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THE GROWTH OF METROPOLITAN AREAS IN THE TENTH DISTRICT

During the last twenty years economic growth in the Tenth District, as in the nation as a whole, has been largely concentrated in urban areas. Agriculture has provided employment not only for a declining proportion of the population, but also for a progressively smaller number of people. Employment in manufacturing, trade, service, and governmental activities—all urban pursuits—has quite generally expanded. Consequently, in order to observe the lines that economic development is following, it is necessary to inquire into the nature of the expansion occurring in urban communities. For this purpose, comparative information on various aspects of economic growth in the larger cities within the Tenth District is presented in the following paragraphs.

Urbanization A growth in the proportion of the total population living in urban places of more than 2,500, although somewhat retarded during the 1930's, has persisted in the United States ever since the first census in 1790. During the last thirty years, this tendency has been even more pronounced in the Tenth District than in the entire country. While total population in the seven District states increased at less than half of the rate at which total population in the United States grew from 1920 to 1950, as shown in Table 1, the rate of growth of

urban population was approximately the same for the District states as for the nation—75 per cent and 77 per cent, respectively. The population of the District states is still more rural than for the country as a whole, but the difference has been narrowed since 1920, as shown in Table 2. The proportion of the population of the seven District states living in urban communities increased from 37 per cent in 1920 to 56 per cent in 1950. In the United States, the increase was from 51 per cent to 64 per cent during the same interval. Since 1920, rural population—farm and small town—has declined approximately 8 per cent in the seven District states, while in the entire country it has increased 6 per cent. Most of this decrease in rural population within the Tenth District has occurred during the last decade.

Metropolitan Area Growth There are 168 urban areas in the United States which, for the purpose of collecting information, are designated by the Federal Government as standard metropolitan areas. They are generally defined in terms of county boundaries (except in New England) in order to include fringe population and industrial activities located outside the central cities but associated economically with activities carried on inside. Eleven of these metropolitan areas are located in the Tenth

Table 1. URBAN AND TOTAL POPULATION

	1920		1940		1950*		Per Cent Change			
	Total	Urban	Total	Urban	Total	Urban**	1920-1950		1940-1950	
							Total	Urban	Total	Urban
Colo.....	939,629	453,259	1,123,296	590,756	1,325,089	831,318	+41.0	+83.4	+17.3	+40.7
Kans.....	1,769,257	616,485	1,801,028	753,941	1,905,299	993,220	+7.7	+61.1	+5.8	+31.7
Mo.....	3,404,055	1,586,903	3,784,664	1,960,696	3,954,653	2,432,000	+16.2	+53.3	+4.5	+24.0
Nebr.....	1,296,372	405,293	1,315,834	514,148	1,325,510	621,905	+2.2	+53.4	+0.7	+21.0
N. Mex.....	360,350	64,960	531,818	176,401	681,187	341,889	+89.0	+426.3	+27.3	+93.8
Okla.....	2,028,283	538,017	2,336,434	879,663	2,233,351	1,139,481	+10.1	+111.8	-4.8	+29.5
Wyo.....	194,402	57,095	250,742	93,577	290,529	144,618	+49.4	+153.3	+15.9	+54.5
7 States.....	9,992,348	3,722,012	11,143,816	4,969,182	11,715,618	6,504,431	+17.2	+74.8	+5.1	+30.9
U. S.....	105,710,620	54,157,973	131,669,275	74,423,702	150,697,361	96,028,000	+42.6	+77.3	+14.5	+29.0

*1950 urban data are preliminary for Kansas, Missouri, Wyoming, and the United States.

**The 1950 "urban" definition was more inclusive than the one used in earlier Census tabulations; hence, the data are not strictly comparable in all cases.

SOURCE: Census of Population, 1940 and 1950.

Table 2. URBAN POPULATION AS A PERCENTAGE OF TOTAL POPULATION

	1920	1930	1940	1950
Colorado.....	48.2	50.2	52.6	62.7
Kansas.....	34.8	38.8	41.9	52.1
Missouri.....	46.6	51.2	51.8	61.5
Nebraska.....	31.3	35.3	39.1	46.9
New Mexico.....	18.0	25.2	33.2	50.2
Oklahoma.....	26.5	34.3	37.6	51.0
Wyoming.....	29.4	31.1	37.3	49.8
Seven states.....	37.2	41.9	44.6	55.5
United States.....	51.2	56.2	56.5	63.7

SOURCE: Census of Population, 1940 and 1950.

District. All are defined in terms of single counties with the exception of Kansas City and Denver, both of which include four counties, and Omaha, which includes three counties.

