with losses in tuition revenue and declines in charitable giving and investment returns.

Table D details the striking real differences in average full-time faculty salaries by region. The division into four regions is based on the categorization used by the Bureau of Labor Statistics, which is the source for the regional inflation indices used to produce these calculations. Analysis including the regional consumer price index does not allow for a comparison of the purchasing power a specific salary has in different regions of the country at a given point in time. But incorporating the regional inflation factor does highlight regional differences in the recession’s impact across the country.

Although the CPI-U increase over three years was greatest in the Northeast, the increase in average salary beyond inflation was also much greater there. Overall net salary growth in the Midwest was only about half the rate in the Northeast but was still markedly better than the 1 percent real growth in the West and the barely perceptible 0.2 percent increase in the South. In the Midwest, South, and West there was also a substantial public-private gap, with real salary increases much lower at public colleges and universities. The opposite was true in the Northeast, however.

Figures 2 and 3 depict the widening gap in average salaries between faculty members employed in the public and private-independent sectors over four decades. Figure 2 tracks salaries for the full professor rank and figure 3 shows the assistant professor trend. Each graph shows the average salary in public institutions, by category, as a percentage of the average salary in the private sector. Thus, a point below 100 indicates a disadvantage for the public sector, with a downward trend documenting a widening gap. Associate’s degree colleges are not included because so few private colleges from that category submit data.

Figure 2 shows a relatively rapid decline in public-sector professor salaries relative to those at private-independent institutions. Since 1980, the public-sector disadvantage has widened to 16 percent at baccalaureate colleges, 11 percent at master’s universities, and a full 24 percent at doctoral universities. Such a wide gap affects the ability of public institutions to recruit and retain an excellent faculty. (Bear in mind that these percentages represent the salary differential for each year in a faculty member’s career.) This significant gap is one that junior faculty members notice, as well. They know that if they settle in at midcareer in a public college or university, they are likely to experience a significant cumulative earnings disadvantage over time compared with their private-sector colleagues. That creates a strong disincentive for moving to or remaining at a public college or university.

![Figure 2: Average Full Professor Salary at Public Institutions as a Percentage of Average Full Professor Salary at Private-Independent Institutions, 1970–71 to 2010–11](image_url)