Table A1: Rate of Return To Education by Level of Schooling Attainment

	Full Sample		Female		Male	
	Non-Kibbutzim (1)	Kibbutzim (2)	Non-Kibbutzim (3)	Kibbutzim (4)	Non-Kibbutzim (5)	Kibbutzim (6)
High School Completion	0.026***	0.025***	0.020***	0.009	0.024***	0.032***
	(0.002)	(0.007)	(0.003)	(0.011)	(0.003)	(0.009)
Matriculation Certificate	0.231***	0.273***	0.209***	0.238***	0.236***	0.291***
	(0.003)	(0.007)	(0.004)	(0.010)	(0.004)	(0.010)
Post-Secondary Certificate	0.233***	0.201***	0.191***	0.165***	0.247***	0.221***
	(0.003)	(0.010)	(0.004)	(0.015)	(0.004)	(0.013)
Undergraduate Degree	0.521***	0.553***	0.471***	0.492***	0.551***	0.592***
	(0.002)	(0.007)	(0.003)	(0.010)	(0.003)	(0.009)
Master Degree	0.626***	0.656***	0.580***	0.593***	0.660***	0.701***
	(0.002)	(0.007)	(0.003)	(0.010)	(0.004)	(0.010)
PhD Degree	0.508***	0.456***	0.576***	0.492***	0.433***	0.418***
	(0.006)	(0.014)	(0.008)	(0.021)	(0.009)	(0.020)
Observation	554,452	89,713	256,393	41,847	298,059	47,866

Notes: This tables presents results from OLS regressions where the dependent variable is the natural log of wages of individuals aged 30-45. In rows 2, 4, 6 the regressions run for all kibbutzim were reformed by 2010 and in rows 1, 3, 5 for non kibbutzim members. Wages are measured in New Israeli 2010 shekels per month. 1 US dollar is currently equal to approximately 3.7 shekels. Outliers are members with wages below 3890 shekels or those who worked less than 8 months. All the regressions include control variables: age, age squared, gender, number of siblings, a set of ethnic dummies (origin from Africa/Asia, Europe/America, immigrants from FSU, Ethiopia, Israel and other countries). ***, **, * indicate significance at the 1%, 5%, and 10% levels, respectively.

Table A2: Balancing Tests of Individuals' Characteristics, by Gender, Treatment Group, Pre- and Post- Reform

	Pre-Reform Individuals Aged 22-27 in 1995, 1996				Post-Reform Individuals Aged 22-27 in 2001, 2002			
	Proportions		Balancing Tests (T-C)		Proportions		Balancing Tests (T-C)	
	Treatment	Control	Coeff	p-val	Treatment	Control	Coeff	p-val
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Male								
Age	24.375 [1.654]	24.308 [1.663]	0.067	0.436	24.595 [1.731]	24.490 [1.647]	0.105	0.238
Number of Siblings	2.767 [1.234]	2.824 [1.382]	-0.057	0.614	2.702 [1.205]	2.555 [0.963]	0.147	0.194
Ethnic Origin: Africa/Asia	0.164 [0.370]	0.183 [0.387]	-0.019	0.540	0.086 [0.280]	0.109 [0.312]	-0.024	0.297
Ethnic Origin: Ethiopia	0.000 [0.000]	0.005 [0.071]	-0.005	0.318	0.000 [0.000]	0.003 [0.058]	-0.003	0.318
Ethnic Origin: FSU Countries	0.035 [0.184]	0.022 [0.146]	0.013	0.279	0.013 [0.111]	0.012 [0.109]	0.001	0.886
Ethnic Origin: Europe/America	0.178 [0.383]	0.158 [0.365]	0.020	0.642	0.150 [0.357]	0.111 [0.314]	0.039	0.194
Ethnic Origin: Israel	0.570 [0.496]	0.557 [0.497]	0.012	0.847	0.671 [0.470]	0.667 [0.472]	0.004	0.935
Ethnic Origin: Other	0.054 [0.226]	0.075 [0.263]	-0.021	0.469	0.080 [0.272]	0.097 [0.297]	-0.017	0.571
Observations	574	601	-	-	560	586	-	-
Female								
Age	24.356 [1.680]	24.533 [1.675]	-0.178	0.090*	24.546 [1.686]	24.510 [1.740]	0.036	0.758
Number of Siblings	2.746 [1.360]	2.681 [1.166]	0.065	0.536	2.576 [1.123]	2.679 [1.099]	-0.103	0.345
Ethnic Origin: Africa/Asia	0.180 [0.385]	0.158 [0.365]	0.022	0.505	0.101 [0.302]	0.104 [0.305]	-0.003	0.875
Ethnic Origin: Ethiopia	0.000 [0.000]	0.000 [0.000]	0.000	1.000	0.000 [0.000]	0.010 [0.100]	-0.010	0.212
Ethnic Origin: FSU Countries	0.028 [0.166]	0.028 [0.166]	-0.000	1.000	0.022 [0.145]	0.033 [0.178]	-0.011	0.318
Ethnic Origin: Europe/America	0.180 [0.385]	0.168 [0.374]	0.012	0.790	0.185 [0.389]	0.124 [0.330]	0.061	0.090*
Ethnic Origin: Israel	0.553 [0.498]	0.547 [0.498]	0.006	0.926	0.632 [0.483]	0.657 [0.475]	-0.024	0.602
Ethnic Origin: Other	0.059 [0.235]	0.099 [0.299]	-0.040	0.197	0.060 [0.238]	0.073 [0.261]	-0.013	0.494
Observations	461	495	-	-	465	492	-	-
Kibbutzim	32	29	-	-	32	29	-	-

