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## 4 “Teacher Salaries in Black and White”: Pay Discrimination in the Southern Classroom

As Chapter 2 showed, racial differences in teacher salaries in the South were an important proximate cause of racial differences in per pupil expenditures. Analysis of why black teachers received different wages than white teachers provides additional insights into the political economy of resource allocation in segregated schools. Data from 1910 and 1940 reveals that black teachers experienced significant amounts of “wage discrimination,” that is, black teachers were paid less than equivalently qualified white teachers. This discrimination was a consequence of demand-side behavior by school boards and of supply-side factors in the labor market causing the supply price of black teachers to be less than that of white teachers. Wage discrimination diminished sharply during the 1940s, as a result of court action, tight labor markets, and changing social attitudes.

### 4.1 Racial Differences in Teacher Salaries, 1890–1954

In September 1939 the NAACP filed a lawsuit against the Norfolk, Virginia school board, on behalf of Melvin Alston, president of the Norfolk black teachers association. The suit replaced one filed previously on behalf of Aline Black, whose case became moot when the school board fired her. Alston’s suit claimed that the Norfolk board discriminated against black teachers by paying them lower salaries for no reason other than race. Black elementary teachers, with no prior experience and a normal school degree, received \$226 less per year than similarly qualified white teachers. A white male, hired to teach in the city’s segregated white high schools, earned 53 percent more than a black teacher with the same teaching experience and education. There was no subterfuge about the behavior or intentions of the school board: the salary schedules were public knowledge. In February of 1940 Alston’s suit was dismissed by a federal district judge on just these grounds. Once Alston had signed the

contract offered to him by the board, he had silently acquiesced to the pay inequity.

The U.S. Court of Appeals disagreed. To “arbitrarily [pay] less to Negroes than to white persons,” the Court reasoned:

for public services of the same kind and character [by] men and women equally qualified according to standards which the state itself prescribes . . . is as clear a case of discrimination on the ground of race as could well be imagined and falls squarely within the inhibition of both the due process and equal protection clauses of the 14th Amendment. (Tushnet 1987, 79–80)

The school board’s appeal to the U.S. Supreme Court was denied without a hearing. The NAACP was delighted with its victory. By refusing to hear the appeal, the Supreme Court had implicitly ruled against racially based salary schedules, thereby easing the burden of proof in subsequent cases.

The inequality in pay in Norfolk was hardly unusual. A 1941 NAACP pamphlet entitled “Teacher Salaries in Black and White” documented enormous racial disparities in teachers’ pay in the South. On average, black teachers earned 40 to 50 percent of what white teachers earned. Despite “intimidation, chicanery, and trickery of almost every form imaginable” (1987, 81) by school officials, and the opposition of some black educators, the NAACP persisted in bringing equalization suits. Norfolk wasn’t the first, or the last of the victories. The battle had

been an uphill climb, but the fight can be won. It can be won through the persistence, organization, and continued cooperation of the teachers. . . . It can be won through the moral and financial support of all intelligent citizens, Negro and white. And it can be won through the united resolution of all of us to fight until full equality is established within the jurisdiction of every school board in the United States. (1987, 81)

The pay differentials that gave rise to the eloquent pleas of “Teacher Salaries in Black and White” were not always as gross, nor would they stay the same after World War Two. Race-specific data on teacher salaries are given in Table 4.1. The primary sources are the reports of the state superintendents of education for the various southern states. Later in the chapter I shall supplement these with evidence on individual teachers drawn from the public use sample of the 1940 census. The salary estimates do not include board or in-kind payments. Allowing for board and in-kind payments would probably narrow somewhat the racial salary gap early in the century—there is some evidence that black teachers were paid more frequently in kind, particularly by parents—but adjusting for such payments would not change any substantive conclusions (Margo 1984b, 309). It should be noted that, although annual estimates are given, the substantive conclusions are the same for monthly salaries.

