

July 1, 2018

Jim Crow in the Saddle: the Expulsion of African American Jockeys from American Racing

Michael Leeds
Department of Economics
Fox School of Business and Management
Temple University
Speakman Hall
Philadelphia, PA 19122-6091
Voice: 215.204.8030
E-mail: mleeds@temple.edu

Hugh Rockoff
Department of Economics
Rutgers University
75 Hamilton Street
New Brunswick NJ 08901
Rockoff@econ.rutgers.edu

Preliminary. Comments welcome. Please do not cite without permission.

Abstract

Between the Civil War and the turn of the nineteenth century there were many prominent African American Jockeys. They rode winners in all of the Triple-crown races. But at the turn of the century African American jockeys were forced out. It was another poignant example of the “Strange Career of Jim Crow.” This paper uses a new data set on the Triple-Crown races, including odds all the entrants in all of the races, to explore further the causes of the expulsion of African American jockeys. Our conclusion is that although there is some evidence of prejudice by the betting public, the main source of the expulsion was the determination of the White jockeys to “draw the color line.”

Acknowledgements

Joshua Chen, Jessica Jiang, Ning Li, and Weinan Yan provided superb research assistance. We received several very helpful comments from Joseph Sabia our discussant and from the audience at the Western Economic Association meetings in Santiago Chile. The remaining errors are ours.

JEL Classifications E44, N21,N22

1. The Great African American Jockeys

At the first running of the Kentucky Derby in 1875 thirteen of the fifteen jockeys were African Americans. The winning horse was Aristedes, the favorite. The jockey was Oliver Lewis, an African American. The trainer was Ansel Williams, an African American. This was a legacy of slavery, when most jockeys on Southern tracks were African American. Gradually in the decades that followed, more and more White jockeys entered the field. But African Americans continued to play an important role. Among the great African American jockeys were Willie Simms who won the Kentucky Derby twice, the Belmont Stakes twice and the Preakness Stakes once. At the turn of the century Jimmy Winkfield won the Kentucky Derby two years running, in 1901 and 1902, but Winkfield was the last African American to win a Triple Crown race. Indeed, he was one of the last African Americans to ride in a Triple Crown race. At the turn of the century, African American jockeys were forced from American racing. Chart 1 shows the number of Triple Crown races (Kentucky Derby, Preakness Stakes, Belmont Stakes) won by African American jockeys from 1870 to 2018.

The expulsion of African American jockeys was a particularly clear example of Jim Crow, the policy of excluding African Americans completely from political life and from all but the lowest rungs of economic life. Racism and segregation had always existed in both North and South. But at the turn of the century there was a surge of racism. African American were disenfranchised and forced out of many jobs that they had occupied previously. The classic history of Jim Crow is C. Vann Woodward's *The Strange Career of Jim Crow*. The title conveys his thesis. Segregation was not simply the continuation of what had always existed in the South. Racism was always present,

but segregation became more extreme in the 1890s.¹ Horse racing fits the pattern he describes to a T. Somers (1974, 35) reports that the Whites and African Americans were separated at New Orleans tracks in the immediate aftermath of Reconstruction but that things then changed for the better.

“Black jockeys continued to ride on local tracks in the 1880s and 1890s and often dominated the winner’s circle. Negroes gained the right to attend races on equal footing with whites in the 1880s after professional sportsmen assumed control of local racing from the city’s socially exclusive jockey clubs.”

But by the beginning of the twentieth century racial inclusion at the race track was over.

2. Who Forced Out the African American Jockeys?

Contemporary newspaper accounts suggest that White jockeys conspired to force out the African American jockeys; to “draw the color line,” as it was expressed at the time. They had the tacit support of the owners, although it is difficult to tell the extent to which owners passively accepted as opposed to actively supported drawing the line. We will return to the interests of the owners below. One of the most convincing accounts the expulsion appeared in the *New York Times* (July 29, 1900, p.19). After describing the sudden decline – from the 1899 racing season to the 1900 season in the number of African American jockeys, the *Times* reporter explained that

“The public generally accepted the theory that the old time favorites of African blood had outgrown their skill, and really were out of date because of their inability to ride up to form of past years. Racing men know better. As a matter of fact, the Negro jockey is down and out not because he could no longer ride, but because of a quietly formed combination shut him out.”

¹ Vann Woodward later conceded that he may have underestimated the early extent of segregation, particularly in cities.

The reporter could not say for sure, or was not willing to say, whether the owners played a role in the expulsion of the African American jockeys. He would only go this far.

“Gossip around the racing headquarters said that the white riders had organized to draw the color line. In this they were said to be upheld and advised by certain horse owners and turfmen who have great influence in racing affairs. Rumor even went so far as to state that The Jockey Club approved the plan tacitly and unofficially.”

The reporter had some circumstantial evidence that the conspiracy had reached the Jockey Club, the ruling body of New York racing: a report that a member who was close to offering a ride to an African American jockey, one whom he had employed before, suddenly decided to break off negotiations. He also reports that initially some owners laughed at the idea of a color line and continued to offer mounts to African American jockeys, but they were soon brought into line.

“The Negro riders got mounts at first, but they failed to win races. Somehow or other, they met with all sorts of accidents and interferences in their races. The doubting horse owners seem to have been convinced since the early meetings that if they want to win races they must ride the white jockeys.”

In the summer of 1900, fresh off a third-place finish in the Kentucky Derby, the future Hall of Fame African American jockey Jimmy Winkfield went to New York to look for rides. There he heard about the “Anti-Colored Union” of White jockeys, and saw famous African American jockeys searching desperately for rides. Winkfield then went to Chicago, but the determination of White jockeys to shut out African American jockeys had hit Chicago as well. Winkfield was attacked in a race at a track near Chicago, crashed into the rail by a White jockey. Winkfield was hospitalized with severe leg injuries, but the story did not end there. Soon the papers were reporting a “race war” between White and African American jockeys at the track (Drape 2006, 71-84, Hotaling

2005, 36-39). Winkfield was not out of American racing at this point – he would go on to win the Kentucky Derby twice, and finish third once – but the color line was being drawn. Drape (2006, 81-82) suggests that hiring African American jockeys lasted longer at Southern tracks because Southern White jockeys were used to competing against African Americans and did not feel threatened.

Here is the way Charles B. Parmer (1939, 150) summarized the tactics used by White jockeys in *For Gold and Glory*, his classic history of American racing.

But some of his [African-American Jockey Jimmy Lee's] compatriots of color became a trifle cocky in the jockey rooms. The white boys retaliated by ganging up on the black riders on the trails. A black boy would be pocketed, thrust back in the race; or his mount would be bumped out of contention; or a white boy would run alongside, slip a foot under a black boy's stirrup, and toss him out of the saddle. Again, while ostensibly whipping their own horses those white fellows would lash out and cut the nearest Negro rider ... They literally ran the black boys off the track.

Ganging up based on race was not, of course, strictly the province of the White jockeys. Bergin (1917) reported an interview with "Babe" Hurd the African American jockey who won the 1882 Derby aboard Apollo.² According to the interview Hurd claimed that he had beaten the odds on favorite Runnymede because the White New York jockey riding Runnymede had bragged that he would teach the African American jockeys how to ride. In retaliation he was boxed out by three African American jockeys permitting Apollo to win. But given the larger number of White jockeys, and the prejudice of the stewards, it was a tactic that would better serve the White jockeys.

At the time, of course, it was all too easy, as the *Times* reporter noted, to accept a racist explanation for the disappearance of the African American Jockey. In 1905 in a

² This race was the source of the "Apollo Curse." Apollo had not raced as a 2-year old, and no horse that had not raced as a 2-year old would win again until Justify in 2018.

column in the *Washington Post* (August 20, p. S3) titled “Negro Riders on the Wane: White Jockeys’ Superior Intelligence Supersedes” the author catalogued the achievements of African American jockeys at length, but then reports that

“Horseman ascribe the passing of the colored riders to the fact that it is no longer considered ignoble to be a jockey, and the money to be made in the profession has drawn boys of good family to essay to learn the art of riding, So the white jockey is now crowding out the colored riders, as the paleface is pressing back the red men on the plains.”

This appeared just three years after Jimmie Winkfield won the Kentucky Derby the second time. And, of course, no mention was made of the violence used to drive African American jockeys from the track or to drive Native Americans from the plains.

The only discussion of the expulsion of the African American Jockeys we have found in the contemporary economics literature was in Alfred Holt Stone’s 1906 essay “The Economic Future of the Negro: The Factor of White Competition” in the *American Economic Review*. Stone – apparently unaware of or uninterested in the great successes of African American jockeys just a few years earlier – argued that they were being displaced for the same reason that African American coachmen were being displaced: African Americans were not as good as Whites when it came to handling horses!

Some journalists got it right. Leroy Williams was one of the last great African American jockeys, but as the *Washington Post* (January 11, 1907, p. 8.) explained.

Williams has a hard row to hoe every time he mounts a horse, for not only has to force every ounce of speed out of his horse, but he has to steer clear of the “pockets” and snares that the white boys set to trap him in.

