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## Business in Nebraska #292 - January 1969

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### CHANGING PATTERNS OF COMMUNITIES IN THE MIDWEST

The regional concept of economic planning and development discussed in the December issue of *Business in Nebraska* was the subject also of a workshop conference on "Changing Patterns of People and Communities in the Midwest," held in Omaha last month. It is deemed appropriate to report here the most significant highlights of the conference because the panel presentations and subsequent discussions further developed several important aspects of regional growth.

At the workshop, held following a meeting of the Directors of the Mid-Continent Research and Development Council, and arranged by Northern Natural Gas Company, participants included directors of the Council, representatives of the Missouri Basin Inter-Agency Committee, the Nebraska Department of Economic Development, the newly organized Institute of Urban and Regional Research at the University of Iowa, the Departments of Geography of the University of Nebraska at Omaha and at Lincoln, and the Bureau of Business Research.

The conference explored methods of achieving appropriate planning of functional economic areas and how to bridge the gaps between planning and action; it inquired also into the strategies of how people can or should be distributed in communities within a given regional land area in order to provide the greatest satisfac-

tion for individuals as well as the greatest possible economic development. It was brought out that integral to the problem are such matters as: the relationship of small to medium-sized to large population concentrations; the location of industries, services, and jobs; adjusting population shifts from smaller to larger communities; and creating new and changing functions--and even new communities.

#### Functional Economic Areas

Both in panel presentations and in the general discussion, the concept of functional economic areas was pervasive. Related to this concept is the fact that communities of all sizes within a given region must either pull together or fall separately, which was stressed by Dr. Howard Ottoson, Associate Dean of the College of Agriculture and Home Economics and Director of the Agricultural Experiment Station, who opened the panel presentation. This will mean, he said, that the smaller towns will need to envision new roles in which they may expect to give up something but also to gain something - a different but continued sphere of usefulness.

Answering his own question, "What can the small town do?", Dr. Ottoson cited from the November issue of *Business in Nebraska* some examples of revitalization of

(Continued on page 4)

TABLE I  
FREQUENCY DISTRIBUTION OF MAJOR FUNCTIONS OF TOWNS BETWEEN 2,500 AND 10,000 POPULATION IN THE GREAT PLAINS PHYSICAL REGION<sup>1</sup>

State	Total Number of Towns	Total Trade and Diversified, with Trade Subdominant (Combined)		Trade		Diversified Trade Subdominant		Diversified		Transportation		Mining		Other Functions <sup>2</sup>	
		Number	Per-cent	Number	Per-cent	Number	Per-cent	Number	Per-cent	Number	Per-cent	Number	Per-cent	Number	Per-cent
North Dakota	8	8	100.0	7	87.5	1	12.5	0	0	0	0	0	0	0	0
South Dakota	17	16	94.1	15	88.2	1	5.9	0	0	0	0	1	5.9	0	0
Nebraska	32	20	62.5	15	46.9	5	15.6	8	25.0	2	6.3	1	3.1	1	3.1
Kansas	37	15	40.5	12	32.4	3	8.1	2	5.4	10	27.0	4	10.8	6	16.2
Oklahoma	14	14	100.0	0	0	14	100.0	0	0	0	0	0	0	0	0
Texas	32	18	56.3	18	56.3	0	0	3	9.4	1	3.1	8	25.0	2	6.3
Montana	11	10	90.9	10	90.9	0	0	0	0	1	9.1	0	0	0	0
Wyoming	6	6	100.0	6	100.0	0	0	0	0	0	0	0	0	0	0
Colorado	6	4	66.7	4	66.7	0	0	1	16.7	1	16.7	0	0	0	0
New Mexico	9	3	33.3	3	33.3	0	0	1	11.1	0	0	3	33.3	2	22.2
	172	114	66.3%	90	52.3%	24	14.0%	15	8.7%	15	8.7%	17	9.9%	11	6.4%

<sup>1</sup>Only those towns located within the generally accepted Great Plains Physical Region were counted - with the exception of Nebraska where all towns between 2,500 and 10,000 population were considered.

<sup>2</sup>Includes: Manufacturing Extreme (M<sup>1</sup>), Manufacturing (M), and Resort and Retirement (X).

