

150 Years of Kansas Economic History

A Brief Survey

Main Themes

- Kansans have moved from primarily an extractive based economy to an urban service and knowledge based economy
- National and global trends have directed the pathways of the Kansas economy
- The federal government has always played an important role in shaping the contours of the Kansas economy

Three Major Epochs of the Kansas Economy

- Railroad Era
- Auto/Airplane Era
- Knowledge Based Era

The Railroad Economy



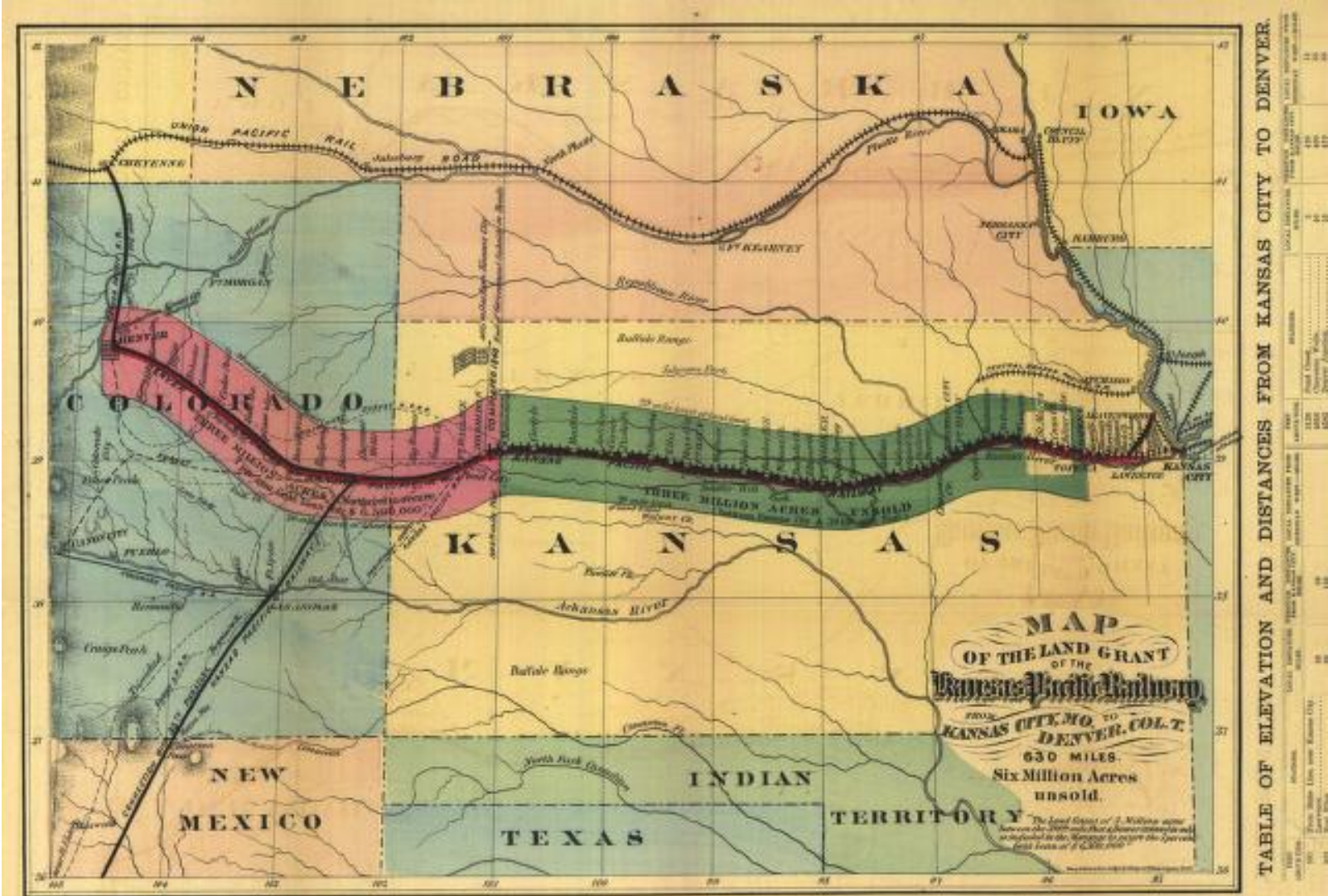
ACROSS THE CONTINENT ON THE UNION PACIFIC RAILWAY, E. D.

