century close to 1 million immigrants arrived in Israel, mostly from the former USSR, increasing its population by nearly 20%. It is important to note that Jewish immigrants to Israel are viewed as a returning diaspora rather than economic migrants. This is not to say that economic considerations played no role for some immigrants, or that none of the immigrants had other choices.

It is significant, however, that most immigrants were either refugees or left their country of origin hastily arriving in Israel with only few belongings (Dominitz, 1997; Semyonov & Lewin-Epstein, 2002) and that the state admitted, indeed, encouraged, these migration streams exercising practically no selection.[3]

Ever since its establishment the state of Israel has practiced an "open door" policy accepting all Jews who wanted to settle in Israel. While Israel applies generous inclusionary practices to encourage the immigration of Jews from around the world, its policies toward non-Jews are decidedly exclusionary. Over the years, Israeli governments have considered Jewish immigration a demographic imperative for the Jewish state in

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[2] According to the Law of Return, which is the cornerstone of Israel's immigration policy, any person who is Jewish, or married to a Jewish person, or has recent Jewish ancestry (grandparents) has the right to immigrate to Israel and receive its citizenship. Persons that do not meet these criteria are generally unwelcome as immigrants. While over 100,000 migrant laborers and asylum seekers currently reside in Israel

very few have been living in Israel for an extended period and they are not part of this study.

[3] Throughout the years small numbers of immigrants arrived who did not match this profile. They came from affluent societies and were affected primarily by pull factors. They often maintain economic and other ties with families and businesses in the country of origin. And although wealth accumulation among these immigrants may be quite different from that of most immigrants to Israel, their numbers are too small to alter the general patterns.

face of the rapid natural growth of the Arab population within Israel and around its boarders. Hence, immigrant absorption is considered a fundamental responsibility of the state. Employment, language learning and social absorption are regarded as interwoven, and actions are undertaken by the government in these realms to facilitate the absorption goals. Furthermore, in order to facilitate successful integration of the immigrants in society the government was heavily involved in developing housing policy and in providing financial support for purchase of housing. In this sense Israel provides a test case in which immigrants are accorded very favorable conditions of incorporation.

The Israeli case, then, provides an important contribution to the emerging literature on migration and household wealth accumulation in two respects. First, the fact that the immigration regime was non-selective (for the Jewish population) should lead one to expect that on average the immigrant population would do less well economically than the native-born population (although it should be kept in mind that most "natives" in this case are in fact, son and daughters of immigrants). Under these conditions differences in skills and cultural resources deriving from place of origin should be important in creating disparities among immigrant groups. Second, Israel provides a test case in which immigrants are accorded very favorable conditions of incorporation and wealth build-up. Indeed, evidence of a nativity wealth gap in this context will underscore the magnitude of the structural barriers immigrants must overcome.

4. Research question

The research question guiding our study concerns the nature of wealth inequality in Israel. Specifically, we are interested in the accumulated household wealth of native-born Jews and immigrants in older age. The well-being of this population is largely dependent on the assets they have accumulated, and wealth inequality is thus likely to entail disadvantages in various spheres of life. We address the question of the determinants of wealth, the extent to which there exists a nativity wealth gap, and whether the gap persists after taking demographic and household characteristics into account. We first examine the determinants of the wealth gap between natives and the entire immigrant population. In order to better understand the effect of immigration we then divide the immigrant population according to geo-cultural regions and examine wealth disparities between each of the groups and the native-born population.

5. Data and methods

5.1. Data

The study takes advantage of a unique data set collected in Israel during 2005–2006 as part of the SHARE project (The Survey of Health, Aging and Retirement in Europe). The dataset includes a nationally representative full probability sample of 2598 respondents in 1752 households where at least one member was 50 years or older. Face to face interviews were conducted in respondents' homes using CAPI. The questionnaires covered a wide range of topics and were highly structured. Information on individual characteristics and on family finances and expenditures were collected for each household. This information was typically provided by one household member designated as the "financial respondent". The information was used to generate composite variables such as household assets and liabilities and these were stored for all respondents in the household. For the purpose of the present research the most relevant information concerns family assets and liabilities, current household income, labor force status, intergenerational transfers and socio-demographic characteristics. The sample for our analysis includes 1366 households who fit the population definition of either Jewish native or Jewish immigrant households for whom we had full information on the relevant variables.[4]

5.2. Variables and methods

The main outcome variable for the present study is total net worth (interchangeably referred to below as household wealth). It is measured in Euro currency as the difference between total household assets and liabilities. The assets covered by the survey include residential and other forms of property, the value of household vehicles, financial investments, bank deposits, positive credit card balances. The liabilities include property mortgages, unpaid loans, negative credit card balances and other bank debt.[5]

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[4] There are 2 primary reasons for the fact that the sample used in our analysis is smaller than the full sample size. First, as explained in Section 5.1 we limited the analysis to the Jewish population. Hence most cases excluded were non-Jewish households (Palestinian Arab citizens of Israel). Second, we excluded a relatively small number (80) of mixed immigrant-native households since the size of this group did not permit separate treatment in the analyses. Thirty three cases were also dropped due to missing data on multiple variables.

