While serving the past thirteen months as a dollar-per-year man in Washington as Chief of the Supplies, Food and Miscellaneous Equipment Division in the Defense Organization, and coming into intimate contact with the national trends of business, I have become more convinced than ever before that Kansas is confronted with vital and serious problems.

THE SITUATION

Look at the census map for the 1930 and 1940 period showing the rise or decline of population by counties throughout the nation.

During this period, only 14 counties in Kansas grew in population, and only 4 counties showed 15 per cent or more growth. Almost all the other counties showed a loss. This same trend of loss of population was relative in Nebraska, Dakotas, Oklahoma, Western Missouri, Eastern Colorado, Western Iowa, and other sections of our Central Plains area comprising some one fourth of our country.

During this ten years, our seaboard and Gulf States, and the eastern industrial triangle as a whole, enjoyed an increase of population.

A mechanization of farming is rapidly reducing our farm population and the reduction of horses and mules has cut off immense use of farm products. Most of our rural towns are suffering, almost approaching ghost communities. Good roads are taking much of their trade to larger cities. Mail-order houses have also taken much of their former trade.

The recent ten years of drought, loss of export market for most of our crops, and prices below parity for farm products have sadly affected Kansas and nearby states.

The Panama Canal has given lower freight rates to the coast belt, and now the proposed Great Lakes-St. Lawrence Seaway may only further maroon our Middle-Western area unless we can obtain some reasonable adjustment of transportation costs on things we sell and on things we buy.

Concentration of large Federal cheap power projects in T.V.A., in Oregon, in the Southwest and South, and elsewhere will only further attract industry beyond our region – (we pay our part of taxes for these power plants). We are entering a “Power Age in America.”
The momentum of established industry in the East. Southern California and elsewhere only begets more concentration. The trend of our time leads to mass production by large national companies, mostly far away from our region.

AS OTHERS SEE US...

This industrial “Habit of Mind” was reflected by the fact that in the beginning of our Preparedness Program, not a single plant was allocated to the area between the Mississippi River and the Rockies, north of Texas. We were largely regarded as only an agricultural section. Our supply of skilled labor was questioned, yet we know our farm boys trained to “fix it” on the farms from an early age, make fine mechanics.

Our industrial “Know How” was doubted. Our Industrial Management ability for large defense plants was regarded as inexperienced. Expansion of our small factories was held as impractical and too slow to meet the terrible pressing need of speed to produce armament and military supplies. Time, precious time, was of course vital to our defense. Precious minutes counted, and I admitted in Washington that it was sound National Defense to turn first to large established factories elsewhere; however, I contended during my whole stay in Washington that after these plants were filled with orders, that sound national Defense demanded wider distribution of defense activities rather than to continue to expand these factories in over-concentrated areas.

I maintained the same sound distribution should apply to plants being built by the government to make munitions, and in wider sub-contracting by prime contractors.

Our Central Plains area was being confronted with a devastating migration of labor and drainage of machines, yet out here in the Middle West, we certainly offer the safest area for defense production furthest removed from all frontiers.

Our states, already suffering a decline in population and loss of industry were confronted with a Defense Program which would only accentuate our distress, yet here we have the cheapest supply of fuel; splendid transportation system; 90 per cent or more fine American-born labor; abundant vacant housing, and ample facilities and utilities to support expanded industry; low cost of living; and great reservoirs of raw products vital to the defense program. Our region is loyal. It is contributing its quota of men for the army. It will pay its share of the tax burden for defense.

A STRONGER NATIONAL STRUCTURE

It is sound National Defense to diffuse industry throughout the whole country. It would build a stronger national structure for war or peace for the difficult post-emergence period – for the fight for foreign trade sure to come. No nation can be strong with nearly one-fourth of its area going backward.

Utilization of Middle Western resources and facilities would save hundreds of millions of dollars of building new homes and facilities in already over-congested areas elsewhere.

In all of this, I must in fairness state that most of the authorities in Washington agreed with me in theory and principle with all the above, but the need of speed, the increasing serious world situation is still forcing continued over-concentration of defense activities in certain other sections of our country.
A real effort was made under the able leadership of R.L. Mehorney, Chief of the Defense Contract Service, John D. Biggers, William Knudsen, Don Nelson, W.L. Batt, and other leaders in OPM to force subcontracting into smaller factories; yet up to date, the results are comparatively small in our area. Washington, however, is realizing more and more the soundness of wider decentralization.

**BOSTON to BALTIMORE and ENGLAND**

In the Section from Boston to Baltimore, concentration of defense activity is some twice as great as in England, covering about the same area.

Navy bases and ship building yards necessarily had to be located around our seacoast.

Our air bases are being largely placed in the South, where, on account of weather, more days are available to train pilots.

Most of our new cantonments are being located in the South for similar reasons, and while recently several defense plants have been put in our part of the country, comparatively our region is not enjoying its sound share of defense business. We have dozens of cities with ample labor, housing, and facilities to support a defense plant. We have hundreds of factories able to handle defense orders and yet, many of these plants are confronted today with possible shutdowns on account of inability to get material.