Questions About Transcontinental Railroads

- The need to tie the post-1848 country together economically through technology
- Railroads and telegraph



Ecological/Economic Transitions and the Kansas Pacific Railway



Blue Mound from Mt. Oread



Bluemont College, Manhattan, Kansas



Cattle Cars, Abilene (1867)

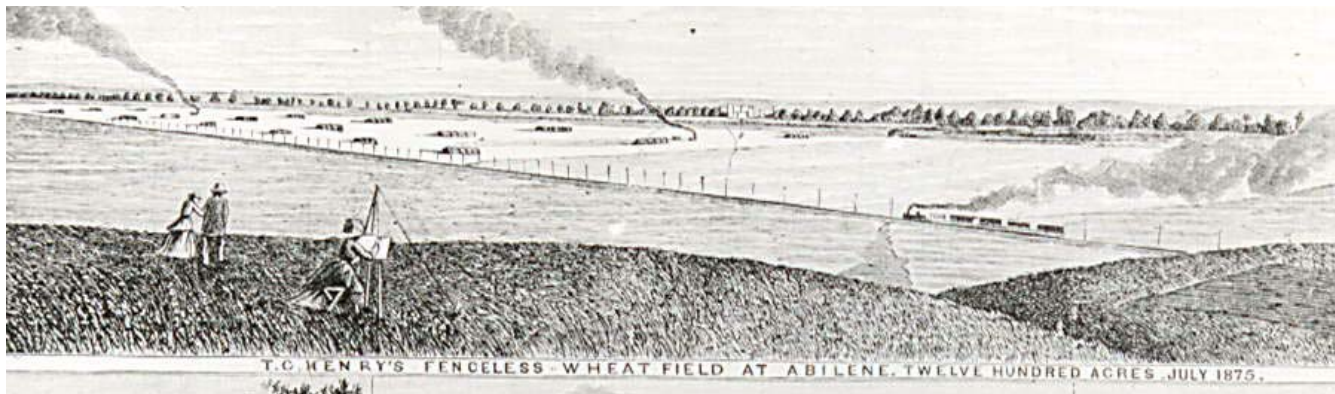


The Urban Reach in Kansas



Farming and Environmental Adaption

- Theodore C. Henry
- Soft Winter and Spring Wheat
 - ▶ E.M. Shelton, Kansas State Agricultural College
 - ▶ U.S. Hatch Experiment Station Act, 1887



Continued:

- Milling Problems
 - ▶ Cold-Steel Roller Mill, 1882; Enterprise, Kansas
- Experimentation:
 - ▶ T.C. Henry
 - ▶ 1860-1900, KSAC, 100 varieties
 - ▶ Mark Carleton
- Hard Winter Wheat
 - ▶ Fine winter hardiness
 - ▶ High protein content



Mark Carleton

Farming and Irrigation

- Charles J. “Buffalo” Jones
- Frank Marvin, James Craig
- Asa Soule’s Ditch



“Buffalo” Jones

Continued:

- Spencer Penrose, United State Irrigation Company
- F.A. Gillespie: migrant workers
 - ▶ Japanese
 - ▶ Germans
 - ▶ Mexicans
- Beet Growing



Garden City Ditches:

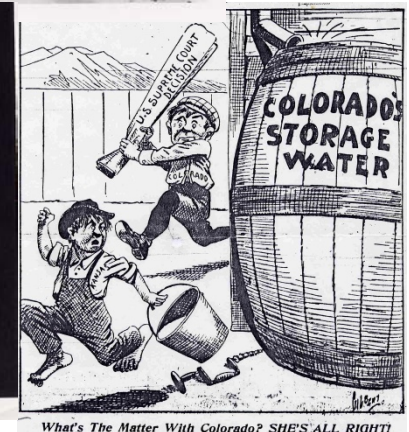
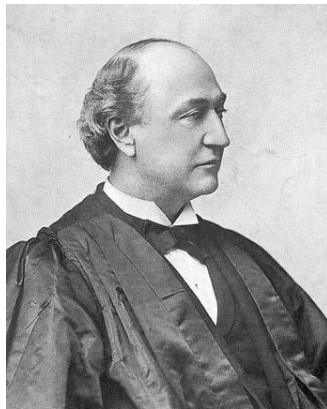
- Federal Reclamation
- Newlands Act, 1902
- Frederick Newell



The Eureka Irrigating Canal, popularly known as the "Soule Ditch," was the dream of A. T. Soule of Rochester, New York, a patent-medicine millionaire who organized a company in 1883 and built the canal. Shown here under construction, it was intended to take water from the Arkansas River at Ingalls ninety-six miles across Gray and Ford counties, emptying into Coon Creek in Edwards County. As an irrigation project it did not succeed because similar schemes upstream were drawing too much water from the river.

