

Remarks by Doug McKalip, Senior Policy Advisor for Rural Affairs

White House Domestic Policy Council

Made in Rural America Regional Forum

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“Thank you Earl [Gohl] for that introduction. And thank you for your team’s sponsorship of this important forum. And thank all of you for your participation in this important event.

Having served the past three and one half years as the Senior Policy Advisor handling rural affairs at the White House, and nearly seventeen years of service at the U.S. Department of Agriculture, I am proud to be here at the first Made in Rural America Forum. But I am also excited to be here with you today because...this is my home. Western Pennsylvania is where I was born, raised, and educated. My story is likely similar to many of your stories in this region. My great grandmother on my mom’s side emigrated in 1911 from Austria-Hungary to McKees Rocks, and my great grandfather soon followed (from the same tiny village in present-day Slovakia). He worked in the mills just long enough until he had saved enough resources to buy a dairy farm in Crawford County. They moved there and began to establish a similar rural life to the one they had known back in the Old Country. Similarly, on my dad’s side, my great grandfather worked at the Bessemer Railroad, and my grandfather and dad followed suit and worked for the Erie-Lackawanna Railroad. I grew up lucky enough to actually know and spend time with my great grandparents. I was born in Greenville, Mercer County where the railroad was, and was raised in Crawford County, which was the county where the dairy was located.

I got to spend last night at my mom’s place. She had sausage in the crockpot for me. I can tell you that as far as government accommodations go, that was the best. I mean, the food on Air Force One is outstanding, but you can’t beat mom’s sausage in a crockpot. [Audience Laughs]

This morning, I got up and drove down I-79 to come to the meeting, and I was thinking that this is really a meeting about change and transformation – A meeting about how to move toward new avenues of commerce, ways to transition into a global marketplace. As I was driving, I began to think about how I-79 itself has played a major role in shaping and transitioning my life.

I was born in the same year when most of the work went into completing that road. And if you look at a map, I-79 seems like a pretty straightforward road to build—it’s relatively straight, without a lot of turns—it doesn’t go over major mountain chains. Yet, back in 1971, it was actually a really complicated and tough road to build. For example, in my home county, the Interstate had to cross the Geneva Swamp, also known as the Conneaut Marsh—nearly 3,000 feet of glacially-formed peat moss swamp. With my family having worked on railroads, I heard stories as a child of how the swamp had entirely consumed railroad tracks as well as a locomotive and train cars—

never to be seen again. These stories were substantiated by articles that ran in the *Pittsburgh Post-Gazette*. Later on in road construction, the marsh consumed excavators and earth moving equipment—again, never to be seen again. And, during the construction of the I-79 bridge, engineers drove steel pilings down to 200 feet and in some cases could not find the bottom. So, in some areas, that bridge floats as an alternative to bedrock anchoring. It was a difficult road to build, but they got it done. Since I was born when all this was happening, I have never known life without that interstate. It has always been there. However, as a young man, I began seeing the transformation change and difference that interstate was making right before my eyes.

My uncles were hired to work at the new PPG Meadville glass works that was positioned in anticipation of the opening of I-79 and brought more than 4,000 jobs to the area. I am pleased to report that just last year, my uncles returned from that same plant with more than 40 years of service, each.

In addition, machine shops began sprouting up in the area, tool businesses, and light manufacturing. Some of these businesses sprung up on farmland—all positioned to make parts and send them out to market through the Interstate.

But the road had other impacts as well. Around this same time, my dad became seriously ill from the impacts of lifelong diabetes—illnesses that he would never really recover from. I-79 became an essential link to healthcare services, including trips to dialysis in Erie three times per week. If I understood the signage correctly, directly across the parking lot from this convention center, is a dialysis unit—which is wonderful, But believe me, back in the mid-seventies, getting to dialysis wasn't so easy and required a multi county trip to get to one.

Beyond these changes, I began to see cultural changes in my community. Around this time, our pastor, Reverend Leo Kramer was reassigned to a new congregation. This was quite common for Ministers to rotate from parish to parish. In this case, Reverend Kramer was reassigned to Dubois, Pennsylvania. How many of you have been to Dubois? How many of you know where it is? Well, when Reverend Kramer was reassigned it was very upsetting to the congregation, and I remember someone asking, well where is DuBois?

...nobody seemed to know.

...eventually, somebody said, "I think it's somewhere down around Pittsburgh." If I had a nickel for every time we guessed a community we weren't familiar with must be somewhere "down around Pittsburgh..."

Well, at my insistence, I started asking to go see the [Pittsburgh] Pirates. It was the year of "The Family" and we became some of the only folks in our family to ever see a Pirates game in person, and began regular trips up and down I-79. Soon our family became as conversant about places like Emsworth, Sewickley, Bellevue, as if we were speaking about towns in our own community. This was all part of the transformation of I-79.

These were the days before cell phones. My dad, though confined to a wheelchair, would often be on the CB radio, and keep track of activities and stay in touch on a single side band frequency.

It was partly due to this familiarity with Pittsburgh, that in 1989, when I was privileged to become the first member of my family to attend college, that I chose Pitt. It was that familiarity with the area that I had grown accustomed to that was so important.

These are ways that I-79 affected my immediate world. But I began seeing many changes to others. It was around this time, that I remember my dad's CB picking up something new and unfamiliar...

...French [language] being spoken—and lots of it on channel 19. Quebec truckers hauling products up and down 79 soon it what seemed like a majority of language spoken.