[5] It is noteworthy that there are no substantial differences between natives and immigrants in reporting wealth information. Natives were just slightly (2%) more likely than immigrants to provide full information.

As wealth accumulation is affected by numerous factors we examine its determinants using multivariate OLS regression modeling. In line with our theoretical exposition we take immigration status to be the major independent variable in our analyses. For the purposes of our study a household was defined as 'immigrant' when all household members were immigrants. Households of native-born are those in which no member is an immigrant. For the immigrant population we also identify the socio-cultural region of origin. We distinguish four regions: Europe-America, Near and Middle East (Asia), North Africa (Africa), and the Former Soviet Union. In order to address the argument that the older one was at the time of migration the more difficult it would be to accumulate wealth, we include a measure of age at migration in the analyses.[6] We expect to find a negative relationship between age at migration and household wealth.[7]

To capture the contribution of labor market position to wealth accumulation of immigrants and Israeli-born we use several proxy variables. The first is household income from work and other non-asset sources (pension, welfare, etc.) measured in Euro currency. Because income was only reported for the year prior to the time of the survey it does not represent very well the life-long earnings potential, especially among older respondents. Therefore, we also include education level as a second indicator of earnings capacity. Three levels of educational achievement were distinguished: secondary education not completed, completed secondary or post-secondary non-academic education, and academic education. As current participation in the labor market may have an effect on wealth accumulation and depletion we also consider whether anyone in the household was employed at the time of the survey (contrasting households in which no one is employed with all other households) and whether anyone in the household is retired from work.

Another source of household wealth is intergenerational transfers. This may be in vivo, in the form of gifts and economic support, as well as in the form inheritances. The data available to us do not distinguish among the two. We only have an indication whether the household received a gift or inheritance valued at €5000 or more.

Empirical studies suggest that household wealth changes along the life cycle. We therefore take into account respondents' age[8]; marital status – distinguishing widowed, divorced, never married, and married (including unregistered partnerships); household size – number of persons in the household (this may include children if they still live in the household); and number of offspring (whether they live in the household or not). Although the sample is comprised of persons 50 years and older and in many cases their adult children no longer live in the same household, raising and supporting them may have affected wealth accumulation. On the one hand, having children may provide an incentive to save; on the other hand, expenses tend to increase with the number of children, leaving fewer resources available for accumulation (Keister, 2007).

6. Findings

6.1. The wealth of natives and immigrants

We start with an estimate of the difference in wealth between native-born Jews and immigrant households. The mean value of household wealth for Israeli-born respondents is €385,500; substantially higher than the wealth accumulated by the average immigrant household (€214,000). While the mean provides a summary figure of the wealth distribution of native-born and immigrants we can also discern the wealth differences from the proportion of immigrant households in various segments of the wealth distribution.

Fig. 1 shows the composition of wealth deciles. Immigrant households constitute the overwhelming majority of households in the lowest two deciles (approximately 80%).[9] Yet, they comprise fewer than 70% of the fourth decile and less than 60% of the seventh decile. Immigrant representation drops to less than half of the households in the top wealth decile. We see then a monotonous

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[6] Years since migration would be an alternative way to estimate the effect of timing of migration. We prefer age at migration for two reasons. First, it provides a more direct examination of the theoretical argument; and second, it is less strongly correlated with age (0.25) thus reducing potential for multicollinearity.

[7] In the multivariate analysis we shift the distribution of "age at migration" so that the mean receives a value of zero (centering) and interact it with a dummy variable with a value of 1 for immigrants and a value of 0 for natives. In this way only immigrants receive a non-zero (either negative or positive) value on this variable and the slope of the relationship between age at migration and wealth is not affected by the natives.

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[8] We should note that due to the cross-sectional nature of the data we cannot distinguish between age effects and possible cohort effects.

[9] Overall, immigrant households constitute almost two-thirds of our sample. This reflects the fact that Israel is a rather young society constituted largely by immigrants and they are still the majority in the older segments of the population.
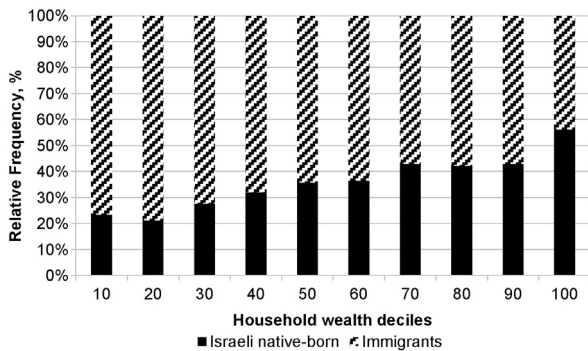
Fig. 1. Relative frequency (%) of immigrants and native-born by household wealth deciles.

decline in the representation of immigrant households as we move up the wealth distribution accounting for our earlier observation of a substantial wealth disadvantage compared to the native-born.

The large disparities in net worth between immigrants and native-born raise the question of the underlying factors that bring about such differences. One possibility of course is that the populations differ in their demographic and social composition. Another possibility is that natives and immigrants face different access to opportunities and obstacles (especially labor market outcomes and intergenerational transfers) thus resulting in wealth disparities between households with similar demographic characteristics. Of course both factors may operate concomitantly, underscoring the importance of taking account of the characteristics of the populations under study.