Notes: This table presents means and means-difference of characteristics of individuals in treatment kibbutzim (reformed early 1998, 1999) and control kibbutzim (reformed late 2004, 2005) who are aged 22-27 at the beginning of the follow-up periods: pre-reform, 1995, 1996 (untreated) and post-reform, 2001, 2002 (treated). Columns 1-3 present pre-reform means of treatment and control groups and the difference between them, respectively. Columns 5-7 present post-reform means of treatment and control groups and the difference between them, respectively. All estimated coefficients are based on a regression of the characteristics as a dependent variable and the treatment indicator is the explanatory variable. Standard deviations presented in brackets. p-values in italics. Difference in means significant at ***1% **5% *10%.

Table A3: Tel-Aviv as a Control Group, Balancing Tests of Individuals' Characteristics, by Treatment Group, Pre- and Post- Reform

	Pre-Reform Individuals Aged 22-27 in 1995				Post-Reform Individuals Aged 22-27 in 2001			
	Proportions		Balancing Tests (T-C)		Proportions		Balancing Tests (T-C)	
	Treatment	Control	Coeff	p-val	Treatment	Control	Coeff	p-val
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Male	0.550 (0.498)	0.524 (0.499)	0.026	0.018**	0.551 (0.498)	0.536 (0.499)	0.016	0.286
Age	24.474 (1.663)	24.346 (1.680)	0.128	0.012**	24.563 (1.708)	24.480 (1.684)	0.083	0.174
Number of Siblings	2.754 (1.282)	2.471 (1.684)	0.284	0.000***	2.661 (1.179)	2.270 (1.505)	0.391	0.000***
Ethnic Origin: Africa/Asia	0.166 (0.372)	0.360 (0.480)	-0.194	0.000***	0.098 (0.297)	0.230 (0.421)	-0.132	0.000***
Ethnic Origin: Ethiopia	0.000 (0.000)	0.001 (0.032)	-0.001	0.317	0.000 (0.000)	0.002 (0.047)	-0.001	0.315
Ethnic Origin: FSU Countries	0.030 (0.171)	0.081 (0.273)	-0.051	0.000***	0.014 (0.119)	0.115 (0.319)	-0.101	0.000***
Ethnic Origin: Europe/America	0.179 (0.384)	0.151 (0.359)	0.028	0.396	0.168 (0.374)	0.117 (0.322)	0.05	0.064*
Ethnic Origin: Israel	0.572 (0.495)	0.391 (0.488)	0.181	0.000***	0.655 (0.476)	0.518 (0.500)	0.137	0.000***
Ethnic Origin: Other	0.053 (0.225)	0.016 (0.127)	0.037	0.020**	0.065 (0.247)	0.018 (0.132)	0.047	0.000***
Observations	1035	42,955	-	-	1025	46,532	-	-
Kibbutzim	32	-	-	-	32	-	-	-

Notes: This table presents means and means-difference of characteristics of individuals who are aged 22-27 at the beginning of the follow-up periods: pre-reform, 1995 (untreated) and post-reform, 2001 (treated). The treatment group consists of individuals who lived in kibbutzim that reformed in 1998, 1999. The control group consists of individuals who lived in Tel-Aviv. Columns 1-3 present pre-reform means of treatment and control groups and the difference between them, respectively. Columns 5-7 present post-reform means of treatment and control groups and the difference between them, respectively. All estimated coefficients are based on a regression of the characteristics as a dependent variable and the treatment indicator is the explanatory variable. Standard deviations presented in brackets. p-values in italics. Difference in means significant at ***1% **5% *10%.

Table A4: Tel-Aviv as a Control Group, Treatment-Control Differences in Pre-Reform Time Trends in Academic Outcomes, 1989-1995

	BA Any Field		Humanities Any Field		Social Sciences Any Field		Sciences Any Field	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
A. Linear Trend Model								
Treatment	-0.031***		-0.001		-0.026***		-0.004	
	(0.007)		(0.003)		(0.005)		(0.004)	
Time Trend	0.004***	0.004***	0.001***	0.001***	0.003***	0.003***	0.000	0.000
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Treatment X Time Trend	-0.001	-0.000	-0.001	-0.001	0.000	-0.000	0.000	0.000
	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
B. Cohort Dummies Model								
Treatment	-0.031***		-0.004		-0.025***		-0.003	
	(0.009)		(0.004)		(0.007)		(0.005)	
Treatment X 1990	-0.001	-0.001	0.001	0.001	0.001	0.001	-0.003	-0.002
	(0.013)	(0.013)	(0.006)	(0.006)	(0.010)	(0.010)	(0.007)	(0.007)
Treatment X 1991	0.010	0.010	0.004	0.004	0.004	0.004	0.001	0.001
	(0.013)	(0.013)	(0.006)	(0.006)	(0.009)	(0.009)	(0.007)	(0.007)
Treatment X 1992	0.005	0.006	0.002	0.002	0.002	0.001	0.001	0.002
	(0.013)	(0.013)	(0.006)	(0.006)	(0.009)	(0.009)	(0.007)	(0.007)
Treatment X 1993	-0.014	-0.013	-0.002	-0.001	-0.008	-0.008	-0.004	-0.003
	(0.013)	(0.013)	(0.006)	(0.006)	(0.009)	(0.009)	(0.007)	(0.007)
Treatment X 1994	-0.016	-0.016	-0.003	-0.002	-0.011	-0.012	-0.002	-0.002
	(0.012)	(0.012)	(0.006)	(0.006)	(0.009)	(0.009)	(0.007)	(0.007)
Treatment X 1995	-0.011	-0.011	0.000	0.001	-0.003	-0.004	-0.009	-0.007
	(0.012)	(0.012)	(0.006)	(0.006)	(0.009)	(0.009)	(0.007)	(0.007)
Kibbutz Fixed Effects	NO	YES	NO	YES	NO	YES	NO	YES