In 1890 the average annual salaries of teachers were generally lower for

**Table 4.1** Annual Salaries of Public School Teachers: Selected Southern States, 1890 to 1950 (in 1950 dollars)

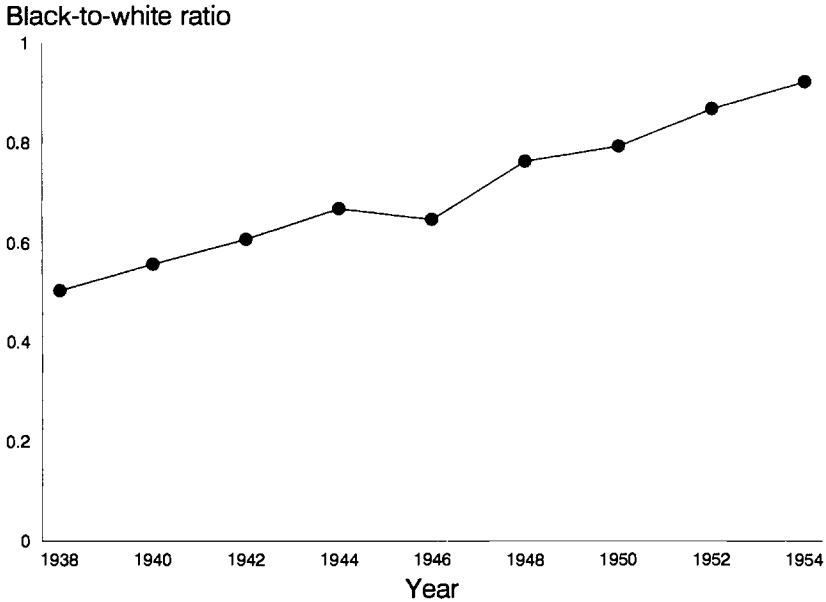
	c. 1890	c. 1910	1936	1950
<b>Alabama</b>				
Black	255	311	643	1,901
White	215	790	1,390	2,214
Ratio	1.19	0.39	0.46	0.86
<b>Florida</b>				
Black	319	312	966	2,643
White	342	676	2,018	3,056
Ratio	0.93	0.46	0.48	0.86
<b>Louisiana</b>				
Black	343	240	790	2,486
White	418	940	1,825	3,222
Ratio	0.82	0.26	0.43	0.77
<b>Mississippi</b>				
Black	251	284	484	760
White	313	639	1,535	1,884
Ratio	0.80	0.45	0.32	0.40
<b>North Carolina</b>				
Black	204	268	1,064	2,721
White	207	506	1,590	2,675
Ratio	0.98	0.53	0.67	1.02
<b>South Carolina</b>				
Black	NA	251	592	1,515
White	NA	694	1,617	2,149
Ratio	NA	0.36	0.37	0.70
<b>Virginia</b>				
Black	466	399	1,019	2,003
White	482	854	1,766	2,080
Ratio	0.97	0.47	0.58	0.96
National average	724	1,102	2,516	3,010

Note: NA: not available.

Source: 1890, 1910, Margo (1985, 46, 48, 52, 54), which gives length of school year (in days) and average daily teacher wage; annual salary is daily wage  $\times$  average length of school year; 1936, Blase and Caliver (1938); 1950, U.S. Department of Health, Education, and Welfare (1954). NATIONAL AVERAGE: 1890, 1910, U.S. Bureau of Census (1975, 168); 1936, Blase and Caliver (1938); 1950, U.S. Department of Health, Education, and Welfare (1954). Deflator is the wholesale price index of the Bureau of Labor Statistics (U.S. Bureau of Census 1975).

blacks than for whites, but the salary gap was much smaller than it would become soon after the turn of the century. In the Deep South states of Louisiana and Mississippi, black teachers earned about 80 percent of what white teachers earned. The gap was narrower in Florida and North Carolina (2–6 percent). In Alabama, due to a slightly higher concentration of black teachers in counties with above average salaries, the average black salary actually exceeded the average white salary.

By 1910 the black-to-white salary ratio had fallen well below its 1890s



**Figure 4.1 Black-to-White Ratio of Average Annual Teacher Salaries: The South, 1938–1954**

*Source:* Calculated from data in Federal Security Agency, U.S. Office of Education (1942, 1947, 1949, 1950, 1951) and U. S. Department of Health, Education and Welfare (1954, 1957, 1959).

level.<sup>1</sup> The proximate cause was a dramatic increase in the pay of white teachers. Average annual salaries of white teachers doubled or tripled in real terms, a rate of growth that exceeded the national average. The experience of black teachers was just the opposite. In three states the salary of black teachers fell, and in no state did black salaries keep pace with white salaries.

Pay differentials on account of race existed in southern schools before the turn of the century, but the racial salary gap widened between 1890 and 1910. In Chapter 3 I argued that the decline in the black-to-white ratio of per pupil expenditures was, in part, caused by disenfranchisement. The rise in the racial salary gap shows that white teachers, as well as middle-class whites and their children, gained from disenfranchisement.

Between 1910 and the mid-1930s, average salaries of black teachers increased in real terms. In most states this growth was sufficient to cause the black-to-white ratio of average salaries to rise somewhat, although in absolute dollars, the gap was larger ca. 1936 than in 1910. And in Mississippi, the black-to-white ratio actually fell, from 0.45 in 1910 to 0.32 in the mid-1930s. Clearly, there was no substantial movement towards equalization of salaries in the South before 1940.

Equalization was the trend, however, during the 1940s. Figure 4.1 shows

the black-to-white salary ratio between 1938 and 1954. In 1942 black teachers earned an average annual salary equal to 61 percent of that paid to white teachers. Two years later the ratio had risen to 67 percent, and by 1950 the ratio was 79 percent. In 1954 the average annual salary of black teachers was nearly equal (92 percent) to that of white teachers. Thus between 1944 and 1954 the increase in the black-to-white salary ratio was larger than in the previous three decades combined.

