

Chapter 3

The Myth of Ethnic Success: The Jewish Horatio Alger Story

"The immigrants who had been forced to abandon their homes in Eastern Europe were a hardy lot. With rare exceptions, they arrived penniless and inadequately trained in a profession or handicraft. They did possess, however, indomitable faith in themselves and unflagging courage to face all difficulties. They dug their roots deep into the alien soil until it became home to them. They founded families and raised children and children's children who enriched America with invaluable contributions. This immigrant generation of the post-1881 decades may be called, indeed, the heroic generation."

GILBERT KLAPPERMAN, *The Story of Yeshiva*, 1969

IT IS a common observation that the nation's ethnic groups have pursued the American Dream with markedly different results. The relative success of Jews has been singled out for special attention both in popular folklore and in social research, and will serve here as the prototype of ethnic success. Though subject to overgeneralization and distortion, the basic fact of Jewish success, like that of ethnic success generally, can hardly be questioned.

Issue arises not with the fact of ethnic success, but with the theories

advanced to explain it. According to the theory that has dominated sociological writing on this question, whether or not ethnic groups rise in the class system depends on their value systems. Implicitly or explicitly, it is assumed that all groups started on the bottom, and those whose values were conducive to individual achievement experienced disproportionate mobility. Thus, it is held that there are ethnic reasons for ethnic success, and the causes are to be found within the groups themselves.

Such an explanation is suspect for several reasons. In the first place, the problem is stated falsely when it is assumed that all immigrant groups started out on the bottom. In point of fact, ethnic groups in the United States come out of very different historical and material circumstances, and therefore different outcomes may only reflect different beginnings. Secondly, depending on the time of their arrival and the patterns of settlement, immigrant groups encountered different opportunities, as well as different external obstacles to their economic advancement. The experiences of the immigrant generation, furthermore, tended to establish a foundation that placed next generations at greater or lesser advantage. Finally, even if it can be shown that ethnic groups differ in values that were instrumental to their mobility and success, this by no means constitutes an adequate explanation. Cultural differences properly make the beginning, not the end, of sociological analysis, and it is necessary to carry the analysis a step further by investigating their historical and social sources.

The Horatio Alger Theory of Ethnic Success

The classical expression of the American success legend is found in the hundred or so novels that Horatio Alger wrote in the late nineteenth century, a time when immigration was at a historic peak. Alger's heroes typically do not reach great fame or fortune, but in the unraveling of the novel they overcome obstacles placed in their way, correct their errant impulses, and by the final pages are resolutely headed down the road to success. Alger's unmistakable message was that, whatever the obstacles, the individual can triumph by living an exemplary life and piously observing all the middle-class injunctions concerning hard work and moral rectitude.

In their pursuit of the American Dream, immigrants represented an historical enactment of Alger's novels, and like Alger, social scientists have projected the view that success goes to those who exemplify the correct values. Indeed, one prominent sociologist, Milton Gordon, is explicit in describing the Jewish experience as "the greatest collective Horatio Alger story in American immigrant history."¹ Gordon is not referring simply to the fact that as a group Jews have enjoyed disproportionate success. What makes Jewish mobility truly analogous to a Horatio Alger story is Gordon's view that it can be attributed to the distinctive values that Jews carried over with them as part of their cultural baggage from Europe. As Gordon writes:

Thus the Jews arrived in America with middle-class values of thrift, sobriety, ambition, desire for education, ability to postpone immediate gratifications for the sake of long-range goals, and aversion to violence already internalized. . . . *It is these cultural values which account for the rapid rise of the Jewish group in occupational status and economic affluence.*² [Italics added.]

Gordon is not the only adherent of what might be called "the Horatio Alger theory of ethnic success." The supposition that success comes to those groups with the appropriate set of cultural values has been made with respect to every ethnic group that has achieved a notable degree of affluence. For example, social scientists have found in Japanese-Americans another group that, through sheer determination and cultural virtue, has surmounted every obstacle on the road to success. In his book on *Japanese Americans*, William Petersen also alludes to Horatio Alger:

Every attempt to hamper the progress of Japanese Americans, in short, has resulted only in enhancing their determination to succeed. Even in a country whose patron saint is Horatio Alger's hero, there is no parallel to this success story.³

1. Milton M. Gordon, *Assimilation in American Life* (New York: Oxford University Press, 1964), p. 185.

2. *Ibid.*, pp. 186-87.

3. William Petersen, *Japanese Americans* (New York: Random House, 1971), p. 5. Similarly, Richard Gambino writes in *Blood of My Blood*: "How-ever else others have 'made it in America, Italian-Americans have prevailed by their unbreakable amalgam of determination and guts. . . ." (Garden City, N.Y.: Anchor, 1975, p. 81).

Petersen finds that Japanese are successful because they are blessed with an "admirable" set of cultural attributes. He writes: "As a group, Japanese have all the civic virtues—education, diligence, honesty, competence; and if they apply these admirable qualities to public problems, the whole community gains thereby."⁴ According to Petersen, the unusual degree of ethnic pride among the Japanese explains their triumph over adversity: "One important reason that Japanese Americans overcame their extraordinary hardships is that they truly believe (as do Jews) that they are innately superior, that others are inferior."⁵ As in Alger's novels, success comes to those who believe in themselves and who doggedly pursue the American Dream.

