

Jacob Hobbie

Professor Amos

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### Wichita's Changing Economy

Wichita's economy is changing. What used to be a hotbed for the airline industry has changed, what feels like, overnight. Companies like Boeing and Bombardier have left, and while Koch Industries continues to do well in Kansas, other industrial plants have either eroded, or completely disappeared from Wichita's landscape. Even worse, some plants have stayed and become an eyesore on the city. In some parts, Wichita appears dead. However in other parts, the city seems to be more alive than ever. Downtown, the city seems to be alive. Places like Mead's Coffee House, Reverie Coffee, and the Donut Whole have grown to be staples for the youth of Wichita to hang out with each other and find a nice quiet place to do homework. So, Wichita is in a state of flux. Right now, the people and markets of Wichita are fighting between two economies. Only one can win. Will it be the manufacturing economy that has dominated the past? Or will it be the new service economy that is growing ever so slowly in Downtown Wichita and beyond? This paper will explore the relationship between unemployment and entrepreneurship, coffee shops and the service economy, and the people's feelings on the current economy affecting their future career choices.

Unemployment. In today's political talks, unemployment is a huge topic. It has been ever since 2008, and an economic crisis that many members of both the executive and legislative branches refused to admit was occurring. Not only that, but it has easily been a hot topic within

the business world as well, especially as since the 2008 economic crisis, many businesses have had to either discuss layoffs, if not enact them. Some businesses have even had to close their doors in certain areas in order to continue. Boeing for instance famously left Wichita in 2014 and built a new building in Oklahoma to continue its work, considering that Oklahoma's property tax is less than Kansas' property taxes. That was a decision that left many in Wichita without a job. Including many individuals older than the popular age to hire, and while age may be a protected class, it is not a secret that many employers do discriminate based on age. In fact, Boeing is not the only major aircraft manufacturer that has left or downsized. Spirit Aerosystems, the company that bought much of Boeing's old facilities recently underwent layoffs. In addition, rumors are spreading about a possible merger between Textron Aviation, Bombardier, and Cessna when discussing the small aircraft landscape. Kansas may in the past have been known as air capital of the world, but that was a different world, and Kansas does not fit that world anymore as the best manufacturer of aerospace. In fact, the newest contract for Air Force One may be handed to a French company named Airbus instead. In any case, aerospace seems to be a dead industry to Kansas in the near future. In 2014, there was a surge of unemployment in Kansas after the announcements, and while those numbers have balanced as of now, it could be due to a number of factors, including some unemployed individuals now identifying as retired, or taking a part-time job while looking for a full-time job, or many other individual variables. Thus, however there is a clear spike that showcases a rise in unemployment in Kansas, which based on the time, and size of companies, is easy to argue was caused by Boeing and other airlines. Therefore, you have many people who feel like they have been burned by their industries, and now have an excuse to break away. Thanks to the technology that exists today, it is easier than

ever to start a business. And when unemployed individuals are finding it harder then ever to find a job, what do they have to lose?

Coffee. That delicious substance that fuels a major part of the western world in the morning into getting up and doing what many do not want to do: work. Coffee went through a revival thanks to the success of Starbucks, which opened in 1972. However, it truly began to change the hearts and minds of hard workers throughout America near the beginning of the 21st century, when Y2K ended and startup culture began to become more than mainstreams, after Google's formation in 1996. Coffee became not just a thing to drink, but a cultural phenomenon in America. Many believe that this was due to startup culture. Many companies in today's economy trying to grow at a fast rate require many people to work long hours, and Silicon Valley became a hotbed for interesting talent to rise up and spend many sleepless nights working away at what they thought would not just make them rich, but also make them famous. Facebook, Twitter, and more joined in on this craze, and propelled coffee to its highly regarded status. This became such a phenomenon that other cities looking for tech talent popped up with interesting, small coffee shops. Cities like Boulder, Portland, New York, and Austin began to pop up with coffee shops. Now, Wichita joins the fray. Wichita's downtown has begun to pop up with the small coffee shops that are evident that tech might just come into the city. The most famous one right now is Mead's Corner, created by the United Methodist Church as an outreach program to provide a safe space for kids in downtown Wichita to hang out in. Other places include Reverie Coffee House and The Donut Whole, which are becoming Wichita staples on their own. Now, what does this mean? It means that the time is right for tech to become a major focus in the city of Wichita. While the coffee shops could lead to nothing more than delicious places to relax or

get work done, it is a definite sign that the feelings of Wichita citizens could be allowing for a different kind of lifestyle, one that goes more in line with tech or service, instead of manufacturing.

Finally, the people's feelings. The paper has been alluding to this throughout the paper, however, it is important enough to talk about in its own paragraph. Unemployment spiked thanks to aerospace layoffs. New growth within aerospace seems bleak. The only strong sources of profitable industry in the city seem to be Koch Industries and Cargill. Major exports from Kansas like agriculture are going down as more is imported from other countries who can provide a more affordable product. People are sick of industry. Not only is this a feeling in Wichita, but it is a feeling that resonates throughout the United States. It is a widely held belief that most countries using a Capitalistic model follow a certain order while they develop as countries along with their economies. First, agriculture becomes a country's major source of income. Then, once a country becomes developed enough to create products, manufacturing becomes its major source of income. Finally, once the populace in a country becomes knowledgeable enough to provide advice and service for other people creating products, it becomes a service economy. The first country in the world to follow this model was the UK, and it appears that America is following suit. While there are many different feelings across America right now, there are enough educated people in the country to transition to a service economy, thanks to the rise of the internet and associated business here in America. In addition, because of the ease, entrepreneurship is more popular then ever, and due to that, many people are ready to throw off the shackles of big companies and move into something they are passionate about. People in Wichita are ready for a change, and that's why, tech may be the next economic boom in Wichita.

Wichita may become a strong service economy thanks to the spike in unemployment caused by aerospace, the rise of coffee shops within Wichita, and the attitude towards large industry within the state and nationwide. Is any of this for certain? Absolutely not. However, the stars have aligned in such a way where this is absolutely a possibility. If there is one thing for sure: Manufacturing is not the future of Wichita. Something else is. And it lies within the service economy.

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