1. Introduction

  The last decade has seen the end to desegregation plans for school districts across the U.S. and recently the media has reported that our school districts are becoming increasingly segregated.[1] These changes in the racial composition our public education system could have implications for the quality of teachers who sort to segregated school

This paper shows that the percent of minority students and district racial segregation are important determinants of both teacher salaries and district level salary schedules. The results are consistent with a positive compensating differential for higher percentages of minority students. This is the first paper to consider whether or not racial segregation within school districts plays a role in determining teacher salaries. The results show that more segregated districts tend to pay lower salaries. This has direct implications for educational quality. This suggests that predominantly minority schools in highly segregated districts might particularly suffer from a lack of resources to recruit qualified teachers.

2. Related Literature

There are only a few studies of school teacher salaries in the United States. The earlier studies in this literature focus on differentials by teacher gender and teacher race.

more likely to exit in districts with higher percentages of minority students. Hanushek, Kain, and Rivkin, (1999) found that teachers move to schools where students are higher achieving, and there are fewer minority students. Hanushek, et al. (2001) found that teachers tend to locate in schools with students of their same race. The most recent additions to this literature are two papers from Boyd, Lankford, Loeb and Wyckoff, 2003. Boyd et al. find that teachers are most likely to locate in schools near where they grew up. They find that all teachers prefer lower percentages of minority students, with no difference in this preference by the race of the teacher. Additionally, Boyd et al. claim the hedonic model is invalid for public employees because they do not fit a national market. This paper includes analysis of variation in teacher salaries within major metropolitan areas in response to this criticism.

This study improves upon previous work in several ways. First, this paper uses a much more comprehensive set of controls than previous studies, both by exploiting the richness of the Schools and Staffing Survey (SASS) data set and by incorporating additional school district level controls for income, poverty and crime obtained from Census data and the Bureau of Justice Statistics Crime Reports. Second, this paper uses detailed racial/ethnic categories when studying the effect of student characteristics on teacher salary. Teacher preferences over Black students are likely very different from their preferences over Asian students, so investigating these race categories separately is imperative. Third, this is the first paper to consider the effects of racial segregation within school districts on district-level salary structure. This paper finds that more segregated districts pay lower salaries, which suggests that predominantly minority schools in districts which also contain predominantly white schools might particularly

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suffer from inadequate resources and low quality teachers. Fourth, this study improves upon previous studies by using state and metropolitan area fixed effects to control for the market in which the teacher resides. Fifth, I use multiple waves of the SASS data to conduct the first panel data analysis of district level salaries, studying the effect of changes in student characteristics over time on the district salary schedules.

3. Theoretical Considerations

A primary consideration in a study of teacher compensation is the source of variation in salaries. Over 97% of school districts have a district salary schedule which sets salaries for teachers in all schools across the district. These district-level schedules set salary based on education and experience.

Teacher salaries can further vary within a district due to special certifications, such as limited English proficiency, or teaching in special programs. Twenty-three percent of districts in the sample offer incentives to teachers in some form, either for a willingness to work in certain locations, for knowledge in a shortage field or for merit, which adds flexibility in both starting salary and tenure salary increases.

The vast majority of salary variation, however, is between-district. Teacher salaries vary across districts because districts are financed largely by local property taxes, so local voters set the district budget and often the funding priorities as well. This paper examines how teacher salaries and district salary schedules vary with the racial characteristics of the school and the district.

A brief exercise in equilibrium compensating wage differentials will help to highlight some hypotheses of the effects of student race on teacher salary. First, assume

students will have lower quality teachers unless they have more resources than predominantly white districts. [3]

Of course, in reality, districts contain more than one school. Therefore, it may not just matter how many minority students are in the district, but how they are distributed across the district. Consider now two districts, each with many schools and each with a student population that is fifty percent white and fifty percent minority. One district is entirely integrated so that all schools contain fifty percent minority students. The other district is entirely segregated, so that schools are either all white or all minority. If salary schedules are set at the district level, then there are both supply side and demand side reasons why salaries might differ between the two districts.