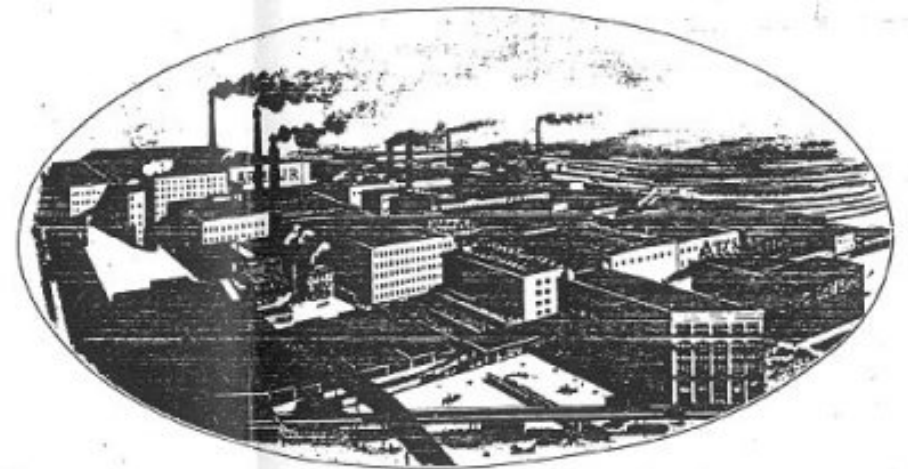
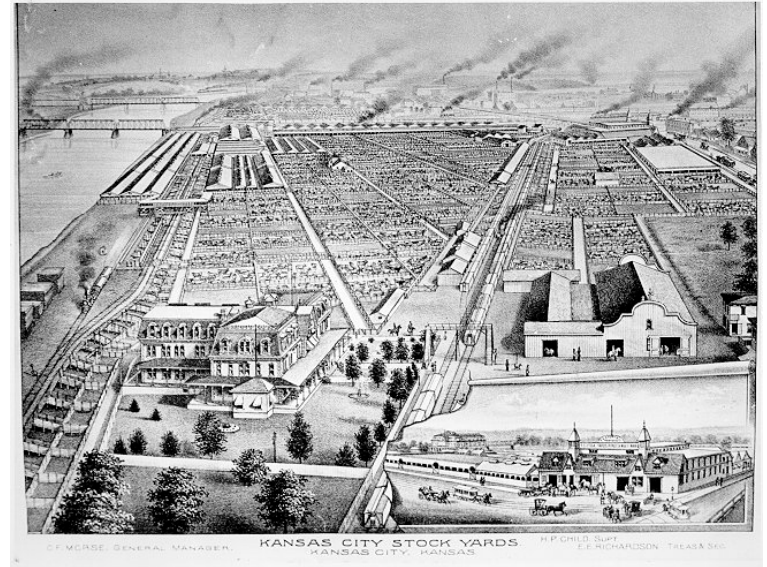
Garden City Ditches:

- Interstate Litigation
- “The Nile of America”
 - ▶ S.S. Asbaugh: “Our valley dried out and we no longer have our Egypt.”
- Marshall Murdock (*Wichita Eagle*)
 - ▶ Tom Ryan
- A.A. Godard v. C.C. Coleman
 - ▶ 8,500 pages of testimony; over 300 witnesses; over 120 exhibits
- Justice David Brewer (Doctrine of Equity)



Meat Packing Industry

- Kansas City Stock Yards, 1871
- Heyday Year, 1923
- Meat Packing, second largest in the world
- Armour and Company (1870, 1884, 1910, 1965)