Table 1 presents detailed information on native-born and immigrant respondents[10] and households in our sample. The figures in the table reveal that native-born are about 7 years younger on average than immigrants (recall that the population under study is 50 years and older). The mean age of immigrants at the time of arrival in Israel is 23 years with a fairly large standard deviation. This reflects the fact that in many cases entire families immigrated including children and the elderly. Immigrants are considerably more likely than native-born to be widowed (27.1% and 11.5%, respectively), a fact most probably related to their older mean age. Yet, there are only minor differences between immigrants and natives in their household size and number of offspring. Both population groups reported an average of approximately 3 children.

Native-born are better educated on average than the immigrants, exhibiting a lower percentage in the low education category (high school not completed) and a higher percentage with post-secondary education. It is noteworthy in this respect that many of the immigrants represented in our sample arrived in the country young enough to have received at least some education in Israel, but as a group immigrants attained less education than native-born Israelis.

The income of native-born households is substantially higher on average than the income of immigrants (€33,800 and €23,300 for the two groups, respectively). It comes as no surprise then that the two populations differ considerably with respect to current employment. Almost two-thirds of immigrant households reported that no one in the household was employed; this was the case in less than 40% of native households. It is not surprising, therefore, that over half of immigrant households had at least 1 retiree compared to 31% among native-born.

As noted at the outset, intergenerational transfers are an important source of wealth. It is therefore instructive that native-born are more likely than immigrants to have received an intergenerational transfer (despite their younger age). Indeed the figures in Table 1 reveal substantial disparities in this regard. Over 40% of native-born households reported receiving a gift or an inheritance of €5000 or more as compared to less than 20% of the immigrant population. It is important to note that this disparity does not emanate from a greater tendency of Israeli-born to report intergenerational transfers. Our data indicate that a slightly higher percentage of native-born did not answer the question on intergenerational transfers than is the case for immigrants (12.3% and 9.6%, in for the two groups, respectively). We are therefore looking at the end result of a rather complex process of accumulation over a long period, providing a rather novel viewpoint on the issue of immigrant incorporation.

6.2. The nativity wealth gap and its correlates

The differences reported so far, although revealing, do not address the possible determinants of wealth disparities and whether the gaps can be attributed to socio-demographic differences between native-born and immigrants. In the following section, therefore, we examine wealth disparities between the population groups while controlling for differences in socio-demographic characteristics of the household. Specifically we are interested in the extent to which differences in two major determinants – income and

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[10] As there is no clear definition for head of household in the SHARE survey, data presented at the individual level are for a randomly selected respondent in the household.

Table 1

Descriptive statistics for socio-demographic characteristics by immigrant status (standard deviations in parentheses).

	Israeli-born natives	Immigrants
Age, mean (std. d.)	60.3	67.6
	(7.9)	(10.0)
Age at immigration, mean (std. d.)	–	22.9
	–	(17.1)
Widowed, %	11.5	27.1
Divorced or never married, %	14.3	11.3
Married, %	74.2	61.6
Household size, mean (std. d.)	2.5	2.3
	(1.3)	(1.3)
Number of offspring, mean (std. d.)	3.0	3.1
	(1.7)	(2.0)
Low education, %	21.4	34.8
Intermediate education, %	44.6	42.2
High education, %	33.9	23.0
Total household income,[a] mean (std. d.)	33.8	23.3
	(36.6)	(23.6)
No one employed in household, %	39.0	64.9
At least one person is retired in household, %	31.3	53.4
Received gift or inheritance, %	44.0	18.5
Has missing for gift or inheritance, %	12.3	9.6
Household wealth,[a] mean (std. d.)	385.5	214.0
	(791)	(371.2)
Number of cases	495	871

Note:

[a] Annual household income in Euro divided by 1000.

inheritance – affect the nativity wealth gap once controlling for other individual and household characteristics. In order to estimate the relationships we use ordinary least squares (OLS) multivariate regression modeling. Due to the highly skewed distribution of household wealth we use, similar to previous researchers (Campbell & Kaufman, 2006; Cobb-Clark & Hildebrand, 2006), a logarithmic transformation of the dependent variable after shifting the distribution by adding to each case the lowest value in the distribution plus 1 (see Table 2).

We begin with a base model (model 1) that takes into account migration status and age at migration. In the next model we introduce socio-demographic characteristics as control variables. In the following two models we add, consecutively, market related determinants of wealth and intergenerational transfers. The last two models include interaction terms for immigrant status with household income and intergenerational transfers, respectively.

Two important conclusions emerge from model 1. First, there is a considerable nativity wealth gap. Immigrants accumulated significantly less wealth than native-born ($b = -0.95$ with age at migration centered). Second, the age at which immigrants arrived in the country plays an important role in immigrants' wealth accumulation as indicated by the negative and significant relationship of age at immigration and household

wealth ($b = -0.08$). We noted earlier that the average age at immigration was 23 with considerable dispersion. This means that many immigrants arrived in an advanced age a fact that constrained their ability to accumulate wealth.