The expulsion of African Americans from Major League Baseball preceded the expulsion of the African American jockeys by a decade (McDaniel 2013, 280; Seymour

1960, 278). The end purpose, more and better jobs for White players was the same, but the tactics were a bit different. Adrian “Cap” Anson, one of the first nationally known stars of professional baseball, was an influential opponent of integrated baseball. If he refused to play against an integrated team, owners of both teams stood to lose money. As famous as they might be, no White jockey had the same sort of market power that “Cap” Anson or his teams had. Moreover, mob violence – threats by fans to attack African American players – may have been more effective in baseball. Owners of race horses were unlikely to tolerate violence that might injure a valuable and fragile animal.

3. The Role of the Owners

The role of owners is an important but complicated question. Mooney (2014, Kindle locations 4229-4257) argues that White jockeys needed the “tacit consent” of the owners to expel the African American jockeys. “Tacit” seems the right adjective. Some owners, motivated by bigotry, were probably actively involved in expelling the African American riders, as suggested in the rumor reported by the *Times* above, but many had been willing to hire African American riders before the wave of White violence, and probably would have continued to do so in its absence. As we will show below, African American jockeys were getting good rides up to the moment the color line was drawn. Many owners, moreover, continued to employ African Americans as trainers and consultants long after African American jockeys had been forced out. The African American Jockey William Walker became one of the nation’s foremost experts on race

horse bloodlines. The prominent stable owner for whom he worked would never trade a horse without Walker's consent.

Becker's analysis of discrimination tells us that an owner that practiced discrimination, before the wave of violence, was operating against his own pecuniary interests. Organized violence by White jockeys changed that calculation. Afterwards, an owner who hired an African American jockey risked losing not only a race, but perhaps even a valuable race horse. Even owners who felt some sympathy for African American riders would think twice about employing them. The reporter for the *Times*, who we quoted above, noted that "Even the trainers of their own color appear to be afraid to employ them, for results tell, ..." (*New York Times*, July 29, 1900, p. 19).

Mooney (2014 Kindle location 4251) notes that in the 1890s the Jockey Clubs gradually took control of the administration of racing in the United States. This may have made it even harder for owners who wished to ignore the color line to do so. If excluding African American jockeys made sense to a majority of owners, particularly the weighty owners, it would have been more difficult for sympathetic owners and trainers to buck the majority opinion by hiring African American jockeys.

From an economic point of view, the expulsion of African American jockeys can be analyzed as a tax on the owners: the owners had to pay more to get a good jockey. Like any tax, the impact differed from owner to owner. Less wealthy owners probably felt the expulsion of the African American jockeys more keenly than wealthy owners. Owners who harbored racist feelings and wanted to exclude African American jockeys could get some satisfaction from seeing them forced out that made up for the increased cost of hiring jockeys.

Owners that had developed good working relationships with outstanding African American jockeys probably paid the highest price. On the other hand, Joe Drape (2006, 54) tells the story of “Father” Bill Daly an Irish-American owner and trainer – not by any means a priest – based in New York. Daly trafficked (Drape’s term) in Irish-American jockeys, whom he brutalized, but pushed to success. Perhaps his two best known jockeys were Winnie O’Connor and Hall of Famer Danny Maher. Daly specialized in poor, usually Irish-American boys, and benefitted when African American jockeys were driven from racing. Any resulting increase in jockey salaries was probably a small part of the cost of breeding and racing horses, and as a result there was only a limited incentive for owners to oppose the expulsion of the African American jockeys. For many owners, including the richest and most influential, horse racing was a hobby; losing money was less important than winning. As long as the same rule applied across the board, they would not be much affected by the drawing of the “color line.”

4. What do the odds tell us?

To examine obtain some additional insight into the attitudes of owners, trainers, and bettors we have put together a database that includes the odds on all of the entries, the ethnicity of the jockeys, and related variables in all of the Triple Crown races from the initial running of the race to 1918.³ Section 8, sources and methods, provides a detailed discussion of the database.

³ Although these three races were always important, in the 19th century there was competition for the position of America’s top races. Term “Triple Crown” was first used to describe the three most important British races. It appears that in the United States the first prominent use of the term was in the *New York Times* in 1923; but we have not done a comprehensive search for the origin of the term in American

If the betting market was efficient we would expect bettors to weight objectively all of the determinants of winning such as the record of the horse, its bloodlines, the record of the jockey in previous races, and so on, including of course the ethnicity of the jockey. In that case, the odds would tell us about the attitudes of owners and trainers. Were they hiring African American jockeys to ride strong contenders or merely to ride horses with little chance of winning? However there are two reasons why the odds on an African American jockey might be lengthened further by bettors compared with what they would be in a well-informed and efficient market. One is simply that bettors might have underestimated the skill of African American jockeys.⁴ The other is that they correctly estimated the skill of the African American jockeys but bet on horses ridden by White jockeys simply out of prejudice, that is from getting a non-pecuniary return from seeing a White jockey finish ahead of an African American jockey. We believe the former explanation, underestimate of ability, is unlikely simply because there were so many highly successful and famous African American jockeys. The belief that African American jockeys were inferior, as we will argue in more detail below, was a rationalization that emerged after they were expelled. The likely answer is prejudice. True, if only some bettors were prejudiced others interested only in making money could take advantage. But if prejudice against African American jockeys was strong enough, the arbitragers might not command enough resources to arbitrage away the effects of prejudice.

racing. The Kentucky Derby was first run in 1875, the Preakness Stakes in 1873, and the Belmont Stakes in 1867,

⁴ Brown and Yang (2015) compare the odds on female jockeys with their success rate to determine and show that female jockeys were underestimated.

As we will show in our econometric work, there is some evidence of prejudice against African American jockeys by bettors on the Kentucky Derby (although not on the Triple Crown races run on Northern tracks) so the rides obtained by African American jockeys in the Derby as evaluated by an efficient market would have been even better. We will consider each of the Triple Crown races in the order they are run each Spring: The Kentucky Derby, the Preakness, and the Belmont stakes.

4.1 The Kentucky Derby

The Kentucky Derby, the first leg of the Triple Crown, undoubtedly is now the leading race in America. This race, like other legs of the Triple Crown, is for three year olds: young colts that have reached full form. The excitement they generate is similar to that generated by a baseball player, a star in the minor leagues, who is a rookie in the majors.

Chart 2 shows the “implied probabilities” derived from odds at the track for winning horse in each Kentucky Derby from 1875 to 1902 by ethnicity of the jockey.⁵ As Chart 2 shows, African American Jockeys sometimes had to beat the odds to win. The outstanding case was the 1882 Derby won by the African American jockey “Babe” Hurd who rode Apollo, a 33:1 longshot; a record that was not exceeded until the White jockey Roscoe Goose rode a 91:1 longshot to victory in 1913, still a record.⁶ Apollo had not raced as a two year old, possibly a factor in the long odds against him. This was the origin of the “Apollo Curse:” a horse that did not run as a two year old cannot win the Derby. The curse was finally broken in 2018 by Justify. Justify, however, was a favorite,

⁵ Section 8 explains the relationship between track odds and implied probabilities.

⁶ We have not found a reference to Hurd's first name.

perhaps reflecting the great abundance of information available today, even for a horse without a record in competitive races. All told, 15 winners of the Kentucky Derby were ridden by African American Jockeys and 13 by White jockeys during the years from 1875 to 1902, after which African American jockeys were forced out.

Chart 2 provides a perspective on the sorts of rides the African American jockeys were getting before the exclusion. It shows the implied probabilities for the favorite in each Kentucky Derby from 1875 to 1905 by ethnicity of the jockey. It is clear at once that African American jockeys were getting some very good rides. In several cases they rode the “odds on favorite.” There is a run of years at the end of the 19th century when the White jockeys rode the favorites, but in 1903 Jimmy Winkfield, fresh off two Derby victories rode the odds on favorite to a third place finish. Evidently, there were owners who were willing to trust their best horses to African American jockeys and bettors who recognized a good thing when they saw it.

We tested the attitude of the bettors toward African American jockeys in the Kentucky Derby formally by using the implied probabilities to generate a predicted order of finish for all Kentucky Derbies from 1875 to 1915. We then ran an ordered probit regression with 0 designating horses that finished worse than predicted, 1 designating horses that finished as predicted, and 2 designating horses that finished better than predicted. Results appear in Table 1.

The ordered probit shows that the implied probability of winning the race did not have a significant impact on whether the horse beat the odds. The dummy indicating an African American jockey, however, is significant at the 10-percent level. Computing the marginal effects of the explanatory variables shows that African American jockeys were

9.0 percent less likely to finish below expectations, 1.2 percent less likely to finish as predicted, and 10.3 percent more likely to finish above expectations. Regressions, which are not shown here, included other variables all of which proved to be statistically insignificant. These included the number of other horses in the race, the number of other horses in the race ridden by African American jockeys, and a dummy variable indicating whether the race took place after 1890. We included this variable to account for possible changes in attitudes that might have resulted from witnessing the performance of Isaac Murphy, the great African American jockey who won three Kentucky Derbies, and was widely praised as a particularly astute jockey. In our view the most likely explanation for these results is that some bettors in Kentucky bet against African American jockeys for non-pecuniary reasons. The story was different on the Northern tracks where African American jockeys were as likely to finish below their expected position as above. In other words, on the Northern tracks you couldn't beat the odds by betting on African American jockeys. Ordered probits which included data from all three Triple Crown races confirmed that beating the odds was true only for the Kentucky Derby. We don't find that African American jockeys beat the odds regularly in the Preakness or Belmont stakes.