**Business Summary**

Both Physical Volume and Dollar Volume Indexes for Nebraska indicate that the October, 1968 level of business activity was above that of October, 1967. For the U.S. these indexes increased over the same period at a rate slightly more than Nebraska's. From September, 1968, to October, 1968, Nebraska's dollar and physical volumes fell, being down about 1.6 percent. The indexes for the U.S. show some increase, with physical volume up 2.1% and dollar volume up 3.4%.

For Nebraska in October, 1968, nine of its twelve business indi-

cators were at levels above those of the same month a year ago. The largest gain is recorded in Life Insurance Sales.

Nebraska's retail sales were up 11.4% from October, 1967, to October, 1968. Hard goods sales increased 14.1%; soft goods, 10.4%. Of cities reported, Fairbury, Grand Island, Omaha, and South Sioux City show the major increases over last year; less than favorable were the declines reported for North Platte, Sidney, McCook, and Chadron.

Looking at the various types of stores, farm equipment dealers experienced the major decline in sales in October from the previous month. Seasonally, this is to be expected.

All figures on this page are adjusted for seasonal changes, which means that the month-to-month ratios are relative to the normal or expected changes. Figures in Table I (except the first line) are adjusted where appropriate for price changes. Gasoline sales for Nebraska are for road use only; for the United States they are production in the previous month.

R. L. BUSBOOM

I. NEBRASKA and the UNITED STATES

II. PHYSICAL VOLUME OF BUSINESS  
Percentage of 1948 Average

OCT Business Indicators	Percent of 1948 Average		Percent of Same Month a Year Ago		Percent of Preceding Month	
	Nebraska	U.S.	Nebraska	U.S.	Nebraska	U.S.
Dollar Volume of Business	314.8	376.2	104.4	112.5	98.4	103.4
Physical Volume of Business	209.8	232.6	103.3	107.3	98.4	102.1
Bank debits (checks, etc.)	219.0	386.8	95.1	115.0	89.6	102.7
Construction activity	288.6	176.8	94.9	98.7	101.4	103.3
Retail sales	149.4	187.2	102.0	104.9	95.0	98.8
Life insurance sales	392.2	487.0	119.8	107.1	108.0	109.1
Cash farm marketings	216.7	146.6	81.3	98.4	103.6	99.5
Electricity produced	421.4	479.8	116.7	109.3	105.6	103.9
Newspaper advertising	164.5	151.9	107.9	106.6	99.2	99.9
Manufacturing employment	168.0	129.2	104.3	103.3	100.4	100.2
Other employment	144.0	168.1	103.2	103.9	101.3	100.3
Gasoline sales	186.8	225.3	104.5	104.7	76.7	100.5

Month	Nebraska	U.S.
	1967-68	1967-68
October	203.0	216.8
November	190.8	219.1
December	199.3	218.6
January	210.0	224.4
February	214.5	228.5
March	197.6	225.6
April	201.1	225.7
May	204.0	227.4
June	212.8	228.1
July	211.8	230.8
August	216.7	230.7
September	213.2	227.9
October	209.8	232.6

III. RETAIL SALES for Selected Cities. Total, Hard Goods, and Soft Goods Stores. Hard Goods include automobile, building material, furniture, hardware, equipment. Soft Goods include food, gasoline, department, clothing, and miscellaneous stores.

NOV City	No. of Reports*	Percent of Same Month a Year Ago			Percent of Preceding Month Total	NOV City	No. of Reports*	Percent of Same Month a Year Ago			Percent of Preceding Month Total
		Total	Hard Goods	Soft Goods				Total	Hard Goods	Soft Goods	
THE STATE	795	111.4	114.1	110.4	104.7	Fremont	28	103.8	96.8	110.1	105.7
Omaha	81	121.0	127.4	115.8	98.9	Fairbury	22	131.6	156.2	103.8	114.9
Lincoln	76	111.5	108.0	114.3	110.3	Norfolk	31	106.6	107.9	105.4	125.4
Grand Island	34	122.0	123.8	120.5	98.8	Scottsbluff	37	108.5	110.4	107.0	108.1
Hastings	30	103.4	96.1	109.7	101.1	Columbus	24	113.7	117.0	110.6	111.3
North Platte	20	99.4	86.9	108.2	90.7	McCook	19	97.0	89.8	104.7	101.4
						York	25	110.6	124.9	98.8	99.6