A similar interpretation runs through another study of Japanese "achievement" by two anthropologists, William Caudill and George DeVos, who conclude that:

The Japanese Americans provide us, then, with the case of a group who, despite racial visibility and a culture traditionally thought of as alien, achieved a remarkable adjustment to middle class American life because certain compatibilities in the value systems of the immigrant and host cultures operated strongly enough to override the more obvious difficulties.⁶

For groups with the "right" values, the existence of prejudice is not an insurmountable obstacle, and only adds to the heroic dimensions of ethnic success.

Like Jews and Japanese, Chinese-Americans are identified with small businesses and the professions. And once again, social research has reflected the conventional wisdom in attributing Chinese success to various cultural traits—a special value placed upon education, close family ties, disciplined and hardworking children, and sheer fortitude. A study by Betty Lee Sung, entitled *The Story of the Chinese in America*, was severely criticized by Stanford Lyman for its tendency to romanticize ethnic success:

4. *Ibid.*, p. 113.

5. *Ibid.*, p. 225.

6. William Caudill and George DeVos, "Achievement, Culture and Personality: The Case of Japanese Americans," *American Anthropologist* 58 (1956), p. 1117.

Professor Sung's book is a celebration of Chinese success in America. Although it has the superficial trappings of a sociological analysis . . . these are but scientific shibboleths that frame and justify the Chinese American's telling of America's perpetual morality tale about its minorities. With but a few changes in detail, the same fable can be—and has been—told about the Japanese, Irish, Jews, Italians, Greeks, Swedes and many more. Its form is always the same: a people beset by hardships and oppression in their own country bravely cross the seas to America, a land which promises freedom and opportunity. Once arrived, however, they encounter prejudice, oppression, and difficult times. However, they never lose faith in the dream that originally compelled them. They work hard, refuse to be discouraged by the abuses that harm their lives and hinder their progress, and eventually—usually in the second, or sometimes the third generation—succeed. . . . History is, thus, nicely encapsulated within the American Protestant ethic: all the “bad” things happened in the past; sensible courage and patient fortitude were shown in moments of danger; proper diligence and prodigious effort proved the worthiness of a people who were at first sorely tested; ultimately—that is *now*—the rewards for these virtues are granted.⁷

Studies typically have been conducted by ethnic insiders who seem to have a vested interest in trumpeting the achievements of their group. Such an impulse is understandable given the fact that the ethnic groups in question typically have been disparaged and ill-treated by the society at large, and their achievements ignored or minimized by historians. The result, however, is that one myth that belittled ethnic achievements has too often been replaced by another myth that, as Lyman suggests, has made a “morality tale” out of ethnic success.

One caveat is in order. No one can deny that ethnic mobility involved a long struggle against difficult odds. The climb up the economic ladder unquestionably required fortitude, self-sacrifice, ingenuity, and all the other virtues claimed by the writers who have been cited. But to posit cultural values as the fulcrum of success is

7. Stanford Morris Lyman, review of Betty Lee Sung, *The Story of the Chinese in America*, in *Journal of Ethnic Studies*, Spring 1973, p. 71.

to engage in an essentially moral interpretation of history. It assumes that society functions as a kind of moral benefactor parceling out its rewards to the most culturally deserving. And it implies that groups that are less successful in the competition are somehow deficient in character or in their cultural values. In these respects, social scientists have essentially adopted the conventional wisdom regarding the prerequisites of success, and have unwittingly advanced the very same theory of mobility that earned Horatio Alger a myth in his own name.

It is time to end this “fabled innocence,” to use Stanford Lyman's apt phrase. To understand the determinants of ethnic success it will be necessary, as a first step, to eschew the self-congratulatory sentimentalism that has impaired objective inquiry, and to address some complex questions. What differences in the background and circumstances of ethnic groups allowed some to advance further than others? What was the institutional context in which ethnic mobility occurred, and did it favor certain groups more than others? If it can be shown that groups differed in their cultural values in ways that might have facilitated or impeded mobility, how are these differences to be explained? It is naive to marvel at the “ethnic miracle,” as Andrew Greeley has called it,⁸ without understanding, concretely, how this success was achieved, what external circumstances made it possible, and why some ethnic groups were better equipped to take advantage of a given set of opportunities. Only by adopting a theoretical approach that explores the interaction between cultural and material factors is it possible to assess the role of values in ethnic mobility without mystifying culture and imputing a cultural superiority to groups that have enjoyed disproportionate success.

The best test of this approach is the example of Jewish success, which is the most widely acclaimed of the various ethnic successes in American history. As Thomas Sowell has written: “The Jews were among the most successful—if not *the* most successful—of American minorities. . . .”⁹ In the extensive literature on ethnicity, Jews have served as a prototype of ethnic success, as

8. Andrew Greeley, “The Ethnic Miracle,” *Public Interest*, Fall 1976, pp. 20–36.

9. Thomas Sowell, *Race and Economics* (New York: David McKay, 1975), p. 70.

the ideal-typical example of an immigrant group's successful adjustment to American society. Therefore, to explore the mythical aspects of the Jewish success story has implications for theory and research that go far beyond this single case.