4.2 The Preakness

Relatively few African Americans rode in the Preakness. Table 2 shows the four Preakness Stakes races before the modern era in which African American Jockeys rode. Only one of these races took place at Pimlico in Maryland; the others were run on Northern tracks. The race at Pimlico, incidentally, was a strange affair. Initially only one

horse was entered with African American jockey George “Spider” Anderson aboard. All he would have to do to win was walk his horse around the track. At the last moment, another entry was found to make it a race, but Anderson won easily. Some of the owners who raced their horses at Pimlico we think, preferred White jockeys, and especially White English jockeys, but this is just a guess because this form of prejudice is hard to establish given our data. In each case we compared the expected finish in the race based on the odds with the actual finish to see if the bettors underrated the African American Jockeys. As you can see, in only one case was there a change from the expected finish based on the odds, a step up.

4.3 The Belmont Stakes

Table 3 shows the Belmont Stakes in which African American Jockeys rode. The African American jockeys acquitted themselves well. But there is little difference in their performance and the performance of White jockeys. In five races they did better than expected; they “beat the odds.” In five races they did worse than expected. And in four they did just as expected. Net, they beat the odds by a small amount. What kind of rides did they get? The African American jockeys were not regularly assigned the nags. The average probability of winning assigned a horse ridden by African American jockeys by the bookies and bettors was slightly higher than the average for a horse ridden by a White jockey.

Chart 4 looks at the four Belmont Stakes won by African American Jockeys. In each case it shows the odds assigned to the favorite and to the African American who won. In 1870 Ed Brown rode the favorite to a win, hence the two columns are equal. In

1893 the future Hall of Fame Jockey Willie Simms had to beat the odds to win, but the following year he rode the favorite. Overall it would appear that bettors at the Belmont Stakes were able to put their prejudices behind them when they put their money on the line. Discrimination probably came in a form that we can't measure: Owners and trainers who from prejudice chose to employ a White jockey instead of an African American.

5. What were the Underlying Forces?

The surge in racism at the turn of the nineteenth century, of which the expulsion of the African American jockeys is a striking example, was the product of several forces -- cultural, political, and economic. Untangling these forces has challenged historians for more than a century. We cannot hope to make a definitive analysis here. But the expulsion of the African American jockeys is a particularly clear case of Jim Crow. By studying it, we hope to add to the general understanding of the rise of Jim Crow.

C. Vann Woodward (2002 [1955], 77) attributed the rise of Jim Crow at the start of the twentieth century in part to the "agrarian depression of the 'eighties and 'nineties" which "caught the [southern] conservatives off guard and threw them on the defensive." As he goes on to explain ...

"A great restiveness seized upon the populace, a more profound upheaval of economic discontent than had ever moved the Southern people before, more profound in its political manifestations than that which shook them in the Great Depression of the 1930's"

After the Civil War, Southern conservatives had practiced a form of paternalism that offered some protections for African Americans. Wealthy Southerners looked on African Americans as a source of labor for field or factory. Poor Whites, however, were in direct competition with African Americans for jobs. Initially, when Midwestern populism spread to the South it produced an alliance between poor African American and White farmers. But conservatives, anxious to hold on to power, turned away from their traditional paternalism, a force that had kept racism in check, and began campaigning as champions of White supremacy. White Populists, not to be outdone, in turn abandoned their alliance with African Americans and campaigned as even stronger proponents of White control than the conservatives. African Americans were scapegoats in hard times without allies.

The tragic case of Thomas E. Watson the governor of Georgia who served as William Jennings Bryan's running mate on the Populist ticket in 1896 is perhaps the most famous example of a Populist who turned from a moderate on race into a racist at the turn of the century (Vann Woodward 1938). A second important exemplar of the association of Progressive economics and racism in the South is Josephus Daniels. Daniels was a self-made man, a newspaper owner from North Carolina. As secretary of the Navy during World War I he became a close advisor to Woodrow Wilson and mentor to Franklin Roosevelt. In economics, he was staunch progressive, taking positions we would now associate with the far left, often calling for government ownership of corporations. In race relations, he was a staunch segregationist and a staunch advocate of disenfranchising African Americans. His biographer Lee A. Craig (2013) thought Daniels more responsible than any other individual for the disenfranchisement of North

Carolina's African Americans. Only by removing African Americans from the political equation, Daniels believed, could a progressive agenda succeed in the South.

In the case of the expulsion of the African American jockeys, the argument that anxiety about jobs was an important, perhaps a decisive factor in the call for drawing the color line seems unusually clear. First, there is the nature of racing itself. There were a limited number of slots, especially in the top races. The demand curve for jockeys, in other words, was highly inelastic. Eliminating African Americans from racing would increase the number of rides for White jockeys, increase their per capita earnings, and improve their working conditions. That efforts to exclude African American jockeys began in the North also suggests that in this case it was the demand for more and better rides that explains the push to draw the color line. It certainly was not about the complexities of southern politics.

Competition for jobs in hard times, and the politics based on it, in turn reinforced extremes of racial hatred that produced demands for segregation and racial deference, and that sometimes produced mob violence. Note that in the description of the attack on African American Jockeys quoted above, Charles B. Parmer describes the White jockeys' retaliating for African American jockeys' becoming "a trifle cocky in the jockey rooms." Today a response like this would seem abhorrent, but it was a familiar reaction in the Jim Crow era, when a perceived lack of deference could provoke a violent response.

We have seen hard times and a response to "cockiness" affect the racial composition of other American sports. For the first decade or so of its existence, the National Football League featured a number of African American players. With the

advent of the Great Depression, African American players were gradually forced out of the league, not to reappear until after World War II (McCambridge 2005). The perceived brashness of Jack Johnson, the first African American to hold the heavyweight boxing championship, helped fuel White resentment. This, in turn, often resulted in racial violence after his matches. After Johnson lost the title in 1915, no African American boxer fought in a heavyweight championship match until Joe Louis, who had been specifically counseled to avoid any appearance of cockiness, won the title in 1937 (Ward 2004 and Margolick 2005).

With only a limited amount of annual data, it is hard to use econometric methods to test alternative explanations for the rise of Jim Crow in racing. But high unemployment seems to be correlated to some degree with the increase in racism at the turn of the century. In 1893, the United States experienced a severe financial crisis, similar in many ways to the crisis of 2008. It began with a series of failures of financial institutions in the Midwest, some of which would clearly meet today's criteria for a "shadow bank." But it soon spread throughout the financial system, culminating in a nationwide suspension of gold payments. Unemployment rose dramatically in the wake of the panic. In 1894 Jacob Coxey led his famous march of unemployed workers on Washington demanding a federally financed road building program to create jobs. Although some measures of economic activity, such as industrial production, recovered quickly, it took a number of years for labor markets to recover. Indeed, as shown in Chart 3, unemployment after the Panic of 1893 followed a path similar to unemployment after the Panic of 2008. Unemployment didn't return to the pre-panic levels until 1901. If

we believe that racist and anti-immigrant feelings in the 2010s were exacerbated by high unemployment we should not be surprised to find something similar in the 1890s.

An indication that panics and hard times can exacerbate racial tensions is suggested by the data on lynching. Chart 4 shows lynchings in Kentucky from 1890 and 1910, and the national unemployment rate. Both the Panic of 1893 discussed above, and the next major financial panic in 1907 appear to be associated with an increase in lynchings. George C. Wright, who compiled these lynching statistics, also discussed the efforts at the turn of the century to expel African Americans from parts of Kentucky (1996, 132-154) through violence. He argued (1996, 132) that

“It can reasonably be concluded that the greatest number of Afro Americans were forced to leave communities all over the commonwealth not because they were warned out of town after lynchings nor because they were involved in political activities, but because whites were determined to eliminate them from the workplace.”

In parts of Kentucky this effort was led by the Night Riders made famous in Robert Penn Warren’s (1939) brilliant first novel. Starting out as an organization of farmers resisting the efforts of the American Tobacco Company to control tobacco prices, an organization that included African American farmers, the Night Riders deteriorated at times into Klan-like gangs determined to drive African American farmers out of Kentucky through violence. All this was happening at the same time that White jockeys were conspiring to force African American jockeys out of racing.

Racism in Louisville, the home of the Kentucky Derby, however, was more restrained than in the southern and rural parts of the state. The color line was omnipresent in Louisville; but African Americans could vote, streetcars were not segregated, and mob violence aimed at African Americans was rare. According to

Nicolson (2012, 68) this comparatively benign level of racism worked to the benefit of the Kentucky Derby as it strove to become America's premier race, and one of its premier sporting events. Race goers could conjure up a romantic picture of Old South plantations while believing that the racism on which those plantations were based belonged to another age.