IV. RETAIL SALES, Other Cities and Rural Counties

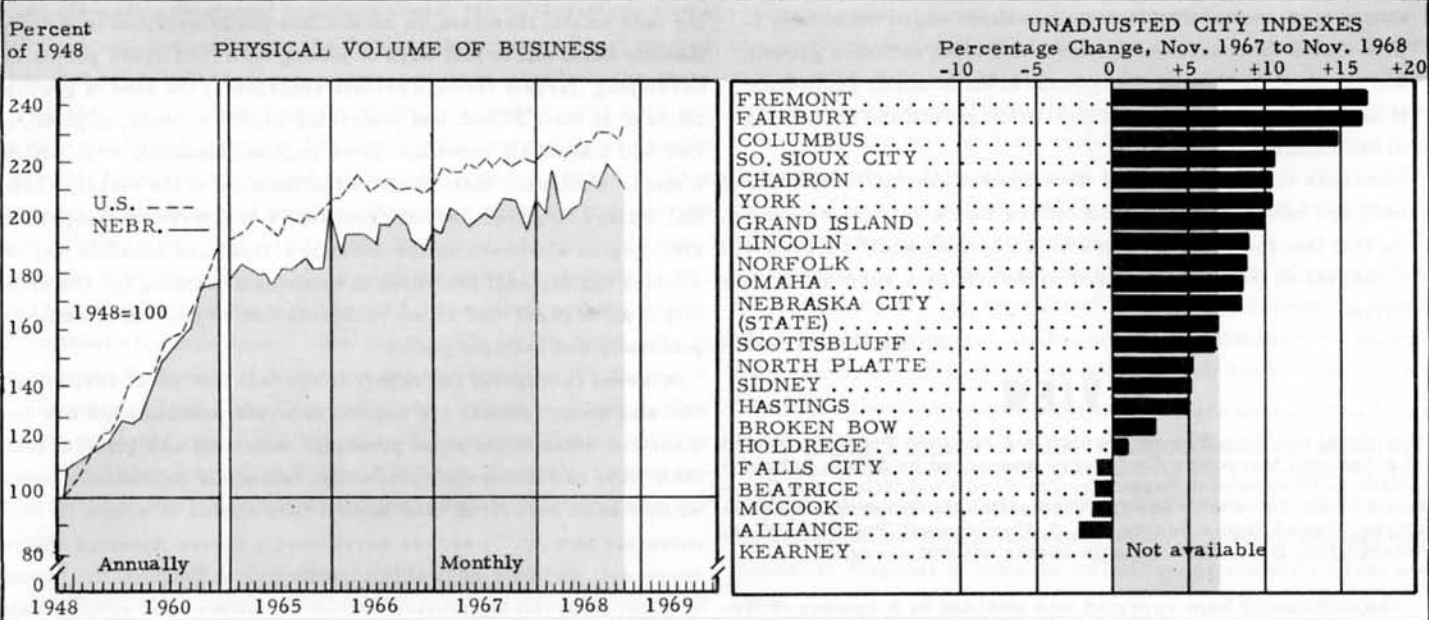
V. RETAIL SALES, by Subgroups, for the State and Major Divisions

NOV Locality	No. of Reports*	Percent of Same Month A Year Ago	Percent of Preceding Month
Kearney	17	115.4	112.8
Alliance	27	101.9	106.7
Nebraska City	21	109.4	103.7
Broken Bow	14	108.0	96.6
Falls City	18	114.3	110.6
Holdrege	17	98.1	88.8
Chadron	20	99.7	92.0
Beatrice	19	90.8	89.8
Sidney	23	96.2	97.9
So. Sioux City	10	127.5	110.5
Antelope	11	110.7	81.7
Cass	21	102.1	98.0
Cuming	12	102.6	81.1
Sand Hills**	22	108.3	101.5
Dodge***	10	100.4	96.1
Franklin	10	107.4	128.4
Holt	15	98.1	118.2
Saunders	14	134.0	98.1
Thayer	9	100.9	98.0
Misc. Counties	58	104.4	128.8