Notes: This table presents results from OLS regressions where the dependent variable is an indicator of whether the student completed a BA degree (columns 1 and 2), completed a BA degree in humanities (columns 3 and 4), completed a BA degree in social sciences (columns 5 and 6), completed a BA degree in sciences (columns 7 and 8). The sample includes individuals aged 22-27 in each year from 1989 to 1995. The treatment group consists of individuals who lived in kibbutzim that reformed in 1998, 1999. The control group consists of individuals who lived in Tel-Aviv. In the regressions results reported in panel A, outcomes are allowed to vary according to a linear time (cohort) trend that differs in treatment and control kibbutzim. The regression in panel B includes cohort dummies. Standard errors clustered at the kibbutz level are presented in parentheses. ***, **, * indicate significance at 1%, 5% and 10%.

Table A5: Tel-Aviv as a Control Group, Placebo Experiments, Effects on Pre-Determined High School Matriculation Outcomes

(Sample: Individuals Aged 22-27 in 2001)

	Full Sample			Male			Female		
	Treatment Mean (1)	Control Mean (2)	Controlled Differences (3)	Treatment Mean (4)	Control Mean (5)	Controlled Differences (6)	Treatment Mean (7)	Control Mean (8)	Controlled Differences (9)
Matriculation Certificate	0.504 (0.500)	0.648 (0.478)	-0.138*** (0.020)	0.469 (0.500)	0.657 (0.475)	-0.182*** (0.025)	0.542 (0.499)	0.638 (0.481)	-0.092*** (0.026)
Matriculation Credit Units	20.184 (8.227)	21.438 (7.192)	-1.297*** (0.304)	19.330 (8.755)	21.743 (7.384)	-2.489*** (0.407)	21.106 (7.522)	21.134 (6.983)	-0.060 (0.397)
Math Number of Credits	2.516 (1.720)	3.084 (1.515)	-0.551*** (0.054)	2.546 (1.783)	3.262 (1.519)	-0.691*** (0.075)	2.483 (1.650)	2.906 (1.491)	-0.406*** (0.076)
English Number of Credits	3.813 (1.453)	4.029 (1.467)	-0.193*** (0.062)	3.747 (1.488)	4.097 (1.417)	-0.317*** (0.065)	3.883 (1.413)	3.962 (1.511)	-0.069 (0.085)
Observations	748	31181		388	15551		360	15630	

Notes: This table presents means, means-difference and standard deviations (in parentheses) of outcomes of individuals who are aged 22-27 in 2001. The treatment group consists of individuals who lived in kibbutzim that reformed in 1998, 1999. The control group consists of individuals who lived in Tel-Aviv. The dependent variable in row I is whether the student received a matriculation certificate; in row II it is the number of credit unites of the matriculation certificate; in row III and IV it is the number of matriculation units in English and mathematics subjects respectively. The range of units in these subjects is 0-5. ***, **, * indicate significance at the 1%, 5%, and 10% levels respectively.

Table A6: Tel-Aviv as a Control Group, Treatment-Control Differences, by Eligibility for High School Matriculation Certificate

(Sample: Individuals Aged 22-27 in 2001)

	Individuals' With a Matriculation Certificate				Individuals' Without a Matriculation Certificate			
	Treatment Mean	Control Mean	Treatment-Control Difference	Controlled Difference	Treatment Mean	Control Mean	Treatment-Control Difference	Controlled Difference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
A. BA Degree by Field of Study								
Any Field	0.236 (0.425)	0.281 (0.449)	-0.045** (0.021)	-0.033 (0.023)	0.059 (0.237)	0.066 (0.248)	-0.007 (0.013)	-0.007 (0.013)
Humanities Any Field	0.032 (0.176)	0.045 (0.207)	-0.013 (0.009)	-0.012 (0.008)	0.008 (0.090)	0.010 (0.099)	-0.002 (0.004)	-0.003 (0.004)
Social Sciences Any Field	0.072 (0.258)	0.141 (0.348)	-0.069*** (0.010)	-0.063*** (0.011)	0.032 (0.177)	0.043 (0.203)	-0.011 (0.009)	-0.011 (0.008)
Economics, Business, Law	0.024 (0.153)	0.087 (0.282)	-0.063*** (0.006)	-0.058*** (0.007)	0.013 (0.115)	0.025 (0.157)	-0.012* (0.006)	-0.013** (0.006)
Sciences Any Field	0.133 (0.340)	0.095 (0.294)	0.037** (0.018)	0.041** (0.018)	0.019 (0.136)	0.013 (0.112)	0.006 (0.007)	0.007 (0.007)
Biology, Chemistry, Pre-Health Sci	0.032 (0.176)	0.015 (0.123)	0.017* (0.009)	0.017* (0.009)	0.013 (0.115)	0.002 (0.047)	0.011* (0.006)	0.011* (0.006)
Math, Eng, Physics, Comp Sci, Stat	0.101 (0.301)	0.080 (0.271)	0.021 (0.014)	0.024* (0.014)	0.005 (0.073)	0.011 (0.102)	-0.005 (0.004)	-0.005 (0.004)
Computer Science	0.050 (0.219)	0.036 (0.186)	0.014 (0.010)	0.016 (0.010)	0.003 (0.052)	0.004 (0.065)	-0.002 (0.003)	-0.001 (0.003)
Engineering	0.050 (0.219)	0.034 (0.180)	0.017 (0.013)	0.019 (0.012)	0.005 (0.073)	0.005 (0.074)	-0.000 (0.004)	-0.000 (0.004)
B. BA Degree by Expected Wages								
Expected wage	9139.175 (5860.354)	9409.642 (5751.018)	-270.467 (287.581)	-138.132 (293.216)	6940.887 (2045.333)	7104.407 (2630.392)	-163.520* (92.223)	-161.359* (92.515)
Above 75'th Percentile	0.088 (0.283)	0.068 (0.252)	0.020 (0.014)	0.022 (0.014)	0.005 (0.073)	0.009 (0.093)	-0.003 (0.004)	-0.003 (0.004)
Above 50'th Percentile	0.125 (0.331)	0.161 (0.368)	-0.036** (0.015)	-0.028* (0.015)	0.019 (0.136)	0.035 (0.185)	-0.016** (0.007)	-0.017** (0.007)
Observations	377	20197	.	.	371	10984		