While hard times afflicted almost all businesses after the panic of 1893, racing was affected by several forces that increased the pressure on opportunities for jockeys, and increased the attractiveness of forcing out the African American jockeys. One was immigration. Large numbers of poor immigrants were arriving in America, and riding was a way for poor immigrants or their children to make a living, and possibly achieve fame and fortune. The Irish were important because of their long tradition of racing, and we have already referred to "Father" Bill Daly and his troupe of young Irish-American riders, a troupe that included Hall of Fame jockey Danny Maher, who began riding at 14. Another example is Walter Miller, Jewish from Brooklyn, who also began riding at 14 and went on to become a Hall of Fame Jockey. He won the Preakness in 1906.

Another factor undermining the market for jockeys was the anti-gambling sentiment that was beginning to bite at the turn of the century. Opposition to gambling was a brother to Prohibition, another reform movement that was gaining strength at the turn of the century. Anti-gambling forces were active in the South, but all parts of the country were affected. New York passed anti-gambling legislation in 1895 and New Jersey did so in 1898. Charles Evans Hughes, the reform governor of New York, thought that the 1895 law did not go far enough and in 1908 he signed legislation banning all but verbal contracts at race courses. Hughes enforced the law vigorously.

As a result, attendance at race tracks declined precipitously. One victim was the Belmont Stakes, which was not run in 1911 or 1912. In short, anti-gambling laws and social pressure not to gamble hit racing hard, and jockeys found the demand for their services contracting. Excluding African Americans was a way for White jockeys to offset the effects of the attack on race-track gambling.

One offsetting factor affecting the demand for jockeys was the European racing circuit, which continued to be prosperous and welcomed African American jockeys. Willie Simms, who rode briefly in England, where it is said his example introduced the crouched, aerodynamically efficient American style of racing. Jimmy Winkfield, after winning the 1901 and 1902 Kentucky Derbies and coming third in 1903 went on to a fabled career in Russia, Germany, and France. Of course, these great jockeys had already proven their skill on American tracks. Once African Americans had been banned from racing it was impossible for young African Americans to learn the skills and establish the record that would have recommended them to European owners.

To test these ideas more systematically we regressed the percentage of African American jockeys in the Kentucky Derby from 1875 to 1915 on a series of explanatory variables. Because this number is necessarily between 0 and 1 – and was frequently bounded from below in the later years of the sample – we ran a tobit regression with censoring at 0 and 1. The results appear in Table 4.

The explanatory variables reflect our attempt to capture economic conditions (the national unemployment rate), racial attitudes (the number of lynchings of African Americans in Kentucky), the financial rewards (the prize for a first-place finisher in the

Derby), and the stock of available substitutes (the number of immigrants).⁷ The first regression in levels appears to show a strong relationship between the presence of African American jockeys and lynchings and most of the variables. Unemployment rates and Immigration have the expected negative sign and are significant at the 10 and 1 percent levels. Lynchings are significant at the 5 percent level but have an unexpectedly positive sign. Prize money is insignificant. These results, however, are may be spurious, because most of the variables trend upward or downward over the time period.

To account for the non-stationarity of the variables, we take first-differences and re-run the regressions. The results, in the second column of Table 4, are much less significant. Only first-place prize money is statistically significant at the 10 percent level. The impact, moreover, is as expected, indicating that the representation of African American jockeys declined as the potential rewards increased: Outstanding White jockeys were increasingly willing to take the train to Louisville.

6. Winners and Losers

The White Jockeys were the major beneficiaries of Jim Crow. Some of them got rides, including rides in classic races, which they would not otherwise have gotten. What about the fans? There is a smidgeon of evidence that the races became less exciting after African American jockeys were expelled. Chart 5 shows the distance between the first and second place finishers in each Derby from 1875 to 1917. On average the first place finisher won by about half a length more after the African American jockeys were

⁷ The winning jockey usually received a reward based on the prize money. But we do not have systematic information on the amount of these rewards.

expelled. Those races, in other words, may have been a tad less exciting. But the Kentucky Derby continued to prosper, attendance continued to grow, and the Derby's claim to be the greatest American horse race steadily strengthened. African American racing fans and some White fans lost because they could no longer witness the exploits of the great African American Jockeys. For a few years after the expulsion of the African Americans several tracks ran "Darktown Derbies" in which only African American jockeys were allowed to ride. But without a regular path to the big races, owners and trainers had no incentive to train African American jockeys, and unlike the Negro baseball leagues, the Darktown Derbies disappeared.

7. Conclusion

Before the Civil War many of America's most famous jockeys were slaves; After the Civil War, African American jockeys continued to play a major role in American racing. Between 1890 and 1899, African American jockeys won 6 Kentucky Derbies, 1 Preakness Stakes, and 3 Belmont Stakes. At the end of the 1890s, however, White jockeys began a concerted and rapidly successful effort to force African American jockeys from racing. Their method was violence. African American jockeys were boxed out, run into the rail, hit with riding crops, and so on. Soon after the attacks on African American jockeys began, African American jockeys could not get rides.

Owners, at the very least, gave their tacit consent to the expulsion of the African Americans jockeys. For some owners it was probably just a business decision: why employ an African American jockey if White jockeys were going to use violence to prevent him from winning and in the process possibly damage a valuable race horse.

Some owners who had regularly employed African American jockeys continued to employ them in other capacities.

We did not find evidence of racial prejudice by the betting public for races run on Northern tracks, but we did find such evidence for the Kentucky Derby. For the Derby we found that horses ridden by African American jockeys systematically “beat the odds.” In other words they finished better than predicted by the auction pools or bookmakers. Some bettors, at least in the case of the Derby, were also, to a degree, complicit. The fans who lost were the African Americans and unprejudiced whites who could no longer watch exciting African American jockeys such as future hall of famers Isaac Murphy, Willie Simms, and Jimmy Winkfield.

The rising tide of racism that produced Jim Crow had important political, cultural, psychological and economic causes that interacted with one another. Understanding a particular aspect of Jim Crow often requires stressing one or another of these forces. To understand the wave of disfranchisement in the South in the late 1890s requires that an historian delve into the complexities of Southern politics. Understanding the physical separation of the races – on railroad cars, in music halls, at drinking fountains, and so on – may require a stress on cultural or psychological factors, and the role of *Plessy vs. Ferguson* (1896). Untangling these forces with econometric methods is difficult because the evolution of extreme Jim Crow was rapid and much of the relevant data is available only in annual form. Case studies can help. Horse racing in particular is helpful because it was enormously popular in both North and South, because it was integrated, and because it is possible to gather quantitative data that reflects underlying attitudes revealed when people “put their money on the line.”

Who were the winners from expelling the White jockeys? Was it simply a response to demands from a prejudiced public? We did find some bias by the betting public at the Kentucky Derby although not on Northern tracks. But prejudice by bettors and owners and trainers was clearly limited, even as Jim Crow approached. A horse ridden by the African American jockey Jimmie Winkfield was the odds on favorite in the 1903 Kentucky Derby. The clear winners from the expulsion of the African American jockeys were the White jockeys. By cooperating and “drawing the color line” they could assure themselves of more rides.

But why did this occur at the end of the 19th century? It was an economic period much like our own. In 1900 the United States was finally returning to full employment after the long depression caused by the Panic of 1893. The market for low skilled labor was subjected to further stress by the flow of immigrants from Europe, including soon-to-be-great jockeys. And racing faced a growing anti-gambling movement that attacked one of the main reasons why people attended the races. It made economic sense for the White jockeys to force out the African American jockeys if they could get away with it. The rise of Jim Crow, of course, made their job easier: stewards, Jockey Clubs, journalists, and the fans were more likely to countenance the segregation of racing, and the rough tactics it took to enforce it, than they had been earlier.

Regression analysis shown in Table 4 did not provide clear support for the role of macroeconomic variables in the rising tide of racism in racing primarily we believe because annual data is not sufficient to reveal the determinants of a process that unfolded quickly at the start of the 20th century. Owners and trainers continued to hire some African American jockeys until the White jockeys were able to form a “union” and

drive the African Americans out. We did find some evidence that African American jockeys were displaced from the Kentucky Derby when the reward was higher; a finding that had echoes about 75 years later, when women who coached women's sports in American colleges were displaced by men after the passage of Title IX made coaching women's sports more prestigious and lucrative.

In short we believe that a close look at the expulsion of the African American jockeys at the turn of the 19th century adds to the case for believing that anxiety about jobs was an important contributing factor in the rising tide of racism that produced Jim Crow.

