March 22, 2018

Questions and Answers:
SPEA Manufacturing Policy Initiative

Q1: Whose idea was it to launch the Manufacturing Policy Initiative?

Terry Straub, a veteran of the SPEA Dean’s Council, suggested in 2015 that SPEA launch a center on manufacturing policy. Straub argued that while there are many technical centers in engineering schools, there is no objective, go-to place in academia for policy analysis of governmental activities that impact U.S. manufacturing.

Q2: Who is Terry Straub?

Terry Straub is an IUB alumnus (BS’69) who worked on Jimmy Carter’s presidential campaign and served in White House legislative affairs for President Carter. He then worked for 30 years in governmental affairs for U.S. Steel Corporation, ultimately running the company’s Washington, D.C. office as senior vice president. He retired in 2009. His wife, Elizabeth Shepard, is a financial investor for Smith Barney. Since 2012, Terry and Elizabeth have donated $95K to scholarships at SPEA and Terry taught, as a volunteer, a course on the operations of the U.S. Congress at SPEA IUPUI (2014-5).

Q3: What was the initial reaction to Terry’s idea?

Dean Graham responded that a center was a promising idea but we should consider faculty interest, similar efforts in academia, and the interest of policy-makers, government, and manufacturers. A pilot workshop, under the heading of a Manufacturing Policy Initiative, was held in Indianapolis (2016) to help make these assessments and indicate philanthropic viability. The pilot workshop pointed to strong interest from policymakers and manufacturers and potential faculty interest.

Q4: How did Terry help start MPI?

Terry helped launch the MPI in several ways. First, he connected SPEA to two dedicated volunteers who also helped get MPI started: (1) Gil Kaplan of King & Spalding, a veteran trade lawyer from Washington, D.C. who has recently been confirmed by the U.S. Senate as Undersecretary for International Trade at the U.S. Department of Commerce; and (2) Dr. Thomas Duesterberg, an IUB alumnus with extensive experience in public and nonprofit roles studying and promoting the U.S. manufacturing sector. Terry, Gil, and Tom helped organize two SPEA-convened events, the workshop in Indianapolis (spring of 2016) and a larger public conference in Washington, D.C. (fall of 2016). The themes of the fall 2016 conference, which was highly bipartisan in participation, were shared with both the Clinton and Trump campaigns in the run-up to the November 2016 presidential election.
Q5: Were any SPEA faculty, alumni, and students involved in the two conferences?

Yes. Dean Graham was host at both events and participated in the dialogues. Professors David Audretsch, Sanya Carley, and Samee Desai played significant roles as did the following SPEA graduate students: May-Lee Melke, Noor Shaikh, and Ricardo Bello. Other SPEA faculty that attended the workshop or the conference included Mark Lawrance, Doug Noonan, and visiting professor Sahil Aggarwal. Alumni participants included Paul Mitchell, Gretchen Gutman, and Claudia Cummins.

Q6: Were any other Dean’s Council members involved in the creation of the MPI?

Yes. To various degrees, each of the following Dean’s Council members has helped launch MPI: Melanie Walker (now an IU Trustee), Dana Mead (chair of the SPEA Dean’s Council), Gurminder Bedi, Jerry Jasinski, Will Miller, Dan Peterson, Jim Schellinger, Tom Reilly and David Wang. These individuals have helped by suggesting project ideas, assisting SPEA in making connections, and assisting in the acquisition of start-up monies.

Q7: How much money has been raised for MPI?

As of March 14, 2018, a total of $572,918 has been raised. SPEA’s development staff have played significant roles in this fundraising success. Most of the funds are unrestricted or were raised to support the two conferences. MPI has no endowment at this time.

Q8: Who donated the monies?

The sources of donations include retired executives who made their wealth in manufacturing companies, Washington, D.C.-based trade associations, the state of Indiana (economic development), and several manufacturing companies with ties to Indiana.

Q9: Is MPI funded by Donors Trust or organizations linked to Charles Koch?