Another reason for focusing on Jewish success is that it has often been the basis of invidious comparisons to other groups that have not fared as well, as reflected in the following passage:

Jews have moved up in American life by utilizing middle-class skills—reason, orderliness, conservation of capital, and a high valuation and use of education. . . . Finding that playing by the “rules of the game”—reward based on merit, training and seniority—has worked for them, many Jews wonder why Negroes do not utilize the same methods for getting ahead.¹⁰

Indeed, blacks themselves have often held out Jews as an exemplary model to emulate. As early as 1907, Booker T. Washington wrote:

There is, perhaps, no race that has suffered so much. . . . But these people have clung together. They have had a certain amount of unity, pride, love of race. . . . Unless the Negro learns more and more to imitate the Jew in these matters, he cannot expect to have any high degree of success.¹¹

More recently, advocates of black capitalism have also suggested that with the ethnic pride and business enterprise of Jews, blacks could climb the ladder of success too. In a sense, Jews have functioned on a collective level like a Horatio Alger hero, proving that the American Dream is attainable to those groups with the appropriate cultural virtues. The other side of the ethnic coin, however, is that poverty becomes equated with cultural inadequacy, and the focus of blame is shifted away from the societal sources of inequality and placed on the ethnic groups themselves. Against this background, it becomes all the more important to sort out the fact and myth of Jewish success.

10. Murray Friedman, “The Jews,” in Peter I. Rose et al., *Through Different Eyes* (New York: Oxford University Press, 1973), pp. 52–53.

11. Booker T. Washington, *The Future of the American Negro* (Boston: Small, Maynard, 1907), pp. 182–83.

The Fact of Jewish Success

Few myths are spun out of thin cloth alone, and there is truth to the claim that Jews in the United States have experienced greater economic mobility than most other immigrant groups. According to one estimate, the median income of Jews in 1971 was nearly \$14,000, which was 30 percent higher than that of the average American family.¹²

Data on education and occupation also indicate significant differences between Jews and non-Jews. In 1971 36 percent of the adult Jewish population had graduated from college, as compared with 11 percent of non-Jews. Among those aged 25 to 29, 59 percent of Jews had graduated from college, as compared with 17 percent of non-Jews.¹³ The popular identification of Jews with business and the professions also receives confirmation by the data: 70 percent of Jewish males are so employed, compared with about a third of the general male population.¹⁴ Thus, in terms of income, education, and occupation—the usual indices of social class position—there is a clear empirical basis for asserting that Jews have enjoyed relative success.

Yet this conclusion must be qualified in at least three respects:

1. The rediscovery of poverty during the 1960s led to a realization that large numbers of Jews do not share in the prosperity indicated by the overall averages. For example, a 1973 survey of New York's Jewish population found that 272,000 individuals, or 15 percent of the city's Jewish population, are “poor” or “near-poor,” according to standards laid down by the Bureau of Labor Statistics.¹⁵

12. “Characteristics of the Population by Ethnic Origin,” 1972 and 1971, United States Bureau of the Census, *Current Population Reports*, P-20, No. 249 (1973), Table 9. Data are reported for “Russians,” but this group has been shown to be equivalent to “Jews.” See Erich Rosenthal, “The Equivalence of United States Census Data for Persons of Russian Stock or Descendant with American Jews: An Evaluation,” *Demography*, vol. 12 (May 1975), pp. 275–90.

13. Fred Massarik and Alvin Cherkin, “United States National Jewish Population Study: A Preliminary Report,” *American Jewish Yearbook* (New York: American Jewish Committee, 1973), p. 280; 1972 *Statistical Abstracts*, p. 111.

14. Massarik and Cherkin, op. cit., p. 284; 1972 *Statistical Abstracts*, p. 230.

15. Naomi Levine and Martin Hochbaum, *Poor Jews* (New Brunswick, NJ: Transaction Books, 1974), p. 2.

Another study estimated that of the nation's six million Jews, between 700,000 and 800,000 are poor.¹⁶ They are mostly elderly people who never escaped poverty and still inhabit the immigrant neighborhoods abandoned by their upwardly mobile children. That they exist in such large numbers not only qualifies the image of Jewish success, but also suggests that being steeped in Jewish culture by no means guaranteed delivery from poverty.

2. The concentration of Jews in the professions and certain white-collar occupations also tends to obscure the fact that large numbers of Jews are still working class. In a review of Nathan Glazer's *American Judaism*, Morris Schappes criticized Glazer for his statement that "the movement among Jews toward business and the professions . . . was to further reduce the Jewish working class to the point where it forms today no significant part of the Jewish population."¹⁷ According to Glazer's own data, which pertained to the mid-1960s, almost a quarter of all employed Jewish males in New York City were manual workers, and another unspecified number worked in low-paying white-collar occupations.¹⁸ Clearly, the popular image of Jews as a middle-class monolith tends to be overdrawn.