To summarize, the black-to-white ratio of teachers' pay followed a U-shaped pattern over time, as pointed out previously in Chapter 2. It is also apparent that, between 1910 and 1940, the salaries of black teachers fell far below those of white teachers. The next two sections consider whether the racial difference in pay can be attributed to racial differences in the characteristics of teachers or in other variables, or whether the pay gap represented wage discrimination.

## 4.2 The Determinants of Teacher Salaries: 1910 and 1940

The typical black teacher labored in a poorly equipped classroom, taught larger classes for fewer days per year, and earned less doing it than did her white counterpart. Why were black teachers paid less than white teachers? The principal reason, according to the NAACP, was wage discrimination. School boards simply paid more to a white teacher than a black teacher with equal qualifications. The teacher salary lawsuits would eventually make the differentials illegal. But before the suits were brought, school boards discriminated willfully and flagrantly.

Wage discrimination, however, might not have been the sole cause of the pay gap. Even if black teachers had received "equal pay for equal work," they might have been employed more frequently in school districts that, for any number of reasons, paid low salaries. Even if pay *within* school districts had been equalized, there might still have been an overall pay gap.<sup>2</sup>

Further, the professional qualifications of black teachers were generally not as good as those of white teachers. It is true that racial differences in qualifications were the manifestation of inadequate facilities for training black teachers. Few black teachers held postgraduate degrees, for example, because there were few programs for them to attend. However, if school boards were willing to pay higher salaries to better-educated and more experienced teachers regardless of race, racial differences in qualifications would result in racial differences in salaries.

This section examines the determinants of racial differences in teacher salaries, using ca. 1910 county-level data on monthly teacher salaries, and individual-level data from the 1940 census public use sample on annual and weekly salaries. My investigation is based on regressions of the following form:

$$(1) \quad \ln W = X\beta + \varepsilon$$

The dependent variable,  $\ln W$ , is the log of the teacher's salary; the  $X$ 's are characteristics of teachers or possibly other variables affecting wages; the  $\beta$ 's are regression coefficients; and  $\varepsilon$  is an error term.

Data are analyzed for 1910 from three states, Florida, Louisiana, and North Carolina. For Florida and Louisiana the data are sex specific as well, and in these states the dependent variable is the (sex-specific) log of the average monthly teacher salary.<sup>3</sup> For North Carolina the data are not sex specific, so the dependent variable refers to the log of the monthly salary, averaged over male and female teachers in a county.

In the 1910 regressions the qualifications of teachers are measured by the percentage of teachers holding first grade (or higher level) teaching certificates. First grade (or "state" grade) were generally the highest quality certificates. Commonly they were awarded if the teacher achieved a high enough score on an examination given by local or state officials, or if the teacher had completed a certain level of education (for example, a normal school degree). It is true that certification is a less than perfect indicator of qualifications. Standards varied across school districts, school officials had a great deal of leverage in awarding certificates, and there is evidence that black teachers had greater difficulty acquiring first grade certificates than did white teachers (Kousser 1980a, 185). Precisely for these reasons, I originally limited my analysis to Florida, North Carolina, and Louisiana, where other race-specific information on qualifications was reported, such as the percentage that attended college or normal school, or the percentage with prior teaching experience. However, it turned out that these other measured variables were highly correlated with certification. Because the substantive conclusions were no different, only the regressions with the certification are reported here.<sup>4</sup>

Racial differences may not have been the only basis for wage discrimination. There is considerable evidence that, in the late nineteenth and early twentieth centuries, female teachers were paid less than comparably qualified male teachers (Strober and Best 1979; Margo and Rotella 1981). In the Florida and Louisiana regressions, the variable labelled *Female* takes on the value of one if the observation refers to female teachers. In the North Carolina regressions, *Female* refers to the percentage of female teachers in a county. If a gender gap in pay existed, the variable should have a negative coefficient.

The 1910 regressions also include variables measuring the characteristics of the county. Because of the financial incentives to keep expenditures low in the black schools (Chapter 3), heavily black counties might have offered low salaries, thus attracting less able candidates. To control for this effect, the percentage of blacks in the county is included. Per capita assessed wealth and population density are proxies for a variety of factors that may have affected

teacher salaries. By offering higher salaries, wealthy counties could attract more able teachers. Teacher salaries may have been higher in more heavily populated areas, because alternative employment opportunities for teachers were more plentiful.<sup>5</sup>

The regression results are shown in Table 4.2.<sup>6</sup> Teachers holding first grade certificates generally received higher salaries. There is no evidence that the marginal returns to holding a first grade certificate were significantly lower for black teachers.<sup>7</sup> In Florida and Louisiana, female teachers received lower monthly salaries than males, and the gender gap was larger among white teachers. Except in North Carolina, the average black salary decreased as the percentage of blacks increased in a county. Wealthier, more densely populated counties paid higher average salaries regardless of race.