Notes: This table presents means, means-difference and standard deviations (in parentheses) of outcomes of individuals who are aged 22-27 in 2001. The treatment group consists of individuals who lived in kibbutzim that reformed in 1998, 1999. The control group consists of individuals who lived in Tel-Aviv. In Panel A the dependent variable is an indicator of whether the student completed a BA in the areas of study indicated by the outcome. In Panel B the dependent variable is an indicator of whether the student completed a BA in a field of studies with expected wages between the different quartile. The outcome "Expected Wages" is continuous, and the measurement unit is New Israeli Shekels per month. 1US dollar is currently equal to approximately 3.7 shekels. The simple difference regressions include only cohort dummies. The controlled difference regressions include cohort dummies, kibbutz fixed effects and the following student demographic controls: gender, number of siblings, a set of ethnic dummies (origin from Africa/Asia, Europe/America, immigrants from FSU, Ethiopia, Israel and other countries). Difference in means significant at ***1% **5% *10%.

Table A7: Tel-Aviv as a Control Group, Treatment-Control Differences, by Level of High School Math Matriculation Study Program

(Sample: Individuals Aged 22-27 in 2001)

	Advance				Basic and Intermediate			
	Treatment Mean	Control Mean	Treatment-Control Difference	Controlled Difference	Treatment Mean	Control Mean	Treatment-Control Difference	Controlled Difference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
A. BA Degree by Field of Study								
Any Field	0.384 (0.489)	0.396 (0.489)	-0.012 (0.035)	0.000 (0.038)	0.118 (0.323)	0.167 (0.373)	-0.049*** (0.015)	-0.042*** (0.015)
Humanities Any Field	0.035 (0.185)	0.024 (0.152)	0.011 (0.020)	0.013 (0.020)	0.018 (0.134)	0.034 (0.182)	-0.016*** (0.005)	-0.015*** (0.005)
Social Sciences Any Field	0.081 (0.275)	0.144 (0.351)	-0.063** (0.024)	-0.058** (0.025)	0.048 (0.215)	0.099 (0.298)	-0.050*** (0.007)	-0.046*** (0.008)
Economics, Business, Law	0.047 (0.212)	0.114 (0.317)	-0.067*** (0.021)	-0.066*** (0.021)	0.015 (0.122)	0.056 (0.229)	-0.041*** (0.005)	-0.038*** (0.005)
Sciences Any Field	0.267 (0.445)	0.228 (0.419)	0.040 (0.036)	0.046 (0.037)	0.051 (0.221)	0.034 (0.181)	0.017* (0.009)	0.019* (0.010)
Biology, Chemistry, Pre-Health Sci	0.023 (0.152)	0.017 (0.128)	0.007 (0.015)	0.006 (0.014)	0.023 (0.149)	0.009 (0.097)	0.013* (0.007)	0.014** (0.007)
Math, Eng, Physics, Comp Sci, Stat	0.244 (0.432)	0.211 (0.408)	0.034 (0.037)	0.040 (0.037)	0.029 (0.167)	0.025 (0.155)	0.004 (0.007)	0.004 (0.007)
Computer Science	0.116 (0.322)	0.094 (0.292)	0.022 (0.032)	0.027 (0.032)	0.015 (0.122)	0.011 (0.104)	0.004 (0.005)	0.004 (0.005)
Engineering	0.105 (0.308)	0.090 (0.286)	0.015 (0.036)	0.015 (0.035)	0.018 (0.134)	0.010 (0.102)	0.008 (0.005)	0.008 (0.005)
B. BA Degree by Expected Wages								
Expected wage	11997.431 (8063.540)	11977.969 (7927.074)	19.461 (669.296)	144.138 (679.301)	7535.890 (3548.436)	7923.231 (3847.326)	-387.341** (162.332)	-340.351** (165.330)
Above 75'th Percentile	0.221 (0.417)	0.183 (0.386)	0.038 (0.038)	0.041 (0.038)	0.024 (0.154)	0.020 (0.140)	0.004 (0.007)	0.004 (0.007)
Above 50'th Percentile	0.291 (0.457)	0.309 (0.462)	-0.018 (0.040)	-0.014 (0.041)	0.044 (0.205)	0.078 (0.269)	-0.035*** (0.009)	-0.032*** (0.009)
Observations	86	5190	.	.	662	25979		