3. The most important qualification of the Jewish success story is that American Jews by no means constitute an economic elite. The Jewish middle class has been concentrated mostly in small business and the professions; Jews are conspicuously absent from the managerial hierarchies of major corporations. This was first established in 1936, when *Fortune* magazine, in an attempt to refute allegations of Jewish economic dominance, conducted an extensive survey of Jewish representation in the national economy.¹⁹ The survey found that Jews were virtually unrepresented among the executives of most of the nation's major industries, such as automobiles, steel,

16. Ann G. Wolfe, "The Invisible Jewish Poor," in Levine and Hochbaum, *ibid.*, p. 36.

17. Morris U. Schappes, review of Nathan Glazer, *American Judaism*, in *Journal of Ethnic Studies*, Fall 1973, p. 98.

18. Nathan Glazer, *American Judaism* (Chicago: University of Chicago Press, 1962), p. 167. According to the 1971 National Jewish Population Study, about 30 percent of adult Jewish males were employed outside business and the professions.

19. "Jews in America," *Fortune*, February 1936, pp. 130–36.

oil, transportation, utilities, insurance, and finance. Only two industries had significant Jewish representation—the apparel industry and the movie and broadcasting industries. Even today, Jews are still rarely found in the board rooms of major corporations. Despite some progress in combating corporate anti-Semitism, a 1975 study published in the *Harvard Business Review* concluded that as a group executives are more homogeneous than ever.²⁰

Notwithstanding these qualifications, the overall record of Jews in America has unquestionably been one of success. In two or three generations, the vast majority of Jews climbed out of poverty and are securely middle class. The crucial question, however, is *why* Jewish mobility was more rapid and widespread than that of other groups, and it is here that fact gives way to myth.

The Myth of Jewish Success

The mystique of Jewish success stems from the assumption that Jewish and non-Jewish immigrants began life in America on an equal footing. The reasoning runs as follows: since all immigrants started out as impoverished aliens, why have the accomplishments of Jews far surpassed all others? Thus, in a college textbook on minority groups, Judith Kramer writes:

Jewish immigrants, like most immigrants, came with few skills and no money. They started life in American society as workers and peddlers, and they achieved remarkable success.²¹

A 1978 issue of the *American Educator*, published by the American Federation of Teachers, contains a similar synopsis of the Jewish experience:

Few of the eastern European Jews had skills suitable for an industrial society, and the majority gravitated towards jobs as unskilled laborers in the ready-made clothing industry. . . .

20. Frederick D. Sturdivant and Roy D. Adler, "Executive Origins: Still a Gray Flannel World?" *Harvard Business Review* (November–December 1976), p. 127.

21. Judith Kramer, *The American Minority Community* (New York: Thomas Y. Crowell, 1970), p. 115.

Yet the prevailing atmosphere was one of hope, confidence that the next generation would shake off its immigrant beginnings and succeed in becoming real Americans.²²

In essence, this statement is consistent with the writing of leading scholars on American Jewish life, who also assume an initial parity between Jewish and non-Jewish immigrants. For example, Nathan Glazer writes that "Jews were scarcely distinguishable from the huge mass of depressed immigrants, illiterate and impoverished"²³ and Marshall Sklare writes that Jews "arrived without capital or marketable skills."²⁴ If these assumptions are correct, and Jews were barely distinguishable from other immigrants, then how is it that they escaped from poverty so much faster?

As already indicated, the answer most commonly advanced is that Jews possessed the right cultural values and, despite their poverty, were middle class in outlook. Nathan Glazer has been the most notable exponent of this point of view:

The Jewish immigrants who came from Eastern Europe to the United States during 1881–1924 numbered as many workers, and as many impoverished workers, as any other ethnic group. But they carried with them the values conducive to middle-class success and could, under the proper circumstances, easily return to the pursuit of trade and study, and thus to the ways of their fathers and forefathers.²⁵

But how is it that Jews were poor and at the same time exemplified middle-class values? Glazer traces these values to Jewish history and culture, and he is explicit on this point:

But what is the origin of these values that are associated with success in middle-class pursuits? . . . There is no question that Judaism emphasizes the traits that businessmen and intellectuals require, and has done so at least 1,500 years before

22. Sarah Schmidt, "From Ghetto to University," *American Educator*, Spring 1978, pp. 23–24.

23. Nathan Glazer, "Social Characteristics of American Jews, 1654–1954," *American Jewish Yearbook*, vol. 56, n. 1 (1955), p. 15.

24. Marshall Sklare, *America's Jews* (New York: Random House, 1971), p. 60.

25. Glazer, *op. cit.*, pp. 31–32.

Calvinism. . . . The strong emphasis on learning and study can be traced that far back, too. The Jewish habits of foresight, care, moderation probably arose early during the two thousand years that Jews have lived primarily as strangers among other peoples.²⁶

Thus it is in Jewish religion and culture, reaching back through the millennia, that these theorists locate the source of the values that putatively account for the unusually high rate of Jewish mobility.