I next examine the determinants of racial differences in teacher salaries in 1940. The data base consists of 2,888 teachers from the 1940 census sample, 567 of whom were black.<sup>8</sup>

Compared with the county-level data previously analyzed, there are advantages and disadvantages to the 1940 teacher sample. The sample is large, covers the entire South, contains information on educational attainment, and pertains to individual teachers. A disadvantage is that teachers were identified by the occupation they reported when the census was taken, but the salary data refer to 1939. Some persons in the sample could have worked in a different job in 1939, but I am assuming that they were, in fact, teachers for all of 1939. Others may have been teachers in 1939, but left the profession before the census was taken. Some persons worked multiple jobs, and their wage and salary income would include earnings from all of the jobs, not just teaching. Finally, there is no good way to distinguish public school teachers from other teachers.

The dependent variables are logs of the annual and weekly salaries. The independent variables, taken from among those available in the 1940 sample, are gender, marital status, age, educational attainment, urban status, and region. Separate regressions were estimated for black and white teachers.

The racial salary gap was large in 1940. On an average annual basis, black teachers earned 59 percent of what white teachers earned; on a weekly basis, 63 percent. The greater discrepancy in annual salaries reflects the shorter school year in the black schools. Black teachers worked fewer days than white teachers, so their annual salaries were lower.

The regression coefficients are shown in Table 4.3. Significantly higher salaries were paid to older teachers, presumably because they were more experienced. The gradient between age and salary was slightly steeper among black teachers, at least up to age 55.<sup>9</sup> White teachers who attended fewer than three years of college earned salaries that were no higher, on average, than those with a high school diploma, but three or more years of college did have a significant payoff. For black teachers, college paid dividends as early as the second year. The biggest gains were reserved for teachers with four or more years of college training. In percentage terms, black teachers appeared to ben-



**Table 4.2** Salary Regressions: 1910

	Florida		Louisiana		North Carolina	
	Mean	$\beta$	Mean	$\beta$	Mean	$\beta$
<b>White Teachers</b>						
Constant		1.96 (5.20)		3.41 (29.83)		2.12 (7.49)
Female	0.75	-0.18 (4.64)	0.83	-0.36 (15.61)	0.73	-0.01 (0.11)
% with first grade certificates	0.32	0.45 (2.76)	0.73	0.23 (3.46)	0.80	0.13 (0.98)
% of blacks in county	0.39	-0.08 (0.66)	0.38	0.08 (1.30)	0.29	0.18 (1.42)
Per capita wealth	5.40	0.30 (4.96)	5.66	0.11 (5.29)	5.57	0.17 (2.72)
Population density	2.81	0.11 (4.97)	3.77	0.04 (2.75)	3.88	0.09 (2.30)
Mean value-dependent variable	3.89		4.11		3.58	
Number of observations		94		122		98
$R^2$		0.34		0.75		0.32
<b>Black Teachers</b>						
Constant		0.96 (3.20)		3.14 (12.78)		0.66 (1.88)
Female	0.72	-0.14 (3.04)	0.71	-0.17 (4.07)	0.69	-0.12 (0.90)
% with first grade certificates	0.09	0.40 (1.84)	0.34	0.18 (1.99)	0.31	0.29 (3.84)
% of blacks in county	0.47	-0.45 (2.64)	0.47	-0.72 (6.12)	0.38	0.09 (0.80)
Per capita wealth	5.30	0.43 (6.44)	5.56	0.10 (2.08)	5.62	0.42 (5.15)
Population density	3.10	0.12 (4.46)	4.03	0.05 (2.40)	3.88	0.02 (0.38)
Mean value-dependent variable	3.37		3.47		3.19	
Number of observations		91		118		93
$R^2$		0.46		0.66		0.42

*Notes:* *Dependent variables:* Florida, Louisiana—log of (sex-specific) average monthly salary; North Carolina—log of average monthly salary. *Female:* Florida, Louisiana—equals one if observation pertains to female salary, zero otherwise; North Carolina—percentage of female teachers.

*Source:* Margo (1984b, 313–15).

efit more from graduate or postgraduate training (on an annual if not on a weekly basis).