When individual and household demographic variables are introduced (model 2) the effect of immigrant status is amplified somewhat and the coefficient for age at immigration remains essentially unaltered. The effect of one's age is positive and statistically significant, and we do not find evidence of de-accumulation in advanced ages (the coefficient for age-square is not statistically significant). Household structure is strongly related to household wealth. Compared to married couples households of widowed persons report considerably less wealth and the coefficient is even larger for the divorced and those that never married. Both household size and number of offspring are related to household wealth. Larger households report more wealth, on average, than smaller households. Larger households are more likely to have had multiple sources of income and greater ability to accumulate assets.[11] Number of offspring has

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[11] In some cases this may also represent the pooling of resources of separate households that have formed a new household (as in second marriages). As we do not have marital histories and complete data on

Table 2
Regression estimates for the determinants of (ln) household wealth for natives and all immigrants.

	(1)	(2)	(3)	(4)	(5)	(6)
Immigrant status[a]	−0.95[**]	−1.21[**]	−0.88[**]	−0.71[**]	−0.72[**]	−0.73[**]
	(0.18)	(0.18)	(0.18)	(0.18)	(0.18)	(0.21)
Age at immigration (centered)	−0.08[**]	−0.09[**]	−0.08[**]	−0.08[**]	−0.08[**]	−0.08[**]
	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
Age (centered)	–	0.06[**]	0.08[**]	0.07[**]	0.07[**]	0.07[**]
	–	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
Age (centered) squared	–	−0.00	−0.00	−0.00	−0.00	−0.00
	–	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Widowed[b]	–	−0.83[**]	−0.53[*]	−0.51[*]	−0.50[*]	−0.51[*]
	–	(0.24)	(0.23)	(0.23)	(0.23)	(0.23)
Divorced or never married[b]	–	−1.72[**]	−1.29[**]	−1.26[**]	−1.25[**]	−1.26[**]
	–	(0.27)	(0.27)	(0.27)	(0.27)	(0.27)
Household size (centered)	–	0.25[**]	0.20[*]	0.20[*]	0.20[*]	0.20[*]
	–	(0.08)	(0.08)	(0.08)	(0.08)	(0.08)
Number of offspring (centered)	–	−0.16[**]	−0.11[*]	−0.11[*]	−0.10[*]	−0.11[*]
	–	(0.05)	(0.05)	(0.05)	(0.05)	(0.05)
Low education[c]	–	–	−0.32	−0.23	−0.21	−0.23
	–	–	(0.20)	(0.20)	(0.20)	(0.20)
High education[c]	–	–	0.06	−0.02	−0.01	−0.02
	–	–	(0.20)	(0.20)	(0.20)	(0.20)
At least one retired in household[d]	–	–	−0.08	−0.06	−0.07	−0.06
	–	–	(0.20)	(0.20)	(0.20)	(0.20)
Total household income (centered)	–	–	0.03[**]	0.03[**]	0.02[**]	0.03[**]
	–	–	(0.00)	(0.00)	(0.00)	(0.00)
No one employed in household[f]	–	–	−0.53[**]	−0.51[**]	−0.50[*]	−0.51[**]
	–	–	(0.20)	(0.19)	(0.19)	(0.19)
Received gift or inheritance[f]	–	–	–	0.76[**]	0.77[**]	0.74[**]
	–	–	–	(0.20)	(0.20)	(0.28)
Missing value for gift or inheritance[e]	–	–	–	0.14	0.13	0.14
	–	–	–	(0.27)	(0.26)	(0.27)
Income * immigrant status	–	–	–	–	0.01[*]	–
	–	–	–	–	(0.01)	–
Inheritance * immigrant status	–	–	–	–	–	0.04
	–	–	–	–	–	(0.38)
Constant	11.54[**]	12.21[**]	12.29[**]	11.92[**]	11.94[**]	11.93[**]
	(0.14)	(0.18)	(0.24)	(0.26)	(0.26)	(0.27)
Adjusted R^2	0.119	0.172	0.248	0.255	0.257	0.254
Number of observations	1366	1366	1366	1366	1366	1366

[a] The comparison category is Israeli-born.
[b] The comparison category is married.
[c] The comparison category is intermediate education.
[d] The comparison category is no retired person in the household.
[e] the comparison category is one or more persons employed.
[f] The comparison category is no gift or inheritance received.
[*] $p < 0.05$.
[**] $p < 0.01$.

a negative effect on household wealth. While having children may induce some people to save, it appears that the expenses involved in supporting more offspring have a stronger impact leading to the observed negative relationship.

the relationships of all household members our ability to explain this relationship is limited.

In model 3 we examine the effect of labor market activity, adding to the previous model indicators for education, employment and retirement status, and household income. We find that education level is not significantly related to wealth (controlling for household income) and neither is retirement status. Current household income is positively and significantly related to wealth. Using current income as indication of the level of lifelong household income we may conclude households with

larger incomes indeed accumulate more.[12] Every thousand Euro in annual income increases wealth by 3% on average ($b = 0.03$). Lastly we note that households in which no one is employed have significantly less wealth than other households. Although our data are cross-sectional and we have no knowledge of the dynamics within households these findings are in line with a de-accumulation process that occurs once household members cease to participate in the labor market.