**SHALL WE...**

Shall this great inland empire become an economic Dust Bowl?

Shall our “Okie” migrations become an inexorable march from our farms to large cities beyond our region?

Shall the defense program only further throw us out of industrial balance with other parts of the country?

**A PLAN OF ACTION...**

What can we do about it?

I suggest the following:

1. Increase our efforts for a larger share of Defense business.
2. Urge national organizations to place a larger part of their production facilities in our area.
3. Develop greater power facilities in our section.
5. Encourage greater use of our rivers for cheaper transportation of heavy freight.
6. Urge the merger and combinations of business to maintain a fairer share of business in our area.
7. Help and protect our independent enterprises.
(8) Carry on intensive research through our Kansas Industrial Development Commission, the Kansas State Chamber of Commerce and similar organizations in other of our nearby states for greater use of our raw products such as oil, gas, lead, zinc, gypsum, clays, volcanic ash, bentonite, salt, calcium, lime, coal, cement asphalt, pyrites, chalk, chat, timber, marl, helium, phosphates, plastics from soy beans and sorghums, and develop various uses for waste farm products, et cetera.

(9) Develop nearby plants to supply fertilizers at a low cost to our farmers.

(10) Work to put industries in our towns and small cities (dozens of small plants should be able to exist in small communities. I suggest studies be made of some of the following types – factories to make fertilizers, furniture, prepared stock foods, cereals, wall board, tile, brick, airplane parts, boxes, milk products, sugar products, canned goods, wearing apparel, paints, soap, syrups, dehydrated products, plastics, steel products, plaster, paper, chlorine, other salt products, asphalt, ammonium nitrate, calcium products, sulphuric acid, starches, packing-house products, awnings, sash and doors, leather and hundreds of other articles for which we have the raw products, labor and market and yes, possibly synthetic rubber from petroleum.

(11) And, of course, continue to cooperate in every way with our whole Defense Program to put the entire production machine of America to work, all looking to fabricating in our own area the raw products of our section.

(12) Encourage our labor organizations to cooperate with business at all times.

(13) Let every shop and small manufacturer in the state take the initiative in contracting large prime defense contractors in this area such as the airplane manufacturers in Wichita, Kansas City, Omaha, and Tulsa, as well as any other factories handling large defense orders, to study and investigate the possibility of procuring sub-contracts to make articles to which they can adapt their plants.

Confronted with serious shortage of materials for ordinary commercial production, due to priorities for defense goods, every effort should be made to fit as many of our industries as possible – large and small – into the defense program. Certainly the Kansas State Chamber of Commerce, the Industrial Development Commission and similar organizations, can be of great service in helping procure a good share of the thirty to forty per cent subcontracting coming from many of the large defense contracts. In many instances a very small shop may find it can fit into the program and not only keep its doors open, but increase its operations and help spread employment throughout the state as a whole.

Let’s not wait for these large prime contractors to come to us! Many such subcontracts from large factories in our area are already going to far distant states. Many small factories are confronted with a serious situation, and some of them may be forced to shut down completely unless they determinedly seek and study opportunities for handling subcontracts.

Industrial leaders are today thinking of wise decentralization of their plants. Much of this has already been done toward the South. Concentration of Defense Plants and orders in large eastern and western cities is awakening industries as to the risks and
costs of having too much of their production in one city where acute labor shortages are developing.

Many new substitute products will be developed during the Emergency – Shall our area land some of these new industries?

We shall not be an economic hinterland.

Business men of Kansas, you must look the situation squarely in the face – accept the challenge of the times; and balance agriculture with industry if Kansas and the Middle west are to hit their proper stride for growth and prosperity thus fulfilling their part in making the Western Hemisphere invulnerable to foreign attack; invincible in foreign trade, and becoming a strong link in the chain of sound national economy.

The J.C. Nichols Company Records (KC106) – Speech JCN069

Arguably Jesse Clyde Nichols (1880-1950) was the single most influential individual to the development of metropolitan Kansas City. Moreover his work, ideas, and philosophy of city planning and development had far-reaching impact nationally – so much so that the Urban Land Institute has established the J.C. Nichols Prize for Visionary Urban Development to recognize a person or a person representing an institution whose career demonstrates a commitment to the highest standards of responsible development.

Nichols’ objective was to “develop whole residential neighborhoods that would attract an element of people who desired a better way of life, a nicer place to live and would be willing to work in order to keep it better.” The Company under Nichols and his son, Miller Nichols (1911- ), undertook such ventures as rental housing, industrial parks, hotels, and shopping centers. Perhaps the most widely recognized Nichols Company developments are the Country Club District and the Country Club Plaza Shopping Center, reportedly the first shopping area in the United States planned to serve those arriving by automobile rather than trolley car.

The J.C. Nichols Company Records (KC106) contains both personal and business files concerning J.C. Nichols’ private and business life. Included are personal correspondence, family related material, and speeches and articles written by him. Business and financial files pertain to actions of the Company, including information about different developments and the securing of art objects; and printed materials produced by and about the Company.