A gender gap in salaries was still present in 1940. Among black teachers the gap was wider in 1940 than in 1910. Urban teachers were better paid than rural teachers, but the urban-rural gap was larger among black teachers. Re-

Table 4.3 Salary Regressions: 1940

	White Teachers			Black Teachers		
	Mean	Annual $\beta$	Weekly $\beta$	Mean	Annual $\beta$	Weekly $\beta$
Constant		6.72 (125.91)	3.08 (62.80)		6.28 (64.78)	2.73 (34.70)
Female	0.75	-0.22 (7.68)	-0.12 (4.67)	0.80	-0.21 (3.14)	-0.20 (3.62)
Married	0.43	0.02 (0.59)	0.06 (2.32)	0.53	0.000 (0.001)	0.02 (0.45)
Age						
< 25	0.16	-0.36 (9.12)	-0.22 (6.61)	0.17	-0.49 (6.07)	-0.25 (3.82)
25-34	0.42	-0.13 (4.14)	-0.10 (3.44)	0.41	-0.16 (2.44)	-0.11 (2.13)
45-54	0.11	0.08 (1.71)	0.01 (0.26)	0.11	0.06 (0.68)	0.07 (0.94)
$\geq 55$	0.06	0.09 (1.67)	0.08 (1.61)	0.04	-0.16 (1.24)	-0.12 (1.12)
Years of schooling						
13	0.04	0.01 (0.07)	0.06 (0.88)	0.07	-0.03 (0.26)	-0.02 (0.25)
14	0.17	0.10 (1.91)	0.15 (3.16)	0.21	0.18 (2.29)	0.24 (3.84)
15	0.11	0.24 (4.34)	0.27 (5.33)	0.09	0.26 (2.53)	0.26 (3.13)
16	0.47	0.36 (7.90)	0.35 (8.49)	0.37	0.51 (7.18)	0.41 (7.18)
> 16	0.12	0.55 (8.43)	0.53 (10.35)	0.03	0.86 (5.61)	0.63 (5.01)
Urban	0.27	0.24 (8.45)	0.15 (5.61)	0.35	0.33 (5.88)	0.28 (6.08)
Region						
East South Central	0.25	-0.16 (5.31)	-0.14 (4.99)	0.23	-0.36 (5.53)	-0.29 (5.56)
West South Central	0.33	-0.05 (0.37)	-0.04 (1.66)	0.25	-0.16 (2.48)	-0.09 (1.74)
Mean value-dependent variable	6.75	6.75			6.22	
Number of observations		2,321			567	
$R^2$		0.21	0.14		0.33	0.30

Notes: *Dependent variables:* Annual—log of annual salary, 1939; Weekly—log of weekly salary (annual salary/weeks worked); absolute value of *t*-statistics in parentheses  
Source: See text and Perlmann and Margo (1989).

gional differences were considerable. Black teachers in the East South Central region earned 21 percent less per week than their counterparts in the South Atlantic states. Weekly pay among white teachers did not differ significantly between the South Atlantic and West South Central region, but was significantly lower (by 9 percent) in the East South Central region.<sup>10</sup>

**Table 4.4** Accounting for the Racial Salary Gap

1910	Florida	Louisiana	North Carolina
Mean racial salary differential	0.52	0.63	0.39
% explained by mean racial difference in:			
% first grade	19.9	14.2	16.3
Total, independent variables	19.8	9.2	9.9
Constant	192.3	42.9	374.3
Total, coefficients	80.2	90.8	90.1
1940	Annual	Weekly	
Mean racial salary differential	0.53	0.46	
% explained by mean racial difference in:			
Age	0.8	0.7	
Years of schooling	16.4	17.5	
Total, independent variables	13.9	14.3	
Constant	83.0	76.0	
Total, coefficients	86.1	85.7	

Source: See text and Margo (1984b).

### 4.3 Explaining the Racial Salary Gap

The regressions reveal the major determinants of teacher salaries, and how they differed between white and black teachers. But the regressions do not show directly which factors explain the racial salary gap. To answer this question, I employ the following equation:

$$(2) \quad \ln w_w - \ln w_b = \beta_w(X_w - X_b) + X_b(\beta_w - \beta_b)$$

All variables are measured at their sample means, and the  $\beta$ 's are the estimated regression coefficients. The first term on the right-hand side ( $\beta_w [X_w - X_b]$ ) measures how much of the racial difference in average salaries was caused by racial differences in the independent variables (e.g., certification or teaching experience). The second term ( $X_b [\beta_w - \beta_b]$ ) measures the importance of racial differences in the regression coefficients. If the second term is positive, it follows that a black teacher with a given set of characteristics ( $X_b$ ) would have received a higher salary if the teacher had been white. This is what the NAACP meant by wage discrimination, and it is the same definition employed in studies of racial wage differences today (Blinder 1973). The results of the calculation are shown in Table 4.4.

In 1910, racial differences in the proportion of teachers with first grade certificates account for 14–20 percent of the racial salary differential. Although black teachers were less likely to hold a first grade certificate than white teachers, the lower proportion of first grade certificates cannot explain the racial salary gap. Nor can racial differences in the proportion of female teachers or in geographic location. Rather, 80–85 percent of the racial salary

gap is attributed to racial differences in the coefficients, the most important being the constant term.

The results for 1940 are similar. Racial differences in average ages and educational attainment accounted for only 18 percent of the mean racial differences in annual teacher salaries and only 19 percent in weekly salaries. Most of the salary gap—in excess of 80 percent—is explained by racial differences in the coefficients; again, in particular, the constant terms.