As expected, intergenerational transfers contribute substantially to household wealth (model 4). We find the coefficient to be large and positive ($b = 0.76$). It is also noteworthy that there is no significant difference in wealth between respondents who did not reply to the intergenerational question and those who said they did not receive such transfers. It is likely therefore that missing values in this case simply indicate that no intergenerational transfers were received. Once adding the indicator for intergenerational transfers, the nativity wealth gap is further reduced suggesting that part of the nativity wealth gap can be attributed to differences in intergenerational transfers.

Both household income and intergenerational transfers (the two variables representing the major mechanisms underlying wealth accumulation) have significant effects on household wealth net of social and demographic characteristics. Yet, there is reason to believe that income may not have the same impact on the accumulated wealth of immigrants and natives. Specifically, immigrants are less likely than natives to have access to various privileges such as adequate pension plans, full old age benefits, and, as we saw, gifts and inheritances. Hence, the resources they are able to accumulate should be more strongly related to labor market income than would be the case for natives. With respect to intergenerational transfers, we pointed out at the outset that immigrants (certainly within the context of Israeli society) are less likely to receive gifts and inheritances. Nonetheless, there is no reason to expect that the impact of intergenerational transfers on wealth will differ for immigrants and native-born.

Models 5 and 6, in Table 2 address these issues by introducing interaction terms for migration status separately with income and with intergenerational transfers. The coefficient for the interaction of household income and migrant status is positive (model 5) indicating that a given level of income contributes more to the
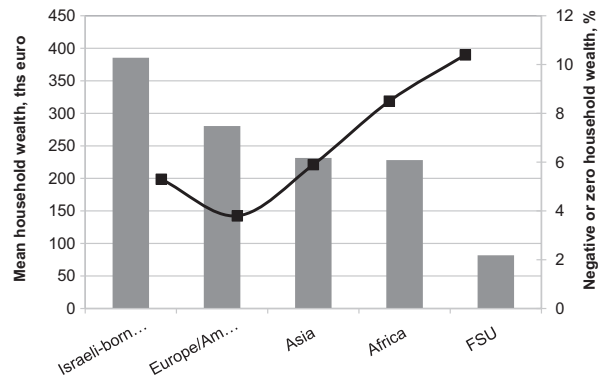

Fig. 2. Household wealth' distribution by origin groups.

accumulated wealth of immigrants. More specifically, every additional 1000 Euro in annual income is associated with almost 4% increase in wealth among immigrants (the sum of the coefficients for income and income interacted with migrant status without rounding is 0.038) and only 2.4% on average for natives. Finally, the non-significant interaction term between migration status and intergenerational transfers in model 6 implies that the effect of such transfers on wealth is similar for immigrants and native-born.

6.3. The relevance of geo-cultural origin

So far we discussed immigrants as one population regardless of their geo-cultural origin. Yet, studies in Israel as elsewhere have repeatedly demonstrated that immigrant groups differ from one another. This often has to do with the social and economic characteristics of the society they left as well as the circumstances of migration. In Fig. 2 we present wealth indicators comparing native-born with populations that emigrated from different geo-cultural regions. We examine the mean household wealth of immigrants and the likelihood of having no accumulated wealth by region of origin. We have noted already that native-born have the highest level of accumulated wealth, with a mean value of almost €400,000. While all immigrant households reported less wealth than natives, there are substantial differences among immigrant groups as well. Immigrants that arrived from the American continent or Europe are better off than other immigrants (mean wealth of €280,000). The mean household wealth of immigrants from North Africa and Asia (Near and Middle East) is quite similar (€231,000 and €228,000, respectively). Immigrants that departed the former Soviet Union are the most recent arrivals in Israel. The majority of this groups arrived in Israel following the collapse of the communist regime

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[12] The reader is reminded that our measure of household income excludes asset related income so as not to conflate this variable with the dependent variable.

and they are at a considerable disadvantage relative to all other groups with an average household wealth of €88,000.

While the above comparison reveals the wealth disparities among the groups it does not directly capture the extent to which immigration is associated with economic hardship. This is more clearly revealed by the absence of household wealth. When considering the fact that the population under study has reached the peak of its working life or surpassed it, having little or no accumulated resources poses a serious threat to their future well-being. As can be seen in Fig. 2, over 10% of immigrant households from the former Soviet Union reported no wealth or even negative net worth. The percentage is also substantial among immigrant households from North Africa (8.5%) but lower among immigrants from Asia and native Israelis (5.9% and 5.3%, respectively). The proportion of households with no wealth is lowest among immigrants from Europe or America (only 3.8%).

In order to better understand the sources of these differences we estimate multivariate models, this time disaggregating the immigrant population into 4 groups based on their origin (descriptive statistics for the immigrant groups by geo-political origin are presented in Table A1 in the appendix). The base model (model 1 in Table 3) evaluates the nativity gap with each of the immigrant populations compared to native-born Israelis. The results are consistent with the findings reported earlier according to which all immigrants accumulate less wealth, on average, than native-born. Yet, the gap between American- or European-born immigrants and native-born is not statistically significant. The coefficient is largest for immigrants from North Africa ($b = -1.39$) and is closely followed by the coefficient for immigrants from the former Soviet Union. As the mean age at migration of the latter is considerably higher (see Table A1 in the appendix), these estimates are consistent with the fact already noted that recent immigrants from the former Soviet Union are at a considerable disadvantage with regard to household wealth.