8. Sources and Methods

We assembled our data on horses entered, times, jockeys, ethnicity of the jockey, final position in the race, odds and so on from a variety of sources. The websites of the Triple Crown races provided considerable amounts of data. Each of the websites has charts for all of the races. However, the charts in the media guides do not always have the odds on all the entries or other data that we needed so we had to supplement the charts with data from other sources. O'Connor's (1921) history of the Kentucky Derby and Sowers's (2014) authoritative history of the Triple Crown were extremely valuable. Accounts of the races in newspapers were also an important source for filling in and double checking. We made considerable use of the *New York Times*, *The Baltimore Sun* (important for the Preakness when run at Pimlico), several Brooklyn papers (important when the Preakness was run at Gravesend in Brooklyn), and other papers that happened to report on a particular race in detail.

Betting was structured in a variety of ways that changed over time. In the early years the only odds available are from “auction pools.” Each auction would consist of a series of rounds of bidding. The winner of the first round could choose whichever horse they wanted. The winner of second round could choose from the remaining horses, and so on until all the entrants had been taken. Those who had bought the winning horse would receive the pool less the pool-seller’s commission, typically, it is said, five percent (Riess 2011, Kindle Locations 453-455). In many pools entrants from the same stable were paired in the bidding; that is you could choose two or more of horses with a single winning bid. The reason might be that the owners, who were major participants in the pools, didn’t want create the impression that they favored one of their horses, possibly even instructing one of their jockeys to cooperate in pushing through one of their entries. In some cases one could bet on “the field,” several horses with little chance of winning. One problem with the auction pools was that the favorites tended to get picked by the bettors with the deepest pockets. Indeed, it was hard for someone of limited means to make any bet at all and that led to the introduction of other forms of betting that allowed for greater participation.

The auction pools were followed by the more familiar bookies who would post odds and then pay the winners at those odds after taking a commission. Sometimes the odds reported in different papers differ because they were reporting the odds of different auction pools or bookmakers. But usually all reported odds are quite close. In fact the odds from the pools and from the bookies are quite close when both are available.

Still later, the tracks began using the modern parimutuel system. Bettors buy tickets on the horse they think will win -- to take the simplest example, they can also bet

on place (second), show (third), or more exotic combinations. And the payout is determined by how many tickets are bought on a particular horse.

In all of these cases we converted the odds reported in the papers into “implied probabilities.” One reason for doing so is that a chart based on the odds used by bettors is hard to read: the races won by long shots obscure all the other races. The “implied probabilities” on the other hand, all fall between 0 and 1. Probabilities, moreover, are more familiar to economists. We also converted odds to probabilities, as explained below, because we needed to adjust for changes in the vigorish.

The conversion of odds given by bookies or parimutuel machines is straightforward. If, for example, the odds are 5:1 it means that if the horse wins the owner of the ticket having bet \$1.00 will win \$5.00. He will receive back \$6.00, the original stake of \$1.00 plus \$5 more. The formula connecting the odds to the implied probability is

$$(1) P = 1/(O + 1)$$

Where P = the “implied probability” a horse will win.

O = the track odds on the horse expressed as a ratio

Suppose the odds are 3:2. Then the “implied probability” is

$$P = 1/[(3/2)+1] = 0.40.$$

The frequency interpretation is that if the race was run 5 times, we would expect this horse to win twice and lose three times.

We need, however, to adjust the probabilities given by (1) for the vigorish. An example will make clear how we do this. Suppose the pool consisted of a total of \$100 bet on the race and \$40 dollars was bet on horse X. And suppose that if X won, the

people who had bet on X would win the whole pool, receiving a profit of \$60 on their \$40 bet. The odds, or the payoff ratio as some betters think of it, would be \$60/\$40 or 3:2. The implied probability of winning, calculated according to (1) would be 0.40. But this would be the odds in a fair pool. Normally, the track or the bookies take a share off the top, the vigorish or the “vig” as it is known when talking about bookies.⁸ The vig reduces the odds offered the bettor. In our example, if the track took 20% off the top, the folks who had bet on X would receive only \$80 and the odds would be \$40/\$40 or 1:1. The implied probability, according to (1) would be higher than with a fair pool, 0.50 rather than 0.40. We therefore adjusted for the vigorish by dividing each individual implied probability by the sum of the implied probabilities, insuring that the adjusted probabilities summed to 100%. This adjustment makes it possible to compare races across time even as the vigorish changed.

In the case of the pools we simply divided the price for each horse by the sum of the prices for all of the horses in the race. Since the prices were reported gross of the pool-seller’s cut, there was no need to adjust the probabilities. When a bettor in a pool took a stable or the field we divided the price paid for the group by the number of horses in the group to get an implied probability for each horse separately.

The odds given by auction pools, bookmakers, or by the track in the case of parimutuel betting reflected a wide variety of variables: a horse’s performance in recent races, its bloodlines, the jockey’s record, the weather, rumors about the mental or physical health of the horse, theories about horse racing and many other factors. We do not have sufficient data to extract the impacts of all of these factors. Nevertheless, the

⁸ The term is also used to describe the amount charged by “loan sharks” a fact that probably tells us something about how track goes thought about the people with whom they bet.

odds can shed some light on the nature and sources of discrimination. If owners discriminate, African American jockeys will have to settle for longshots. If bettors are prejudiced the odds will be inaccurate and we will find African American jockeys beating the odds.

References

Bergin, C. A. 1917. "When Apollo Won The Kentucky Derby: Story of the Race as Described by the Former Jockey Who Rode Him to Victory." *Daily Racing Form*, May, 10.

Brown, Alasdair, and Fuyu Yang. 2015. "Does Society Underestimate Women? Evidence from the Performance of Female Jockeys in Horse Racing." *Journal of Economic Behavior and Organization* 111, 106-118.

Craig, Lee A. 2013. *Josephus Daniels: His Life and Times*. Chapel Hill: The University of North Carolina Press.

Drape, Joe. 2006. *Black Maestro: The Epic Life of an American Legend*. New York: Harper Collins.

"Few Negro Jockeys Left: Williams, Who Won Four Races Yesterday, Is Cleverest Son of Ham Riding." *Washington Post*, January 11, 1907, p. 8.

Hotaling, Ed. 2005. *Wink: The Incredible Life and Epic Journey of Jimmy Winkfield*. New York: McGraw-Hill.

Historical Statistics of the United States Millennial Edition Online. 2006. Retrieved from <http://hsus.cambridge.org/>.

Madden, Janice Fanning. 2004. "Differences in the Success of NFL Coaches by Race, 1990–2002: Evidence of Last Hire, First Fire," *Journal of Sports Economics*, 5(1), February: 6–19.

Madden, Janice Fanning and Matthew Ruther. 2011. "Has the NFL's Rooney Rule Efforts 'Leveled the Field' for African American Head Coach Candidates?" *Journal of Sports Economics* 12(2), April: 127-42.

Margolick, David. 2005. *Beyond Glory: Joe Louis vs. Max Schmeling and a World on the Brink*. New York: Alfred A. Knopf.

- McCambridge, Michael. 2005. *America's Game*. New York: Anchor Books.
- McDaniels, Pellom. 2013. *The Prince of Jockeys: The Life of Isaac Burns Murphy*. University Press of Kentucky.
- Mooney, Katherine C. 2014. *Race Horse Men: How Slavery and Freedom were made at the Racetrack*. Cambridge MA: Harvard University Press.
- "Negro Jockeys Shut Out: Combination of White Riders to bar them From the Turf." *New York Times*, July 29, 1900, p. 19.
- "Negro Rider on Wane: White Jockeys' Superior Intelligence Supersedes." *Washington Post*, August 20, 1905, p. S3.
- Nicolson, James C. 2012. *The Kentucky Derby: How the Run for the Roses Became America's Premier Sporting Event*. University of Kentucky Press.
- O'Connor, John Lawrence. 1921. *History of the Kentucky Derby, 1875-1921*. New York, Rider Press, co.
- Parmer, Charles B. 1939. *For Gold and Glory: The Story of Thoroughbred Racing in America*. New York: Carrick and Evans Inc.
- Riess, Steven. 2011. *The Sport of Kings and the Kings of Crime: Horse Racing, Politics, and Organized Crime in New York 1865 —1913*. Syracuse, New York: Syracuse University Press.
- Seymour, Harold. 1960. *Baseball: The Early Years*. New York: Oxford University Press.
- Somers, Dale A. 1974. "Black and White in New Orleans: A Study in Urban Race Relations, 1865-1900." *The Journal of Southern History*, vol. 40, no. 1, pp. 19–42.
- Sowers, Richard. 2014. *The Kentucky Derby, Preakness and Belmont Stakes: A Comprehensive History*. Jefferson, North Carolina: McFarland and Company, Inc.
- Stone, Alfred Holt. 1906. "The Economic Future of the Negro. The Factor of White Competition." *Publications of the American Economic Association*, 3rd Series, 7, no. 1 (1906): 243-94.
- Ward, Geoffrey. 2004. *Unforgivable Blackness: The Rise and Fall of Jack Johnson*. New York: Vintage Books.
- Warren, Robert Penn. 1966 [1939]. *Night Rider*. Nashville, Tennessee: J.S. Sanders & Company.
- Woodward. C. Vann. 1938. *Tom Watson: Agrarian Rebel*. New York: Macmillan.