The metropolitan areas in the Tenth District display wide diversity in population growth, as shown in Table 3. Albuquerque had a more rapid growth from 1940 to 1950 than any of the other 167 metropolitan areas in the United States. On the other hand, St. Joseph was one of seven metropolitan areas in the country which lost population. Taken together, the eleven metropolitan areas in the Tenth District increased in population at a more rapid rate during the decade than did all 168 metropolitan areas in the United States—27 per cent in comparison with 21 per cent for the nation. In both the Tenth District and the United States as a whole, however, urban growth occurred somewhat more rapidly in the smaller cities than in the metropolitan areas, since the rate of all urban growth exceeded the rate of growth for metropolitan areas. Nevertheless, 80 per cent of the growth of population in the United States from 1940 to 1950 occurred in metropolitan areas, while the amount of the increase in population which took place in the eleven metropolitan areas in the Tenth District exceeded the population gain in the seven District states. Ninety of the metropolitan

areas in the country gained more than 20 per cent in population during the decade. Six of the metropolitan areas in the Tenth District—Albuquerque, Denver, Oklahoma City, Pueblo, Tulsa, and Wichita—had a gain in excess of that rate.

Since World War I, the most rapid growth of Albuquerque, Denver, Lincoln, Pueblo, and Wichita occurred during the decade of the 1940's. Although urban growth was generally retarded during the 1930's, substantial population increases took place in Albuquerque and Denver. Tulsa and Oklahoma City experienced a major part of their growth as cities during the 1920's, and Kansas City, Omaha, and Topeka also grew more rapidly during that decade than they have in subsequent decades. The population of St. Joseph has declined by 5 per cent since 1930.

Economic Character of Metropolitan Areas

The growth of population in urban communities is obviously dependent on the economic functions which they perform. The percentage distribution of nonagricultural civilian employment by major industrial categories, shown for a recent month in Table 4, may serve as a guide to the predominant activities of the various communities. None of the eleven metropolitan areas in the Tenth District are extremely specialized in any single type of activity, although within any industry group, such as manufacturing, employment may be found to be concentrated in one particular industry. Descriptions are appropriately stated, therefore, in terms of different combinations of activities rather than a single major industrial group.

Industrial employment (manufacturing and mining combined) constitutes a larger proportion of total employment than any other activity in Wichita, St. Joseph, Tulsa, Pueblo, and Kansas City. Only Wichita

Table 3. POPULATION OF METROPOLITAN AREAS

Metropolitan Area	1920	1930	1940	1950*	Per Cent Change				
					1920-50	1920-30	1930-40	1940-50	1930-50
Albuquerque.....	29,855	45,430	69,391	146,014	+389.1	+52.2	+52.7	+110.4	+221.4
Denver ¹	299,087	352,563	407,768	560,361	+87.4	+17.9	+15.7	+37.4	+58.9
Kansas City ²	528,833	665,655	686,643	808,231	+52.8	+25.9	+3.2	+17.7	+21.4
Lincoln.....	85,902	100,324	100,585	118,260	+37.7	+16.8	+0.3	+17.6	+17.9
Oklahoma City.....	116,307	221,738	244,159	322,520	+177.3	+90.6	+10.1	+32.1	+45.5
Omaha ³	275,444	313,272	325,153	362,203	+31.5	+13.7	+3.8	+11.4	+15.6
Pueblo.....	57,638	66,038	68,870	89,592	+55.4	+14.6	+4.3	+30.1	+35.7
St. Joseph.....	93,684	98,633	94,067	93,629	-0.1	+5.3	-4.6	-0.5	-5.1
Topeka.....	69,159	85,200	91,247	104,430	+51.0	+23.2	+7.1	+14.4	+22.6
Tulsa.....	109,023	187,574	193,363	248,658	+128.1	+72.0	+3.1	+28.6	+32.6
Wichita.....	92,234	136,330	143,311	220,213	+138.8	+47.8	+5.1	+53.7	+61.5
District, 11 areas.....	1,757,166	2,272,757	2,424,557	3,074,111	+74.9	+29.3	+6.7	+26.8	+35.3
U. S., 168 areas.....	n.a.	n.a.	69,276,481	83,929,863	n.a.	n.a.	n.a.	+21.2	n.a.

*1950 data are preliminary. Revised figures have been released for some areas, and in most cases show larger populations, but for the sake of comparability the preliminary data have been used; the error is within approximately 1 per cent.

¹Includes Adams, Arapahoe, Denver, and Jefferson counties, Colorado.

²Includes Johnson and Wyandotte counties, Kansas, and Clay and Jackson counties, Missouri.

³Includes Douglas and Sarpy counties, Nebraska, and Pottawattamie county, Iowa.

n.a. Not available.

SOURCE: Census of Population, 1940 and 1950.