When the socio-demographic characteristics are taken into account (model 2) the differences between all immigrant groups and the native-born remain but differences among immigrant groups become less pronounced. Consistent with earlier findings (Table 2) wealth is positively associated with age and with being married. While household size has a positive effect on wealth the number of offspring has a negative association with wealth, capturing perhaps a dilution effect.

Model 3 introduces labor market relevant attributes of the household. Household income is positively associated with wealth whereas households in which no one is employed have significantly lower wealth than other households. Once labor market attachment and household income are taken into consideration level of education is not significantly associated with wealth nor is having a retired person in the household.

Intergenerational transfers are positively and rather strongly related to household wealth (model 4). Furthermore, introducing transfers into the model reduces somewhat the coefficients of the dummy variables representing immigrant groups. This finding indicates that part of the wealth disparities is related to differences between groups in the likelihood of receiving a gift or inheritance. Yet, the wealth disparity between native-Israelis and immigrants, except for those from American or European origin, remains. For most immigrants, then, we may conclude that observed wealth disparities compared to natives derive to some extent from demographic differences but primarily from differences in labor market outcomes.

We saw earlier that income was more strongly associated with wealth among immigrants than natives. In order to learn whether this is true for all immigrant groups we estimated interaction coefficients for each geo-cultural origin with income in model 5. Indeed, the results are not uniform across groups. Only one of the interaction coefficients is statistically significant; that of income and North-African origin. For households in this group income is more strongly related to wealth than is true for any other group. Many previous studies have shown immigrants from North Africa to be disadvantaged relative to other Jewish groups with less access to various benefits such as generous pension plans and residence in locations with fast rising values of housing assets.[13] It seems that whatever wealth they had accumulated is strongly determined by their income level, more so than is the case for other population groups. Finally, we note that there are no significant interaction effects with intergenerational transfers (model 6). This finding indicates, once again, that while there are substantial differences in the likelihood of receiving gifts or inheritances such transfers have a similar impact on wealth for immigrants and natives.

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[13] We also estimated a model that included an indicator regarding homeownership. Not surprisingly homeownership is strongly related to household wealth. Yet including this indicator does not substantially alter the relationship of wealth to income and intergenerational transfers. As homeownership is part of our wealth measure (net value of assets owned is a major part of household) including it as a predictor is of course problematic and we have not included these results in the paper.

Table 3

Regression estimates for the determinants of (ln) household wealth for natives and Immigrant origin group.

	(1)	(2)	(3)	(4)	(5)	(6)
American-European-born[a]	−0.24	−0.61[*]	−0.48[*]	−0.36	−0.39	−0.28
	(0.23)	(0.25)	(0.24)	(0.24)	(0.25)	(0.29)
Asian-born[a]	−1.10[**]	−1.40[**]	−0.97[**]	−0.78[*]	−0.82[**]	−0.74[*]
	(0.30)	(0.31)	(0.30)	(0.31)	(0.31)	(0.34)
African-born[a]	−1.39[**]	−1.50[**]	−1.03[**]	−0.82[**]	−0.77[**]	−0.78[**]
	(0.25)	(0.26)	(0.26)	(0.26)	(0.27)	(0.29)
FSU-born[a]	−1.35[**]	−1.38[**]	−1.09[**]	−0.95[**]	−0.85[**]	−1.08[**]
	(0.31)	(0.31)	(0.30)	(0.30)	(0.32)	(0.34)
Age at immigration (centered)	−0.07[**]	−0.08[**]	−0.08[**]	−0.07[**]	−0.07[**]	−0.07[**]
	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
Age (centered)	–	0.05[**]	0.07[**]	0.07[**]	0.07[**]	0.06[**]
	–	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
Age (centered) squared	–	−0.00	−0.00	−0.00	−0.00	−0.00
	–	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Widowed[b]	–	−0.83[**]	−0.53[*]	−0.52[*]	−0.49[*]	−0.51[*]
	–	(0.24)	(0.23)	(0.23)	(0.23)	(0.23)
Divorced or never married[b]	–	−1.63[**]	−1.25[**]	−1.22[**]	−1.20[**]	−1.22[**]
	–	(0.27)	(0.27)	(0.27)	(0.27)	(0.27)
Household size (centered)	–	0.25[**]	0.20[**]	0.20[**]	0.20[*]	0.20[**]
	–	(0.08)	(0.08)	(0.08)	(0.08)	(0.08)
Number of children (centered)	–	−0.12[*]	−0.09	−0.09	−0.09	−0.09
	–	(0.05)	(0.05)	(0.05)	(0.05)	(0.05)
Low education[c]	–	–	−0.27	−0.20	−0.20	−0.21
	–	–	(0.20)	(0.20)	(0.20)	(0.20)
High education[c]	–	–	0.04	−0.04	−0.03	−0.04
	–	–	(0.20)	(0.20)	(0.20)	(0.20)
At least one retired in household[d]	–	–	−0.08	−0.06	−0.09	−0.05
	–	–	(0.20)	(0.20)	(0.20)	(0.20)
Total household income (centered)	–	–	0.03[**]	0.03[**]	0.02[**]	0.03[**]
	–	–	(0.00)	(0.00)	(0.00)	(0.00)
No one employed in household[e]	–	–	−0.53[**]	−0.51[**]	−0.50[*]	−0.52[**]
	–	–	(0.20)	(0.19)	(0.20)	(0.20)
Received gift or inheritance[f]	–	–	–	0.74[**]	0.74[**]	0.75[**]
	–	–	–	(0.20)	(0.20)	(0.28)
Has missing value for gift or inheritance[f]	–	–	–	0.11	0.10	0.11
	–	–	–	(0.27)	(0.27)	(0.27)
Income * American-European-born	–	–	–	–	0.01	–
	–	–	–	–	(0.01)	–
Income * Asian-born	–	–	–	–	−0.00	–
	–	–	–	–	(0.01)	–
Income * African-born	–	–	–	–	0.02[*]	–
	–	–	–	–	(0.01)	–
Income * FSU-born	–	–	–	–	0.02	–
	–	–	–	–	(0.02)	–
Inheritance * American-European-born	–	–	–	–	–	−0.21
	–	–	–	–	–	(0.47)
Inheritance * Asian-born	–	–	–	–	–	−0.05
	–	–	–	–	–	(0.70)
Inheritance * African-born	–	–	–	–	–	−0.17
	–	–	–	–	–	(0.66)
Inheritance * FSU-born	–	–	–	–	–	0.75
	–	–	–	–	–	(0.76)
Constant	11.54[**]	12.21[**]	12.28[**]	11.94[**]	11.96[**]	11.94[**]
	(0.14)	(0.18)	(0.24)	(0.26)	(0.26)	(0.27)
Adjusted R^2	0.131	0.178	0.249	0.256	0.257	0.254
Number of observations	1366	1366	1366	1366	1366	1366