To date, none of the MPI funds have come from Donors Trust or from the Koch family foundations (Fred C. and Mary R. Koch Foundation, Charles G. Koch Charitable Foundation, the Charles Koch Institute, the Charles Koch Foundation, the David H. Koch Charitable Foundation, or the Koch Cultural Trust).

Q10: What does MPI look like in five years?

The MPI Advisory Board crafted a vision statement in June of 2017 for MPI to be the leader in outreach, education, and research on manufacturing policy. In five years, should MPI be successful, it will be because it has made significant contributions in each of these three areas. The Initiative could move to Center status if funding reaches a level that supports operations and research for at least five years.
Q11: Why is it at SPEA?

From a public affairs perspective and from a geographic perspective, IU SPEA is an appropriate home for the MPI. Manufacturing has a significant impact, both positive and negative, on the public in terms of the economy, the environment, and national security. SPEA faculty have conducted and published research on public policies involving manufacturing (e.g., regulation of chemical products under the EU REACH program, U.S. fuel economy standards for automobiles).

From a geographic perspective, IU SPEA also makes sense as a home for MPI. The U.S. is a leading country in manufacturing, Indiana is the most manufacturing-intensive state in the nation, and public policy issues affecting the manufacturing sector are at the top of the policy making agenda in Washington, D.C. and in state capitols, including Indianapolis.

Although SPEA has few courses with the word “manufacturing” in its title, much of the SPEA curriculum prepares students to be skilled in policy analysis, public affairs, management, and environmental science—skills that are applicable to manufacturing and manufacturing policy.

Q12: The 2015 workshop and 2016 conference focused on economic issues facing manufacturing, with an aim to improve international competitiveness. Will MPI also address social issues (labor issues, sustainability, offshoring, license to operate, etc.)?

Yes, MPI will address economic, environmental, and social issues pertaining to manufacturing. For example, the first MPI research project is focused on the so-called skills gap in manufacturing and whether government support of apprenticeship programs can help address the national and regional shortage of skilled production workers.

Q13: What’s the benefit to students of having MPI here?

MPI will broaden SPEA’s reach in policy analysis, public affairs, and management. This will create more opportunities for students in terms of career paths, internship opportunities, and research topics.

Q14: How was the MPI director chosen?

In 2017, Dean Graham authorized a search for a non-tenure track faculty member to lead MPI. The position description called for primary responsibilities in research, outreach, and fundraising, coupled with a minor teaching role (one course per year). The position description called for the MPI director to be based in Bloomington or Indianapolis, depending on the preference of the candidate. The search was conducted during the spring 2017 semester. The members of the search committee included David Audretsch, Samee Desai, Jerome Dumortier, Sanya Carley, and Tom Duesterberg. The position was advertised through SPEA’s normal process. Five finalists were selected to come to
Bloomington and provide an oral presentation on their interests, expertise, and vision for MPI. As a result of this process, Dr. Keith Belton was hired and began serving as MPI Director in June 2017.

**Q15: Why is Dr. Belton qualified to lead MPI?**

Based on a combination of education and experience, Keith Belton was chosen to lead MPI. Keith holds a B.S. (chemistry) from the University of Maryland, and an M.S. (environmental science) and Ph.D. (public policy) from the George Washington University. His career has spanned the nonprofit, private, and public sectors, where he has served as a policy analyst and government relations executive with a focus on manufacturing issues.

Keith began his career at the American Chemical Society, a scientific society of chemists and chemical engineers chartered by the U.S. Congress. He has extensive chemical industry experience, both at the American Chemistry Council, a trade association of small and large chemical manufacturers, and at the Dow Chemical Company (now DowDuPont). From 2002-06, he worked in the U.S. government in the Office of Management and Budget, where his public service focused on resolving regulatory issues impacting the U.S. manufacturing sector. His current professional memberships include the Society for Benefit-Cost Analysis, the American Chemical Society, and the American Economic Association.