Woodward, C. Vann. 2002 [1955]. *The Strange Career of Jim Crow*. Commemorative Edition. New York: Oxford University Press.

Wright, George C. 1990. *Racial Violence in Kentucky, 1865-1940: Lynchings, Mob Rule, and "Legal Lynchings."* Baton Rouge: Louisiana State University Press.

Table 1. Performance Relative to Expectations in the Kentucky Derby	
Variable	Coefficient
Probability of Winning the Race	0.0064 (1.38)
African American Jockey	0.2841 (1.86)
Likelihood Ratio χ^2	5.37
Number of Observations	219
<i>t-statistics in parentheses</i>	
Sources: Section 8, Sources and Methods.	

Table 2. African American Jockeys in the Preakness Stakes

Year	Track	Number of Horses	Number of African American Jockeys	Average probability of Winning, White Jockeys (%)	Average Probability of Winning, African American Jockeys (%)	Improvements in the final placement of African American Jockeys
1889	Pimlico	2	1	4.76	95.24	0
1890	Morris Park	4	2	30.62	19.38	0
1896	Gravesend	4	2	39.82	10.18	0
1898	Gravesend	4	1	22.99	33.33	1

Sources: Section 8, Sources and Methods.

Table 3. African American Jockeys in the Belmont Stakes

Race	Value to the Winner	Number of horses	Number of African American Jockeys	Average probability of Winning, White Jockeys (%)	Average Probability of Winning, African American Jockeys (%)	Improvements in the final placement of African American Jockeys
1869	\$3,350	8	2	14.20	7.41	0.0
1870	3,750	7	1	9.64	42.16	0.0
1871	5,450	11	1	8.83	11.74	0.5
1873	5,200	10	1	10.92	1.76	3.0
1874	4,200	9	1	12.20	2.20	0.0
1875	4,450	14	1	6.28	18.35	0.5
1889	4,960	4	1	25.61	48.78	-1.0
1890	8,560	9	5	8.57	13.14	0.0
1891	5,070	6	4	9.45	23.88	-1.0
1893	5,314	5	2	26.53	10.21	2.0
1894	6,680	3	2	7.44	46.28	1.0
1895	2,700	5	1	20.88	16.49	-0.5
1896	3,025	4	1	13.90	58.30	-1.0
1897	3,350	6	2	16.36	17.28	-0.5
Average				13.63	22.71	0.21

Sources: Section 8, Sources and Methods.

Table 4. Determinants of the Presence of African American Jockeys in the Kentucky Derby

Variable	Levels	First Differences
Lynchings in Kentucky	0.0246 (2.07)	.0037 (0.29)
First-place prize money (\$000)	-0.0746 (-1.61)	-0.1507 (1.81)
National unemployment rate	-0.0488 (-1.76)	0.0180 (0.55)
Immigration level (MM)	-0.766 (3.76)	-0.126 (0.45)
Constant	1.2215 (4.69)	-0.0404 (-0.76)
Likelihood Ratio χ^2	32.80	5.46
Number of Observations	41	40
<i>t-statistics in parentheses</i>		
Sources: Section 8, Sources and Methods.		

