

Research Statement

Tom Zohar, CEMFI, October 2026

I am a labor economist. My work asks how much of a person's economic life is decided by circumstances they did not choose, which channels carry that advantage or disadvantage, and what policy can do about it. I study these questions with population-scale administrative data, usually linking individuals to their parents, their employers and the communities they grew up in, and I write down simple models where they discipline what the data can say.

My research runs in two strands. The first studies the drivers of inequality of opportunity: how much of the intergenerational persistence of earnings runs through what workers bring to the labor market and how much through the firms they reach, and what sits behind each part. The second studies how social norms, information frictions and economic constraints shape women's reproductive and other high-stakes decisions, and the long-run consequences of those decisions. A smaller third line develops the econometric tools these questions required. The work has produced a paper forthcoming in the *American Economic Journal: Applied Economics*, a paper in the *Journal of Development Economics* (2026), and revise-and-resubmits at the *Journal of Political Economy* (third round), the *American Economic Review* and the *Review of Economics and Statistics*.

Drivers of inequality of opportunity

Children of high-earning parents tend to earn more themselves. The literature has identified four channels through which this happens: the schooling a child gets, the home and neighborhood they grow up in, the genes they inherit, and the employers they end up at. Each channel has been studied on its own, with its own yardstick, so we know that advantage is transmitted but not which channels carry most of it. The distinction matters because each calls for a different remedy: if advantage runs mainly through the home, family and education policy have the bite; if through inherited traits, policy can only compensate; if through access to better-paying employers, labor-market regulation does.

My starting point is a result in *Quantifying the Role of Firms in Intergenerational Mobility* (with Caue Dobbin; forthcoming, *American Economic Journal: Applied Economics*). Using the AKM decomposition of earnings into a worker component and a firm pay premium, we show that the intergenerational earnings elasticity splits exactly into a worker-IGE, inherited earning capacity, and a firm-IGE, inherited access to better-paying firms. In Israeli population data the firm-IGE is 23 percent of the total. Roughly half of it cannot be accounted for by skill differences, and most of it reflects sorting across sectors rather than across firms within a sector, which points to structural barriers rather than firm-level discrimination. The firm share has since been estimated elsewhere, from about 15 percent in the United States to 25 to 38 percent in Sweden, so the result is general and the variation across labor markets is itself a question.

My agenda for the next five years opens both parts of this decomposition. It is the core of my ERC Starting Grant proposal, DECOMP-IGM (€1.5 million, submitted October 2026), and it rests on one further idea: each channel's contribution is the product of an inequality term, what the labor market pays for that channel, and a mobility term, how strongly richer parents pass it on. Separating the two tells us whether a channel matters because it is well rewarded or because it is tightly inherited, and those call for different policies.

- **What inherited earning capacity is made of** (with Dobbin). The AKM worker component has been treated for twenty years as a sufficient statistic for everything about the worker, and it

carries about three quarters of the elasticity. We decompose it into the direct effect of inherited genes, the indirect effect of parental genes the child did not inherit, which captures the home the parents built, and the childhood environment measured directly from school cohorts and neighborhoods. The design needs genotyped parent–child trios linked to a population employer–employee panel and to a record of childhood ties. That configuration exists in the Netherlands, through the Lifelines biobank linked to Statistics Netherlands registers, and almost nowhere else. I brought CBS data access to CEMFI through an institutional agreement for this purpose.

- **Does the labor market hand down advantage?** (with Per Engzell, UCL). With a team covering 17 countries, we estimate the firm/worker split with one harmonized estimator, nationally and across hundreds of local labor markets within each country. The within-country variation holds the statistical power: it lets us ask whether the firm-IGE is smaller where collective bargaining is broader, or larger where a few employers dominate hiring, and whether the difference sits in how dispersed firm premia are or in who reaches the better-paying firms. It also decomposes the Great Gatsby curve, the cross-country association between inequality and immobility, into its firm and worker sides.
- **Where each channel pays off.** Putting the two together, we ask whether the same genes, home and childhood environment that build earning capacity also determine access to good employers. A channel whose contribution sits in capacity is the province of education and skill policy; one that sits in firm access is the province of hiring, information and competition policy.
- **What redistribution already undoes.** Families invest in children out of income after taxes and transfers, so a decomposition that stops at market earnings leaves the policy question half answered. Re-running the decomposition on post-tax income says which channels each euro of redistribution offsets. This builds on a multi-country project on transfers and mobility in which I lead the Finland team.

Two further papers belong to this strand. *Intergenerational Mobility of Immigrants in 15 Destination Countries* (with Leah Boustan and a multi-country team; revise and resubmit, *American Economic Review*) shows that large first-generation income gaps shrink markedly in the second generation, that about half of the remaining gap reflects parental income, and that destination labor markets and policies, rather than countries of origin, drive most of the cross-country variation. *Separations Revisited* (with Dobbin and Daniel Fernandez) studies the firm side directly: using Brazilian matched employer–employee data that record the reason for each separation, we show that high-productivity firms’ lower separation rates come from fewer layoffs rather than fewer quits, because under downward wage rigidity their larger markdowns buffer wages against adverse shocks. Finally, *On Causal Inference with Model-Based Outcomes* (with Dmitry Arkhangelsky and Kazuharu Yanagimoto) develops inference for the setting these projects live in, where the outcome is an estimated group-level parameter such as a firm pay premium, and shows when standard one-step and two-step estimators fail and what restores consistency.