Table 4. EMPLOYMENT IN MAJOR INDUSTRY GROUPS AS A PERCENTAGE OF TOTAL NONAGRICULTURAL CIVILIAN EMPLOYMENT

Metropolitan Area	Manu- facturing	Con- struction	Transportation, Communication, Public Utilities	Trade	Finance, Insurance, Real Estate	Service	Gov- ernment	Mining
Albuquerque ¹	14.1	12.4	10.5	25.1	4.6	13.5*	19.8	—
Denver ¹	20.2	9.5	12.4	27.7	5.1	10.0*	14.6	0.5
Kansas City ²	28.5	6.2	12.9	27.9	5.8	12.0*	6.4	0.3
Lincoln ³	22.8	6.2	11.3	25.2	5.0	11.7	17.7	—
Oklahoma City ¹	11.2	6.7	9.0	27.3	5.4	10.7	25.1	4.6
Omaha ³	23.0	4.9	16.3	26.4	7.5	11.8	9.8	—
Pueblo ³	30.5	5.5	10.9	15.2	1.6	13.0	22.0	1.3**
St. Joseph ³	40.9	2.8	9.5	29.8	—	11.4*	5.6	—
Topeka ²	16.6	5.3	17.3	21.2	5.0	10.3	24.0	0.2
Tulsa ¹	22.4	6.2	12.0	26.9	5.0	10.6	6.2	10.6
Wichita ¹	43.2	4.8	6.9	23.8	3.7	9.1	7.2	1.3
United States ¹	34.2	5.8	9.0	20.9	4.1	10.4	13.7	2.0

*Service and other. **Mining and other. ¹June, 1951. ²May, 1951. ³July, 1951.

SOURCE: Compiled from estimates prepared by the state and local employment security offices and the U. S. Department of Labor.

and St. Joseph, however, have a higher percentage of their total nonagricultural employment engaged in manufacturing than does the entire country, which has approximately 34 per cent. Kansas City is an important wholesale and retail trade center; employment in trade and manufacturing are of about equal relative importance. St. Joseph does a large volume of wholesaling, in addition to manufacturing, as reflected in the high portion of employment engaged in trade. Heavy industry in Pueblo is paired with a relatively high volume of governmental employment in conjunction with the operation of the Federal ordnance depot. Although the relative importance of manufacturing is not high in Tulsa, manufacturing in combination with mining activities (oil and gas) accounts for about a third of total employment.

Trade absorbs the largest portion of employment in Denver, Oklahoma City, Omaha, Lincoln, and Albuquerque. Wholesaling is particularly prominent in Omaha, Denver, and Oklahoma City. Denver also has a fifth of its workers engaged in manufacturing and an important segment in governmental occupations, chiefly state and Federal. Governmental employment constitutes a larger share of the total in Oklahoma City than in any of the other ten metropolitan areas in the District. This arises because it possesses important military installations, chiefly Tinker field, in addition to the various state offices. Governmental employment is only slightly less important than trade in Albuquerque, which has an assortment of state and Federal establishments. Despite the fact that Lincoln serves as the seat of state government and of the state university, governmental employment is exceeded by employment in trade and manufacturing. For a city of its size, it is uniquely balanced in economic activities. Omaha, although it is important as a marketing center, likewise exhibits a fairly high degree of diversification. Manufacturing ranks second and is of considerable significance. Employment in transportation is relatively high because Omaha serves as the location of the offices and

shops of a major railroad, and employment in finance, insurance, and real estate is high relative to the other areas because of the presence of insurance company home offices.

Governmental employment makes up the largest share of the total in Topeka, as Table 4 indicates. Again this represents the combination of heavy employment by both state and Federal governments. Trade is second in importance, and employment in transportation is relatively high for the same reason as in Omaha—the presence of repair shops and administrative offices of an important railway system.

The significance of the particular functions performed by various urban communities lies in the different rates of growth in these various activities within the regional and national economies, in addition to the geographic changes which may be taking place within any industry group. For example, in the United States as a whole from 1940 to 1950, employment in mining increased by 6 per cent, in comparison with an increase of 34 per cent in manufacturing, 38 per cent in trade, and 19 per cent in service industries. During the decade, agricultural employment declined by 15 per cent. Some assistance can be gained in understanding the past and potential growth of metropolitan areas in this District by investigating more specifically the changes which have occurred in several of these major lines of activity.