On the supply side, it is much easier and less costly for teachers to move within a district than to move between districts. Therefore, teachers should care about the characteristics of other schools in their district. If the schools in the district are all of similar racial make-up, then there is little risk of moving to a school which has a racial make-up that is substantially different than the teacher's current school. Therefore, we might expect the more segregated district to pay a higher salary to compensate teachers for the risk of ending up in a very different school.

On the demand side, school districts are largely funded by local taxes, so let's assume that residents wish to pay as little taxes as possible, while providing enough funding for a certain quality of education. Also, still assume that teachers receive disutility from minority students, and differ by level of quality. White schools do not have to pay as large a premium to attract teachers of a given level of quality. In the

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[3] A 2000 report from the National Center for Education Statistics reported that in 1998, schools with the highest percentages of minority students have double the number of inexperienced teachers than schools with the lowest percentages of minority students.

segregated district, if the white schools have more political power than the minority schools, then the district taxes and therefore, teacher salaries, will be kept lower than for the integrated district.[4] A direct implication of this is that the lower salary in the segregated district will deprive the minority schools in that district of the funds necessary to attract high quality teachers.

4. Data

Data for this study come from the Schools and Staffing Survey (SASS) restricted-use data. This data set is collected from a survey administered by the National Center for Education Statistics, and this study combines information from the Public Teacher, Public School and District Administrator Surveys. There are four available waves of the SASS, 1987-88, 1990-91, 1993-94, and 1999-2000. The SASS has a large number of useful variables, and works well for this analysis because it was designed specifically for issues related to K-12 education. It includes detailed salary and benefit data for school teachers and a rich set of student, school and district variables. Additionally, the 1990-91 and 1999-2000 SASS data are combined with Census data aggregated to the school district level from the 1990 School District Data Book and the 2000 Census Special School District Tabulation. Inclusion of this data adds useful district income, poverty, and unemployment information. Finally, county crime rates are added from the 1990 and 2000 Uniform Crime Reports published by the Bureau of Justice Statistics.[5]

A new race variable incorporated in this study is the segregation of minority students within the district. Measurement of student segregation closely mirrors the

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[4] Ballou and Podgursky, (1997), found that when schools vary in the political power they exert, differences in teacher qualifications across schools in a district may emerge.
[5] A complete list of the included variables is in Table 1.

measurement of residential segregation.[6] The dissimilarity index is a commonly used

segregation index, and it measures the distribution by race across the district by

incorporating racial characteristics of all schools. The Dissimilarity Index is calculated in

the following equation; D represents district dissimilarity.

$$D = \frac{1}{2} \sum_i |x_i / X - y_i / Y|$$

In this equation, the constants X and Y are the total student population of race X and Y in

the district, and the x and y represent the number of students of that race in the ith school.

The Dissimilarity Index assumes that there would be complete integration in the district if

each school contained exact proportions of every racial group as is found in the larger

community as a whole, or in this case, in the district student population. The

Dissimilarity index is always non-negative, it would be zero under complete integration

and one in a district that was completely segregated with all the minority students in

different schools than the white students in the district. The dissimilarity index is

calculated several times, first with to gauge minority versus white student segregation

and then separately for each minority race of students relative to all other students.[7]

     Tables 2, 3 and 4 display some descriptive statistics on teacher characteristics and

teacher salary. Table 2 shows that minority teachers are more concentrated in urban

districts and low income districts. As one might expect, Hispanic and Asian teachers

work in school districts where a higher percentage of households do not speak English

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[6] Measurement of residential segregation began in the 1940s and was re-popularized by Duncan and
Duncan (1955) and Oaxaca (1973). The segregation that

and are not U.S. citizens. Black teachers work in higher crime areas. Table 3 shows that

Table 5 examines teacher experience charac

minority students in the schools may be thought to represent different districts, thus this

may indicate that teachers in high minority districts have less experience than teachers in

low minority districts. If teacher years of experience does not capture all aspects of

teacher quality and there is unobserved quality variation among teachers, then the

differences observed in Table 5 could be much larger.

