



Manufacturing Has a Future in Ohio—Just Not the One Trump Thinks

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President Donald Trump wants to return the rust belt to its former glory. But in Youngstown, Ohio, people are looking forward, not back.

Amid a push to crack down on foreign steel competition, Trump visited Youngstown, once a jewel of the U.S. steel industry, for a campaign rally on Tuesday. Befitting an event in a once-booming steel city that has struggled for decades with post-industrial economic decay, the crowd in Youngstown seemed a perfect fit for his America First message and the punitive trade policies that are a pillar of that agenda.

But visitors to downtown Youngstown will find something else: a city emerging from the shadows of diminished industrial prowess, less concerned with clinging to bygone glory days than in crafting a new, high-tech manufacturing center that can not only compete in a rapidly changing global economy, but lead the way in industries poised to dominate global manufacturing growth.

For Trump, the trip to Youngstown was a sullen exercise in nostalgia. Addressing a packed and exuberant crowd at the city's Covelli Center, he recalled a conversation with First Lady Melania Trump on the drive to the event. She pointed out all the seemingly abandoned industrial buildings lining the highway from the airport.

"I said, 'those jobs have left Ohio,'" Trump recalled. But "they're all coming back...We're gonna fill up these factories or rip them down and build new ones." The president pledged once again to renegotiate or scrap altogether the North American Free Trade Agreement, which he blames for hollowing out America's industrial base. "We will never again sacrifice Ohio jobs...to enrich other countries," the president pledged. "We are reclaiming our heritage as a manufacturing nation again... We are going to bring back our jobs."

Many in Youngstown welcome the focus on what they agree are the deleterious effects of U.S. trade policy on the country's industrial base—an issue, some feel, too long neglected by

Washington policymakers more attuned to the interests of people and companies that have benefitted from an increasingly globalized economy.

“The Youngstown story is a good allegory for what the country has faced,” says Justin Mistovich, a third generation Youngstown native, current Cleveland resident, and professor of Orthopedics at Case Western Reserve University. Youngstown, Mistovich says, “has been based on one industry [steel] and has shown the worst of what can happen when trade policies get out of control and when there’s not a common sense approach that supports local industries.”

In 2013, Mistovich and his father discovered that the trademark for Youngstown Sheet & Tube, the city’s iconic steel brand for nearly a century, had expired. They acquired the rights, and used the name to brand a new company that promotes redevelopment and historical preservation in the Northeast Ohio city.

One of Mistovich’s grandfathers owned a Youngstown bar popular among local steelworkers. The other ran a barbershop. Both relied on the prosperity driven by Youngstown’s steel industry. When it fell on hard times, Mistovich says, his grandparents’ financial hardships were a microcosm of the secondary and tertiary consequences for a city so heavily reliant on a single industry.

In Trump, Mistovich at least sees more attention being paid to issues like trade policy that often have unseen and far-reaching consequences. “Global trade is a reality that’s hard to argue with and results in lower costs for consumers,” he concedes. “But the indirect costs in jobs and costs to communities, I think those aren’t measured as well. Youngstown shows what those indirect costs are.”

It’s a point few in the city dispute. The collapse of the local steel industry in the late 1970s and early 1980s rippled throughout the city and the region. Residents fled, and businesses reliant on once-thriving local economic engines followed Youngstown’s steel mills into the financial abyss.

For Trump, the lesson is pretty simple: bad trade deals are empowering cheap competitors and their currency-manipulating government backers to undercut U.S steel manufacturers and their American workers. And in Youngstown, that message from the administration has a distinctly local appeal due to the official now spearheading the president’s efforts to crack down on foreign steel importers.

That official is Commerce Secretary Wilbur Ross, and some steelworkers in northeast Ohio owe their jobs to him. Ross’s eponymous private equity company went on a steel-buying spree in the early 2000s, gobbling up bankrupt U.S. producers and consolidating them into a profitable new conglomerate that he later sold to Luxembourgian steel giant ArcelorMittal.

Among the assets that Ross bought—after lobbying hard for Bush administration steel tariffs that were enacted a week after the purchase—was a steel coke plant in Warren, just north of Youngstown. That plant, now owned by ArcelorMittal, is still in operation and employs 172 people.

That's fewer than the 200 employees at the Warren plant when it declared bankruptcy in 2002. But Ross can credibly claim to have helped save those jobs—and he and Trump can point to Bush-era tariffs to build a case for their efforts to crack down on steel “dumping” and other allegedly unfair trade practices.

But saving a company is not reviving an industry, and even people who agree with Trump's general antipathy to those sorts of trade practices say Youngstown's history as a steel industry titan is just that—history.

“Yes, do it,” Rep. Tim Ryan says of Trump's proposed policies on steel dumping. “It needs to be done in many instances because these countries are cheating, so I'm all for it.”

But Ryan, a Democrat who represents Youngstown, has no illusions about the potential of those or any other federal trade policies to revive an Ohio steel industry that saw its heyday decades ago. “I could see that having some benefit, but again, there's no broad plan coming out of the administration for the jobs of the future,” Ryan said in an interview ahead of Trump's speech.