Industrialization The growth of a number of the metropolitan areas in the Tenth District, like urban growth in the country as a whole, can be attributed to the process of industrial expansion which has been under way in the United States since early in the nineteenth century. From 1939 to 1947 the expansion in manufacturing employment, shown in Table 5, was considerably faster in the eleven metropolitan areas, which contain approximately two thirds of the Tenth District total, than in the entire United States. The rate of growth in each of the eleven areas during that period ex-

Table 5. MANUFACTURING EMPLOYMENT

Metropolitan Area	Number of Establishments			Number of Production Workers			Per Cent Change in Production Workers		
	1929	1939	1947	1929	1939	1947	1929-47	1929-39	1939-47
Albuquerque.....	47	52	110	1,695	917	1,610	-5.0	-45.9	+75.6
Denver.....	828	637	844	17,817	12,588	26,932	+51.2	-29.4	+113.9
Kansas City.....	1,183	1,023	1,345	48,417	38,085	61,698	+27.4	-21.3	+62.0
Lincoln.....	164	120	120	3,093	1,662	6,001	+94.0	-46.3	+261.1
Oklahoma City.....	261	306	346	6,552	5,979	9,903	+51.1	-8.8	+65.6
Omaha.....	522	427	524	18,439	11,622	21,543	+16.8	-37.0	+85.4
Pueblo.....	81	65	80	5,831	4,967	7,658	+31.3	-14.8	+54.2
St. Joseph.....	144	110	114	7,499	5,697	9,190	+22.5	-24.0	+61.3
Topeka.....	119	105	119	3,847	2,481	4,448	+15.6	-35.5	+79.3
Tulsa.....	220	252	342	6,137	6,313	11,527	+87.8	+2.9	+82.6
Wichita.....	239	185	326	5,925	5,019	13,584	+129.3	-15.3	+170.7
District, 11 areas.....	3,808	3,282	4,270	125,252	95,330	174,094	+39.0	-23.9	+82.6
United States.....	206,663	173,802	240,881	8,369,705	7,808,205	11,916,188	+42.4	-6.7	+52.6

SOURCE: Census of Manufactures, 1929, 1939, and 1947.

ceeded the rate of increase of 53 per cent for the United States. The conclusion that there is a long-term trend for industrial expansion within the Tenth District to catch up with the level of industrialization in other parts of the country is forestalled, however, by the experience of the decade prior to 1939. In the period from 1929 to 1939, manufacturing employment fell off much more severely in the eleven metropolitan areas, taken collectively, than in the United States—it declined 24 per cent in the Tenth District metropolitan areas, as compared with 7 per cent in the entire United States. Consequently, a significant part of the growth of manufacturing employment during the last ten years in all but one of the eleven metropolitan areas in the Tenth District was absorbed in the recovery of manufacturing activity from the adverse effects of the depression years. The eighteen-year growth of 39 per cent in manufacturing employment in the eleven metropolitan areas was slightly less than the increase of 42 per cent in the nation. Notwithstanding the failure of manufacturing in the Tenth District to display growth greater than that for the entire country, industrial activity did provide a very marked expansion in job opportunities in several of the metropolitan areas.

The expansion of manufacturing in the Wichita area, occurring especially in the aircraft industry, has been phenomenal within the last decade. Employment in aircraft production greatly expanded during the war period, contracted quickly in the early postwar years, and is once again growing rapidly under the impact of defense orders. More diversified manufacturing activities in the Lincoln area have provided for a surge in industrial employment at more than twice the national rate. On the other hand, at St. Joseph, the various food products industries—especially meat packing—which employ the bulk of manufacturing wage earners, constituted the basis for a more moderate expansion in job opportunities. Pueblo's iron and steel industry also provided for only a moderate expansion in manufacturing employment from 1939 to 1947, although there has been a continued growth at a fairly rapid rate since that time. The 51 per cent increase in manufacturing employment in Denver during the last twenty years was greater than the average rate of increase for all eleven metropolitan areas and for the country as a whole. The food products industries account for about a quarter of Denver's manufacturing employment; other important industries are machinery, rubber

Table 6. WHOLESALE TRADE

Metropolitan Area	Number of Establishments			Number of Employees			Per Cent Change in Employees		Per Capita Wholesaling Employment
	1929	1939	1948	1929 ²	1939 ²	1948 ³	1929-48	1939-48	
Albuquerque.....	47	90	205	506	848	2,144	+323.7	+152.8	.015
Denver.....	977	1,050	1,366	10,649	10,045	19,646	+84.5	+95.6	.035
Kansas City.....	1,876	1,764	2,152	27,577	20,089	32,327	+17.2	+60.9	.040
Lincoln.....	166	183	200	2,284	1,754	2,062	-9.7	+17.6	.017
Oklahoma City.....	506	572	766	6,785	5,966	9,610	+41.6	+61.1	.030
Omaha.....	730	800	920	10,159	8,739	12,609	+24.1	+44.3	.035
Pueblo.....	71	107	134	730	717	1,070	+46.6	+49.2	.012
St. Joseph.....	216	238	227	4,248	2,150	2,800	-34.1	+30.2	.030
Topeka.....	122	141	173	1,856	1,163	1,870	+0.8	+60.8	.018
Tulsa.....	306	418	528	2,666	3,116	6,572	+146.5	+110.9	.026
Wichita.....	328	419	575	3,347	3,237	6,248	+86.7	+93.0	.028
District, 11 areas.....	5,345	5,782	7,246	70,807	57,824	96,958	+36.9	+67.7	.032
United States.....	169,702	200,573	244,705	1,605,042	1,561,948	2,463,433	+53.5	+57.7	.029

¹1948 employment divided by 1950 population. ²Average for the year. ³Number employed full workweek ended nearest November 15.