In at least one detail, the historical scenario that Glazer presents is correct: the majority of Jewish immigrants after 1880 were poor. This is documented by immigration records showing how much money immigrants had in their possession when they entered the country.²⁷ Over half the English and nearly a third of the Germans reported \$50 or more. But in the case of the Jews, the figure is only 12 percent, roughly the same as that for Irish, Scandinavian, Italian, and Polish immigrants arriving after 1880. Thus, in sheer economic terms Jews were generally no better off than other immigrants, most of whom arrived nearly penniless.

In other respects, however, there were important differences between Jewish and non-Jewish immigrants, differences that go back to their European origins and were of fateful significance in shaping their economic destiny in America.

European Origins of Jewish Immigrants

There has been a paucity of social research on the European background of Jewish immigrants, and one book, *Life Is With People*, by two anthropologists, Marc Zborowski and Elizabeth Herzog, has virtually been embraced as a classic.²⁸

On the basis of interviews with immigrants in New York City,

26. Nathan Glazer, "The American Jew and the Attainment of Middle-Class Rank: Some Trends and Explanations," in Marshall Sklare, ed. *The Jews* (New York: Free Press, 1958), p. 143.

27. *Reports of the Immigration Commission*, vol. 3 (Washington, D.C.: Government Printing Office, 1911), p. 350; reprinted New York: Arno Press, 1970.

28. Marc Zborowski and Elizabeth Herzog, *Life Is With People* (New York: Schocken Books, 1962).

the authors attempt to piece together a "composite picture" of culture and life in the shtetl, the small-town Jewish community of Eastern Europe. Their book may capture the spirit of shtetl culture, but its historical value is doubtful. Aside from its sentimental excesses, *Life Is With People* deals with only one segment of Eastern European Jews. Though some Jews, especially in Poland, did live in shtetls, by the end of the nineteenth century large and increasing numbers lived in cities.

The urban character of Eastern European Jews is clearly established by an 1897 Russian census which an economist, Israel Rubinow, analyzed in a 1907 report for the United States Bureau of Labor entitled "The Economic Condition of Jews in Russia."²⁹

According to census figures, in 1897 there were nearly five million Jews in Russia, 94 percent of whom lived in the Pale, the western provinces where most Jews were required to live. As many as three-quarters of the Jews in the Pale lived in urban areas. In the Pale as a whole, Jews were only 12 percent of the total population, but they accounted for over one-third of the urban population. In the northwestern provinces of Lithuania and White Russia, Jews were actually a majority of the urban population, far outnumbering even the native Lithuanians and White Russians.³⁰

As is well known, Jews in Eastern Europe were prohibited from owning land, and thus were never rooted to the soil. Nevertheless, they often played an indispensable role in the rural economy, especially as merchants and traders who purchased agricultural products from peasants and sold them to factors in towns and cities. Thus, even when they did not reside in cities, Jews typically occupied the interstitial positions that connected urban and rural economies. During the nineteenth century, however, a series of economic dislocations undermined the role of Jews as middlemen, and legal restrictions were imposed on Jewish commerce. The result was a steady migration from countryside to city, and by the

29. Israel Rubinow, "The Economic Condition of Jews in Russia," *Bulletin of the Bureau of Labor*, no. 72 (Washington, D.C.: Government Printing Office, 1907), pp. 487-583.

30. *Ibid.*, p. 493. The estimate that three-quarters of the Jewish population was urban is based on an 1898 study conducted by the St. Petersburg committee of the Jewish Colonization Society, which Rubinow cites in his report. Using a more stringent definition of "urban," the 1897 census reports that 49 percent of Jews lived in incorporated cities.

end of the century all of the major cities of the Pale—Warsaw, Odessa, Lodz, Reja, Kiev, Vilna, Minsk, etc.—had large Jewish concentrations.³¹

In terms of their eventual adjustment to life in America, what was most significant about the urban background of Eastern European Jews was that they worked in occupations that prepared them for roles in a modern industrial economy. Again, the 1897 Russian census provides indispensable documentation. According to the census (see Table 3 below), 38 percent of Jews were employed in manufacturing or as artisans and another 32 percent in commerce, making a total of 70 percent. In contrast, only 18 percent of Russia's non-Jewish population were so classified. On the other hand, 61 percent of non-Jews, compared with only 3 percent of Jews, were in agriculture.³² In a word, Eastern European Jews were not peasants. This simple fact would have far-reaching implications for their destiny in the United States.

A still clearer picture of Eastern European Jews emerges from an examination of the particular occupations in which they were concentrated. Among those employed in manufacturing, the greatest number worked in the production of clothing; over 250,000 Jewish workers did so, according to the Russian census, accounting for one-sixth of the Jewish work force. Jewish artisans, on the other hand, covered a wide range of crafts: gold- and silver-smiths, metal workers, carpenters, cabinetmakers, printers, furriers, construction workers, and so on.³³ Many Jews were also found among the ranks of unskilled labor, especially as longshoremen, teamsters, and coachmen. Indeed, there was scarcely a branch of industry in which Jews were not a significant part of the labor force.

