

## PANAMA IN WORLD WAR 2



### PART 34 – THE GOLD ROLL AND SILVER ROLL (UPDATED)

#### THE GOLD ROLL AND THE SILVER ROLL

A segregated system of pay during US construction of the Canal.

**Gold payroll** Gold roll workers were white, primarily American, more highly paid, and paid in US gold coin.

**Silver payroll** The silver roll workers, mainly from the Caribbean islands but also from Spain, Italy, and other European countries, were paid much less and in Panamanian silver coin.

The system was also a *de facto* colour bar, with separate privileges, eating facilities, and building entrances for gold and silver workers. President Eisenhower ended the gold and silver payrolls in 1955.



## **THE GOLD ROLL BENEFITS**

The Gold and Silver Roll system was implemented by the US administrators of the Canal Zone in 1904 and was enforced by the US Government from the very beginning the American Construction Era of the Canal Zone 1904-1914. It has been described as an imported version of “Jim Crow,” racially segregated system of the southern US, and became the foundation for Canal Zone society and economy until it was phased out.

It should be remembered that the Gold Roll entailed other privileges and amenities. Gold Roll workers not only enjoyed much higher pay, but also better and more spacious housing facilities for families, excellent and well-equipped schools for their children, better nutrition, better health care, almost free entertainment and recreational facilities and a generally better quality of life. Other benefits (which became in the recruitment process) were sick leave and “home” leave - paid return passage back to their home US state while their job was kept open for them in the Zone.

While some black employees and other non-American members of the Gold Roll were entitled to the “privileges”, they were, nevertheless placed on a lower pay scale and denied certain benefits, particularly, the sick and home leave<sup>1</sup>.

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<sup>1</sup> <https://thesilverpeopleheritage.wordpress.com/2008/05/01/the-silver-and-gold-roll-on-the-panama-canal-zone/>