5. Methodology

A hedonic wage model is used to examine the effects of student racial

characteristics on public school teachers' salaries. The dependent variable is the log of

teacher annual base salary. The primary empirical analysis in the paper is to estimate a

hedonic wage model, and the baseline analysis is conducted with the most recent wave of

the SASS, academic year 1999-2000.   The preferred baseline specification is:

$\text{Log(annual base teacher salary)}_i = \beta_0 + \text{Teacher Race}_i * \beta_1 + \text{Teacher Controls}_i * \beta_2$

$+ \text{School \%Minority Students by Race}_i * \beta_3 + \text{School Controls}_i * \beta_4$

$+ \text{District \%Minority Students by Race}_i * \beta_5 + \text{District SASS Controls}_i * \beta_6$

$+ \text{District Census Controls}_i * \beta_7 + \text{Dissimilarity at the District level}_i * \beta_8 + *$

a second language, magnet learning classes and disability programs, the percent of

limited English proficiency students, and the percent of students who graduate and attend

college.   The district characteristics from the SASS include state fixed effects, whether

the district is urban, dummy variables for district choice, magnet programs, teacher salary

The second additional specification regresses steps of the district-level salary schedule on district characteristics.

$$\text{Log(District Salary Schedule)}_i = {}_0 + \text{District \%Minority Students by Race}_i * {}_1$$
$$+ \text{Dissimilarity at the District level}_i * {}_2$$
$$+ \text{District SASS Controls}_i * {}_3 + \text{District Census Controls}_i * {}_4 +$$

MSA fixed-effects are also used in some specifications of the district salary regressions.

The final additional form of analysis uses the 1990-91 wave of the SASS together with the 1999-2000 wave to perform panel data analysis. This panel data is first used to analyze changes in teacher salary, using the initial baseline specification with district fixed effects. [9]

Log(annual base teacher salary)

where $X = X_{1999} - X_{1990}$. The results from these panel data regressions estimate the effects on the district salary schedule from changes in the district racial make up from 1990 to 1999.

6. Results:

A. Baseline Regression Results

Table 6 contains results for the baseline specification grouping all minority races together for the student race measures. [10]

variables from the Census and the FBI uniform crime reports that contain several income and education correlates to race are included, higher percentages of minority students in the district do not significantly affect teacher salaries. Teacher salaries are not significantly affected by segregation of minority to white students in school districts.

The first column of table 7 contains results from the preferred baseline specification which breaks out student characteristics by race. Teachers earn less in districts with higher percentages of Asian students, suggesting that teachers prefer Asian students which may be attributable to the fact that Asian students typically have higher academic achievement. Teacher salary is higher in districts with higher percentages of Black students. This is consistent with a compensating wage differential to teachers to compensate for disutility associated with these minority students. The estimates for the percent of Black, Hispanic, Asian and Native American students in the school are insignificant. If there is quality variation among teachers which is not included in this analysis which districts can observe, and if teacher salaries respond to these quality differences, then these estimates will be biased downward.

Teacher salaries are lower in districts which are more segregated with any race of minority students.[12] This is consistent with the claim that differences among schools in political power may depress salaries in these districts. The white schools are still able to hire high quality teachers, and those white neighborhoods exert political pressure to keep

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[12] The dissimilarity measure is used in residential segregation literature and is usually calculated as the concentration of the listed minority residents relative to the white residents. The results reported in the tables calculate the dissimilarity measure as the concentration of the listed minority students to all other students. Analysis was conducted which used a measure of the concentration of the listed minority students to the white students in the school and district, and the results are very similar. The signs on the coefficients of all of the race variables are identical to those in the table, and the significance levels on the coefficients are very similar.

the tax burden low. The minority schools may not be able to attract high quality teachers in this situation.