NOV Type of Store	Percent of Same Month a Year Ago			
	Nebraska	Omaha and Lincoln	Other Cities	Rural Counties
ALL STORES****	111.4	115.8	108.1	110.1
Selected Services	110.9	116.5	97.6	118.7
Food stores	112.0	111.4	111.5	113.1
Groceries and meats	116.3	114.7	121.5	112.6
Eating and drinking pl.	101.2	104.3	94.2	105.2
Dairies and other foods	118.7	113.2	103.4	139.4
Equipment	102.3	103.4	102.8	100.8
Building material	110.0	96.8	99.4	133.8
Hardware dealers	93.0	54.4	109.6	115.1
Farm equipment	78.8	56.9	105.1	74.5
Home equipment	101.0	101.9	101.6	99.5
Automotive stores	121.7	139.5	114.7	110.8
Automotive dealers	128.7	143.3	117.9	124.9
Service stations	107.5	124.2	101.8	96.6
Miscellaneous stores	109.4	111.7	102.4	114.0
General merchandise	111.2	112.6	107.5	113.5
Variety stores	99.7	93.5	99.2	106.3
Apparel stores	113.7	117.2	107.9	116.1
Luxury goods stores	119.0	112.4	102.3	142.2
Drug stores	105.5	105.8	103.9	106.9
Other stores	99.1	121.3	78.1	98.0

\*\*Hooker, Grant, Dawes, Cherry, and Sheridan Counties  
\*\*\*Outside Principal City

\*\*\*\*Not including Selected Services



Figures on this page are not adjusted for seasonal changes nor for price changes. Building activity includes the effects of past as well as present building permits, on the theory that not all building is completed in the month the permit is issued. R. L. B.

VI. CITY BUSINESS INDICATORS

NOV									
Percent of Same Month a Year Ago									
State or City	City Index	Bank Debits	Building Activity	Retail Sales	Electricity Consumed	Gas Consumed	Water Pumped	Postal Receipts	Newspaper Advertising
The State	107.0	106.4	106.5	111.4	106.3	108.8	98.7	124.5	101.4
Beatrice	98.9	96.1	67.3	90.8	132.1	105.5	98.3	NA	102.4
Omaha	108.6	98.4	114.5	121.0	103.2	111.6	101.7	114.6	104.9
Lincoln	109.0	118.4	105.0	111.5	109.6	110.1	101.2	119.3	90.2
Grand Island	110.0	103.4	163.5	122.0	119.7	100.5	100.4	113.7	103.1
Hastings	105.0	109.3	44.9	103.4	96.8	110.5	72.2	138.3	112.3
Fremont	116.6	110.7	165.7	103.8	94.1	NA	112.4	139.5	NA
North Platte	105.2	92.8	133.6	99.4	106.1	112.0	103.4	138.1	90.3
Kearney	NA	NA	NA	115.4	106.2	NA	NA	NA	NA
Scottsbluff	106.8	107.4	71.8	108.5	142.7	107.3	84.0	142.2	104.0
Norfolk	108.9	108.7	106.1	106.6	114.2	104.9	100.9	126.3	114.7
Columbus	114.8	121.9	227.9	113.7	112.9	110.6	97.5	140.0	99.5
McCook	98.7	97.7	58.3	97.0	101.4	105.2	NA	122.9	95.5
Sidney	105.1	108.1	60.8	96.2	104.7	114.7	102.5	133.2	NA
Alliance	97.8	98.4	80.4	101.9	94.2	91.9	97.6	165.0	101.1
Nebraska City	108.5	107.1	16.3	109.4	108.9	94.2	111.9	135.4	NA
So. Sioux City	110.6	108.5	74.9	127.5	110.9	107.6	NA	115.6	NA
York	110.5	107.8	164.0	110.6	117.6	107.7	91.8	115.9	101.3
Falls City	99.0	114.5	78.6	114.3	92.6	89.4	80.0	113.9	100.1
Fairbury	116.4	108.1	121.5	131.6	104.2	NA	80.7	119.5	147.0
Holdrege	101.0	126.2	80.3	98.1	130.5	106.1	83.4	115.9	83.8
Chadron	110.5	103.8	121.3	99.7	111.7	115.9	81.8	121.1	NA
Broken Bow	102.9	139.0	15.7	108.0	107.1	100.6	96.0	119.8	62.5