Similarly, family friends in the trucking business from my home county began making runs to Brownsville, TX – hauling products and materials in a post-NAFTA environment to and from Mexico. One of my high school classmates went to Austria for the summer. Her father's plastic injection molding company began a unique partnership with an Austrian firm. In many ways, our county was touching other nations.

I know my story is not unique. And when I look out at all of you, I'm sure there are many similar stories to tell.

But, the key for this forum, and the question that the President is asking us to answer, what he is motivating his team and all of us to find is:

“What is the next I-79?”

It's probably not a road. But, it is a new kind of infrastructure—of technical assistance—a combination of programs, private sector partnerships with the public sector. Ways that we can better equip rural America to export products to the world. The President believes rural America is uniquely equipped to lead the charge. And that rural America can transform, grow, and compete on a global basis.

Why rural America?

Why does the President see this as a key place for opportunity and why did he create the White House Rural Council?

Unfortunately, in Washington, it is not uncommon to hear elected officials say, “rural America is only 15 percent of the U.S. population...” or they talk about “flyover country”. I cringe every time I hear the term “flyover country”.

Earlier, you heard Secretary Vilsack talk about food production in America. We are forecast to hit export levels this year that will exceed \$149.5 billion—which will be another all-time record. But beyond that we have consistently held a trade surplus annually of more than \$43 billion. You would be hard-pressed to find another sector of the U.S. economy that is pulling a trade surplus anywhere close to that. As a result of the affordable food we have, Americans only spend 15 percent of their household income on groceries—far below any other nation in the world. That allows U.S. consumers to spend on consumer goods, hopefully some of the products on display here on this stage. And, it frees them up to make other investments in the economy that can get us to the point of doing more exporting of rural products. Because it is all interrelated. Interestingly, even with the kind of record years we are having for agriculture economics, for every farm household, 82 percent of the income of that household comes from off-farm sources. I see it every day in my home area—a spouse gets a job in town in order to get health coverage for the farm family, for example. So we need strong manufacturing jobs and non-farm sector jobs to ensure this continued success.

The Secretary talked about energy earlier. There is not one sector of renewable energy that doesn't completely depend upon rural America—wind, solar, methane.

We know that today 1,000 cows can power 1,000 homes based upon methane. And, this is not something that requires technology and inventions in the future. This something that we are doing today. And Tom Williams here from Pennsylvania Rural Development is funding those projects right now.

The Secretary talked about the nation's military this morning. Our nation's military and national security truly runs on rural America. Even though the population of rural America is on 15 percent, the U.S. military is made of 44 percent men and women who hail from rural towns and villages. To put a finer point on this closer to home...

In 1992, at the start of the first Gulf War, my mom, at age 40, volunteered and signed up to join the U.S. Army Reserve Medical Unit. She qualified as a marksman, and she became certified to drive a two and a half ton supply truck. Then, using her GI Bill benefits, my mom commuted to Pittsburgh every weekend outside of her regular job, and got a Bachelors of Nursing degree from Carlow College. There's I-79 playing an important role again.

I asked her this morning what year she graduated. Neither of us could remember, so she ran upstairs and found her tassel from Carlow and it had a '96 medallion on it.

Beyond all these factors, the rest of the nation and the rest of the world are beginning to appreciate the wonderful cultural resources and all the beauty that rural America has to offer. I was reading in the *Post-Gazette* earlier this week. They listed the *Travel Channels'* top 10 All-American Vacation destinations. It had places like the Everglades and the big National Parks on the list. Guess what made the top ten list?

Right here—this region. And the report went on to cite attractions such as Ohio Pyle and the Youghiogheny River, Fallingwater, and the like. Outdoor recreation now represents \$6,746 billion per year in the U.S. economy. It's just tremendous. And I know that even in my own family, rather than going to an amusement park on the weekend, we're just as happy to go to Cabella's or Bass Proshop. It's just as much fun and you will likely spend less money and go home with some products made right here in rural America.

If you haven't been able to tell yet, I'm pretty proud of my heritage. And I'm proud of the work of this Administration, and I'm proud of all of the assets that Rural America has to offer.

In closing, I would just strongly affirm that rural America has the potential to be the future and play a major role in exports. It has all of the key tools: the strength of its people...the community cohesion—we know from Department of Education studies, that even though the U.S. rural population is sparsely separated, that it has greater parental involvement in schools and greater community involvement in general...the land base...the ability to build and grow.

We know that Rural America can compete with the world.

We have a saying in my family—I think I came up with it...that your hometown is where your dentist is located. Even though I've been in DC for twenty years, I've never switched mine. It drives my wife crazy that I haven't switched.

But a few years ago, when our baby son got very sick—we could have taken him to any specialist in the nation's capital—any hospital and resource in the major east coast metro area. Instead, we were on the Interstate, bringing him here. And he made a fantastic recovery.

Because, when it really counts—when it really matters—you always go where you know the job will get done right.

You all likely have similar stories. And maybe your road isn't I-79, but it's I-70, or I-80, or the Turnpike.

But, as we are gathered here this afternoon...I ask, what is that next I-79? How can we work together to build it?

What can we do to make products made in rural America move down that highway, not just to the neighboring county, the neighboring state, or the neighboring country—but around the globe?

We look forward to working together with you to make it happen.

Thank you so much for the chance to visit with you today.

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