[a] The comparison category is Israeli-born.

[b] The comparison category is married.

[c] The comparison category is intermediate education.

[d] The comparison category is no retired person in the household.

[e] The comparison category is one or more persons employed.

[f] The comparison category is no gift or inheritance received.

[*] $p < 0.05$.

[**] $p < 0.01$,

7. Conclusions

The aim of our study was to examine the nativity wealth gap; that is the sources of wealth disparities between immigrants and native-born populations and to delineate the social mechanisms underlying such disparities. As a rather young immigrant society espousing an ideology of immigrant incorporation in which excessive economic inequality is a new phenomenon, Israel provides a valuable social context for the study of the nativity gap. The focus of our study was the older segment of the population (age 50 and over), who is more likely than younger cohorts to have accumulated wealth and for whom standard of living and quality of life are more dependent on wealth.

Our findings reveal that, on average, household wealth of native-born is considerably higher than that of all immigrant groups. Recalling the fact that we are studying an older segment of the population, where the average age of the immigrants is 68 (and that of the native-born is 61), these disparities point to long-term economic disadvantage faced by immigrants. This is in spite of the fact that the immigrant population represented in our study has resided in Israel for an extended period of time (averaging over four decades).

Differences were found not only between native-born and immigrants but also among immigrant groups. The group in the most precarious position regarding its economic well-being is that of immigrants from the former Soviet Union. Immigrants from North African countries, although residing in Israel for almost 5 decades on average also appear to have accumulated less wealth than immigrants from Europe or America as well as immigrants from Middle and Near Eastern countries (Asia).

The findings further reveal that a considerable portion of the gap can be attributed to differences in the two main sources of household wealth: labor market income and intergenerational transfers. Native-born enjoyed higher earnings than immigrants and were much more likely to receive gifts and inheritances. Our analysis also revealed a stronger relationship between household income and accumulated wealth among immigrants than among natives; that is, they had a higher "conversion" rate of income into wealth. This might appear paradoxical, but given the late entry of immigrants into the labor market of the receiving society and their lower access to various privileges (such as pension plans and housing assets) the role of income is more central to whatever resources they are able to accumulate. This is particularly so for least advantaged population – those who immigrated from North African countries, or more recently from the former Soviet Union (but statistically significant only

for the former Soviet Union). These two groups are also least likely to have received intergenerational transfers.

Intergenerational transfers are important sources of household wealth as we argued at the outset. This is especially true for large transfers often in the form of inheritances. This has important implications for the long term consequences of immigration. Immigration often alters intergenerational relations and obligations. In many cases ties between immigrants and those who remained in the homeland as well as access to family resources are weakened or severed. This expectation was substantiated by our findings. Immigrants were less than half as likely as natives to have received a substantial sum in the form of a gift or inheritance. Whereas 43% of natives reported receiving an inheritance, only 19% of the immigrants did so. This is despite the fact that the native-born are somewhat younger and are more likely to still have parents alive. While inheritance is clearly meaningful for household wealth, we found no evidence for a differential impact of transfers on wealth accumulation across groups.

What the household is able to accumulate depends in addition to the income flow on how income is used and how savings are invested. Since we studied people in later stages of life one would probably want such information for different points in the life cycle. Unfortunately no such information is included in the data set, leaving us to speculate how the findings would be affected by differential consumption and saving patterns. Clearly for the individual household different behavioral patterns will result in different levels of wealth accumulation. Yet, it is not clear that this would affect the differences between immigrants and native-born. At least one study has shown that although differences in financial behavior do exist between immigrant and native-born populations these have to do with their unequal socioeconomic situation and do not appear to be related to socio-cultural origin (Carroll, Rhee, & Rhee, 1999).