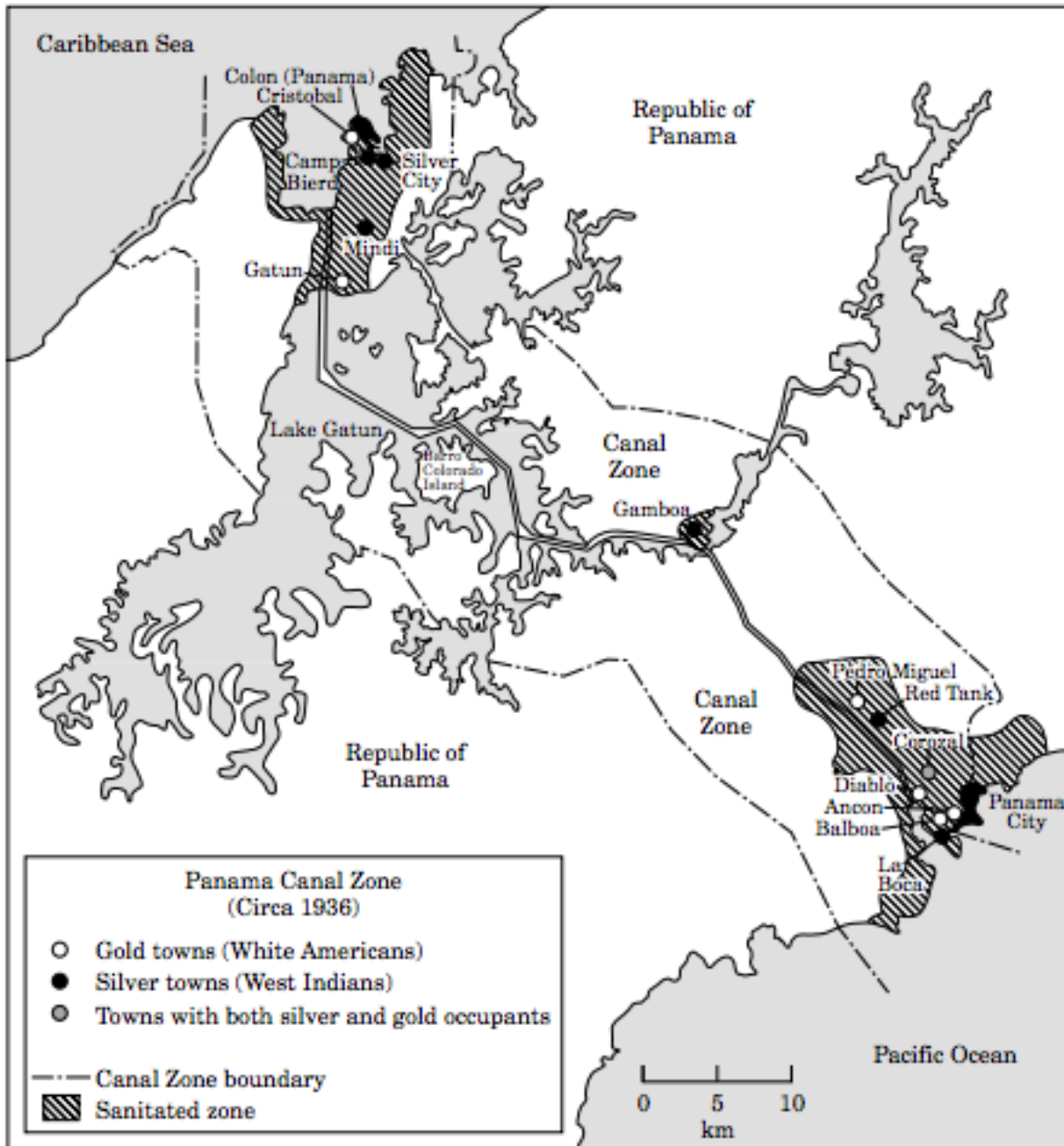
## **THE SILVER ROLL WORKERS**

For Silver Roll workers every aspect of their lives would be segregated and generally inferior in quality to that offered to Gold Roll workers. The separate housing areas became communities that were kept apart.

In 1908, US President Taft signed an Executive Order to apply a “nationality test”, a restriction to all hiring in the Canal Zone. This led to pressure to stop hiring any non-whites as engineers on the railway. By 1909, the once plentiful skilled Jamaican workers and US African Americans who had been acting as engineers of any kind, yard masters, hostlers, boat pilots, machinists, carpenters, wiremen, division engineers and even postal clerks, were barred from such positions in the future. Thus, the foundation for the Silver and Gold Roll system was established<sup>2</sup>.

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<sup>2</sup> <https://thesilverpeopleheritage.wordpress.com/2008/05/01/the-silver-and-gold-roll-on-the-panama-canal-zone/>



In the name of public health and disease prevention, “sanitation zones” were created to exclude Panamanians and contain West Indians. The above map shows the geographic spread of gold/silver towns and sanitation zones by 1936<sup>3</sup>

<sup>3</sup> <https://canalzoneclassrooms.wordpress.com/segregation/>

## A DEFENCE OF THE GOLD AND SILVER ROLL SYSTEM

In August 1946, the Governor of the Canal wrote to the US Ambassador in Panama referencing allegations that had been made by the Panamanian delegation at an International Labour Organisation<sup>4</sup> conference in Mexico City<sup>5</sup>. The State Department had asked for statements that might be considered as replies to the allegations<sup>6</sup>.

In his letter, the Governor argued that –

*“In his reference to the “gold” and “silver” rolls of The Panama Canal, Mr. Guevara<sup>7</sup> has fallen into an error that is common among citizens of Panama who have made no investigation of the subject, by defining the “gold” roll as including only the privileged workers and technicians from the north, while all Panamanian, Latin American and Caribbean workers are relegated to the “silver” roll. As a matter of fact, the distinction between the “gold” and “silver” workers is one of skill and not of race or nationality.”*

He went on to say that, pursuant to an Executive Order, all employees of The Panama Canal who received more than \$125 per month or 72 cents per hour were required to be citizens of the US or of Panama, and the employees in this group were referred to, for convenience, as “Gold” employees. Citizens of Panama whose skill entitles them to the higher salaries were, he said, employed on the Gold Roll and receive the same pay and the same privileges as the citizens of the US on that roll - except that they are not entitled by law to the same retirement benefits as US citizens.