The calculation suggests that wage discrimination against black teachers was sizable. In percentage terms, the degree of discrimination was approximately the same in 1910 and 1940. As the NAACP recognized, black and white teachers with similar qualifications commanded distinctly different salaries.

The emergence—and persistence—of wage discrimination was brought about by politics, educational change, and the broader labor market. In the late nineteenth century South, teaching was a part-year occupation for many individuals. To attract a candidate into the classroom for, say, a three-month school term, a school board would have to pay at least as much—typically more—than the person could earn elsewhere during the school term. At the time there was relatively little wage discrimination in other occupations, and school budgets were still divided in rough equality between black and white schools (Higgs 1977; Chapter 2). Because the educational system was rudimentary, the demand for well-trained, professional educators was not present and average salaries, white and black, were low.

Disenfranchisement and educational awakening altered the market for teachers. Middle-class white parents were determined to improve schools for their children. The fraction of white children attending higher elementary grades and high school skyrocketed. Expanding school budgets and monies diverted from the black schools went to satisfy needs of the white schools. The demand for white teachers increased and, in the short run, their salaries rose sharply.

Initially, political change created economic rents accruing to white teachers; that is, they were paid an amount in excess of what was necessary to keep them in the job. These rents were maintained as southern school systems underwent “bureaucratization” after the turn of the century. Modern school systems needed professional educators, and hiring standards, set by state education departments, were raised. Teaching became a career, requiring a substantial investment on the teacher’s part in training. For white teachers, acquiring the necessary training was facilitated by larger budgets for state normal schools, summer training institutes, teacher training in city high schools, and overall expansion of higher education opportunities. Such programs were not entirely neglected for black teachers (the need for trained personnel in the black schools was acute), but the dollars first went to satisfy the needs of the white schools. It was up to the South’s private black colleges and federal land grant institutions to pick up the slack. Ultimately, bureaucratization led to the adoption of rigid salary schedules with pay gradations for cer-

tification, experience, and education. Once salaries were formally tied to “qualifications,” racial distinctions were a short step away.

It is important to recognize, however, that racial distinctions did *not* take the form of uniformly low average pay for black teachers. White school officials could have simply hired the least qualified (and lowest paid) teachers from the pool of available black candidates. Some did precisely that, such as one delegate to a 1906 meeting of Georgia county superintendents, who spoke proudly of staffing the black schools in his county with the worst teachers he could find (Dittmer 1977, 143). But, as the wage regressions show, some school boards were willing to hire better-educated black teachers, even though they paid a premium to do so. The pay premium for qualified black teachers reinforces the conclusions of Chapter 3. Incentives existed to provide a certain quality of schooling to black children, even though black parents were unable to influence school expenditures directly at the ballot box.

Labor market factors on the supply side, too, were a cause of wage differentials between white and black teachers. According to Horace Mann Bond (1934, 271):

a much larger number of Negroes will seek employment as teachers, even when as [college] graduates . . . they are offered greatly inferior wages, than would be the case among white candidates.

It is generally true that the number of “white-collar” jobs open to Negro graduates are inferior in variety or in rewards to those open to white men and women. The white college graduate . . . [has] numerous choices—among clerical work, salesmanship in stores, banks, and securities houses, while the Negro . . . graduate is restricted to a few narrow lines of endeavor most promising of which is the teaching profession. It is another question, however, when we come to the opinion that the public educational system should capitalize upon the prejudice which bars Negroes from other occupations by forcing Negro school graduates to seek employment at pitiable wages. Certainly it is a debatable issue whether or not the school system should take shrewd advantage of the extremities of race, and whether or not the individual should, for equal hours of labor, and for equal types of services, be given inferior wages.

Educated blacks had fewer employment opportunities in the southern economy than educated whites did; thus, other things equal, the “supply price” of educated blacks to the teaching profession was lower than the white supply price. School officials took advantage by paying black teachers less than white teachers. When the NAACP filed suit against the Hillsborough County, Florida school board in 1943, the board contended that “lower salaries for Negro teachers were justifiable” because “the principle of supply and demand should be taken into account since more Negro teachers are available” (Guzman 1947, 65). Chapter 6, in which I will show that educated blacks were excluded from white and skilled blue-collar occupations because of their race, provides econometric support for Bond’s argument.

Racially based salary schedules could be maintained because school boards were not under the same pressures to minimize costs as were competitive firms. Given the lower supply price of black teachers, school boards could have lowered their costs by employing black teachers in white schools. None did, as far as I can determine. Exactly this point became the undoing of the Nashville, Tennessee school board when it faced a salary equalization suit in 1941. The board argued that black teachers were paid less because they taught in the black schools; had they been employed in the white schools, the board would have paid them the same as white teachers. The school board claimed that “the differential in pay . . . was based solely on an economic condition in that, colored teachers were more numerous than white teachers . . . [so] they could be employed to work at a lower salary than white teachers” (Tushnet 1987, 89). If that were so, the Court asked, why had the school board never employed a black teacher in a white school? Nashville lost the suit in 1942.