Agricultural Wheat Production and Prices in Kansas

Year	Acres Harvested (1,000)	Total Bushels (1,000)	Ave. Price per Bushel
1866	66	1,292	\$1.33
1870	156	2,418	\$0.77
1875	735	12,495	\$0.76
1880	2,340	23,400	\$0.70
1885	1,370	14,385	\$0.65
1890	2,160	32,400	\$0.77
1891	3,660	58,560	\$0.73
1892	3,540	63,720	\$0.52
1893	3,490	31,410	\$0.42
1894	3,860	40,530	\$0.44
1895	2,390	19,120	\$0.45
1896	3,130	45,385	\$0.63
1897	3,050	51,850	\$0.74
1898	4,580	68,700	\$0.50

Economic Index, 1910-1914 = 100

1865	145	1885	72
1871	102	1889	67
1873	103	1895	63
1879	72	1896	57
1882	99		

The Highway/Aircraft Economy



Kansas Wheat Production During WWI

- 1913: 7.2 million acres in winter wheat, 86 million bushels harvested, \$.80 per bushel
- 1914: 8.6 million acres in winter wheat, 173 million bushels harvested, \$.93 per bushel
- 1919: 11.6 million acres in winter wheat, 153 million bushels harvested, \$2.14 per bushel
- 1921: 10.5 million acres in winter wheat, 134 million bushels harvested, 1.03 per bushel

Coal Mine Strikes

- Alexander Howat
- Nov. 1, 1919, 10,000 miners
- By the end of December, the strike was over
- Strikes in August 1920, Howat began serving a 6 month prison sentence
- William Allen White: “To An Anxious Friend”

Mechanized Farming

- Power Machinery
- Rural Depopulation
- Inflation
- Bank Failures
 - ▶ Lost \$57 million between 1920 and 22
 - ▶ 22 failures in 1922, 15 under supervision
- Cattle
- Oil

Failing Economy

Banks, Unemployment, & Welfare

- Banks – 1922: 1,379 1934: 731
- 1930 - '32; unemployment grew by 5 times
- 1930 - 1940; 103,000 people left the state
- 1940; 156,327 farms
- Inadequate Local Welfare
 - ▶ Haskell County
 - ▶ Finney County



Governor Alf Landon

The Liberal Republican

- Graduated Income Tax
- 18 month real-estate foreclosure law
- Bank Holiday
- Farm Ponds Construction
- Reducing the Cost of Government – 25%
- Legislative Council
 - ▶ Members of both Houses; meeting quarterly
 - ▶ Fact-Finding and Study Committee with a Research Staff



Alf Landon campaign poster, 1936

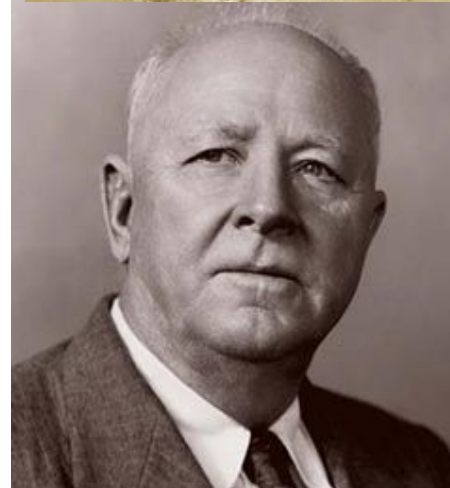
Federal Government In Kansas

- AAA, 1933 over 51,000 applicants; \$24 million in wheat adjustment payments; \$10 million more than North Dakota, 2nd in the nation
- Milo Reno, “farm holiday”
- Frazier-Lemke Farm Bankruptcy Act, 1934
- Farm Credit Administration
- Public Works Administration
 - Public Works Artists
 - David Hicks Overmyer
- Kansas Emergency Relief Committee
 - ▶ By end of 1934: 316,000, or 17% of state, had received relief; PWA (Manhattan Swimming Pool); WPA (Hale Library Murals)
 - ▶ 15.8% nation wide
 - ▶ High Point, 1935: 113,591 cases
 - ▶ CCC, by 1934, 6,653 youths effecting 6,625 families



Dust Bowl

- Lawrence Svobida, Meade County
 - ▶ Lost his Crops to Hail in 1930
 - ▶ His 1931 Crop Cleared on Expenses
 - ▶ Lost his 1932 Crop; Land Started Blowing
- Pare Lorentz, *The Plow that Broke the Plains*
- Alexander Hogue, *Drought Survivors*
- Soil Erosion Service, Hugh Hammond Bennett
- Soil Conservation Service, 1935
 - ▶ Sep. 1937, Kansas Soil Conservation Act
 - ▶ Shelterbelt Program, 1935