Continuing, he said that the other employees who occupied positions requiring less skill or education and received less than \$125 per month or 72 cents per hour, were referred to,

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<sup>4</sup> Established in 1919, as part of the Treaty of Versailles after the end of World War 1, in the belief that to reflect the belief that universal and lasting peace could be accomplished only if it is based on social justice, and with the goal of promoting humane working conditions. It became a specialist agency of the new UN in 1946.

<sup>5</sup> The third conference of American states members of the ILO, Mexico City-April 1946.

<sup>6</sup> <https://history.state.gov/historicaldocuments/frus1946v11/d47>

<sup>7</sup> Workers’ delegate to the Mexico Conference.

for convenience, as “Silver” employees, the term, he explained, having originated in the early construction days when local labour was paid in silver coin. Involved were said to be workers of “*diverse nationalities*”, including Panamanians, West Indians, Salvadoreans, and other Latin Americans, and, “*occasionally*”, citizens of the US, who receive less pay and more limited leave and retirement privileges than the citizens of Panama and the US on the Gold Roll.

The Governor gave as an example that might have led to the “allegation” where a “silver” operator driving a one-ton truck under direct supervision cannot be said to be doing work comparable with that done by a “gold” operator who drives a 10-ton dump truck, or a heavy truck crane.

He also argued that while separate schools, clubhouses, commissaries, etc, are provided for “silver” employees, every effort was being made to see that the facilities provided for these employees were “*reasonably comparable*” with those provided for “gold” employees. He denied that that “gold” commissaries were better provided with food supplies than the “silver” commissaries.

Denying that Latin American workers in the Canal Zone were prohibited from joining a union, he admitted that a union (affiliated to the US CIO organisation) had only been in operation for a few months, but that a Panama Canal West Indian Employees Association has been in existence in the Canal Zone for many years (although seemingly unaware that such a distinction could lend weight to the suggestion of discriminatory practices).

In defending his position, the Governor argued that reasons for any lack of any non-US persons on the Gold Roll involved –

- the higher paid positions being reserved by law only for citizens of the US or Panama and Panama is “predominantly an agricultural and commercial country...

that... has no large-scale manufacturing industries in which its citizens could acquire skills that would fit them for employment on the “gold” roll”; and

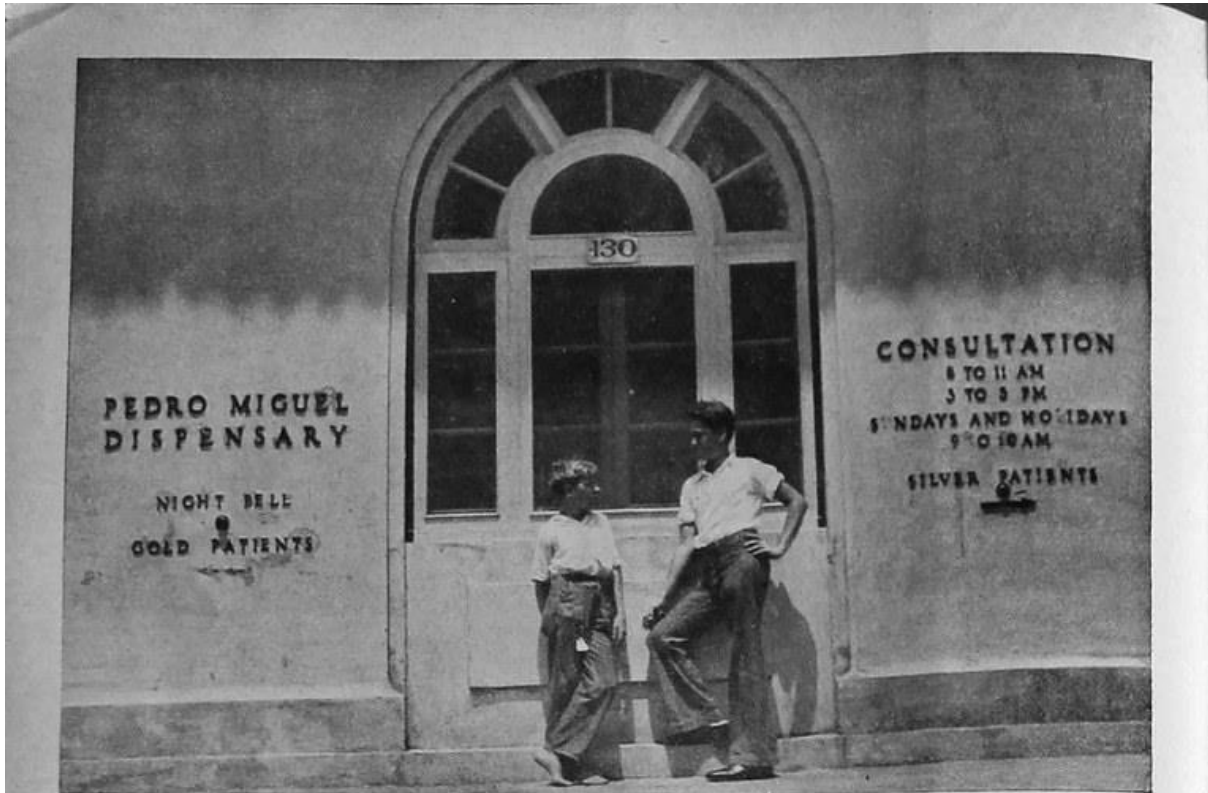
- “imperfect” English<sup>8</sup>.