Jewish capital, as well as Jewish labor, played an important role in a number of key industries. According to one survey of the role of Jews in the Russian economy in the nineteenth century:

... by 1832 Jews owned 149 [textile] factories and plants out of the total 528 existing at the time in eight provinces in the

31. Ezra Mendelsohn, *Class Struggle in the Pale* (London: Cambridge University Press, 1970), p. 51; I. M. Djur, "Jews in the Russian Economy," in Jacob Frumkin, Gregor Aronson, and Alexis Goldenweiser, eds., *Russian Jewry, 1860-1917* (New York: Thomas Yoseloff, 1966), pp. 120-43.

32. Rubinow, *op. cit.*, p. 500.

33. *Ibid.*, pp. 498, 503-4.

Table 3
OCCUPATIONS OF JEWS AND NON-JEWS
IN RUSSIA, 1897

Occupations	Percent	
	Jews	Non-Jews
Manufacturing and artisans	38%	15%
Commerce	32	3
Service	19	16
Professions	5	3
Transportation	3	2
Agriculture	3	61
TOTAL	100%	100%

SOURCE: Compiled from the Premier Recensement Général de la Population de l'Empire de Russie, 1897, and printed in Israel Rubinow's "The Economic Condition of Jews in Russia," *Bulletin of the Bureau of Labor*, No. 72 (Washington, D.C.: U.S. Government Printing Office, 1907), p. 500.

northwestern and southwestern territories. . . . [F]rom the 1870s until the First World War, the Jews played a major part in the development of the sugar industry. . . . Flour milling was quite widespread among Jews within the Pale of Settlement. . . . By the early years of the twentieth century, Jews owned or leased 365 mills with an annual business of 20 million rubles. . . . The same can be said of tobacco production, which had long been concentrated in Jewish hands. . . . In the Russian leather industry Jews also played a substantial role. . . . In the woodworking industry, Jews were prominent chiefly in the sawmill business. . . . In the grain and timber trade, Jews obtained enormous success in a relatively short time and may be said to have brought Russia into the world market. . . . A very substantial role was also played by Jews in such leading branches of the Russian national economy as banking, railroad construction, and the extracting industries (coal, oil, and gold).³⁴

34. Dujar, op. cit., pp. 127–37. The volume in which this article is printed was compiled in New York in 1942 by a group of Russian-Jewish immigrants.

Corroborating evidence can be found in the 1897 census to indicate that Russian Jews were not merely on the economic margin, but on the contrary, occupied an important place close to the center of the Russian economy.

Commerce in the Pale was even more heavily Jewish. Indeed, nearly three-quarters of all those employed in commerce were Jews.³⁵ In some provinces, such as Lithuania and White Russia, the figure was as high as 90 percent. About half the Jews in commerce were dealers in agricultural products such as grain, cattle, hides, furs, and other commodities. Others were merchants or peddlers, selling to the local population.

It would be misleading to give the impression that Jews were prospering in Eastern Europe, for this was hardly the case. Most "merchants" were little more than petty traders, and intense competition kept profits meager at best. For those who worked in factories, wages were pitifully low. Conditions varied from one region to another—for example, Jews in Lithuania were generally less impoverished than Jews in Poland—but on the whole, Eastern European Jews were unquestionably poor, though decidedly better off than the surrounding peasant population.

The Social Class Advantages of Jewish Immigrants

Despite their poverty, however, Jewish immigrants were concentrated in economically advanced sectors of their countries of origin, and therefore had industrial experience and concrete occupational skills that would serve them well in America's expanding industrial economy. In contrast, the vast majority of other immigrants who came during the same period were peasants or, more often, farm laborers. The difference between Jewish and non-Jewish immigrants is clearly shown in data collected by the United States Immigration Commission in 1911 (see Table 4). Among Jewish immigrants arriving between 1899 and 1910, two-thirds or

Also see Salo W. Baron, Arcadius Kahar, et al., *Economic History of the Jews* (Jerusalem: Keter Publishing House, 1975); Salo W. Baron, *The Russian Jew under Tsars and Soviets* (New York: Macmillan, 1976), chap. 6; Mendelsohn, op. cit.

35. Rubinow, op. cit., p. 553.

67 percent of the adult labor force were classified as skilled. The figures for English, Germans, and Scandinavians are much lower: 49, 30, and 20 percent, respectively. The figures are still lower for southern Italians (15 percent), Irish (13 percent), and Poles (6 percent). In absolute numbers there were more skilled workers among Jewish immigrants than among Italians and Poles combined, despite the fact that the volume of Jewish immigration was only one-fourth as great.