Notes: This table presents means, means-difference and standard deviations (in parentheses) of outcomes of individuals who are aged 22-27 in 2001. The treatment group consists of individuals who lived in kibbutzim that reformed in 1998, 1999. The control group consists of individuals who lived in Tel-Aviv. In Panel A the dependent variable is an indicator of whether the student completed a BA in the areas of study indicated by the outcome. In Panel B the dependent variable is an indicator of whether the student completed a BA in a field of studies with expected wages between the different quartile. The outcome "Expected Wages" is continuous, and the measurement unit is New Israeli Shekels per month. 1US dollar is currently equal to approximately 3.7 shekels. The simple difference regressions include only cohort dummies. The controlled difference regressions include cohort dummies, kibbutz fixed effects and the following student demographic controls: gender, number of siblings, a set of ethnic dummies (origin from Africa/Asia, Europe/America, immigrants from FSU, Ethiopia, Israel and other countries). Difference in means significant at ***1% **5% *10%.

Table A8: Balancing Tests of Individuals' Characteristics, by Treatment Group, Pre- and Post- Reform

	Pre-Reform Individuals Aged 23-28 in 1995, 1996				Post-Reform Individuals Aged 23-28 in 2001, 2002			
	Proportions		Balancing Tests (T-C)		Proportions		Balancing Tests (T-C)	
	Treatment	Control	Coeff	p-val	Treatment	Control	Coeff	p-val
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Male	0.564 [0.496]	0.543 [0.498]	0.021	0.318	0.550 [0.498]	0.551 [0.498]	-0.001	0.964
Age	25.346 [1.686]	25.242 [1.697]	0.105	0.134	25.476 [1.670]	25.485 [1.728]	-0.010	0.894
Number of Siblings	2.815 [1.337]	2.775 [1.299]	0.040	0.667	2.662 [1.202]	2.625 [1.010]	0.037	0.717
Ethnic Origin: Africa/Asia	0.178 [0.383]	0.194 [0.395]	-0.015	0.629	0.104 [0.303]	0.102 [0.303]	0.002	0.912
Ethnic Origin: Ethiopia	0.000 [0.000]	0.002 [0.043]	-0.002	0.318	0.000 [0.000]	0.005 [0.074]	-0.005	0.212
Ethnic Origin: FSU Countries	0.031 [0.173]	0.023 [0.149]	0.008	0.424	0.014 [0.117]	0.024 [0.152]	-0.010	0.153
Ethnic Origin: Europe/America	0.171 [0.377]	0.170 [0.376]	0.001	0.980	0.165 [0.371]	0.125 [0.330]	0.040	0.153
Ethnic Origin: Israel	0.560 [0.497]	0.530 [0.499]	0.030	0.623	0.654 [0.476]	0.658 [0.475]	-0.004	0.916
Ethnic Origin: Other	0.060 [0.238]	0.082 [0.275]	-0.022	0.464	0.065 [0.247]	0.086 [0.281]	-0.021	0.294
Observations	999	1059	-	-	1009	1100	-	-
Kibbutzim	32	29	-	-	32	29	-	-

Notes: This table presents means and means-difference of characteristics of individuals in treatment kibbutzim (reformed early 1998, 1999) and control kibbutzim (reformed late 2004, 2005) who are aged 23-28 at the beginning of the follow-up periods: pre-reform, 1995, 1996 (untreated) and post-reform, 2001, 2002 (treated). Columns 1-3 present pre-reform means of treatment and control groups and the difference between them, respectively. Columns 5-7 present post-reform means of treatment and control groups and the difference between them, respectively. All estimated coefficients are based on a regression of the characteristics as a dependent variable and the treatment indicator is the explanatory variable. Standard deviations presented in brackets. p-values in italics. Difference in means significant at ***1% **5% *10%.

Table A9: Outcomes Means and Treatment-Control Differences, Pre- and Post-Reform

	Pre-Reform Individuals Aged 23-28 in 1995, 1996				Post-Reform Individuals Aged 23-28 in 2001, 2002			
	Treatment	Control	Difference (T-C) Coeff	p-val	Treatment	Control	Difference (T-C) Coeff	p-val
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Any Field	0.046 [0.210]	0.055 [0.228]	-0.009	*0.134*	0.141 [0.348]	0.111 [0.314]	0.030*	*0.051*
Humanities Any Field	0.013 [0.113]	0.019 [0.136]	-0.006	*0.230*	0.018 [0.132]	0.024 [0.152]	-0.006	*0.392*
Social Sciences Any Field	0.020 [0.140]	0.015 [0.122]	0.005	*0.318*	0.051 [0.219]	0.054 [0.225]	-0.003	*0.739*
Economics, Business, Law	0.009 [0.095]	0.008 [0.087]	0.001	*0.803*	0.016 [0.125]	0.025 [0.155]	-0.009	*0.134*
Sciences Any Field	0.013 [0.113]	0.021 [0.143]	-0.008	*0.110*	0.072 [0.259]	0.034 [0.180]	0.039***	*0.000***
Biology, Chemistry, Pre-Health Sci	0.009 [0.095]	0.011 [0.106]	-0.002	*0.689*	0.024 [0.152]	0.009 [0.095]	0.015**	*0.012**
Math, Eng, Physics, Computer Sci, Stat	0.004 [0.063]	0.009 [0.097]	-0.005	*0.102*	0.049 [0.215]	0.025 [0.155]	0.024***	*0.002***
Computer Science	0.001 [0.032]	0.001 [0.031]	0.000	*1.000*	0.025 [0.156]	0.006 [0.080]	0.018***	*0.000***
Engineering	0.002 [0.045]	0.005 [0.069]	-0.003	*0.318*	0.028 [0.164]	0.016 [0.127]	0.011*	*0.097*
Observations	999	1059	-	-	1009	1100	-	-
Kibbutzim	32	29	-	-	32	29	-	-