Teaching staffs were segregated primarily because white parents did not want black teachers in the white schools. But there is also evidence that black parents (and black teachers) preferred segregated staffs (Rabinowitz 1974). Having black teachers in the classrooms kept some control over what was taught, and, for the teachers, jobs were preserved for an educated elite. When the teaching staffs finally were desegregated after the *Brown* decision, the demand for black teachers declined. This decline was offset, however, by a simultaneous increase in demand resulting from the enfranchisement of the black population (Freeman 1977).

The existence of wage discrimination against black teachers has two further implications. Black teachers, like black children and their parents, were victims of “separate-and-unequal.” As pointed out in Chapter 2, not all of the racial difference in per pupil expenditures represented a lower level of real resources in the black schools (Welch 1973; Donohue and Heckman 1989).<sup>11</sup> Second, because the demand for black teachers was a downward-sloping function of the average teacher salary (Margo 1982), the lower supply price of black teachers possibly kept class sizes smaller (and schools open more days per year) than if the black supply price had been higher. A reduction in wage discrimination against black teachers, therefore, might have worsened overcrowding in the black schools. But this did not happen in the 1940s, as the next section relates.

#### **4.4 The Changing Market for Black Teachers, 1940–1950**

The 1940s witnessed significant changes in the market for black teachers in the South. In real terms, the average annual salaries of black teachers increased 82 percent between 1940 and 1950, and the black-to-white salary ratio climbed 23 percentage points. The number of black teachers employed, however, grew slowly, at an average annual rate of 1.5 percent per year.

The rise in black teacher salaries might be explained as the outcome of the

NAACP's teacher salary cases (Welch 1973, 63). The cases sought to eliminate racially based salary schedules; that is, to equalize the salaries of equally qualified black and white teachers. More than thirty cases were brought between 1936 and 1950, and the majority were decided in favor of the plaintiff.<sup>12</sup>

The direct effects of equalization suits on average teacher salaries were arguably minimal. Legally, equalization agreements were binding only on the school board being sued (Marshall 1947, 48). The number of successful cases was tiny relative to the number of jurisdictions that practiced wage discrimination. The process of equalizing salaries after an agreement was reached might be spread over several years. Some school boards adopted racially neutral salary schedules, but simply reclassified black teachers into lower pay grades.<sup>13</sup>

Aware of all this, the NAACP hoped for strong spillover effects. Upon the resolution of the Alston suit (see Sec. 4.1), "petitions to obtain the application of benefits of the decision in other communities were filed by the teachers of . . . other cities and counties in Virginia. . . . By the end of 1943 the campaign for teacher pay equalization had reached eleven of the thirteen Southern States and in most of these the local Boards of Education were attempting to follow the mandates of the law as a result of court action" (Guzman 1947, 64). The North Carolina legislature voted to spend \$2,700,000 to insure equalization by 1945. School boards in Texas and Arkansas instituted equalization programs in advance of lawsuits. Mississippi, a holdout, threatened retaliatory action against black teachers if a suit was filed, yet promised to raise salaries (1947, 64–65).

The NAACP was aided in its battle to equalize salaries by World War Two. Millions of blacks, including many teachers, left the South during the 1940s, never to return. Between 1942 and 1946 the number of black male elementary teachers in the South fell 53 percent.<sup>14</sup> The reduced supply of black teachers put upward pressure on salaries. "Many capable, properly qualified Negro teachers have failed to return to teaching from military service, war industries, and other types of employment," noted Louisiana's state superintendent of education in 1946. "Improved salaries," he continued, "constitute a basic factor in retaining our present staff of qualified [black] teachers" (State of Louisiana 1946, 59). This sentiment was a far cry from that of the superintendent's counterpart at the turn of the century who, upon noting a "decrease in the roll of colored children," attributed the decline to the "lessened number of the colored population of the state, caused by their drifting away . . . in search of a change of employment under a fancied idea of improvement in their social condition" (1902, 5).

It might be expected that the equalization suits, coupled with the war, would have caused a reduction in the number of teachers demanded in the black schools. The NAACP sought to equalize the *annual* salaries of white and black teachers. A school board could respond by either raising the annual salary, holding constant the number of days worked; or by increasing the num-

ber of days worked (that is, lengthen the school year); or some combination of both. To offset the cost, school boards might have reduced the number of black teachers employed, leading to an increase in class sizes. Similarly, by causing the supply of black teachers to decrease (a leftward shift in the supply curve), World War Two could have reduced the number demanded. Despite the sharp rise in black salaries, there is no evidence that class sizes in the black schools rose appreciably. In fact, the pupil-teacher ratio fell from 36 in 1942 to 32 in 1950. The overall decline in average class sizes occurred, in part, because there was an increase in the proportion of black children attending high school, where class sizes were smaller than in the lower grades. In the elementary grades, class sizes remained stable.<sup>15</sup>