Trump's focus on unfair trade practices by other steel-producing nations is an effort to sell Youngstown and other once-thriving U.S. industrial centers on a falsehood, according to Scott Lincicome, an international trade attorney and adjunct scholar at the libertarian Cato Institute.

“One of the big problems that has plagued the rust belt for a generation is politicians promising workers that their old jobs are coming back,” Lincicome said in an interview. “Instead of preaching adjustment and instead of helping with that adjustment, [officials are] promising some sort of return to a 1950s or 1960s economy that doesn't exist anymore. Trump's just the last in a long line of this. Democratic and Republican politicians going back to the 80s have made these promises.”

What inevitably follows, Lincicome says, is a search for a scapegoat. And the result is rhetoric like Trump's. “When these bad policies fail, who are you going to blame? You can't really blame robots, and it's a lot harder to blame South Carolina or Texas, but it's really easy to blame shady, cheating foreigners. And that doesn't solve any problems.”

Even among the remaining steel plants in Youngstown, the prospects for regaining the scale of industry employment that the region enjoyed in its heyday is fanciful, Ryan says. That's due to the increasing automation of the industry. Trump, Ryan says, is exaggerating the impact that his trade policies would have on employment in Youngstown and the surrounding area. “The reality of it is, that's about 10 percent of what needs to be done, and he better roll up his sleeves and get to work and not just think, ‘I'm going to sign this and look like I'm tough on foreign steel and be able to turn the economy around.’ I've been doing this for 15 years now and it's going to take a heck of a lot more than that to do it.”

So what will it take? What do Ryan's “jobs of the future” look like? One needn't look any further than downtown Youngstown. There you'll find the Youngstown Business Incubator, which is churning out manufacturing companies with a distinctly 21st-century twist. The incubator's—and its portfolio companies'—most notable contribution to the Youngstown economy is additive manufacturing, better known as 3D printing.

Or rather, as incubator CEO Barb Ewing explains, 3D printing on an industrial scale. “Manufacturing is different today than it was 30 or 40 years ago,” Ewing said in an interview. “We talk about the future of manufacturing being really a white-collar profession, requiring at least an associate’s degree,” Ewing says. “It’s not necessarily true today but it’s becoming truer.”

Youngstown’s past steel industry dominance is probably not coming back, Ewing acknowledges. But by no means is the city done making things. The steel and automotive jobs of the 20th century have mostly gone elsewhere—whether to China, Mexico, or South Carolina. “Maybe it’s fair to say that those manufacturing jobs are gone,” Ewing says. “But new manufacturing jobs are in.”

Founded in 1995, the YBI received seed funding from the U.S. Economic Development Administration. Ewing, a former Ryan staffer, took over as its chief executive in May. The YBI is currently expanding its office space downtown into the former headquarters of the local paper, the *Youngstown Vindicator*. Once that space is completed, it will boast about 175,000 square feet in five adjoining buildings. In 2015, a global business index ranked YBI as the top university-affiliated incubator in North America. The year before, it was rated the best in the world.

The incubator is one of a handful of companies and organizations in Youngstown focused on spurring the development of and investment in high-tech manufacturing sectors—and, in particular, additive manufacturing. Not far from the YBI is America Makes, the flagship institute of the National Network for Manufacturing Innovation, a public-private partnership that promotes additive manufacturing nationwide. YBI often collaborates with America Makes, Ewing said, but that group’s focus is national, while the incubator is looking to put the Mahoning Valley’s stamp on the nascent additive manufacturing industry.

Youngstown, and the larger Mahoning Valley region, is perfectly situated to do so, she noted. The area between Pittsburgh and Cleveland is home to top-notch research universities—including Case Western Reserve, the University of Akron, and Carnegie Mellon—and more than 2,700 companies producing metals, plastics, and polymers. The region also retains a strong foothold in the biomedical, automotive, and defense industries, all prime potential customers for additive manufacturing firms.

For years, Ewing said, those geographic advantages weren’t exploited to the extent they could have been. She attributes that to Youngstown’s longstanding economic homogeneity. “Historically it is a truism that in communities that are dominated by a single industry, you have a lower level of entrepreneurship than communities that are not. We were dominated by two—both the steel and the auto industries,” she noted. “We actually do a very good job of business attraction. [But] we don’t have the level of entrepreneurship that we need, of new companies coming into play, creating that churn in the economy.”

In that sense, the decline of Youngstown’s 20th-century industrial base, while it had indisputably tragic consequences for the area, laid the groundwork for an economic rebirth that is poised to turn it into a far more dynamic and resilient place financially. Manufacturing will still be central to its economy and identity, but that manufacturing won’t look like the idealized versions of Youngstown as the steel powerhouse of yore.

“A few decades ago this nation did not understand how important manufacturing was to the economy. We were willing to write it off,” Ewing laments. “I think we now have an understanding of how important manufacturing is to the economy, to the nation’s security, just up and down the spectrum of society.”

For better or worse, Youngstown might never again look like it did in the 1960s. But Ewing is determined for the city to regain its place as a leader in U.S. industry. “If I didn’t believe U.S. manufacturing can come back,” she says, “I wouldn’t be doing what we do.”