The sample is made up of many different markets, and teachers are likely restricted in their sorting across markets. Therefore, analysis of teacher salary within a market is conducted, using metropolitan statistical areas (MSAs) to define each market. It is reasonable to define a market in this way because typically within MSAs, there are many school districts in a small geographical area. Therefore, it is much more likely that teachers would sort among these districts, than rural districts within a state which are very large geographically. The proximity and number of these districts creates a market.

The second column of table 7 contains results of the teacher salary analysis with MSA fixed-effects. Within an MSA, teachers receive significantly lower salaries when working with a higher percentage of Asian students. [13] This suggests that teachers prefer to work with these students. Within a teaching market, salaries are lower in districts that have schools where the Black, Hispanic or Asian students are segregated. This result is robust to a narrow market definition. These results indicate that student race characteristics are important determinants of salary even as teachers sort within a metropolitan area.[14]

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[13] Twenty percent of districts offer incentives outside of the salary schedule to their teachers, and it seems likely that teachers in these districts could have more variation in their salaries with regards to the student race variables of interest. However, separate analysis was conducted on the districts that offer incentives, and the signs on the race variables are similar, and there is very little change in the significance levels. One notable exception is that analysis with district fixed effects, the within district analysis, yields a significant positive coefficient on the percent of Black students in the school. Thus teachers are not using these district salary incentives to compensate for student percent minority, except perhaps in the case of higher percentages of Black students.

[14] Analysis of teacher salary was also conducted using district level fixed effects, which investigates teacher salary variation within a school district. These results found that all school level student race variables were insignificant, thus student racial characteristics cause very little variation in teacher salaries within a district which implies that most of the salary variation is between districts.

The last two columns of table 7 contain results for the baseline analysis when the sample is separated by teacher race. The results for white teachers are very similar to those discussed in the previous analysis, indicating that white teacher preferences are driving the results for the whole sample. The results indicate that white teachers require a compensating wage differential to work in districts which have higher percentages of black students, but that they prefer Asian students. The estimates for segregation suggest that if school district segregation of black students relative to all other students increased one standard deviation, then white teacher salary would fall about 0.3 percent and if the segregation of Hispanic students increased one standard deviation, then white teacher salary would fall a little more than 0.7 percent.

Minority teachers have slightly different results, suggesting that they have different preferences over minority students. Minority teacher salaries are unaffected by the percent of minority students in the school, and they appear to view the district percent minority students similarly to white teachers.[15] Minority teacher salaries are significantly higher in segregated Black districts. This is consistent with a positive compensating wage differential to minority teachers in these segregated districts in order to compensate them for the risk of moving to a school with vastly different student characteristics than their current school. Also, minority teachers earn higher salaries in districts which have segregated Asian or Hispanic students, though these estimates are not statistically significant. This may indicate that minority teachers are less sensitive to district segregation, or the fact that most of these estimates are insignificant may be caused by

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[15] This racial grouping of all minority teachers versus white teachers, has similar results to other groupings, such as Black and Hispanic teachers versus white, Asian and Native American teachers, and to Hispanic, Asian and Native American teachers versus White and Black teachers. In all of these cases the signs for the minority groupings and white groupings are similar to those in Table 6.

the small sample size. Although, this rough racial grouping of minority versus white

teachers does not entirely capture the diversity of preferences across the teacher races, it

does illustrate that white teachers view segregation differently than minority teachers.

B. District Salary Analysis

Table 8 displays results from the district salary schedule analyses which measures

the variation in teacher salaries between districts. Most of the district level student race

variables are significant determinants of district salary across the various steps on the

salary schedule. Teacher salaries are lower in districts which are more segregated by any

minority race of students. This outcome would put minority schools in the segregated

district at a disadvantage compared to minority schools in an integrated district. The

integrated district, especially if it has a high percentage of minority students, would pay

higher salaries to compensate teachers for the student composition. Salaries are

depressed in the segregated district and thus, the minority schools in these districts would

not be able to attract high quality teachers.