The Future of the Great Plains, 1936

- Henry A. Wallace, Secretary of Agriculture
- Harry Hopkins, Works Progress Administration
- Hugh Bennett, Soil Conservation Service
- Rexford G. Tugwell, Resettlement Administration
- Morris Cooke, Rural Electrification Administration



Federal Government and Kansas

- Defense Contracts: by 1941 equaled 75% of the entire business done in the state in 1939
- Naval Air Bases
- Army Air Fields
- Aircraft Industry
 - ▶ RFC and Boeing
 - ▶ Workers
 - ▶ Production
 - ▶ Social Problems



George Knapp and the Kansas Water Act, 1945



The Emergence of the Knowledge-Based Economy

Design: Aerial Perspective

- National Bio and Agro-Defense Facility
- University of Kansas Cancer Center



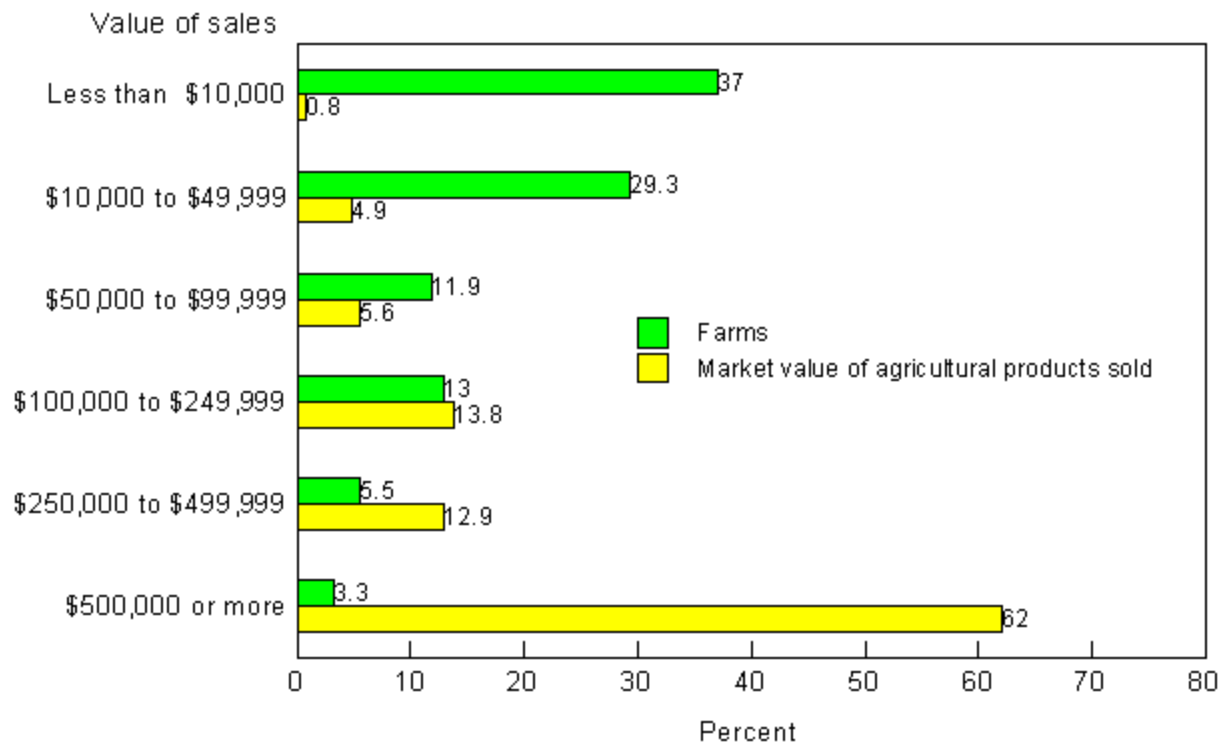
Occupations in 2000 and 2009

- Professional: 33.9%
- Service: 14.4%
- Sales: 25.8%
- Farming: 1 %
- Construction: 9.9%
- Transportation: 15 %

- Professional: 34.9%
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 - Service: 16.1%
 - Transportation: 13.8%
 - Construction: 9.5%
 - Farming: .09%
-