He also implied that paying Silver Roll workers too much could affect the economies of Caribbean islands and Panama itself, citing comments by former President Arias Madrid about the damage done to the agricultural economy of Panama by high wage rates in the Canal Zone.

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<sup>8</sup> He claimed that, pre-war, the Canal authorities had conducted apprentice-training courses from which a number of Panamanian citizens who had a thorough knowledge of English had graduated and are now performing very satisfactory services on the Gold Roll. He said that the advent of the war had led to the programme being discontinued.





**HOSPITAL** has special hours and segregated facilities for gold and silver patients, proves that contagious white supremacy virus has spread from Dixie to the Canal Zone. A Massachusetts sailor wrote home from Panama: "I saw a drinking fountain marked Gold and thought the sign painter's brush had slipped and misspelled Cold. But whoever heard of a Hot fountain? Later I learned to translate Silver, Negro; Gold, white."



**POST OFFICE** sells identical stamps to whites and Negroes, but through separate wickets. Races are served alternately. Strange anomaly is Tomas Gabriel Duque, ebony-colored publisher of the Star and Herald, the Isthmus' most influential newspaper. He is catered to by white people, rides to white parties in a long Cadillac, seldom mingles with Negroes, maintains a Jim Crow social news section in his paper. Paper is staffed and read by all races.

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## GOLD & SILVER

### Panama Canal Zone has strange Jim Crow setup

**THE PANAMA CANAL** Zone has the strangest system of racial discrimination in all the world.

Here where a 379-square-mile sliver of the S-shaped Republic of Panama has become a slice of Dixie, exported some 2,000 miles from Mississippi, the song of race hate is the same but the words are different.

In the land of the Big Ditch, white is synonymous with gold. Silver means Negro.

Origin of the odd Jim Crow custom dates back to the days when the canal was built through the mosquito-infested swamps by U. S. engineers, mostly from the South. Jim Crow, rather than the Constitution, followed the flag and Dixie paymasters instituted the strategy of paying Negroes, mostly West Indians, in silver, white employes in gold. The uneducated natives, who had little knowledge of money, were led to believe that the larger, more bulky silver coins were worth more. Soon a Negro found with gold stood convicted of theft without trial.

Today while the monetary racial segregation has ended, Jim Crow still exists in public life with gold and silver designations indicating race. Housing, schools, hospitals, restaurants have gold and silver markings.

Panama is a land of racial paradoxes. One is the San Blas Indians who are so jealous of their racial purity that neither whites nor Negroes are permitted to spend the night on their island.

Another phenomenon is the spectacle of the new-Golds, mixed strains which resemble whites. They try to live among whites despite a frigid reception.

The gold-and-silver system, like Jim Crow in Dixie, is supposedly "separate but equal." But in the Zone as in the South it is a tragic joke. Schools for whites are the best in any U. S. possession, those for Negroes among the worst. No "Silver"—or Negro—need apply for a job vacated by a white.