District salaries are higher when the percent of Black and Hispanic students in the

district is high. Table 8 shows that districts pay more to attract teachers when the district

has high percentages of Hispanic students. The results for district salary are consistent

with a compensating wage differential paid for higher percentages of Hispanic students in

these districts. The size of this differential depends slightly on the salary step the teacher

is qualifies for. If the percent of Hispanic students in the district increases from the

median to the 75th percentile of districts, an increase of over 10 percentage points, then

district salaries will increase 1.15 percent at the lowest salary step, and 0.53 percent at the

highest salary step. Thus, in order to move a teacher from a district with 3% Hispanic

students to a district with 13.4% Hispanic students, it would cost between $290 and $330 depending on the schedule step the teacher is on. It woul

possibly related to the school finance equalization efforts which took place during the 1990s. These measures moved districts away from property tax financing, and the goal was often to equalize financing across poor and rich districts. This may explain why teacher salaries grew faster for teachers in heavily Hispanic schools relative to other schools.

Table 10 displays results from the panel data analysis of district salaries, using differences in all district variables from 1990 to 1999. Changes in the district racial composition of Hispanic and Asian students significantly affected the district salary schedule over this period. The district salary fell when the percent of Asian students in the district increased. This is consistent with a story that districts and teachers prefer these types of students. Also, over the 1990s when districts became more segregated with Hispanic students, district salaries fell. The estimates suggest that if segregation of Hispanic students increased one standard deviation, then salaries fell by about 1%. This result could indicate that quality differences between schools in segregated Hispanic districts and integrated highly Hispanic districts increased over this period, with the more Hispanic schools in the segregated district becoming increasingly unable to attract high quality teachers.

7. Conclusion

This study examines the effects of student racial composition including district

support the hypothesis that teachers, especially white teachers, receive disutility from working in districts with higher percentages of Black students. The results also suggest that teachers prefer to work in districts with higher percentages of Asian students. Additionally, districts with higher percentages of Black and Hispanic students are found to pay higher salaries.

Segregated school districts set lower salaries on the salary schedule steps than do integrated school districts. This outcome is likely the result of different levels of political power within segregated school districts, such that the constituents associated with white schools vote to keep the tax burden, and thus district level teacher salaries, low. Since minority teachers are found to require positive compensating wage differentials in segregated districts, it is unlikely that these segregated school districts will be able to attract many high quality minority teachers.

The results indicate that white teacher salaries are lower in segregated school districts than integrated districts. This observation together with the result that teachers require a positive compensating wage differential to teach in schools with higher percentages of minority students indicates that the high minority schools in segregated black districts would not be able to attract high quality teachers. Thus a direct implication is that educational quality may vary across schools in more segregated districts, such that minority students are taught by lower quality teachers. Also, since higher minority districts pay higher salaries, and more integrated districts pay higher salaries, it seems likely that there will be a quality differential across districts. The high minority schools in integrated school districts appear to offer higher salaries, and thus

would be able to recruit higher quality teachers than the high minority schools in segregated districts.

In future work, I would like to investigate the hypothesis that minority districts will have a higher base salary to compensate for minority students, but smaller salary steps for education and experience, which would imply that more teachers in these districts are on the lower rungs of the schedule. The results indicate that there are teacher quality differences across segregated districts and between minority schools in integrated versus segregated districts. It would be interesting to further investigate this result using additional teacher quality indicators. If a quality differential exists, then school district salary schedules are partly the cause, because they are rigid across the school district. A further extension will be to analyze the effects of alternate salary