Notes: This table presents means and means-difference of outcomes of individuals in treatment kibbutzim (reformed early 1998, 1999) and control kibbutzim (reformed late 2004, 2005) who are aged 23-28 at the beginning of the follow-up periods: pre-reform, 1995, 1996 (untreated) and post-reform, 2001, 2002 (treated). Columns 1-3 present pre-reform means of treatment and control groups and the difference between them, respectively. Columns 5-7 present post-reform means of treatment and control groups and the difference between them, respectively. The dependent variable is an indicator of whether the student completed a BA degree in the areas of study indicated by the outcome. All estimated coefficients are based on a regression of the outcomes as a dependent variable and the treatment indicator is the explanatory variable. Standard deviations presented in brackets. p-values in italics. Difference in means significant at ***1% **5% *10%.

Table A10: Treatment-Control Differences in Pre-Reform Time Trends in Academic Outcomes, 1989-1995

	BA Any Field		Humanities Any Field		Social Sciences Any Field		Sciences Any Field	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
A. Linear Trend Model								
Treatment	0.005	-	0.015***	-	-0.004	-	-0.005	-
	(0.008)	-	(0.004)	-	(0.005)	-	(0.006)	-
Time Trend	0.004***	0.004***	0.003***	0.003***	0.002***	0.002***	-0.001	-0.001
	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
Treatment X Time Trend	-0.000	-0.000	-0.003***	-0.002***	0.001	0.001	0.001	0.001
	(0.002)	(0.002)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
B. Cohort Dummies Model								
Treatment	0.001	-	0.008	-	0.000	-	-0.007	-
	(0.011)	-	(0.006)	-	(0.006)	-	(0.007)	-
Treatment X 1990	-0.002	-0.004	0.000	-0.000	-0.004	-0.004	0.002	0.001
	(0.016)	(0.016)	(0.008)	(0.008)	(0.009)	(0.009)	(0.010)	(0.010)
Treatment X 1991	0.013	0.011	0.004	0.004	0.002	0.001	0.006	0.006
	(0.015)	(0.015)	(0.008)	(0.008)	(0.009)	(0.009)	(0.010)	(0.010)
Treatment X 1992	0.017	0.016	0.001	0.002	0.004	0.003	0.012	0.011
	(0.015)	(0.015)	(0.008)	(0.008)	(0.009)	(0.009)	(0.010)	(0.010)
Treatment X 1993	0.002	0.002	-0.002	-0.001	-0.001	-0.002	0.006	0.006
	(0.015)	(0.015)	(0.008)	(0.008)	(0.009)	(0.009)	(0.010)	(0.010)
Treatment X 1994	-0.012	-0.012	-0.015**	-0.014*	-0.002	-0.004	0.006	0.006
	(0.015)	(0.015)	(0.008)	(0.008)	(0.009)	(0.009)	(0.010)	(0.010)
Treatment X 1995	-0.003	-0.003	-0.012	-0.011	0.006	0.004	0.003	0.003
	(0.015)	(0.015)	(0.007)	(0.007)	(0.009)	(0.009)	(0.010)	(0.010)
Kibbutz Fixed Effects	NO	YES	NO	YES	NO	YES	NO	YES

Notes: This table presents results from OLS regressions where the dependent variable is an indicator of whether the student completed a BA degree (columns 1 and 2), completed a BA degree in humanities (columns 3 and 4), completed a BA degree in social sciences (columns 5 and 6), completed a BA degree in sciences (columns 7 and 8). The sample includes individuals aged 23-28 in each year from 1989 to 1995 (pre reform). The treatment group includes kibbutzim that reformed in 1998, 1999, and the control group includes kibbutzim that reformed in 2004, 2005. In the regressions results reported in panel A, outcomes are allowed to vary according to a linear time (cohort) trend that differs in treatment and control kibbutzim. The regression in panel B includes cohort dummies. Standard errors clustered at the kibbutz level are presented in parentheses. ***, **, * indicate significance at 1%, 5% and 10%.