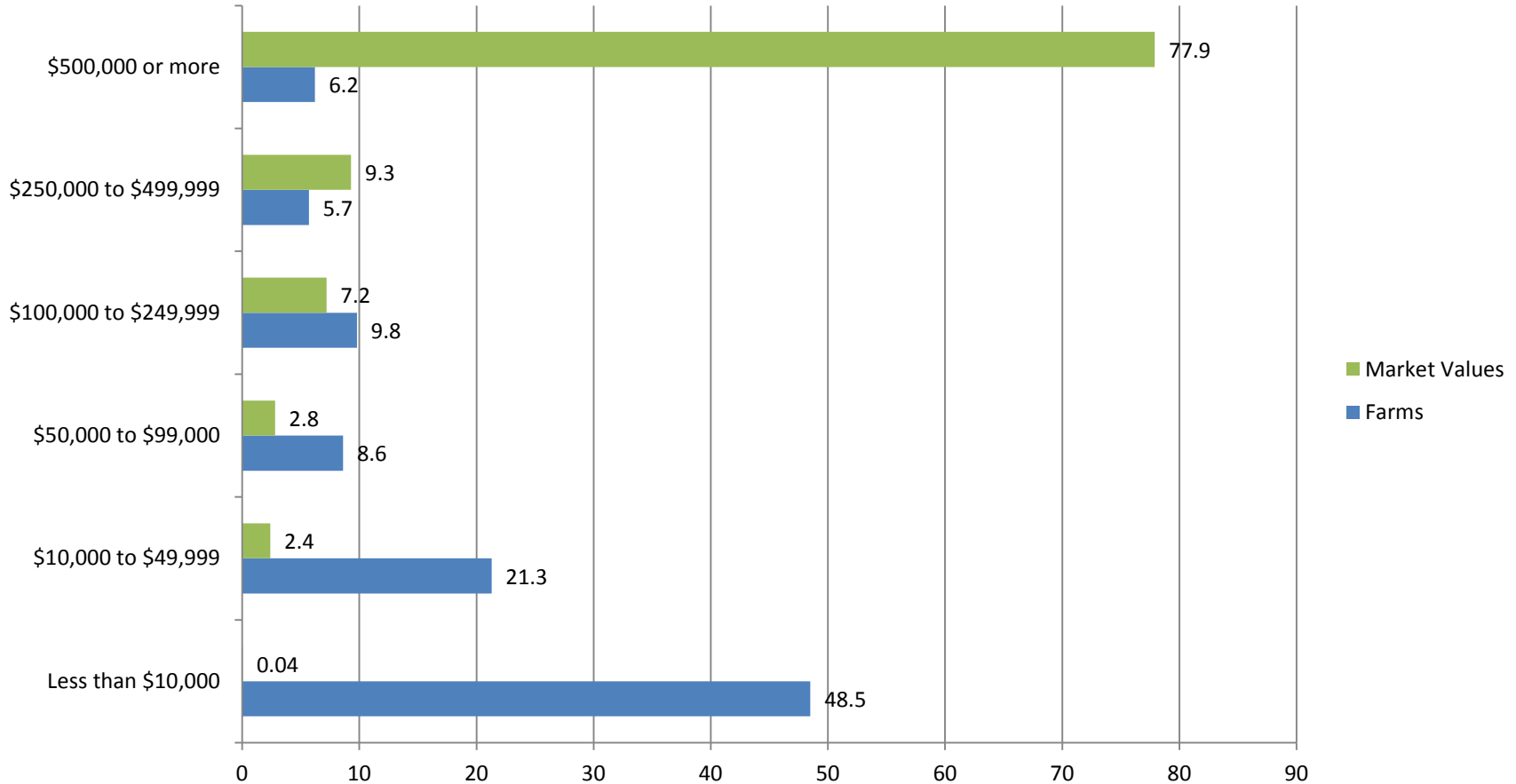
Kansas Agricultural Economic Production in 1997

Figure 2. Percent of Farms and of Market Value of Agricultural Products Sold: 1997



Kansas Agricultural Economic Production in 2007

Percent of Farms and of Market Value of Agricultural Products Sold



231 of 65,531 farms had sales topping \$5 million, and were 47.2 percent of total sales