NOV									
Percent of Preceding Month (Unadjusted)									
State or City	City Index	Bank Debits	Building Activity	Retail Sales	Electricity Consumed	Gas Consumed	Water Pumped	Postal Receipts	Newspaper Advertising
The State	97.0	90.7	102.6	101.7	94.9	153.2	85.7	96.4	94.9
Beatrice	106.2	90.8	116.2	87.1	116.2	202.0	83.1	144.4	101.7
Omaha	93.4	85.4	111.8	95.3	87.7	125.1	89.2	58.3	101.4
Lincoln	96.6	94.1	96.0	106.3	99.9	176.9	84.5	96.5	93.7
Grand Island	94.3	89.1	92.8	95.4	101.6	203.1	96.4	92.7	87.8
Hastings	100.3	100.9	83.6	97.6	103.7	196.0	72.3	122.9	98.9
Fremont	92.3	91.1	91.6	102.3	94.3	NA	84.6	133.7	NA
North Platte	98.4	88.6	181.6	88.3	99.2	176.0	78.9	112.3	93.5
Kearney	NA	NA	NA	109.1	73.1	NA	NA	NA	NA
Scottsbluff	98.0	94.0	95.7	104.5	139.1	211.1	61.8	96.4	95.5
Norfolk	100.4	96.5	86.7	120.3	124.9	159.8	88.9	96.1	87.6
Columbus	100.2	92.2	99.8	107.4	101.4	173.8	87.9	109.5	91.8
McCook	97.7	77.9	77.8	98.1	94.6	207.8	NA	100.5	108.7
Sidney	112.4	86.7	155.2	95.3	160.4	221.0	63.1	81.8	NA
Alliance	108.8	108.9	157.3	105.0	95.6	199.1	61.6	125.8	85.4
Nebraska City	96.6	92.3	88.2	100.5	96.5	154.8	92.7	123.4	NA
So. Sioux City	104.1	76.8	106.4	106.6	118.5	226.7	NA	99.3	NA
York	98.6	87.0	104.8	96.0	103.1	171.7	90.5	107.1	83.3
Falls City	100.7	101.4	86.3	107.1	102.2	151.5	81.0	104.6	94.7
Fairbury	101.0	101.6	127.8	110.6	103.4	NA	86.5	94.2	98.1
Holdrege	96.0	98.0	84.1	87.0	106.6	259.0	57.2	110.4	92.3
Chadron	97.8	100.8	95.2	88.5	107.3	200.0	55.1	97.5	NA
Broken Bow	93.0	110.4	16.1	93.9	102.5	177.5	81.4	94.3	58.2

(Continued from first page) small communities as a result of industrial development. He warned, however, that when a small town goes after new industry it is going counter to the trend, because several definitive studies have shown that the location of new industry is significantly related to where management wants to live, and management usually wants to live in the larger communities that offer more sophisticated services.

Since the economies of scale are under pressure due to modern technology, it has been noted frequently that the economic inefficiencies of small towns have caused them to show a greater proportion of population loss while the larger towns have shown a larger percentage of gain. Dr. Ottoson pointed out, however, that some small towns in Nebraska do show vigor as farm supply centers and that even "open country" agricultural machinery centers are developing within the state. He expects the small town to continue also to be a "bedroom" community for larger towns within convenient commuting distance, and to be a retirement and residential center.

As envisioned by Dr. Ottoson, the medium-sized town of from 10,000 to 15,000 population will become a farm city with an increasing geographical sphere of influence; towns of this size will tend to become centers of grain elevators, retail trade, banking, education, religion, medical services, and recreational services, the latter to include increased emphasis on music and the arts.

With respect to Nebraska agriculture of the future, Dr. Ottoson foresees further increases in size of farms to meet minimum income standards, plus more specialization of enterprise and labor, more mechanization, more production, more irrigation, more inputs of capital, and more college degrees among the farm population.

#### Why A Community Exists

Panel member Mr. Charles Gildersleeve, an economic and urban geographer at the University of Nebraska at Omaha, made a significant contribution to the discussion by citing figures for a number of midwestern states which show that no single factor of classification gives the total picture with respect to why a community exists. In the states of North and South Dakota, for example, nearly all of the business in towns of 2,500 to 10,000 population has been found to be due to retail trade, whereas in towns of the same population range in Nebraska only 62 percent of the business is trade oriented, and in Kansas the percentage drops to 40 percent. He found also that the variations among different areas of a state such as Kansas that has great diversity of agriculture and industry may be extreme, depending on the economic mix that prevails in any given area.