A decrease in the number of black teachers demanded did not occur because the demand curve for black teachers was shifting rightward at the same time. To demonstrate this, I use the following supply-demand model:

$$(3) \quad \begin{aligned} \dot{T}_d &= \dot{D} - e\dot{w} \\ \dot{T}_s &= \dot{S} + \delta\dot{w} \end{aligned}$$

where  $T_d$  is the number of black teachers demanded;  $T_s$  is the number of black teachers supplied;  $D$  is the demand shift term;  $S$  is the supply shift term;  $w$  is the annual salary;  $e$  is the elasticity of demand; and  $\delta$  is the elasticity of supply. A "dot" over a variable means that what is being represented is change in that variable. Setting the two equations equal, and solving for  $w$  and  $T$  gives the following:

$$(4) \quad \begin{aligned} \dot{w} &= (\dot{D} - \dot{S})/(e + \delta) \\ \dot{T} &= (e\dot{S} + \delta\dot{D})/(e + \delta) \end{aligned}$$

To use the model it is necessary to have estimates of  $e$  and  $\delta$ . Freeman (1977) has estimated both parameters for the 1960s: his estimates are  $e = 1$  and  $\delta = 1.6$ . It is possible that desegregation and the civil rights movement affected the demand and supply elasticities. The demand for black teachers may have become more elastic over time as teaching staffs desegregated. The supply of black teachers also may have become more elastic in the aggregate, as more occupations opened up to educated black men and women, and as more blacks left the South.

Table 4.5 presents calculations of  $\dot{D}$  and  $\dot{S}$  for 1940–50, using Freeman's parameters and assuming  $e = 0.75$  and  $\delta = 1.25$ . The average annual growth in demand for black teachers is estimated to have been 7.7 percent per year. Growth in demand was lower during the first four years of the war (1940–44) than during the decade as a whole. Except for 1940–42, the supply curve of black teachers was shifting left, at a slightly higher rate than the demand curve was shifting rightward. The combination of increasing demand and decreasing supply contributed about equally to raising the wages of black teachers. Given that  $S$  was negative, all of the increase in the number of black teachers employed over the decade was due to rising demand.



**Table 4.5**                    **The Changing Market for Black Teachers, 1940–1950:  
Shifts in Demand or Supply?**

	$\dot{w}$	$\dot{T}$	$\dot{D}$		$\dot{S}$	
			$e = 1$	$e = 0.75$	$\delta = 1.6$	$\delta = 1.25$
1940–42	-0.078	0.026	-0.052	-0.033	0.151	0.123
1942–44	0.223	0.006	0.229	0.173	-0.354	-0.273
1944–46	0.086	0.013	0.099	0.078	-0.125	-0.095
1946–48	0.143	0.039	0.182	0.146	-0.190	-0.140
1948–50	0.222	0.061	0.293	0.228	-0.294	-0.217
1940–44	0.145	0.031	0.176	0.140	-0.201	-0.150
1940–50	0.595	0.145	0.740	0.591	-0.807	-0.599

*Note:* Figures are logarithmic changes between years; for example,  $w = 0.595$  (1940–50) means that  $w$  increased at an average annual rate of 6.1 percent ( $\exp [0.595/10] - 1$ ) between 1940 and 1950.

*Source:* Column 1 is calculated from Figure 4.1; Column 2 is calculated from Federal Security Agency, U.S. Office of Education (1947, 1949, 1950, 1951) and U.S. Department of Health, Education, and Welfare (1954).

Part of the increase in the demand for black teachers can be attributed to an increase in black high school attendance and in the length of the school year. High school teachers were more expensive and class sizes were smaller. A longer school year meant a higher annual salary.<sup>16</sup>

But another factor causing demand to grow was the general social and political climate. Assuming a salary elasticity of 1, had school boards simply reacted to the rise in black salaries by cutting the number of teachers employed, the average class size in black schools might have almost doubled.<sup>17</sup> Not only would this have been unacceptable to teachers and parents, it was unacceptable politically. There was growing pressure on the South to improve its black public schools, to conform more closely to the separate-but-equal doctrine. Drastic reductions in the length of the black school year or in teacher-pupil ratios were not feasible options. Thus, as brilliantly executed as it was, the NAACP's campaign to end educational discrimination was helped by broader changes in the social, economic, and political spheres.

#### 4.5 Summary

This chapter has examined racial differences in teacher salaries in southern public schools between 1890 and 1950. Regression analysis showed that wage discrimination against black teachers accounted for most of the racial salary gap. Discrimination was a consequence of behavior by school boards and employment segregation outside of teaching. The racial salary gap declined during the 1940s, due to shifts in teacher supply and demand. Shifts in supply put upward pressure on salaries. Responding to legal, social, and political pressure, shifts in demand kept class sizes in the black schools from increasing, leading to an erosion of the racial salary gap.