Typically household wealth is theorized to have a positive relationship with age. This derives from the fact that wealth accumulation, by its very nature, is time dependent. Hence, the older one is the longer the period in which wealth could have been accumulated. This has important implications for the relationship between migration and household wealth. Numerous studies have documented the difficulty of immigrants upon entering the labor market in the host society. This hampers their ability to accumulate wealth. Furthermore, the older they are at the time of migration the shorter the period of accumulation. Hence, we argued that age at migration would be negatively related to household wealth. Indeed, the findings of our study clearly support this argument

and reveal the particularly dire situation of those who immigrated at an older age.[14]

Aging also represents changing life circumstances; as one ages and moves out of productive economic activity accumulated wealth often provides the means for continued consumption and social activity. To the extent that this occurs we might expect some depletion of wealth in older age. Our analysis did not reveal such a turning point in the relationship between age and wealth. Yet we did find that households in which no one was activity engaged in the labor market had substantially less wealth than other households. As our analysis was cross-sectional we are not sure of the dynamic that accounts for these differences, but one reasonable interpretation is that such households must dip into their accumulated wealth in order to meet their daily needs.

As immigration is now a persistent global phenomenon and a growing number of societies must cope with immigrant populations that are there to stay, the aging of immigrant populations has important social and economic consequences. In this respect the present research points to an important and as of yet understudied issue with respect to migration and immigrant incorporation; namely, the long term socioeconomic effect of migration and the well-being of elderly immigrants. Our paper addressed this issue through the lenses of family wealth which is a major source of well-being in older age. It highlighted the long-term wealth gap between natives and immigrants and pointed to the factors contribute to the persistent inequality. Unlike findings from labor market studies which showed that with the passage of time immigrants are able to close the income gap with natives, our findings suggest that wealth disparities remain many years after immigrants' arrival in the host country.

While the Israeli case is not representative of the experience of immigrants in other societies (no single case is), it is suggestive with respect to structural barriers faced by immigrants even in a society that welcomes and embraces them. As we noted, Israel has a policy that is extremely supportive and generous toward the Jewish immigrants. Such a policy, one would expect, should facilitate integration and result in relatively narrow gaps between immigrants and natives. Yet, in many respects the gaps are substantial and are only partly explained by differences in labor market outcomes and intergenerational transfers. For immigrants who reach old age and become dependent on accumulated household resources this may mean substantial hardship in the host society. Moreover, the substantial disparity between immigrants and natives and among immigrant groups has important implications for intergenerational reproduction of socioeconomic inequality. Indeed, the reported patterns might shed light on previous findings of persistent ethnic gaps in education and labor market outcomes among second, and even third, generation Israelis (Cohen, Haberfeld, & Kristal, 2007).

We should also remind the readers that Israel applies practically no selection with respect to Jewish immigration. This may result in in an immigrant population that is less resourceful and more dependent. This may not be the case in societies that are more selective with respect to immigrants and migration is more economic in nature. Gathering similar data for additional societies will permit us to evaluate the generalizability of these conclusions and may help in discerning the systemic features that mitigate or enhance the native-immigrant disparities in old age.

Acknowledgments

Appendix A.

Table A1.

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[14] We should note that our study addresses migration for settlement and not labor migration where remittances and other transfers may lead to accumulation of some wealth in the society of origin to which one might return in older age.

Table A1
Descriptive statistics for explanatory variables, by geo-cultural origin.

	American-European	Asian	African	FSU
Age, mean (std. d.)	70.9	67.7	65.2	65.3
	(11)	(8.8)	(8.9)	(9.3)
Age at immigration, mean (std. d.)	19.6	13.7	16.0	43.8
	(12.9)	(9.9)	(9.5)	(17.8)
Widowed, %	34.7	27.5	21.3	22.4
Divorced or never married, %	6.5	10.5	11.9	18.2
Married, %	58.8	62.0	66.8	59.4
Household size, mean (std. d.)	2.0	2.3	2.5	2.3
	(1.1)	(1.4)	(1.5)	(1.3)
Number of offspring, mean (std. d.)	2.5	3.6	4.6	1.7
	(1.5)	(1.8)	(2.3)	(1.1)
Low education, %	26.1	66	49.4	4.7
Intermediate education, %	47.8	26.8	46	41.7
High education, %	26.1	7.2	4.7	53.6
Total household income[a], mean (std. d.)	27.6	23.4	21.8	18.6
	(24.9)	(27.9)	(24.1)	(14.6)
No one employed in household, %	68.4	64.7	66.4	57.8
At least one person is retired in household, %	61.2	51.6	48.5	49.0
Received gift or inheritance, %	29.2	17.4	12.1	11.2
Has missing for gift or inheritance, %	11.7	9.8	8.9	7.3
Household wealth,[a] mean (std. d.)	280.5	231.5	228.2	81.8
	(425.5)	(327.6)	(429.6)	(127.8)
Number of cases	291	153	235	192

[a] Annual household income in Euro divided by 1000.

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