At the request of the Bureau of Business Research, Mr. Gildersleeve has prepared for use in connection with this article some statistical data which show pertinent figures with respect to functional classifications of communities in the Great Plains and in other states. On the basis of a frequency distribution of the eight major functions of towns between 2,500 and 10,000 population located within the generally accepted Great Plains Physical Region (with the exception of Nebraska where all 32 towns within the population range were counted) some significant differences between states were discovered. Mr. Gildersleeve found that 15 (46.9%) of the towns in Nebraska are Trade oriented (Tr) and that an additional 5 (15.6%) are in the Diversified-trade subdominant (Dtr) category, making a total of 20 towns, or 62.5%, in the Tr-Dtr group. This is in marked contrast to North Dakota where 100% of the towns counted were in the Tr-Dtr category; Wyoming, where all

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of the 6 towns were in the Tr classification; Montana, where 10 of the 11 towns were trade oriented functionally, and South Dakota, where 88.2% were classified Tr and 91.4%, or 16 of the total of 17 towns were Tr-Dtr. The data are shown in Table I, page 1.

Further diversification of Nebraska towns functionally is noted as 8 towns (25%) were classified as having "diversified" functions. Two towns (6.3%) were considered transportation centers, one community (3.1%) was found to be predominantly in the mining classification, and one was classified as being principally an education center. None of the towns in the 2,500-10,000 population range in Nebraska was classified as primarily a manufacturing town. In Kansas the 37 towns that were counted fall into 6 of the 8 general classifications as to function, with only 12 (32.4%) completely trade oriented and only an additional 3 towns (8.1%) in the Dtr category, for a total of 15 towns, or 40.5% in Tr-Dtr combined. Ten Kansas towns (27%) were classified as transportation centers; 4 (10.8%) as mining communities, 6 (16.2%) as manufacturing, and 2 (5.4%) as diversified. Only 6 Colorado towns were considered to be in the Great Plains Region, of which 4 (66.7%) were trade oriented, one was classified as a transportation center, and one as diversified. The 14 Oklahoma towns were all classified as diversified, with trade subdominant, this being the only state in which all towns were found to be in this category.

#### Contrasting Patterns in States East of the Mississippi

Towns in the same population range in some selected states east of Nebraska have also been examined as to their functional orientation. The findings are of interest to Nebraskans because widely contrasting patterns of frequency distribution of major functions are to be noted. The data are presented in Table II on page 5. In a comparative analysis of facts revealed in Tables I and II, Mr. Gildersleeve generalized that east of the Mississippi retail trade appears to be less dominant in towns in the 2,500 to 10,000 population range and that manufacturing is much more important than is the case in the Great Plains states west of the Mississippi, where retail trade is predominant. Mr. Gildersleeve is making a continuing study of the functions of communities of diverse sizes because he believes that it is imperative to know what we now have in any given region before definitive planning for the future can be done. He sees this as basic to working out an ideal arrangement in a network of trade-oriented communities functionally related to each other. It appears, however, that such a network would probably include many smaller service centers, a lesser number of medium-sized communities with multiple functions, and in some regions a new large center supplying more complex and sophis-

licated economic services than are now available within the area. In discussing functional economic areas, Mr. Gildersleeve spoke of the small community as the "convenience center," and pointed out that merely transferring farm people to reside in the same town that had previously served them as a trade center does not add to the buying power of the community unless the individuals are able to increase their annual incomes by moving to town. This means, of course, that careful planning is necessary to provide job opportunities that will fit into the functional economic plan.

In the discussion period following the panel presentation, Dr. Wilbur Maki brought out a number of further points with respect to functional economic areas. The points made by Dr. Maki, who is now at the University of Minnesota and was formerly Professor of Economics at Iowa State University, are covered in a book review of the published report of a national manpower conference on "The Rural to Urban Population Shift - A National Problem," which appears in the Book Review section immediately following this article.

#### Varying Concepts of Urban Development

Dr. Dean Rugg, geographer at the University of Nebraska at Lincoln, in his panel presentation pointed out that in Europe, and in Germany in particular, the use of land is at the center of all urban planning and development. Land per se is very important and is therefore very valuable. Typically there are quite sharp boundaries between a European city and the countryside that surrounds it. For example, when urban developers wanted to take over a bluff along the Rhine for apartment buildings, there was great public protest. The people said, "No! That's where we go to walk every Sunday." As a result, the application for the proposed development was promptly denied.

Although much of the future structure of urban development in Europe is not related to the problems of such structuring in Nebraska, Dr. Rugg suggests that more attention might be given here to the idea that land is precious and its use should not be haphazard. This concept would prevent the premature commitment of outer areas in the kind of leapfrog pattern that is to be seen in so many large urban areas in this country and, indeed, on the fringes of smaller cities that have sought industrial development through hurriedly planned industrial parks.