Jews ranked first in 26 of the 47 trades tabulated by the commission:

They constituted 80 percent of the hat and cap makers, 75 percent of the furriers, 68 percent of the tailors and bookbinders, 60 percent of the watchmakers and milliners, and 55 percent of the cigarmakers and tinsmiths. They totaled 30 to 50 percent of the immigrants classified as tanners, turners, undergarment makers, jewelers, painters, glaziers, dressmakers, photographers, saddlemakers, locksmiths, butchers, and metal workers in other

Table 4

PERCENTAGE OF SKILLED WORKERS AMONG
IMMIGRANTS ENTERING THE UNITED STATES
BETWEEN 1899 AND 1910

	Percentage of Skilled Workers*
Jews	67%
English	49
Germans	30
Scandinavians	20
Northern Italians	20
Southern Italians	15
Irish	13
Poles	6
All immigrants	20%

* Figures are based on those with occupations, and thus exclude most women and children.
source: Adapted from the *Reports of the Immigration Commission*, Vol. 1 (1911), p. 100.

than iron and steel. They ranked first among immigrant printers, bakers, carpenters, cigar-packers, blacksmiths, and building trades workmen.³⁶

No other immigrant group arrived with such an array of industrial skills.

Furthermore, these skills corresponded with remarkable precision to needs in the American economy. Precisely at the time when Jewish immigrants were arriving en masse, the garment industry was growing at a rate two or three times as great as the average for all industries.³⁷ By 1914 the American clothing industry employed over half a million workers; the annual payroll came to over 300 million dollars, and the product value to over a billion dollars.³⁸ The scale of this industry is more easily grasped by referring to statistics on the volume of goods produced. By 1935, the annual product included 175 million dresses, 20 million men's suits, 17 million women's coats, 170 million dress shirts, 50 million overalls, and 71 million work shirts.³⁹ Well over two-thirds of the industry was concentrated in New York City, the port of arrival for most Russian Jews.

It would be difficult to exaggerate the significance of this single industry for the economic adjustment of Jewish immigrants. Among those arriving between 1880 and 1910, 145,000 were classified as tailors and another 80,000 as seamstresses.⁴⁰ Most of them presum-

36. Moses Rischin, *The Promised City: New York Jews, 1870-1914* (Cambridge: Harvard University Press, 1962), p. 59. Similar data are presented by Thomas Kessner in his history of Italian and Jewish immigrant mobility in New York City between 1880 and 1915 (*The Golden Door*, New York: Oxford University Press, 1977). Kessner reports occupational differences between Jewish and Italian immigrants, both in their countries of origin and in New York City, but he explains these differences in terms of cultural factors; specifically, "attitudes toward family and community, attitudes toward economic goals and ambitions, and attitudes toward education" (p. 94). Consistent with others, he sees "middle-class values" as the main determinant of Jewish success (e.g., pp. 99, 111, 173).

37. "Garment Industries," *Encyclopedia of Social Science* (New York: Macmillan, 1931), p. 575.

38. Irving Howe, *World of Our Fathers* (New York: Harcourt Brace Jovanovich, 1976), p. 155.

39. Jacob M. Budish and George Soule, *The New Unionism in the Clothing Industry* (New York: International Publishers, 1935), p. 4.

40. *Reports of the Immigration Commission*, vol. 3, op. cit., pp. 98-178.

ably found employment in the burgeoning garment industry, as did many who had no previous experience in the clothing industry but could work at jobs that required little skill. As early as 1890 the work force was predominantly Jewish, and remained so for nearly half a century.

Despite the notoriety of the sweatshop, wages in the clothing industry compared favorably with other industries. In 1908 the United States Immigration Commission collected data on over 220,000 workers in 21 major industries. The findings showed that the average weekly wage for foreign-born male workers was \$11.92, but the comparable figure for workers in the clothing industry was \$12.91. Yet this does not tell the whole story, because within the clothing industry Jews were concentrated in the more skilled jobs that paid higher wages. Average weekly earnings for Russian Jewish males was \$13.28; for "other" Jews, \$14.90.⁴¹ Thus, the wages of Jewish garment workers were, if anything, higher than those of immigrants generally.

Furthermore, the structure of the clothing industry was conducive to individual enterprise, especially during the period when trade unions were nonexistent or weak. The "sweating system," as it was called, was a system of contract labor whereby manufacturers farmed out work to labor contractors who employed a small number of immigrant workers in a shop or at home. The result was a proliferation of such shops—in 1913 there were over 16,000 in New York City alone—providing as many opportunities for entrepreneurship. As a report by the 1901 Industrial Commission observed, the obstacles to entrepreneurship were not great, given the low capital requirements of opening a small shop:

These small shops are able, on account of low rent and meager wages, to compete successfully, although with foot power, against the large shops and factories with steam or electric power. Usually it is not necessary to have more than \$50 to start a shop with foot-power machines. As there is no investment in goods, the contractor runs no risk. Little managing ability is required because the number of employees is small.⁴²

41. *Ibid.*, vol. 1, pp. 385, 394.

42. *Reports of the Industrial Commission on Immigration*, vol. 15 (Washington, D.C.: Government Printing Office, 1901), p. 321.

Eastern European Jews introduced an assembly line process that resulted in substantial production economies, and by the First World War they had replaced German Jews as the dominant force in the nation's garment industry.

Similar opportunities for business entrepreneurship existed in other areas of commercial life, allowing Jewish immigrants to capitalize on their experience as peddlers, merchants, and middlemen. Despite some spectacular successes, most of the businesses they established remained small and simply provided an adequate living. Nevertheless, they provided the necessary economic resources for educational and occupational mobility in the next generation, and as is shown in Chapter 5, a disproportionately high number of Jewish scholars and scientists have their origins in this entrepreneurial class.