SOURCE: Census of Business, 1929, 1939, and 1948.

products, printing and publishing, fabricated metal products, apparel, and primary metals. Tulsa has had a still more rapid growth in manufacturing, based chiefly on the making of oil field equipment and storage tanks. The number of new manufacturing jobs created in Kansas City between 1929 and 1947 exceeded the increase in any of the other ten metropolitan areas and constituted over a quarter of the total increase in the eleven areas in the Tenth District. As in Denver, meat packing and other food products industries provide employment for approximately one fourth of those engaged in manufacturing. However, other manufacturing activities, which are widely diversified, furnished most of the basis for expansion. They include the apparel, paper and allied products, printing and publishing, chemical, petroleum refining, steel, automobile, machinery, and metal products industries, among others. Nevertheless, the rate of growth of manufacturing in Kansas City since 1929 has been less rapid than for the nation as a whole. Similarly, Omaha's industrial growth has lagged behind the expansion in other parts of the United States. Meat packing, which has exhibited little disposition to grow in the older packing centers in recent years, and other food products industries account for the major part of manufacturing employment in Omaha.

Wholesale Trade Changes in employment in wholesaling, shown in Table 6, indicate that since 1929 the metropolitan areas in the Tenth District have experienced a lesser rate of growth in this activity than the United States as a whole, just as in the case of manufacturing. Data on the number of employees in 1948 are not strictly comparable with the two earlier census years (since they refer to the number employed during the full workweek ended nearest November 15, while the 1929 and 1939 data refer to the average number employed during the year), but the relative changes among the different

areas are indicative of developments in wholesaling within each community. Two of the chief wholesaling centers in the Tenth District—Kansas City and Omaha—lost ground in wholesaling relative to six of the other metropolitan areas and to the rest of the United States. Employment in wholesale trade in St. Joseph and Lincoln actually declined. The loss to St. Joseph was especially severe, as wholesaling was of considerable relative importance. The Census data suggest a drift of wholesale activities to the outlying centers in the Tenth District—to Denver, Tulsa, Wichita, and Oklahoma City. The rapid growth of wholesaling in Albuquerque appears to be primarily associated with internal population growth.

Retail Trade Both the relative and absolute changes in the number of persons employed in retailing between 1929 and 1948 in the metropolitan areas in the Tenth District are closely connected with changes in income and population, as a comparison between data in Table 7 and Table 3 suggests. As in the cases of both manufacturing and wholesale trade, retailing increased more rapidly from 1939 to 1948 in the Tenth District cities than in the rest of the United States, but the eleven areas showed less relative growth over the entire period from 1929 to 1948. The number of retail jobs created during the last twenty years was almost as large as the increase in job opportunities in manufacturing but, unlike a large part of manufacturing and wholesale trade, most increases in retailing are incident to the growth in other primary income-generating industries and are not the initial source of new urban expansion.

Other Sources of Growth Detailed information on government, transportation, communication, public utility, finance, mining, and construction employment is not available from Census sources for a recent year. It is clearly evident from the foregoing information, however, that an impor-

Table 7. RETAIL TRADE

Metropolitan Area	Number of Establishments			Sales Per Capita	Number of Employees			Per Cent Change in Employees	
	1929	1939	1948		1929 ²	1939 ²	1948 ³	1929-48	1939-48
Albuquerque.....	541	942	1,428	\$ 836.74	1,723	2,935	5,666	+228.8	+93.0
Denver.....	5,112	5,725	5,433	1,061.28	20,424	23,229	29,284	+43.4	+26.1
Kansas City.....	9,390	9,690	8,988	1,225.67	40,142	38,351	53,432	+33.1	+39.3
Lincoln.....	1,196	1,235	1,091	1,054.74	4,949	5,659	6,305	+27.4	+11.4
Oklahoma City.....	2,814	3,284	3,550	985.72	11,266	12,613	16,536	+46.8	+31.1
Omaha.....	3,618	4,297	3,536	1,057.44	13,467	16,383	18,417	+36.8	+12.4
Pueblo.....	773	952	935	845.56	2,604	2,774	3,644	+39.9	+31.4
St. Joseph.....	1,360	1,387	1,186	959.08	4,524	4,242	4,639	+2.5	+9.4
Topeka.....	1,060	1,300	1,196	954.01	4,190	4,435	4,945	+18.0	+11.5
Tulsa.....	1,988	2,691	2,682	1,023.11	9,540	9,581	12,641	+32.5	+31.9
Wichita.....	1,862	2,197	2,418	1,022.07	7,421	7,956	12,083	+62.8	+51.9
District, 11 areas....	29,714	33,700	32,443	\$1,066.27	120,250	128,158	167,592	+39.4	+30.8
United States.....	1,543,158	1,770,355	1,769,540	866.11	3,833,581	4,600,217	5,608,398	+46.3	+21.9