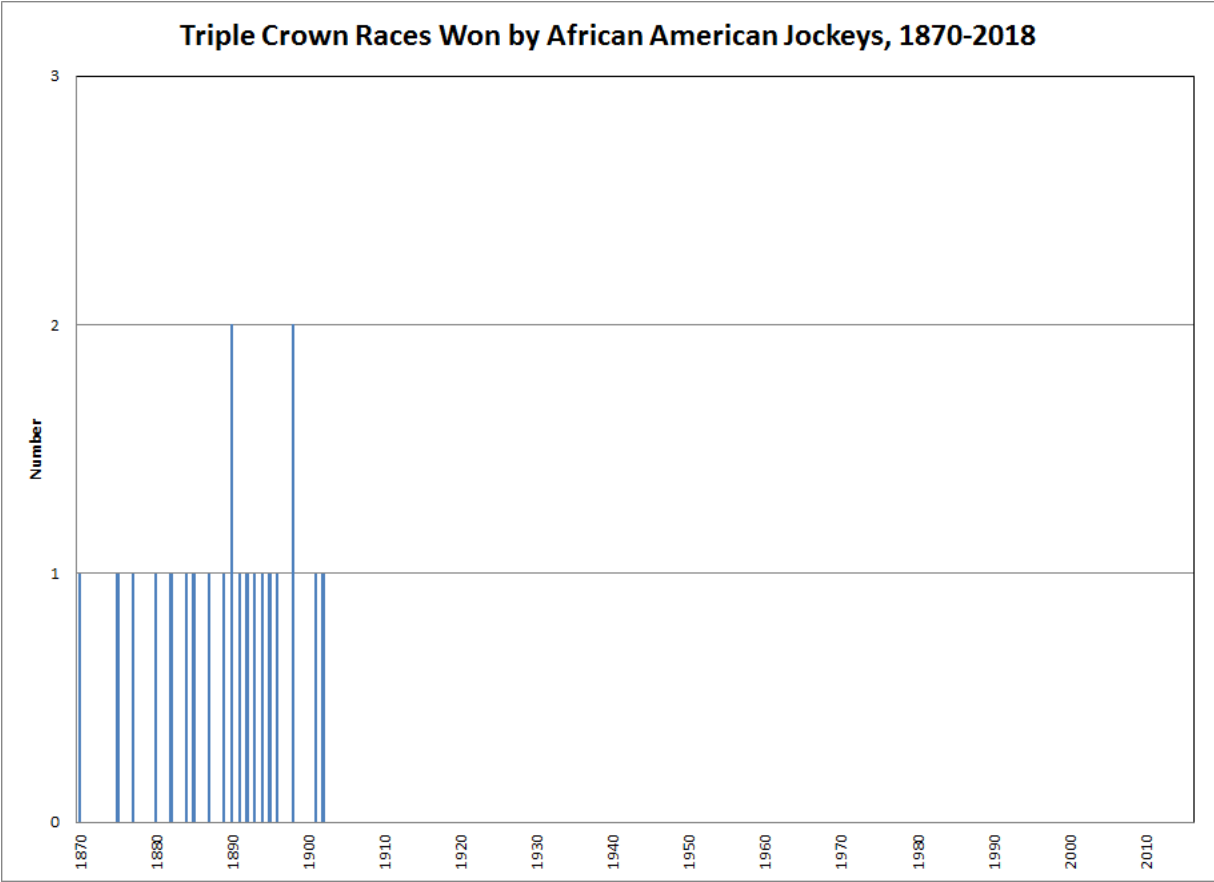


Chart 1

Source: Section 8, Sources and Methods

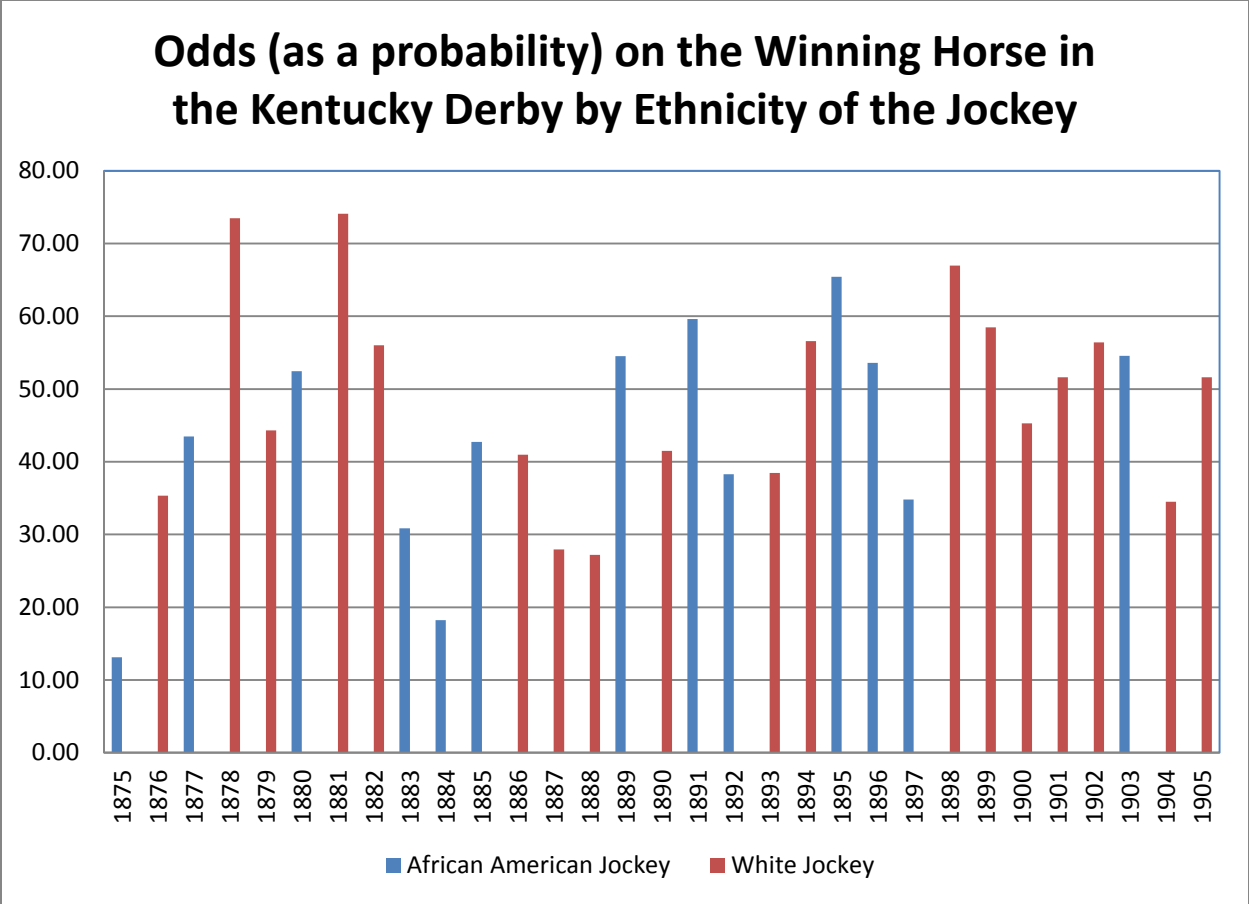


Chart 2

Source: Section 8, Sources and Methods

Odds (as a probability) on the Favorites in the Kentucky Derby by Ethnicity of the Jockey 1875-1905