The concept of urban development within "an hour's drive" for everyone within a given region was mentioned by both panelists and participants, but it was pointed out by others that such a concept does not take into account the advancing technology of transportation and communication to be expected in the next 30 years. It was stressed that realistic projections for the future must take into account technological changes which will make it possible for people to receive in their own homes many of the services for which they must now go elsewhere.

Nebraskans will be interested in following results of research by the University of Iowa Institute of Urban and Regional Research which is initially focused on the impact of increased urbanization and on development of new methods to alleviate the problems associated with pressures within large metropolitan areas. The Institute is asking whether or not a large proportion of the population, particularly that part which is not drawn to the metropolis by specialized skills and interests, might be located with greater individual and social benefits in cities and urban regions of smaller size planned in response to criteria reflecting our society's needs and goals.

#### Policies for Future Growth

Pertinent to such research and to the general subject of regional planning and development are the findings of the Advisory Commission on Intergovernmental Relations which has recently issued a report, prepared with the cooperation of the Economic Development Administration, entitled "Urban and Rural America: Policies for Future Growth."

The report emphasizes that "there is a specific need for immediate establishment of a national policy for guiding the location and character of future urbanization, involving the Federal, State, and local governments in collaboration with the private sector of the national economy.

"The Commission's findings further suggest that such a policy would call for influencing the movement of population and economic growth among different types of communities in various ways so as to achieve generally a greater degree of population decentralization throughout the country and a greater degree of population dispersion within metropolitan areas.

"It could also call for policies designed to encourage the

TABLE II  
FREQUENCY DISTRIBUTION OF MAJOR FUNCTIONS OF TOWNS BETWEEN 2,500 AND 10,000 POPULATION IN FIVE SELECTED STATES EAST OF NEBRASKA

State <sup>2</sup>	Tr-Trade		M'-Manufacturing Extreme			D-Diversified		Dtr-Diversified, Trade Subdominant		T-Transportation		S-Mining		E-Resort and Retirement <sup>1</sup>		Pf-Professional Service		Total Number of Towns
	Number of Towns	Per cent	Number of Towns	Number of Towns	Per cent	Number of Towns	Per cent	Number of Towns	Per cent	Number of Towns	Per cent	Number of Towns	Per cent	Number of Towns	Per cent	Number of Towns	Per cent	
Minnesota	15	26.3	2	3	8.8	15	26.3	10	17.5	7	12.3	3	5.3	0	0	2	3.5	57
Iowa	16	21.9	0	1	1.4	6	8.2	15	20.5	14	19.2	0	0	11	15.1	10	13.7	73
Wisconsin	2	2.9	14	15	42.0	10	14.5	4	5.8	9	13.0	1	1.5	6	8.7	8	11.6	69
Illinois	3	3.0	7	26	33.0	35	35.0	6	6.0	11	11.0	2	2.0	3	3.0	7	7.0	100
Indiana	0	0	12	30	51.9	21	25.9	2	2.5	7	8.6	0	0	3	3.7	6	7.4	81

<sup>1</sup>Not predominant in any town in the five-state area.

<sup>2</sup>Minnesota - 43.8% Trade oriented (adding the Tr & Dtr cities together).

Iowa - over 42% Trade (adding Tr and Dtr cities).

Wisconsin - only 8.7% Trade & Dtr, with manufacturing leading at 42%.

Illinois - only 9% Trade & Dtr; manufacturing, 33%.

Indiana - 2.5% Trade (all Dtr); manufacturing, 51.9%.

Source: Mr. Charles R. Gildersleeve, Department of Geography and Geology, University of Nebraska at Omaha.

availability of low- and moderate-cost housing, the adoption of land-use and development measures which would help to create the most desirable patterns and types of future growth, the strengthening of government at all levels to equip them to deal with the challenges of population growth and increasing urbanization."

Iowa regional economic development associations, some of which are now functioning and others that are being organized, and that the basic concepts here reported and discussed will be vital to their planning and to the ultimate success of their

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## REVIEW

Rural to Urban Population Shift - A National Problem, report of the National Manpower Conference sponsored by Senate Subcommittee on Government Research, The Ford Foundation, and Oklahoma State University for the Committee on Government Operations, United States Senate. U. S. Government Printing Office, Washington, D.C., 1968. Single copies without charge.