¹1948 sales divided by 1950 population. ²Average for the year. ³Number employed full workweek ended nearest November 15.
SOURCE: Census of Business, 1929, 1939, and 1948.

tant part of the growth of Oklahoma City, Topeka, Albuquerque, Pueblo, Lincoln, and Denver was due to the expansion of Federal and state governmental activities in those areas. The fortunes of Oklahoma City, Topeka, and Albuquerque, in particular, have been closely related to the growth of various functions of government. In the case of the construction industry, changes in the level of activity have been dependent on the amount of industrial, commercial, and institutional expansion taking place in the areas and have been closely tied to changes in population. The relative importance of construction employment is greatest in Albuquerque, where the rate of increase in population was largest in the last decade, and least in St. Joseph, where a loss of population occurred. Mining has been of direct consequence in providing employment only in the case of Tulsa and Oklahoma City, although the proximity of certain minerals for processing has been important to the economic development of several of the areas, particularly Pueblo and Denver.

Summary Industrial growth at about the national rate during the last twenty years has formed the chief basis for the growth of metropolitan areas in the Tenth District. Manufacturing alone contributed most of the expansion at Wichita and Lincoln. Economic growth in Kansas City and Omaha was governed by their diversified industrial expansion and continued rise as retail trading centers. Wholesale trade, along with industry, formed the basis for growth in Tulsa and Denver, and the latter also extended its governmental functions. In the case of Pueblo, military activities, in addition to the steel industry, have provided expanding job opportunities. Although industrial growth has occurred in St. Joseph, it has been largely offset by a contraction of employment in wholesaling. Growth in Oklahoma City, Topeka, and Albuquerque, on the other hand, can be attributed primarily to the expansion of governmental activities, including civilian employment at military bases which has been a particularly important factor in the case of Oklahoma City.

BUSINESS AND AGRICULTURAL CONDITIONS

MEMBER BANK CREDIT

Loan volume of District member banks began a belated seasonal increase during the five-week period ended August 29, reflecting demand by grain dealers and millers following the retarded wheat harvest and reversing the downward trend which had persisted for the previous three months. Total loans of all member banks in the District increased by 42 million dollars, reserve city and country banks increasing by 24 million and 18 million dollars, respectively.

District member banks increased their holdings of Government securities by 80 million dollars in the period under review, as the result of net purchases by city banks of 56 million and by country banks of

24 million dollars. Other investments by member banks increased 11 million dollars during August.

Total deposits at District member banks increased by 35 million dollars, with the largest part of the change representing an expansion of 25 million in demand deposits of country banks. Demand deposits at city banks declined by 4 million dollars, and time deposits of all District banks showed an increase of 14 million dollars.

The increase in loans and investments of banks in the District appears to have been financed to an important extent through a reduction of 65 million in balances with banks in the United States and by credit from the Reserve Bank totaling 21 million. Reserve city banks were responsible for the entire

SELECTED ITEMS OF CONDITION OF TENTH DISTRICT MEMBER BANKS

(In millions of dollars)

	ALL MEMBER BANKS			RESERVE CITY BANKS			COUNTRY BANKS		
	Aug. 29 1951	July 25 1951	Aug. 30 1950	Aug. 29 1951	July 25 1951	Aug. 30 1950	Aug. 29 1951	July 25 1951	Aug. 30 1950
Loans and investments.....	4,820	4,687	4,640	2,720	2,631	2,570	2,100	2,056	2,070
Loans and discounts.....	1,969	1,927	1,672	1,164	1,140	956	805	787	716
U. S. Government obligations.....	2,375	2,295	2,508	1,299	1,243	1,359	1,076	1,052	1,149
Other securities.....	476	465	460	257	248	255	219	217	205
Reserve with F. R. Bank.....	884	869	744	556	541	462	328	328	282
Balances with banks in U. S.....	622	687	604	255	314	253	367	373	351
Cash items in process of collection.....	285	306	264	265	285	246	20	21	18
Gross demand deposits.....	5,521	5,500	5,277	3,192	3,196	2,994	2,329	2,304	2,283
Deposits of banks.....	918	915	843	855	854	782	63	61	61
Other demand deposits.....	4,603	4,585	4,434	2,337	2,342	2,212	2,266	2,243	2,222
Time deposits.....	752	738	684	401	395	366	351	343	318
Total deposits.....	6,273	6,238	5,961	3,593	3,591	3,360	2,680	2,647	2,601
Borrowings.....	29	8	10	25	3	9	4	5	1

increase in member bank borrowing during the period and also accounted for 59 million, or 90 per cent, of the reduction in District member bank balances with other banks.