Table A11: Effect of Pay Reform on BA Degree Attainment, by Field of Study

(Sample: Individuals Aged 23-28 in 1995, 1996 and in 2001, 2002)

	Any Field	Humanities	Social Sciences		Sciences				
		Humanities Any Field	Social Sciences Any Field	Economics, Business, Law	Sciences Any Field	Biology, Chemistry, Pre-Health Sci	Math, Eng, Physics, Comp Sci, Stat	Computer Science	Engineering
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
A. Cross Section Regressions									
Pre-Reform	-0.009	-0.006	0.005	0.001	-0.008	-0.002	-0.005	0.000	-0.003
	(0.012)	(0.006)	(0.008)	(0.005)	(0.008)	(0.005)	(0.006)	(0.004)	(0.005)
Mean of Dependent Var. (Control)	-0.009	-0.006	0.005	0.001	-0.008	-0.002	-0.005	0.000	-0.003
Post-Reform	0.030**	-0.006	-0.003	-0.009*	0.039***	0.015***	0.024***	0.018***	0.011**
	(0.012)	(0.006)	(0.008)	(0.005)	(0.008)	(0.005)	(0.006)	(0.004)	(0.005)
Mean of Dependent Var. (Control)	0.111	0.024	0.054	0.025	0.034	0.009	0.025	0.006	0.016
B. Difference-in-Differences									
Simple	0.038**	0.000	-0.008	-0.010	0.046***	0.017**	0.029***	0.018***	0.014**
	(0.017)	(0.008)	(0.011)	(0.007)	(0.011)	(0.007)	(0.009)	(0.006)	(0.007)
Controlled	0.035**	-0.001	-0.008	-0.011	0.044***	0.017**	0.028***	0.018***	0.012*
	(0.018)	(0.008)	(0.011)	(0.007)	(0.011)	(0.007)	(0.009)	(0.006)	(0.007)
Observations	4167	4167	4167	4167	4167	4167	4167	4167	4167

Notes: This table presents the estimated coefficients of interest of difference-in-differences regressions, comparing cohorts of individuals aged 23-28 in pre/post reform period. The treatment and the control groups consists of individuals who lived in early (1998, 1999) and late (2004, 2005) reformed kibbutzim respectively (See Figure 1). The dependent variable is an indicator of whether the student completed a BA in the areas of study indicated by the outcome. The simple difference-in-differences regressions include only cohort dummies. The controlled difference-in-differences regressions include cohort dummies, kibbutz fixed effects and the following student demographic controls: gender, number of siblings, a set of ethnic dummies (origin from Africa/Asia, Europe/America, immigrants from FSU, Ethiopia, Israel, and other countries). Standard errors clustered by kibbutz are presented in parentheses. ***, **, * indicate significance at the 1%, 5%, and 10% levels, respectively.

Table A12: Effect of Pay Reform on BA Degree Attainment by Field of Study and Gender

(Sample: Individuals Aged 23-28 in 1995, 1996 and in 2001, 2002)

| | | Humanities | Social Sciences | | | Sciences | | | |
	Any Field	Humanities Any Field	Social Sciences Any Field	Economics, Business, Law	Sciences Any Field	Biology, Chemistry, Pre-Health Sci	Math, Eng, Physics, Comp Sci, Stat	Computer Science	Engineering
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Male									
A. Cross Section Regressions									
Pre-Reform	-0.005	-0.005	-0.005	-0.002	0.005	0.004	0.002	0.002	0.000
	(0.014)	(0.005)	(0.009)	(0.007)	(0.010)	(0.004)	(0.009)	(0.006)	(0.007)
Mean of Dependent Var. (Control)	0.030	0.010	0.014	0.010	0.005	0.002	0.003	0.000	0.003
Post-Reform	0.046***	0.004	-0.002	-0.007	0.044***	0.007*	0.037***	0.022***	0.027***
	(0.014)	(0.005)	(0.009)	(0.007)	(0.010)	(0.004)	(0.009)	(0.006)	(0.007)
Mean of Dependent Var. (Control)	0.071	0.007	0.036	0.025	0.028	0.002	0.026	0.007	0.015
B. Difference-in-Differences									
Simple	0.051***	0.009	0.003	-0.005	0.039***	0.004	0.035***	0.021***	0.026**
	(0.020)	(0.008)	(0.013)	(0.010)	(0.014)	(0.005)	(0.013)	(0.008)	(0.010)
Controlled	0.048**	0.010	0.003	-0.005	0.034**	0.003	0.032**	0.020**	0.024**
	(0.020)	(0.008)	(0.013)	(0.011)	(0.014)	(0.006)	(0.013)	(0.008)	(0.011)
Observations	2299	2299	2299	2299	2299	2299	2299	2299	2299
Female									
C. Cross Section Regressions									
Pre-Reform	-0.011	-0.006	0.018	0.005	-0.023*	-0.009	-0.014	-0.002	-0.006
	(0.021)	(0.011)	(0.014)	(0.007)	(0.013)	(0.010)	(0.009)	(0.005)	(0.006)
Mean of Dependent Var. (Control)	0.085	0.029	0.017	0.004	0.039	0.023	0.017	0.002	0.006
Post-Reform	0.010	-0.018	-0.004	-0.011	0.032**	0.024**	0.009	0.014**	-0.007
	(0.021)	(0.011)	(0.014)	(0.007)	(0.013)	(0.010)	(0.009)	(0.005)	(0.006)
Mean of Dependent Var. (Control)	0.160	0.045	0.075	0.024	0.040	0.018	0.022	0.006	0.018
D. Difference-in-Differences									
Simple	0.021	-0.012	-0.022	-0.016	0.055***	0.033**	0.023*	0.016**	-0.001
	(0.030)	(0.016)	(0.020)	(0.010)	(0.019)	(0.014)	(0.012)	(0.008)	(0.009)
Controlled	0.023	-0.015	-0.020	-0.017	0.058***	0.032**	0.026**	0.019**	-0.000
	(0.031)	(0.016)	(0.020)	(0.011)	(0.019)	(0.014)	(0.013)	(0.008)	(0.009)
Observations	1868	1868	1868	1868	1868	1868	1868	1868	1868