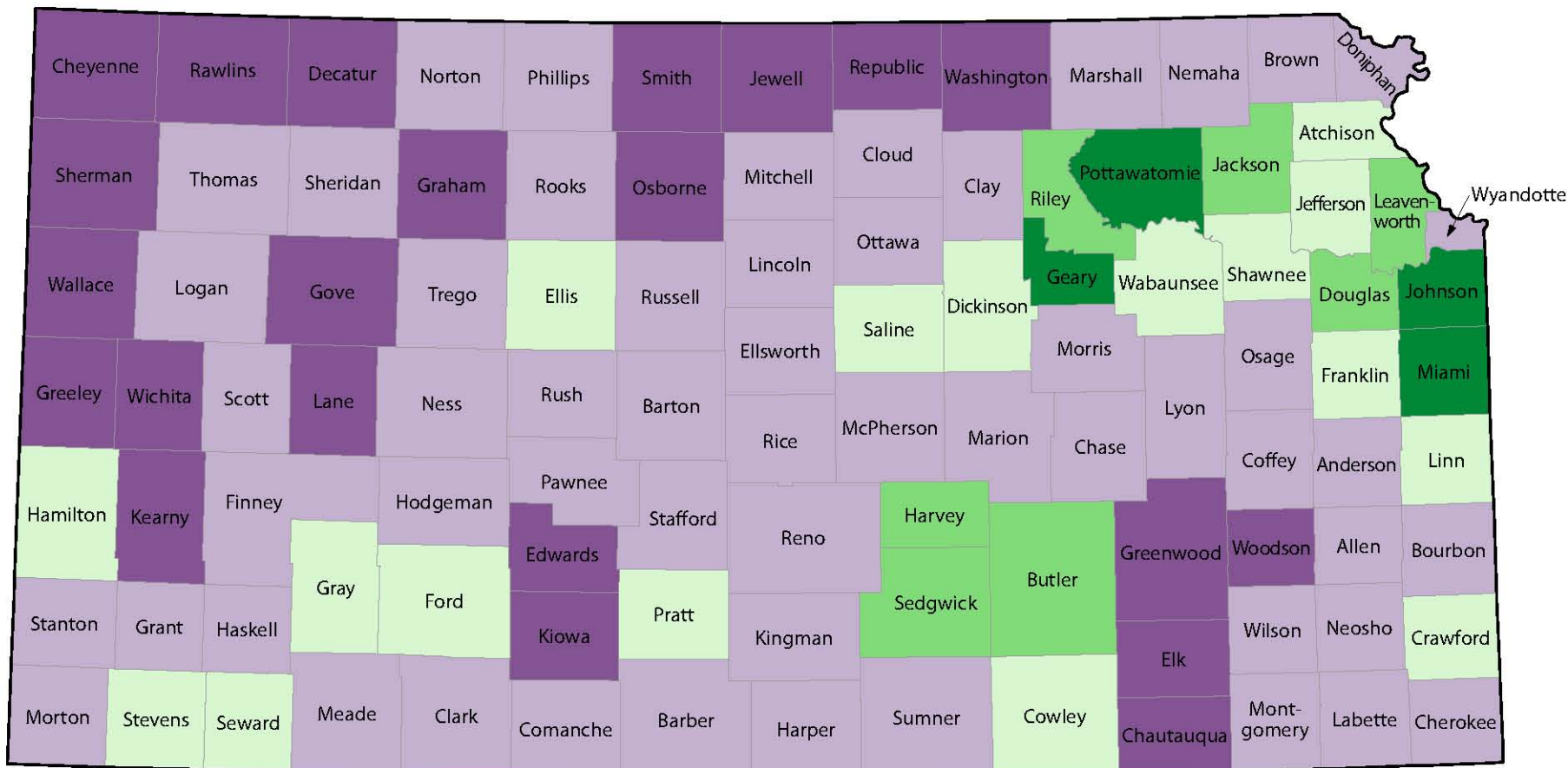
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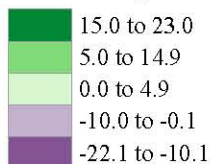
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KANSAS - 2010 Census Results