DEPARTMENT STORE TRADE

Dollar volume of sales at reporting department stores in this District in August was 6 per cent below that of a year ago, but in the first three weeks of September sales were only 2 per cent below last year despite an upsurge in sales that had taken place in mid-September a year earlier, just prior to the imposition of consumer credit controls on durable goods. Sales increased more than is usual from July to August, and the seasonally adjusted index of daily

average sales rose to 333 per cent of the 1935-39 average in August from a rather steady level of around 315 per cent the previous four months.

Department store inventories, which usually show little change during August, increased somewhat this year and the seasonally adjusted index of stocks rose from 356 per cent of the 1935-39 average at the end of July to 361 per cent at the end of August, reversing the trend of the three preceding months. Stocks of merchandise on hand at the end of August were about one fourth larger in value than a year earlier, but the volume of outstanding orders was only half as large as a year ago, when stores had been placing heavy orders to replenish inventories.

DEPARTMENT STORE SALES AND STOCKS

	BANK DEBITS		Change from '50		SALES		STOCKS
	Aug. 1951	8 Mos. 1951	Aug.	8 Mos.	Aug. 1951 comp. to Aug. 1950	8 Mos. 1951 comp. to 8 Mos. 1950	Aug. 31, 1951 comp. to Aug. 31, 1950
	(Thousand dollars)		(Per cent)		(Per cent increase or decrease)		
COLORADO							
Colo. Springs.....	60,727	445,320	+16	+31	-7	+3	+30
Denver*.....	758,079	5,866,894	+11	+24	-10	-1	+29
Grand Junction...	16,198	136,787	-2	+17	+11	+9	+16
Greeley.....	26,462	214,350	+8	+22	+5	+15	+30
Pueblo*.....	49,021	422,809	-8	+23	-7	+5	+10
KANSAS							
Atchison.....	11,238	86,985	-10	+10	-5	+2	+23
Emporia.....	12,679	97,657	+17	+16	-8	+2	*
Hutchinson.....	45,146	328,244	+20	+11	-4	+6	+46
Independence.....	8,026	64,230	+13	+14	-16	-4	+15
Kansas City.....	84,138	694,356	+8	+23	-10	0	*
Lawrence.....	11,993	97,374	+12	+17	-5	+2	+22
Manhattan**.....	12,531	86,201	—	—	-6	+3	+25
Parsons.....	10,396	70,321	+23	+15			
Pittsburg.....	13,046	103,196	+4	+12			
Salina.....	50,616	310,713	+23	+12			
Topeka.....	101,818	822,573	+8	+11			
Wichita.....	320,467	2,369,607	+38	+27			
MISSOURI							
Independence**..	13,060	101,634	—	—			
Joplin.....	30,955	242,170	+6	+15			
Kansas City.....	1,257,891	9,868,881	+3	+16			
St. Joseph.....	129,709	913,132	+9	+18			
NEBRASKA							
Fremont.....	21,110	164,763	0	+13			
Grand Island.....	33,035	234,170	+25	+25			
Hastings.....	17,180	127,240	+12	+22			
Lincoln*.....	92,696	744,337	+3	+14			
Omaha.....	655,288	5,122,947	+12	+29			
NEW MEXICO							
Albuquerque*.....	121,085	986,781	-17	+8			
Santa Fe**.....	36,793	274,160	—	—			
OKLAHOMA							
Bartlesville.....	186,905	1,375,817	+31	+31			
Enid.....	37,995	296,560	+8	+4			
Guthrie.....	4,436	38,284	+1	+11			
Lawton**.....	19,879	145,773	—	—			
Muskogee.....	26,768	218,876	+1	+9			
Norman**.....	7,288	66,078	—	—			
Oklahoma City*..	388,900	3,140,049	+8	+11			
Okmulgee.....	6,817	56,913	-2	+5			
Ponca City.....	24,547	168,506	+22	+12			
Tulsa.....	640,168	4,878,083	+19	+24			
WYOMING							
Casper.....	37,014	293,857	+11	+27			
Cheyenne.....	37,038	294,028	+4	+21			
District, 40 cities*..	5,419,138	41,970,656	+10	+20			
U. S., 342 cities.....	125,291,000	1,040,398,000	-2	+17			

*Not shown separately but included in District total.

EMPLOYMENT

The employment situation and outlook is receiving increasingly widespread attention as forecasts of expanding defense activities are made for the months ahead. After allowance is made for students seeking summer jobs and still in the labor force, unemployment dropped to the lowest level of the postwar period during August, while nonagricultural employment reached a new all-time high. The largest part of the July-August gain occurred in manufacturing industries, as various seasonal and defense-related activities expanded their work forces. The change, however, was substantially smaller than a year ago, largely because of a smaller than usual seasonal rise in employment in the soft goods industries.

