

METHODOLOGY AND DATA COMPANION

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The Kollel Dividend: Short-Run Nulls and Long-Run Growth

Methodology and data companion to the working paper

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A full white paper, with the complete introduction, related literature, data and design, results, discussion, limitations, conclusion, and references, is available on request.

© 2026 Heshbon and the author. This companion explains how the working paper was built and how to read its results. It can be shared and cited with attribution.

At a glance	
Research question	When a community kollel is founded, does the surrounding Jewish community measurably grow, in housing values, communal recruiting, day-school enrollment, and day-school finances?
Data	A census of 266 U.S. Jewish communities with verified founding years for 81 kollels, linked to ZIP-level home values, participation in a national recruiting fair, federal enrollment surveys, and 1,097 IRS Form 990 filings from 94 schools.
Unit of analysis	The community (for housing, recruiting, and enrollment) and the school (for finances), observed year by year with time re-centered on the kollel's founding.
Statistical method	A staggered-adoption event study, a difference-in-differences design that compares treated units to never-treated and not-yet-treated controls with unit and year fixed effects.
Headline finding	Every five-year effect is null; over ten to twenty years kollel communities pull ahead, growing day-school revenue at roughly twice the median rate of never-kollel communities (+51% versus +24%, Mann-Whitney $p = 0.021$).
What it shows	The kollel's measurable return, if there is one, arrives in the second decade rather than within a grant cycle.

The question behind the paper

Founders of community kollels make an explicitly causal claim: plant a group of full-time Torah scholars in a small or mid-sized Jewish community and the community itself will grow, attracting observant families, sustaining day schools, and compounding into demographic and economic strength. That developmental promise has been asserted for half a century but never tested. This paper provides the first systematic test, asking whether communities actually look different after receiving a kollel than they would have otherwise, and over what time horizon any difference appears.

Where the data come from

A kollel census and founding years. The study begins from a roster of 266 U.S. Jewish communities compiled by the author from public sources, then conducts a community-by-community search for kollel presence, separating institutes of advanced study for married fellows from synagogues, day schools, and yeshiva programs for unmarried students. Founding years were verified for 81 of the 94 datable-kollel communities using institutional websites, nonprofit registries, and press coverage, under a first-kollel-of-any-kind rule.

Four independent outcome panels. Housing uses the Zillow Home Value Index at the ZIP level, monthly from 2000 to 2026 and read at June values, with every community matched to its

principal ZIP. Recruiting activity uses participation in a national Jewish community-recruiting fair, observed in seven biennial waves from 2013 to 2026. Enrollment is assembled from the National Center for Education Statistics Private School Universe Survey via ELSI, state private-school censuses, and archived directories, with federal surveys anchoring all endpoints.

Audited school finances. School finances come from IRS Form 990 filings retrieved through ProPublica's Nonprofit Explorer: 1,097 school-year filings across 94 schools from 2011 to 2023, matched to kollel and control communities. Program-service revenue, which is approximately tuition, is the preferred outcome because it isolates operating scale from one-time capital campaigns.

The statistical method, named and explained

The primary design is a staggered-adoption event study, a form of difference-in-differences suited to a treatment that arrives in different communities in different years. For each outcome the paper regresses the logged measure on community fixed effects, year fixed effects, and a set of event-time indicators binned around the founding year, with the year just before founding as the reference point and standard errors clustered by community. Crucially, the comparison group is limited to never-treated and not-yet-treated communities, which avoids the contaminated comparisons that ordinary two-way fixed-effects estimators produce when treatment effects vary. Identification rests on the absence of differential pre-trends, and in every panel the joint test of the pre-founding coefficients fails to reject zero, which rules out the concern that kollels simply land in communities already booming. The long-horizon comparisons in Section 5.4 are treated as descriptive associations (with a Mann-Whitney test for the revenue distributions), because no event window can randomize a twenty-year trajectory.

Key results from the paper

Table 1. Where kollels are planted: median home value relative to the state average.