**Q16: Under Dr. Belton’s leadership, what are MPI’s initial activities and who is involved?**

Since Keith’s arrival, MPI has focused on outreach, research, and teaching. Outreach activities include the publication of a monthly policy brief for policy makers and their staff and regular articles in publications for manufacturing executives. MPI has a Twitter account (@MPI_SPEA), and the MPI website has been reformatted and updated to include all MPI activities and publications. Keith has also made presentations and participated at conferences focused on manufacturing policy issues.

Two initial research projects are underway. The first explores the effectiveness with which apprenticeship programs are addressing the so-called “skills gap” in manufacturing—the top issue for manufacturers across the country and in Indiana. A team (Belton, Ashley Clark with the IU Center for Survey Research, Robert Lerman with the Urban Institute, and SPEA graduate student Lauren Butz) is conducting a survey of sponsors of all federally registered (with the Department of Labor) apprentice programs in Indiana that serve manufacturers. This project includes an email questionnaire supplemented with in-depth structured interviews.

The second research project, directed by Dean Graham, explores the factors/drivers of competitiveness across three leading manufacturing countries: the USA, China, and Germany. This project includes both faculty (David Audretsch, Sameeksha Desai, John Rupp, and Keith Belton) and graduate students (Eric Huang, Riley Molin, and Caroline
Engle), and will (1) compare the three countries broadly with respect to policies and market factors thought to impact competitiveness, and (2) explore in-depth policies that impact an important subsector of manufactured goods (i.e., electric vehicles).

MPI has developed a V450 course (for fall 2018) entitled Policy Issues Facing Modern Manufacturing. The course will cover contemporary policy issues (including trade, environment, regulation, innovation) where manufacturing plays a critical or focal role. Students will also have the opportunity to visit an advanced manufacturing facility and hear from those who chose career paths in manufacturing or manufacturing policy.

**Q17: Will the intellectual products of MPI be subject to peer review?**

Yes, unless of course they are clearly opinion pieces or descriptive reporting pieces for manufacturing publications.

**Q18: What is the MPI Advisory Board?**

The advisory board provides advice on strategic directions, identifies research topics, provides unrestricted philanthropic support for MPI and assists in fundraising for MPI. The MPI advisory board membership includes individuals with extensive experience in manufacturing and/or in public policy issues affecting manufacturing; and organizational members representing academia, government, manufacturers and consulting firms. A list of members and biographical information can be found on the MPI website: [https://manufacturingpolicy.indiana.edu/doc/mpi-advisory-board-2017.pdf](https://manufacturingpolicy.indiana.edu/doc/mpi-advisory-board-2017.pdf)

**Q19: Does the MPI Advisory Board have the power to direct MPI activities?**

No. They act in an advisory role. The final decisions are made by Keith.

**Q20: Who does the MPI director report to?**

When Keith was hired, a decision was made that he (and MPI) would report to SPEA-IUB Executive Associate Dean Michael McGuire. Therefore, any questions about MPI activities should be directed to Keith and/or Michael.

**Q21: Has the creation of MPI placed a financial burden on SPEA?**

No. To date, all of MPI’s expenses, including the director’s salary and benefits, have been paid from externally-raised funds.

**Q22: Will Dr. Belton teach at SPEA?**

Yes. Keith has been receiving feedback (from CITL and from the UPO and MPO) on the design of a new course on U.S. manufacturing policy. The current plan is to offer the course (a special topics course, V450) once per year for undergraduate students. Here is the current course description:
The manufacturing sector has been a source of public policy debate since the founding of the United States. Should governments act to foster/grow this sector of the economy and, if so, under which circumstances and to which ends? This course provides an interdisciplinary introduction to industrial policy with special attention to contemporary debates over trade policy, R&D/innovation, workforce issues, and regulation. The focus will largely be on the United States, but manufacturing policy in other countries will also be discussed to provide an international comparison. Emphasis will be placed on objective, evidence-based policy analysis.