The conference here reported was attended by a number of New Englanders who found that the urgency of the topic and the high caliber of the leadership attracted many more participants than had been expected. An avowed objective of the conference was to elicit a wide range of opinions concerning possible national policies to cope with the problems that have arisen due to the sharp shift of rural population to urban centers. Emphasis was on innovative approaches to deal with poverty, inadequate education, and lack of job opportunities in rural America. It was recognized that considerable changes in national, state, and local governmental policies would be required to make such approaches effective.

A recurrent theme in this report is the concept of a rural revitalization program viewed as a basic economic unit built around one or more planned functional economic centers - perhaps including an existing town or a new city - that would offer the residents in a multicounty area the best features of urban and rural life combined. In the development of this concept was the inclusion of the public sector which would mean that the functional economic center would require coordination of multicounty governmental offices and would serve as the center for state and Federal governmental services. The report describes the situation in Iowa where farm consolidation since 1900 has resulted in a decrease in farm population by more than one half in 60 years. Dr. Wilbur Maki (formerly at Iowa State University and now at the University of Minnesota) said that with the loss of open country population in peripheral areas as a source of new residents, future metropolitan growth will occur partly at the expense of places of less than 10,000 population, where a majority of Iowa's people now live. He predicted that without an exchange of opportunity for young people, easy access to a wide variety of human experiences, and curtailment of the trend toward larger economic size of business and service units, the rural places are likely to become a future source of migrants to the "National City," unless concerted efforts are made to intervene in the settlement process.

Professor Maki's opinion the implications of migration for rural areas relate to the variety of choices facing rural people and the real alternatives facing declining areas. The inability of rural communities to achieve the population densities and clientele that sustain the wide variety of economic and social activities essential to an attractive modern community - the kind sought by the professionally trained and highly mobile segments of our labor force - is, indeed, says Dr. Maki, a most serious

consequence of rural migration. It is his view that a corresponding need exists, therefore, to consolidate public services on a multicounty basis and to find ways of joining rural and urban people in developing (largely through private enterprise) the kind of growth centers of at least 20,000, and preferably 50,000 or more, population that will adequately serve any given regional economic area within a state. Professor Maki predicts that because of the massive capital outlays required, we may find that a multiarea, metropolitan-city-region approach is the most practical and feasible way of working out regional priorities in settlement planning for the benefit of both rural and urban residents and in context of national potentials and national goals.

Stressed throughout the report is the fact that rural revitalization and urban renewal are not two separate problems but are instead two sides of the same problem. Attention was given to feasible ways to achieve the rural-urban balance of population needs so that each American may have a free choice of where he will raise his family. Leaders envisioned a future America where there will be more equitable distribution throughout the nation of jobs, first-class housing, public facilities, and educational, professional and cultural services.

The attempt to halt migration to the cities has been embodied in several Congressional bills and in the pronouncements of various public officials. It is predicated on the assumption that the ghetto problem springs from indiscriminate outmigration from rural areas to the central cities. It proposes to invert the process and "take the factories to the farm" in order to hold a larger proportion of the population in rural areas. In its most naive form, it fails to recognize the intimate relationship between urbanization and the development of industrial and service enterprise. Also the reverse of this strategy is the argument that there is no economic future in rural areas except in whatever relationship a rural area might have to industrial agriculture or to existing cities nearby. By implication it states that there is no alternative to the present problems of social and economic congestion except better planning inside the big metropolitan areas.

The strategy of creating new communities - or urban growth centers - in declining rural areas was proposed by some of the principal speakers at the conference. This so-called new communities movement is becoming increasingly vocal, but unfortunately it appears to have begged the main questions to which it gives rise. In the first place, in many parts of the country it would be impossible to build new urban centers without accelerating the decline of existing communities and the family equity in homes and establishments which they represent. Further, it tends to ignore the question of how the land should be acquired and developed prior to the time there is a population that can elect a government to determine its future development.

Another strategy, the regional approach, is the one that has been emphasized earlier in this review and is the one that appealed to most of the conference leaders as being the most practical. In the regional approach the relationship between the rural hinterland and urban centers is clearly recognized from the start and public programs are designed to make sure that a rural migrant not only is properly prepared before he leaves home, but that he has a free choice economically and socially of where he wants to live within the region itself.

This report, which was printed for use by the U.S. Senate Committee on Government Operations, is commended to the attention of all who are interested in rural revitalization, urban renewal, and regional economic development.