Notes: This table presents the estimated coefficients of interest of difference-in-differences regressions, comparing individuals aged 23-28 in pre/post reform period (See Figure 1). Treatment group consists of kibbutzim that reformed in 1998, 1999. control group consists of kibbutzim that reformed in 2004, 2005. the dependent variable is an indicator of whether the student completed a BA in the areas of study indicated by the outcome. The simple difference-in-differences regressions includes only cohort dummies. The controlled difference-in-differences regressions includes cohort dummies, kibbutz fixed effects and the following student demographic controls: number of siblings, a set of ethnic dummies (origin from Africa/Asia, Europe/America, immigrants from FSU, Ethiopia, Israel and other countries). Standard errors clustered by kibbutz are presented in parentheses. ***, **, * indicate significance at the 1%, 5%, and 10% levels respectively.

Table A13: Effect of Pay Reform on BA Degree Attainment by Expected Wages and Gender

(Sample: Individuals Aged 23-28 in 1995, 1996 and in 2001, 2002)

	BA Degree by Expected Wages								
	Expected Wages			Field of Studies With Expected Wages Above 3rd Quartile			Field of Studies With Expected Wages Above Median		
	All (1)	Male (2)	Female (3)	All (4)	Male (5)	Female (6)	All (7)	Male (8)	Female (9)
A. Cross Section Regressions									
Pre-Reform	-52.400 (94.370)	-28.390 (146.600)	-80.970 (107.900)	-0.006 (0.007)	-0.002 (0.010)	-0.012 (0.011)	-0.008 (0.010)	-0.005 (0.012)	-0.012 (0.017)
Post-Reform	375.600*** (93.270)	558.400*** (145.300)	152.100 (106.300)	0.018** (0.007)	0.030*** (0.010)	0.002 (0.011)	0.035*** (0.010)	0.034*** (0.012)	0.036** (0.016)
B. Difference-in-Differences									
Simple	428.000*** (132.700)	586.800*** (206.400)	233.100 (151.500)	0.024** (0.010)	0.032** (0.014)	0.013 (0.015)	0.043*** (0.014)	0.039** (0.017)	0.048** (0.023)
Controlled	406.900*** (134.300)	550.300*** (210.000)	277.200* (154.300)	0.023** (0.011)	0.031** (0.014)	0.017 (0.015)	0.042*** (0.014)	0.036** (0.017)	0.054** (0.024)
Observations	4167	2299	1868	4167	2299	1868	4167	2299	1868

Notes: This table presents the estimated coefficients of interest of difference-in-differences regressions, comparing cohorts of individuals aged 23-28 in pre/post reform period (See Figure 1). Treatment group consists of kibbutzim that reformed in 1998, 1999. Control group consists of kibbutzim that reformed in 2004, 2005. In columns 1-3 the dependent variable is continuous and the measurement unit is New Israeli Shekels per month. 1US dollar is currently equal to approximately 3.7 shekels. the dependent variable in columns 4-9 is an indicator of whether the student completed a BA in a field of studies with expected wages between the different quartile. The simple difference-in-differences regressions includes only cohort dummies. The controlled difference-in-differences regressions includes cohort dummies, kibbutz fixed effects and the following student demographic controls: gender, number of siblings, a set of ethnic dummies (origin from Africa/Asia, Europe/America, immigrants from FSU, Ethiopia, Israel and other countries). Standard errors clustered by kibbutz are presented in parentheses. ***, **, * indicate significance at the 1%, 5%, and 10% levels respectively.

Table A14: Placebo Experiments, Using Older Unaffected Cohort in Difference-In-Differences Estimation

(Sample: Individuals Aged 23-28 in 1989, 1990 and in 1995, 1996)

	BA Degree by Field of Study								
		Humanities	Social Sciences		Sciences				
	Any Field	Humanities Any Field	Social Sciences Any Field	Economics, Business, Law	Sciences Any Field	Biology, Chemistry, Pre-Health Sci	Math, Eng, Physics, Comp Sci, Stat	Computer Science	Engineering
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Simple Difference-in-Differences	0.010 (0.015)	-0.015** (0.007)	0.017* (0.009)	0.010 (0.006)	0.009 (0.010)	0.010 (0.007)	-0.001 (0.007)	0.004 (0.003)	-0.007 (0.006)
Controlled Difference-in-Differences	0.005 (0.015)	-0.015** (0.008)	0.013 (0.009)	0.009 (0.006)	0.008 (0.010)	0.009 (0.007)	-0.002 (0.008)	0.004 (0.003)	-0.008 (0.006)
Observations	3749	3749	3749	3749	3749	3749	3749	3749	3749

Notes: This table presents difference-in-differences and controlled difference-in-differences coefficients of placebo experiment that compare cohorts of individuals aged 23-28 in two pre-reform periods. The treatment group consists of kibbutzim that reformed in 1998, 1999. The control group includes kibbutzim that reformed in 2004, 2005. The dependent variable is an indicator of whether the student completed a BA in the areas of study indicated by the outcome. The simple difference-in-differences regressions include only cohort dummies. The controlled difference-in-differences regressions include cohort dummies, kibbutz fixed effects and the following student demographic controls: gender, number of siblings, a set of ethnic dummies (origin from Africa/Asia, Europe/America, immigrants from FSU, Ethiopia, Israel, and other countries). Standard errors clustered by kibbutz are presented in parentheses. ***, **, * indicate significance at the 1%, 5%, and 10% levels, respectively.