Percent Change in Population by County: 2000 to 2010



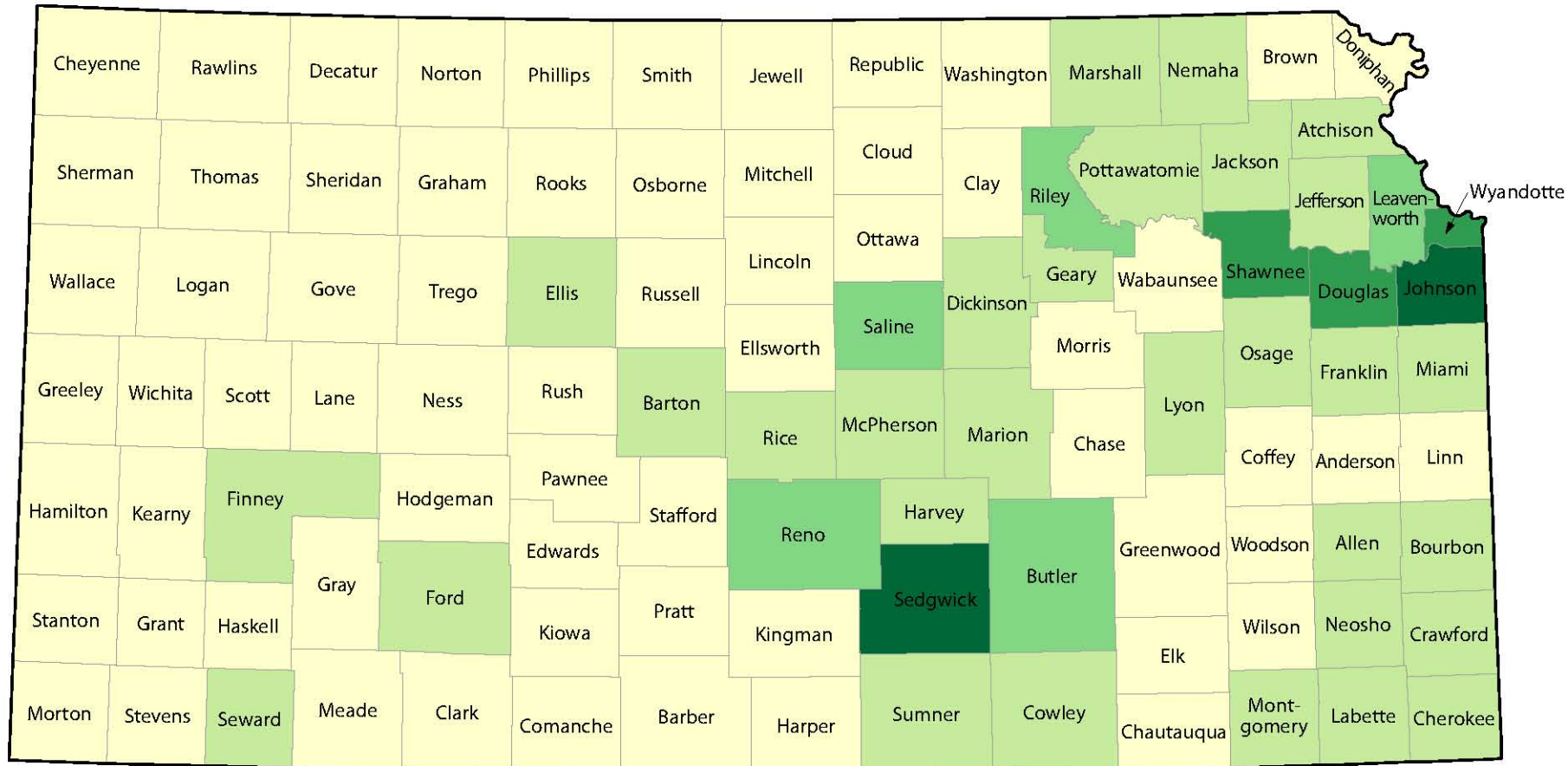
Percent Change



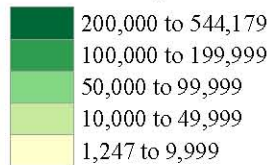
Percent Change for State: 6.1%

KANSAS - 2010 Census Results

Total Population by County



Number of People



Total State Population: 2,853,118

James Shortridge, *Cities on the Plains: The Evolution of Urban Kansas* (2004)

- Kansas City and Wichita will function as regional hierarchies enmeshed into the larger national and international business networks
- Cities offering higher education institutions, health services with good retail variety will flourish
- A Bloomberg report notes that knowledge-based industries will flourish in those cities with a high quality of life offerings