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TABLE 1
Variable List

Variable Name	Description
Dependent Variables	Source: Schools and Staffing Survey
Log teacher salary	Base annual teacher salary as self-reported
Log Highest salary	The highest salary step on the district schedule is for a teacher with a PhD plus 20 years experience
Log M.A. plus 30 credits	Salary for a teacher with a master's degree plus 30 graduate credits
Log M.A. plus experience	Salary for a teacher with a master's degree plus 20 years experience
Log lowest salary	The lowest salary step on the district schedule is for a teacher with a bachelor's degree and no experience
Teacher Characteristics:	Source: Schools and Staffing Survey
Total Experience	Years experience teaching public and private
Years at this school	School specific years teaching experience
Years teaching private	Years teaching in private schools
Certification	Dummy for Teacher is certified in main field in state
Certified other	Teacher is certified in a field other than main teaching field
Masters	Teacher has a master's degree
Graduate	Teacher has above a master's degree – either a PhD, or a Master's plus 30 credits of additional graduate work
Female	Dummy for female teacher
Widowed/div/sep	Teacher is widowed, divorced or separated
Teach Science	Dummy for if the teacher teaches any science
Teacher Subject	Main field teacher subject dummies, including Elementary, Special Education, English, Social Studies, Vocational Tech, Math and Science.
Additional hours	Number of self-reported additional hours spent on school work per week
Number of Classes	Number of classes the teacher teaches per week
LEP training*	The teacher has received Limited English Proficiency training
Union	Teacher is in the teachers Union

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	teacher's education of holding above a Master's degree
School Characteristics:	
School # Students	The number of students in the school where the teacher teaches
Level Secondary	Dummy variable indicating that the school is a high school/ secondary school
High Student Problems	Teacher reports dealing with a large amount of student problems that can disrupt the learning environment
Unsafe School	The teacher has been physically threatened or attacked in the school in the last year
Student/Teacher Ratio	The student to teacher ratio in the district
School % Free Lunch*	The percentage of students in the school eligible for free/reduced lunch from the National School Lunch program
Remedial Reading	School offers remedial reading
Remedial Math	School offers a remedial math program
Bilingual Ed*	School offers a bilingual education program
Gifted/talented	School offers a gifted and talented program
Magnet*	School offers a magnet program
Disability programs*	School has programs for disabled students, either physical or learning disabilities
Percent LEP*	Percent of limited English proficiency students in the school
ESL Program	School offers an English as a Second Language Program
District SASS Characteristics:	Source: Schools and Staffing Survey
District # Students	Number of students enrolled in the school district
Urban	The school district is in an urban area
Suburb	The school district is in a suburban area
State dummies	Dummy variables for the state of residence
District % Free Lunch	The percentage of students in the district eligible for free/reduced lunch from the National School Lunch program
Chapter 1*	Percent of students in the district who are eligible for chapter one services.
District choice	The district offers school choice to its students, meaning open enrollment in any school in the district
Charter schools*	The district has charter schools that it directly competes with
Magnet Program*	The district runs a magnet program
Incentives for any reason	The district offers some type of teacher salary incentives either cash, increasing a salary step or benefits
Incentives for Location	The district offers teacher salary incentives to recruit teachers to less desirable schools
Incentives for Shortage	The district offers teacher salary incentives to teachers in fields of shortage for the district
Incentives for Merit	The district offers teacher salary incentives to teachers for exceptional work
Free Training	The district offers free training to teachers in fields of shortage

Number of classes	The number of classes teachers teach in the district each week
Salary Mean	The mean of the district salary step for a master's degree plus experience in the surrounding districts in the county
Top MSA groups	Dummy variable equals 1 for largest 15 MSAs, Dummy variable equals 1 for largest 25 MSAs, Dummy variable equals 1 for largest 35 MSAs, Dummy variable equals 1 for largest 50 MSAs
District Population Characteristics:	Source: 2000 Census Special School District Tabulation

Table 3
Student Race Variables, 1999-2000

Mean % Enrollment in District	All teachers	White	Black	Hispanic	Asian	Native Am
% Minority Students	30.7	25.0	68.2	66.0	55.7	54.7
% Black Students	10.8	8.7	48.9	11.6	13.1	5.9
% Hispanic Students	12.4	9.7	16.0	48.6	30.1	6.8
% Asian Students	2.7	2.5	2.4	3.2	11.3	1.0
% Native American	4.9	4.1	0.9	2.7	1.2	41.0

Table 4

Teacher and District Salary Information, 1999-2000

Teachers:	All Races	White	Black	Hispanic	Asian	Native American
Mean Annual Base Teacher Salary						