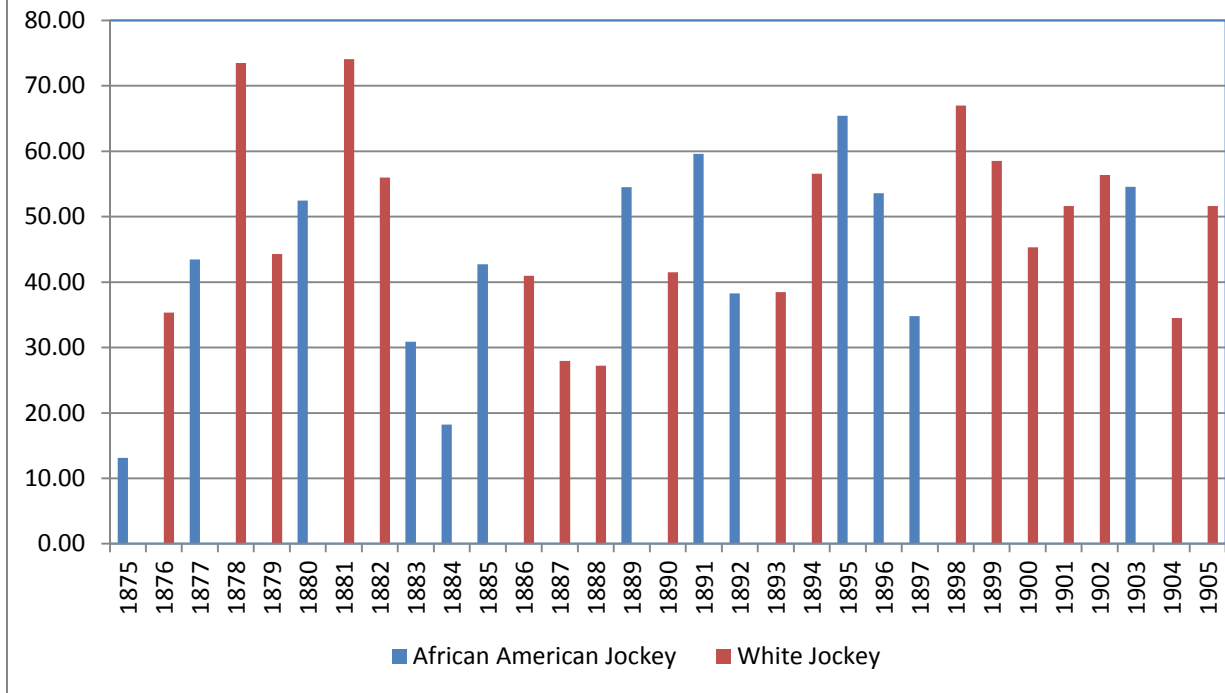


Chart 3

Source: Section 8, Sources and Methods

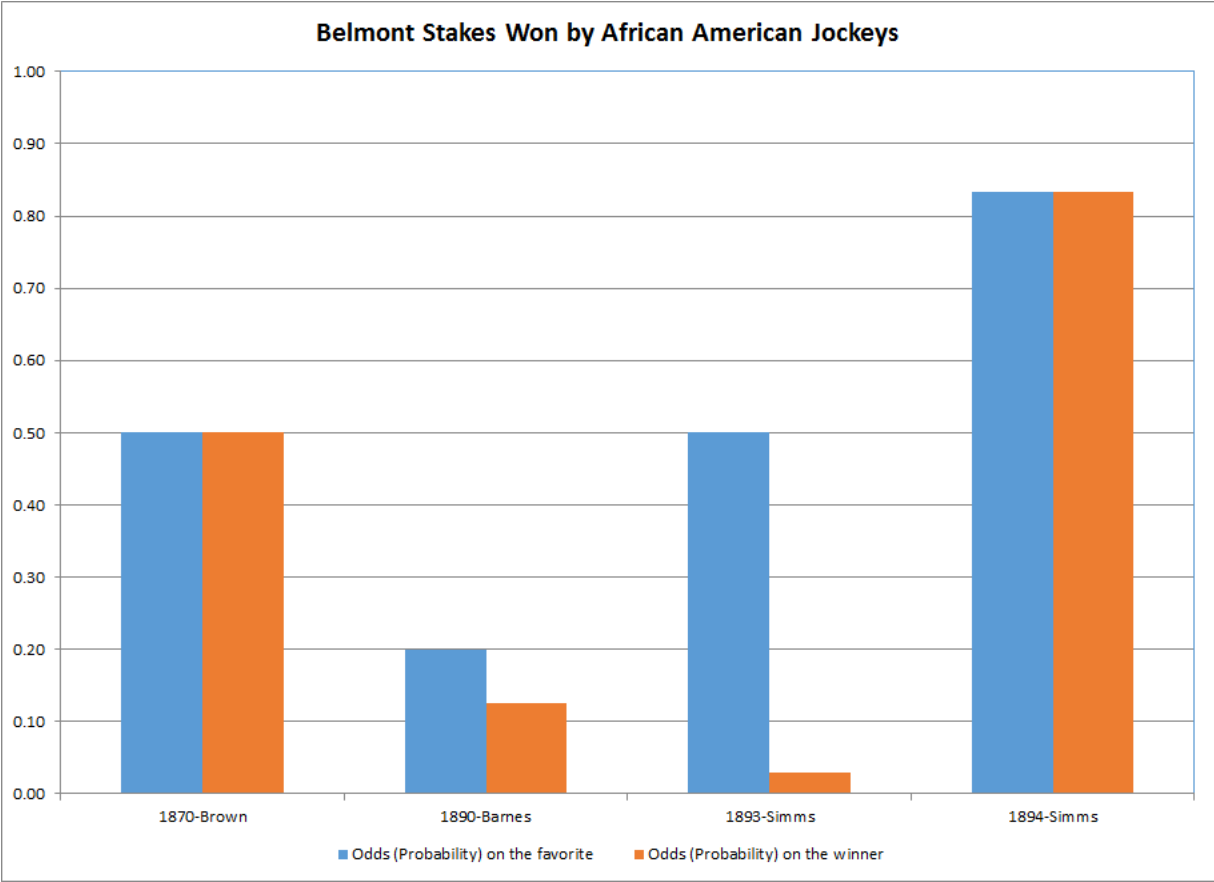


Chart 4

Source: Section 8, Sources and Methods

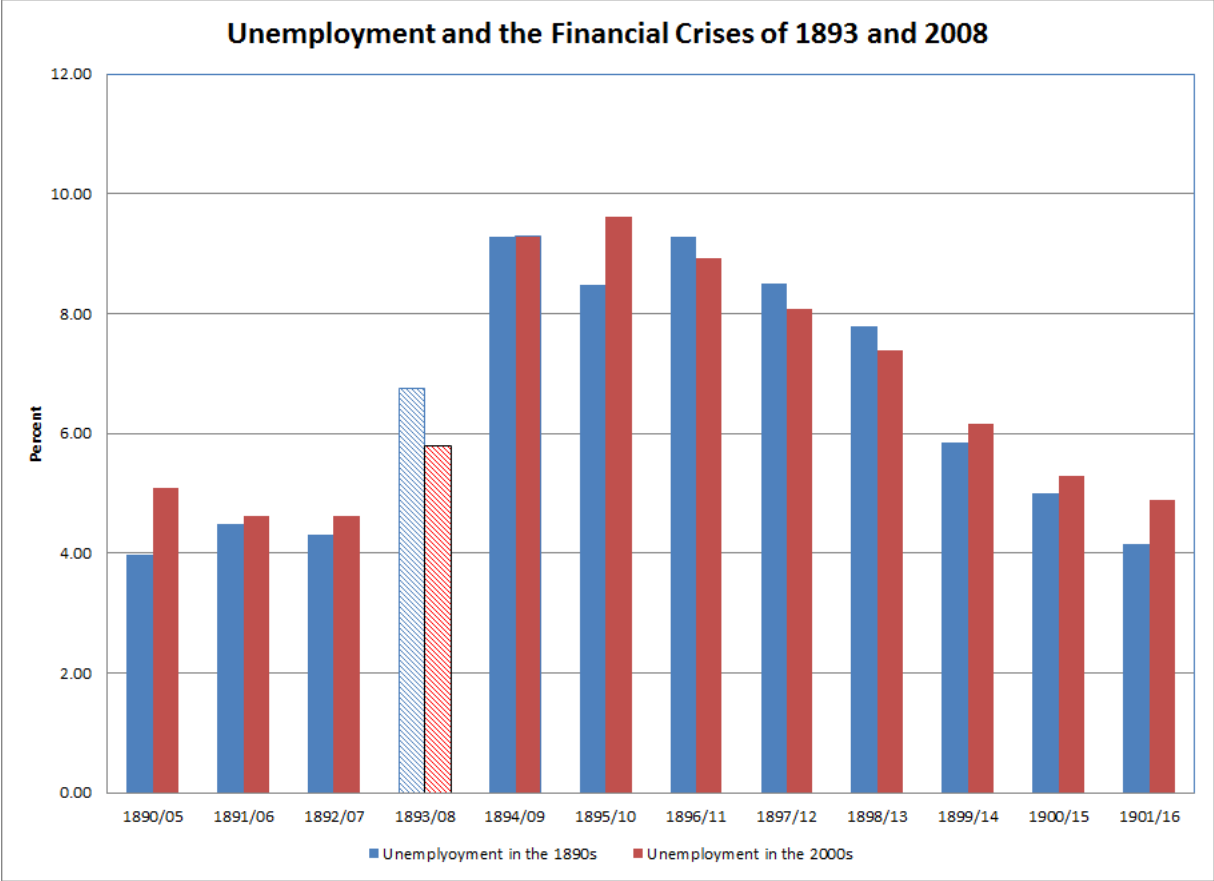


Chart 5

Sources: Unemployment 1890-1901, *Historical Statistics* (2006, series Ba475); Unemployment 2005-20016, Bureau of Labor Statistics, at <http://data.bls.gov/timeseries/LNS14000000>, accessed December 2, 2016.

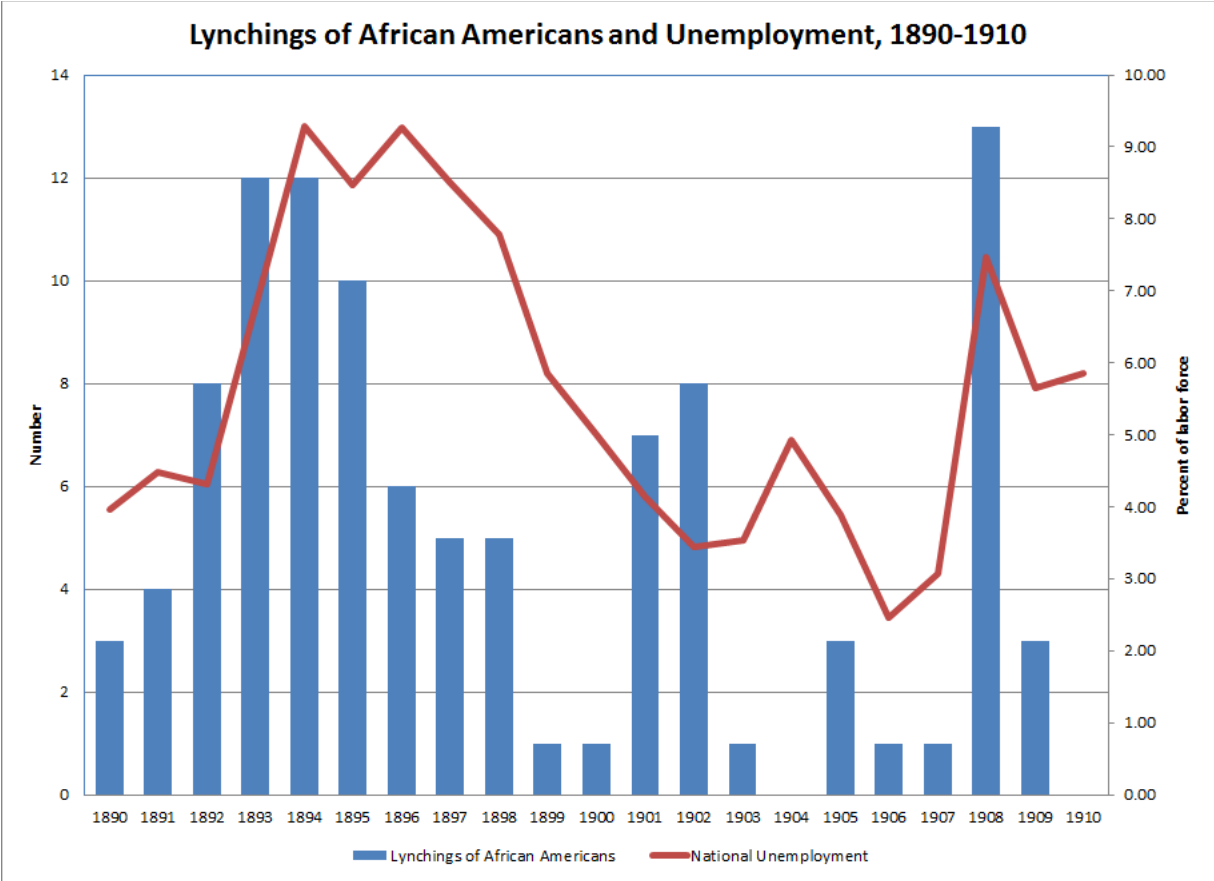


Chart 6

Sources: Lynchings of African Americans in Kentucky: Wright (1990, Appendix A).
 Unemployment: *Historical Statistics*, series Ba475.

Distance Between the First Place and Second Place Finishers, Kentucky Derby 1875-1917

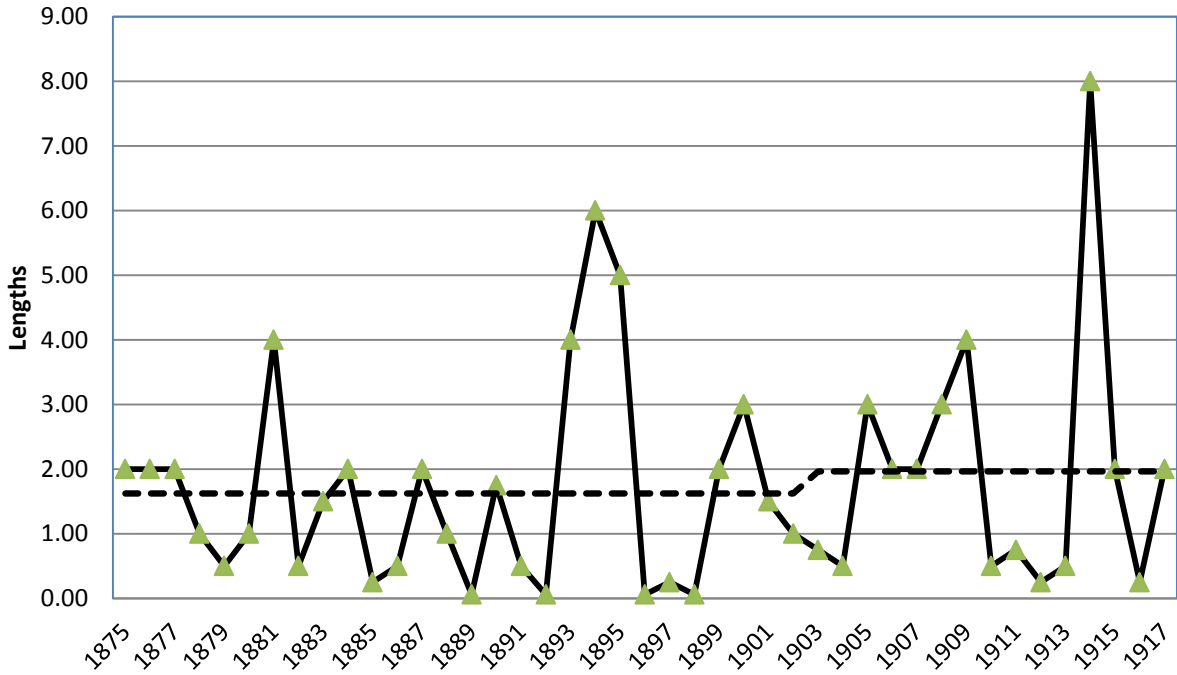


Chart 7

Source: Section 8, Sources and Methods