Manufacturing's Relationship to Economic Growth in Wichita

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**Abstract:** When the Great Recession hit Wichita, KS it hit hard. Jobs disappeared overnight, unemployment rates rose, and things changed in a bad way for the average Wichita citizen. Since then, however, the city has seen a resurgence of growth that has helped get things back on track. My question when analyzing this situation is simple: What caused this new growth? Was it manufacturing and aerospace coming back in force, or something else entirely?

To answer these questions I researched the economic trends of Wichita over the last 25 years (in particular the local unemployment rates) and compared these trends closely with those found in the Wichita manufacturing sector specifically. Compiling, graphing, and analyzing this data allowed for several realizations. Firstly, it became clear that, since at least 1990, the local Wichita economy has been heavily influenced by the manufacturing industry. This concept is reflected clearly during the most recent financial crisis when manufacturing jobs in the city dropped by nearly 20,000 and unemployment, as a result, rose by about 6%. These two forces remained closely intertwined until around 2010 when things began to unravel.

In 2010, local unemployment rates and manufacturing job creation separated. The overall health of the Wichita economy improved steadily while the number of manufacturing jobs remained stagnant. This new found trend continues to this day, and it is hard to see it as anything other than a blessing. In the last five years Wichita has successfully begun the diversification of its economy. Local technology, education, health, and business service industries have demonstrated measurable economic growth that has “filled in” for some of the stagnancy in the manufacturing industry. This diversification has lowered the risk levels of the overall Wichita economy and improved the local economy’s ability to resist recession and other forms of economic downturn.

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