Over the past year, employment has increased rapidly in the mountain states of the Tenth District. From the standpoint of type of activity, the largest increase has been in governmental work. Construction, primarily "heavy," has contributed the next largest number of new jobs in Colorado, while Wyoming and New Mexico report a drop in construction employment. Increases in manufacturing employment have been shared by all three states and have been particularly marked in the Colorado metal in-

*Dollar figures include one or more additional reporting banks, beginning January, 1951; however, percentage changes shown are computed from comparable data for both 1951 and 1950.
 **New reporting center, beginning January, 1951.

dustries. It is interesting to note that, although there has been a greater expansion of employment in Colorado than in the other two states, the reactivation and expansion of military facilities, together with stepped up minerals production, has allowed all three states to expand their labor forces in competition with more industrialized areas.

Recognizing that the full impact of defense manpower mobilization has not yet hit the Rocky Mountain region, the Secretary of Labor has appointed a regional labor-management committee to assist in over-all planning and to assist local areas in solving problems involving manpower requirements, defense training needs, recruiting, transportation, community facilities, day-care centers for children of defense workers, and other matters. The committee plans to work with officials of the employment security agencies in the eight mountain states in setting up its own operational machinery.

In other parts of the Tenth District a similar tightening of the labor supply is reported. In Kansas and western Missouri most communities affected by the July flood report that employment is approaching the pre-flood level, and in Missouri unemployment compensation claims were lower during July of this year than they were a year ago in spite of the flood situation. On September 1, there were fewer workers without jobs in the Omaha labor market than at any time on record and, for the state as a whole, 25 per cent fewer job seekers were registered than a year ago. Unemployment has shown similar declines in Oklahoma, particularly in Tulsa where manufacturing has recorded better than a 20 per cent gain over the past year. The only severe labor shortage reported for District cities is at Wichita, where several major plants are behind on their hiring schedules and there is a critical need for construction workers for the housing program and air base project.

BEEF PRODUCTION

Unless unforeseen events cause rapid slaughtering during the remaining months of 1951, beef cattle numbers on farms on January 1, 1952, will exceed by a substantial figure the record number on farms on January 1, 1945. On January 1 of this year, the United States Department of Agriculture reported 84.2 million head of cattle and calves on United States farms and ranches. This number was 4.1 million larger than the number on farms the previous January and only 1.4 million lower than the all-time record number in January, 1945. During the first six months of this year, 9 per cent fewer cattle and 18 per cent fewer calves were slaughtered commercially than in the same six months of 1950. Furthermore, the number of calves produced this year should be significantly

greater than last year because there are 1.6 million more cows in the breeding herd. On the basis of this evidence, it is apparent that farmers are retaining beef cattle on farms.

Cattle numbers on farms usually follow a rather definite cycle. The cycle normally averages about 14 years in length. Currently, cattle numbers are passing through the increasing phase of the cycle. For the country as a whole, several factors have contributed toward encouraging an increase in the number of beef cattle. First, a large feed production during the past few years has resulted in relatively cheap feed prices. Second, the large demand for beef has been reflected in relatively high prices for beef, and feeding ratios have been favorable. Third, an intensive effort has been made to encourage farmers to adopt good land use practices. Better pasture and land management has resulted in higher production of pasture and legume crops. These crops can be marketed most successfully through livestock. The large increase in numbers of beef cattle in the South Atlantic and South Central states can be attributed to better land use practices in these areas and the use of better pasture management. Fourth, pastures and ranges in most areas of the United States, exclusive of the Southwest, have been good. Rainfall, combined with cool weather, has increased the carrying capacity of pastures in large areas of the United States. Fifth, developments and uncertainties in legislation have retarded marketings during recent months. As a result, cattle numbers on farms are large and cattle slaughter should increase in the near future as farmers market a larger proportion of their cattle. With numbers of cattle on farms on January 1, 1952, likely to exceed the record numbers on farms on January 1, 1945, average annual beef production during the period from 1952 to 1954 could exceed the current year's production by from 5 to 15 per cent, if pasture and feed grain production can be maintained at recent levels.

In the Tenth District, conditions encouraging the retention of large numbers of beef cattle on farms have been somewhat mixed during the past year. Pasture and hay conditions throughout most of the District, with the exception of the southwestern part, have been good. Prospects now appear favorable for an abundant supply of winter wheat pasture during the fall and winter. On the other hand, the production of feed grains will be reduced from last year's level because of excessive rainfall and flood damage throughout much of the District. Abundant rainfall and cool weather, except for the southern and southwestern parts of the District, have resulted in the holding of many cattle on pastures for a longer period of time than normal.