Gender, social norms and high-stakes decisions

The second strand asks how social norms, information frictions and economic constraints interact to shape women’s reproductive and other high-stakes decisions, with a focus on autonomy and long-run opportunity. In each project I write down a model of the decision, test it with administrative data on the full population, and then ask what the mechanism implies for policy.

Women’s Autonomy and Abortion Decision-Making (with Nina Brooks and Caue Dobbin; revise

and resubmit, *Journal of Political Economy*, third round) uses data covering the universe of legal abortions in Israel and a 2014 reform that expanded eligibility for public funding. The subsidy raised the share of pregnancies ending in abortion by 6.8 percentage points, and by 14.8 points among young women from communities with strict views on abortion. The pattern is hard to square with a price effect, since the cost of an abortion is small next to the cost of raising a child. Our explanation is that young women’s liquidity constraints are social: a daughter who earns little at the time of pregnancy can only afford the procedure by asking her parents, and parents who disapprove will refuse. The subsidy removes the need to ask. It therefore changes behavior exactly where a daughter’s wishes and her parents’ views diverge, which is more common in strict communities, and it does so without raising conception rates. Survey evidence on intergenerational mismatch in abortion attitudes and corroborating evidence from two US policies support the mechanism. The policy lesson is that public funding expands young women’s autonomy, which places abortion subsidies in the same policy space as parental consent laws.

The Complementary Role of Information and Contraceptive Access in Teen Pregnancy (with Sevin Kaytan and Stwarth Piedra-Bonilla; *Journal of Development Economics*, 2026) asks what makes contraception provision work when the information frictions are not known in advance. We evaluate a Costa Rican initiative that combined free long-acting reversible contraceptives with a tailored information campaign to correct baseline misperceptions. Using administrative data and geographic variation in roll-out, we find a 16 percent fall in the teen birth rate, with much larger reductions in districts exposed to both pillars than in those with access alone. Survey data show the campaign shifted adolescents’ main source of information from personal networks to health professionals. Accurate, trusted information complements access rather than merely raising take-up.

Postpartum Depression and the Motherhood Penalty (with Sonia Bhalotra, Meltem Daysal, Louis Fréget, Jonas Cuzulan Hirani, Priyama Majumdar, Mircea Trandafir and Miriam Wüst; revise and resubmit, *Review of Economics and Statistics*) links Danish administrative data to two independent, validated postpartum depression screenings. Depressed and non-depressed mothers are on the same trajectory before birth, but persistent employment gaps open immediately after it, and health-care use shows these are acute shocks rather than pre-existing differences. The penalties are concentrated among less educated mothers and those in less family-friendly jobs, so postpartum mental health is a meaningful and unequal contributor to the motherhood penalty.

Ongoing work with Nina Buchmann and Sevin Kaytan, *Social Norms Implications of Prostitution: A Transitory or Absorbing State?*, extends the strand to a decision where norms bite hardest. Using Dutch administrative data that link registered sex-work activity to employment, earnings, fertility and marriage histories, we estimate the long-run labor-market and family penalties of entering sex work, comparing women who enter after an income loss with observably similar women who take up other short-tenure work. A survey module then elicits beliefs about these penalties from the general population and from women in the vulnerable population, so we can ask whether entry and exit decisions rest on accurate beliefs or on mistakes, and the staggered roll-out of Dutch municipal exit programs gives a lever on exit frictions. A model of entry and exit with heterogeneous beliefs and mounting, duration-dependent penalties organizes the evidence.

Across the four projects the lever is the same: constraints that look financial are often social or informational, and the policies that work are the ones that expand a woman’s autonomy or correct what she knows, not only the ones that change the price.

Where the agenda goes next

The next five years are mapped by DECOMP-IGM: the harmonized 17-country codebase and the Dutch genetic and childhood-network measures in the first two years, the worker and firm decompositions in years two and three, their combination and the post-tax decomposition after that, with replications in Finland and Norway, where genotyped trios can also be linked to registers. The infrastructure this builds, linked data in several countries and a network of country teams, is what my research will rest on afterwards. In the second strand, the sex-work project's survey and exit-program evidence come next. A planned bridge between the strands studies how childcare constraints shape women's job mobility and match quality, and how firms adjust hiring, retention and pay when childcare access changes, combining administrative data with information interventions aimed at firms and job seekers.

Much of this work depends on data that few researchers can reach. I hold and operate restricted-access registers in Israel, Spain, Denmark, Brazil, Costa Rica, Finland and the Netherlands, and I have built the agreements and the teams that make cross-country designs run. I expect that infrastructure, and the students who learn to use it, to be a lasting contribution to any department I join.