It is evident that, contrary to what is generally assumed, Jews did possess occupational skills that gave them a decisive advantage over other immigrants who were entering industrial labor markets for the first time. A second, and related, advantage was that Jews had a higher rate of literacy than most other immigrant groups.

Literacy has both ideal and material dimensions. In the case of the Jews, study was a religious imperative and, at least in Eastern Europe where Jews were often excluded from state schools, learning usually occurred within a religious framework. As Zborowski and Herzog write in *Life Is With People*:

Not every Jew in the shtetl is a scholar or even a learned man, but intellectual achievement is the universally accepted goal. There are few Jews from Eastern Europe who have not attended the kheyder at least for a short time. . . . And the traditional expectation for a boy in the shtetl is that from the kheyder to the grave he will devote some portion of his time to study.⁴³

The level of literacy for Jews in Russia was higher than that of the non-Jewish population, though not as high as might be inferred from Zborowski and Herzog's embellished description. According to the 1897 Russian census, the rate of literacy for those over ten years of age was 50 percent for Jews and 28 percent for non-Jews.⁴⁴ Excluding women, the rate was 65 percent for Jews

43. Zborowski and Herzog, *op. cit.*, p. 102.

44. Rubinow, *op. cit.*, p. 578.

and 39 percent for non-Jews. Whether this difference reflects the operation of distinctive religious factors, however, is open to question. Presumably, if the Russian census had compared Jews with non-Jews who were engaged in urban occupations the difference would have been less striking.

Indeed, the literacy rates for other immigrant groups closely correspond to the overall level of economic development in their countries of origin. Illiteracy was the exception among immigrants from Western Europe, and for those who came between 1899 and 1910, it never exceeded 5 percent for any nationality. The illiteracy rate was also low among immigrants from northern Italy (12 percent), but among Polish immigrants the figure rose to 36 percent, and among immigrants from southern Italy, illiteracy soared to 54 percent. The rate for Eastern European Jews fell between these extremes—26 percent.⁴⁵ Thus, while Jewish values may well have placed special emphasis on learning, and infused it with deeper religious significance, the overall rate of literacy among Jews was not unusual for groups, including northern Italians, that had their origins in the industrial sectors of their countries of origin.

For an immigrant in an alien country, literacy was a valuable asset. First of all, it facilitated the acquisition of a new language, and historical data show that Jews learned to speak English faster than any other immigrant group with the exception of the Swedes and Norwegians.⁴⁶ Secondly, to be literate obviously facilitated entry into business and more lucrative occupations that demanded an ability to read and write. Finally, literacy among immigrants translated into an educational head start for their children. A 1911 study on *The Children of Immigrants in the Schools* found that school performance was higher among children of parents who spoke English; presumably the same was true for children of parents who were literate.⁴⁷ Thus, the comparatively high rate of literacy among Jewish immigrants alone would have resulted in a higher level of academic achievement among their children.

45. *Reports of the Immigration Commission*, vol. 1, op. cit., p. 99.

46. *Ibid.*, p. 480.

47. "The Children of Immigrants in Schools," *Reports of the Immigration Commission*, vol. 1 (Washington, D.C.: Government Printing Office, 1911), pp. 35–36.

Conclusion

In terms of their European background, Jews were especially well equipped to take advantage of the opportunities they found in America. Had Jews immigrated to an industrial society without industrial skills, as did most other immigrants, their rich cultural heritage would have counted for little. Indeed, a parallel situation exists today in Israel, where Jews immigrating from underdeveloped countries in North Africa typically lack the occupational and educational advantages of the earlier settlers, and despite the fact that all share the same basic religion, the recent immigrants find themselves concentrated at the bottom of Israeli society. Thus, in large measure Jewish success in America was a matter of historical timing. That is to say, there was a fortuitous match between the experience and skills of Jewish immigrants, on the one hand, and the manpower needs and opportunity structures, on the other. It is this remarkable convergence of factors that resulted in an unusual record of success.

This is not to deny that Jews possessed values that served them in their quest for social and economic advancement. But one would not expect an urban proletariat to exhibit the same values as peasants emerging from folk societies and semi-feudal conditions. Nor would one expect a group on the threshold of a dramatic economic breakthrough to exhibit the same attitudes and values as groups that were destined to remain indefinitely poor. If Jews set high goals, it is because they had a realistic chance of achieving them. If they worked hard, it is because they could see the fruits of their labor. If they were willing to forgo the pleasures of the moment, it is because they could realistically plan for a better future, for their children if not for themselves. In short, there was much in the everyday experience of Jewish immigrants to activate and sustain their highest aspirations. Without this reinforcement, their values would have been scaled down accordingly, and more successful outsiders would today be speculating about how much further Jews might have gone if only they had aimed higher.⁴⁸

48. Other examples of ethnic success can be traced back to factors in the countries of origin that, in one way or another, placed these groups in a favorable position to achieve rapid economic mobility.