Community group	Value vs. state average	n
Never-kollel communities	+2%	139
Outreach-kollel communities	-6%	32
Yeshiva-kollel communities	-21%	2

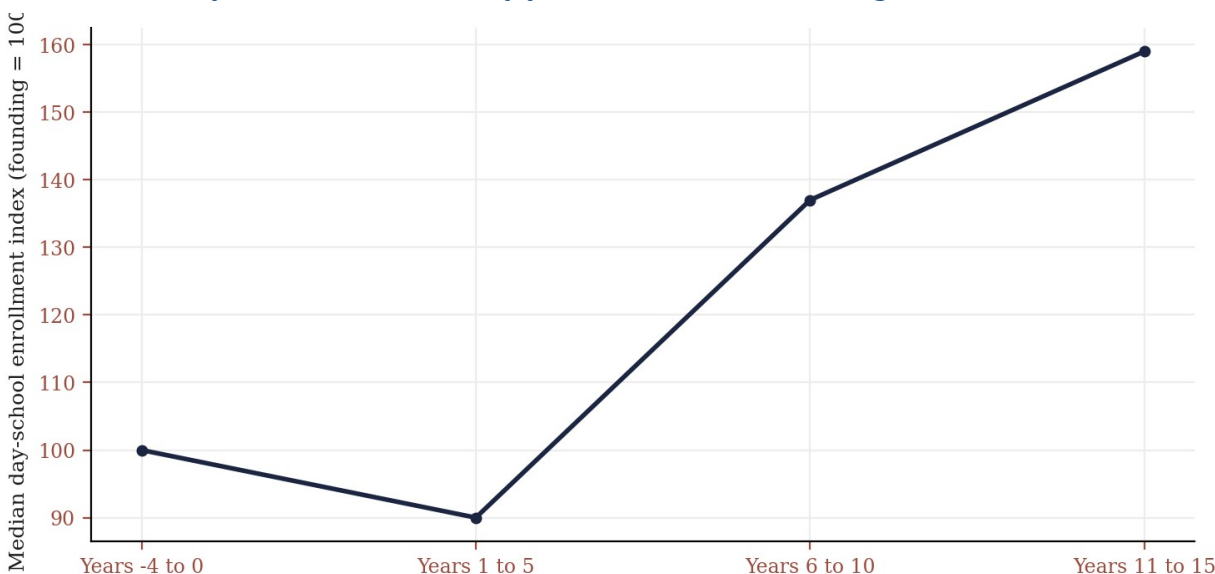
Note. Median of community-level home-value gaps against state-year averages, measured over the four years before founding for treated communities. Kollels select into cheaper, developing communities rather than chasing expensive ones.

Table 2. Short-run event studies and difference-in-differences, by outcome.

Design and outcome	Post effect	p	N treated
Home values (event study)	+0.1%	0.59	35
Home values, with state-by-year effects	+1.5%	0.09	35
Fair participation (difference-in-differences)	+7.0 pp	0.44	25
Tuition revenue (event study)	-0.9%	0.57	8
Tuition revenue, excl. newly founded school	-6.2%	0.46	7

Note. All specifications carry unit and time fixed effects with clustered standard errors. Pre-trend joint tests do not reject zero in any specification.

Figure 1. Pooled day-school enrollment by years since kollel founding.



Note. Median indexed enrollment across communities with a founding-era baseline. The dip in years one through five gives way to a climb thereafter; years 16 and later are omitted because one outlier community dominates them.

How to read the results

Read in sequence, the three exhibits tell a single story about horizons. Table 1 establishes the identification linchpin: kollels are planted downhill, into communities that sit below their state's average home value, which is the opposite of amenity-chasing and weighs against reading later advantages as selection on communal strength. Table 2 shows that within five years nothing moves, not housing, not recruiting, and not tuition revenue, with flat pre-trends confirming there was no boom underway. Figure 1 then shows the long arc the short window cannot see: enrollment slips to 90% of its founding level in the first five years, then rises to 137% and 159% in the second and third five-year bins. The finance panel makes the same point with an audited comparison, where schools in long-kollel communities grew revenue 51% against 24% for never-kollel communities over 2011 to 2023.

What the numbers do not claim

The short-run nulls are bounds rather than proofs of zero: with 35 treated communities for housing and 8 schools for finance, the designs can detect effects of roughly 5% and larger, so smaller true effects would be invisible. The long-horizon comparisons are descriptive, and the data cannot fully separate a slow causal mechanism from selection by founders into communities with durable trajectories, though negative price selection at entry weighs against pure selection.

Housing is observed at the ZIP level, where the Orthodox community is a minority everywhere in the sample, and the most traditionalist schools, concentrated in kollel-dense communities, often do not file Form 990, a gap that plausibly works against finding a kollel effect.

Reproducing the analysis

The outcome data are public: home values come from the Zillow Home Value Index, enrollment from the NCES Private School Universe Survey and ELSI, and school finances from IRS Form 990 filings available through ProPublica's Nonprofit Explorer. The recruiting measure comes from published participation records for a national community fair. The kollel census, with its verified founding years and first-kollel coding rule, is the author's own contribution and is the piece a replication would need to rebuild before re-running the event studies on the same public panels.