in education, with the result that there was considerable bidding up of the prices paid to teachers. At this time State and local governments did not have the problems of finance that they have experienced in more recent years. The unavailability of resources for ministers explains in no small part the rather unsatisfactory state of their real wages. The Federal Government also was slow in adjusting wages of their employees. In general the white-collar workers, with the exception of the teachers, seemed to suffer during these years of inflation. Another interesting point is that a large part of the improvement in real income occurred from 1920 on, and during World War I there was also a substantial improvement. It was particularly since 1913 that the large advances in real earnings were made by the group as a whole, though even during this period some groups actually experienced a decline in their real earnings.

TEACHERS

In a more recent period teachers have tended to experience serious losses in periods of inflation. The explanation of this in no small part is the fact that local governments and even State governments have experienced serious financial problems. It is of interest that around 1900 city revenue was about five times as large as State revenue. The current situation is considerably different with both State and local governments obtaining roughly equal revenues. This tendency of local revenue to become much less important relatively is explained in part by the dependence on the general property tax, which responds tardily to rising prices and income. In his book, Paul Douglas showed that from 1890 to 1926 public school teachers' real wages rose by 72 percent as against a rise of 17 percent for factory workers and a loss of 1 percent for ministers. For annual wages (real) the increase was 114 percent for public school teachers: all industries, excluding farmers, 31 percent; ministers, 11 percent.[85] By 1926 the teacher was also a somewhat different commodity than in 1890, having had more and better training, and he was probably doing a better job.

In the inflation during World War II teachers' salaries lagged behind the gains of the rest of society. For example, in 1938–39 salaries before taxes were $1,408 for teachers. By the end of the war they had risen to about $2,000, but in 1935–39 dollars the decline had been from $1,416 to $1,270 in 1942–43, and an estimated increase to $1,457 by 1945–46.[86] By 1946–47 the teachers in the smaller cities had obtained an increase of 48 percent as against the rise in the cost of living of 48 percent. From 1936–37 to 1946–47 salaries of teachers in the larger cities still lagged behind the cost of living.[87]

Teachers of course were most unhappy even when their pay rose as much as the rise in the cost of living. Whereas other groups had gained substantially, the average teacher had experienced a substantial loss in real income at first, though by the end of the war had roughly regained their prewar position in real dollars.

---

[85] P. H. Douglas, "Real Wages in the United States, 1890–1926," 1930, pp. 130, 201, 203, 382, 386, 391.
[86] National Education Association Journal, December 1946.
[87] NEA Research Bulletin, February 1947.