Table 5: Teacher Characteristics by District segregation						
(1)	Integrated	Segregated				
Total Experience	15.02	14.70				
School Specific experience	10.22	8.74				
Segregated District						
(2)	White concent.d schools	Minority concent.d schools	School % Minority: 0-5%	School % Minority: 5-20%%	School % Minority: 20-49%	School % Minority: 50%+
Total Experience	15.09	14.35	15.11	15.34	14.88	14.25
School Specific experience	9.12	8.41	9.99	9.14	8.72	8.22
Integrated District						
(3)	White concent.d schools	Minority concent.d schools	School % Minority: 0-5%	School % Minority: 5-20%%	School % Minority: 20-49%	School % Minority: 50%+
Total Experience	14.60	15.07	16.05	15.22	14.50	13.74
School Specific experience	9.06	10.36	12.09	10.13	9.29	8.71

Notes: Teacher experience characteristics by district dissimilarity. The integrated districts are those whose dissimilarity index is below the median, and the segregated districts are those above the median, which have an index closest to one. There are 10,574 teachers in the integrated districts and 8354 teachers in the segregated districts. The first column in sections 2 and 3 list means for teachers in White schools, which are more concentrated with white students than the district. The second column in sections 2 and 3 lists means for teachers in Minority schools, which are more concentrated with minority students than the district, thus the school concentration measure is positive.

Table 7: 1999-2000, Teacher Salary Regressions, Detailed Student Race Variables

Dependent Variable: Log Teacher Salary	(1) Baseline	(2) MSA Fixed Effects	(3) White Teachers	(4) Minority Teachers
School % Black	0.0001	-0.0001	0.0000	-0.0003
	0.83	-0.48	0.15	-1.06
School % Hispanic	-0.0001	0.0000	-0.0001	-0.0003
	-0.78	0.25	-0.62	-0.89
School % Asian	-0.0002	-0.0013**	-0.0001	-0.0008
	-0.67	-3.43	-0.21	-1.29

TABLE 8: 1999-2000, District Salary Schedule Regressions

Dependent Variable: District Salary Schedule	(1) Highest Salary	(2) M.A. plus Experience	(3) M.A. plus 30 credits	(4) Lowest Salary
District % Black Students	0.0003**	-0.0000	0.0004**	0.0001
	3.85	-0.27	3.42	1.2
District % Hispanic	0.0005**	0.0001	-0.0004*	0.0011**
	4.68	1.31	-2.47	9.91
District % Asian Students	-0.0001	-0.0012**	-0.0000	0.0009**
	-0.4	-4.47	-0.12	3.47
District % Native Am	0.0005**	0.0006**	0.0008**	0.0009**
	5.15	5.75	5.12	7.87
Dissimilarity: Blacks	-0.0205**	-0.0195**	-0.0006	-0.0370**
	-4.24	-3.85	-0.09	-7.37
Dissimilarity: Hispanics	-0.0256**	-0.0106*	-0.0319**	-0.0259**
	-5.1	-2.01	-4.45	-4.97
Dissimilarity: Asians	0.0073*	-0.0012	-0.0231**	-0.0023
	1.64	-0.21	-3.64	-0.49
Dissimilarity: Native Am.s	-0.0158**	-0.0177**	-0.0243**	-0.019**
	-3.72	-3.98	-4.02	-4.3
Adjusted R-squared	0.9066	0.8851	0.6382	0.7748

Note: The dependent variable in column 1 is the log of highest step on the district salary schedule, (generally this step is for a teacher with a PhD and 20 years of experience). The dependent variable in column 2 is the log of district salary for a teacher with a ma.7r9s

TABLE 9: 1999-2000, District Salary Schedule Regressions with MSA Fixed Effects
Dependent Variable: District
Salary Schedule

Table 10

Dissimilarity is a measure of segregation in the district that equals one in the case of perfect segregation and zero if the district is perfectly integrated.
**Significant at the 1 percent level.
*Significant at the 10 percent level.