



Rise of the Rest tours, showcasing leading startups and entrepreneurial activity, have visited 38 cities since 2014.

# WORDS OF WISDOM

## Vance Brings Unique Perspective

By Tom Schuman

J.D. Vance has life experiences that extend well beyond his 34 years. Today, he works to mitigate some of the challenges he faced early on and offer opportunities for individuals, companies and communities to thrive.

Vance will bring his story – and his hope for the future – to the Indiana Chamber’s 29th Annual Awards Dinner on November 13. He shares these insights in an exclusive interview.



## J.D. Vance

- Career: Author, *Hillbilly Elegy: A Memoir of a Family and Culture in Crisis*; venture capitalist; investor; commentator
- Education: Middletown (Ohio) High School; Ohio State University; Yale Law School
- Military: United States Marine Corps, including service in Iraq

### **BizVoice:** Why do you think your story has resonated with so many people?

**J.D. Vance:** “It certainly resonated with different people for different reasons. First, the book was intentionally vulnerable. I didn’t just talk about these events. I talked about how I was processing them and experiencing them, and I think a lot of people really identified with that even if they hadn’t experienced something similar. They at least saw some vulnerability that allowed them to empathize and put themselves in my shoes.

“For the folks who did come from similar backgrounds, a lot of things I’ve heard suggest there weren’t a whole lot of stories out there about people like them. A lot of people picked up that book and said, ‘This is my story. This is similar to what I have experienced.’ I think there was just a lot of latent, built-up energy out there for people to understand what has been going on in some of these places and have some insights and visibility into problems a lot of folks have experienced for a long time.”

### **BV:** Can you talk about the general longstanding pessimism of the white working class and how that contrasts or coincides with the unwavering support of President Trump?

**Vance:** “I think when people are unhappy with the direction of things and how they are going, one of the natural reactions is to want to change. Whether your love him or you hate him, Donald Trump in 2016 certainly represented a pretty significant change – not just from the Democratic frontrunner but established incumbents in the Republican Party.

“I think that’s a big part of where it comes from. People unhappy with the direction of the country or unhappy with the direction of their communities were just looking for something significant to shift our politics and Donald Trump was that vehicle.”

### **BV:** Opioids, a lack of economic prospects are realities we continue to deal with. You wrote about the lack of social mobility. How do we try to tackle that challenge?

**Vance:** “The data tell a pretty sad story. In different parts of the country, including where you and I hail from (southeastern Indiana for the author of this article), kids who are born out of the bottom of the socioeconomic ladder are more likely to be trapped there. Look at Utah or San Francisco or rural Kansas – people born at the bottom of the socioeconomic ladder have a pretty good chance of climbing to the middle or even climbing to the top.

“But if you’re born in southwestern Ohio or rural eastern Kentucky, your odds of being trapped in the circumstances of your birth are much higher. I do think we have a pretty significant problem across the country, but particularly in the industrial Midwest, Appalachia and areas like that where people feel, in some cases rightfully so, that they are trapped and that their kids are not going to have a better life than the one they had. And that things are getting worse and worse.”

### **BV:** You made your way through Ohio State University so quickly (two years, while working up to three jobs at a time). How did you do it? What can colleges and universities do to make that possible for more people?

**Vance:** “It’s a remarkably cultural foreign institution for a lot of working class families. If you’re the first person in your family to go to college, if your child is the first person in your family to go to college, at a fundamental level they are entering an environment which isn’t just about learning but it’s also about passing a set of social tests that signify you belong in a given place. For a lot of people, they fear that when they send their kids off to college, the kids will never come back home ... maybe will acquire a certain condescension for the people they came from, so there is this real apprehension that a lot of the students feel and a lot of the parents feel.

“That cultural discomfort is a big part of the reason people looking to our universities are a little wary about sending their kids there even though almost everyone appreciates that if you come from a working-class family in a depressed town, college is one of the few opportunities a kid is going to have to really earn a better life.

“The educational side of it, I think, is also in need of some significant rethinking. For so many of the careers that are out there, you don’t need the four-year degrees but there isn’t the obvious pathway. If you think about it from the perspective of a kid like me, if you want to be an electrician, a plumber or work in a weld shop, these careers are actually pretty lucrative, pretty fulfilling and yet it’s not totally obvious to a lot of kids how you become a welder or how you become a plumber in the absence of educational institutions that provide those opportunities.



The Indianapolis Motor Speedway hosted an October 2017 event with the prime IndyCar seats going to Steve Case (front) and J.D. Vance.

“I do think that our educational system has really failed our families in that there are skills that are useful and valuable and pay pretty well once you acquire them, but for a lot of families they’re not totally sure how to get from A to B – when A is where they are now and B is where they want to be in terms of acquiring that credential or applying that skill.”

**BV: Demographics in Indiana and elsewhere paint a troubling picture. How concerned are you about the viability of rural America?**

**Vance:** “I definitely think the history of American migration and American economics is that some places occasionally struggle and small towns lose population. We’re definitely in a place where there is a lot of dynamism; there’s a lot of rising and falling across geographies but I don’t think we can prevent all of that. In some ways, I am skeptical whether we can save every single small town in the country.

“But I also think, on the flip side, we can’t have a viable long-term economic future if the only places seeing high-quality job growth are San Francisco, New York City and Boston. To me, there has to be a middle ground between an incredibly concentrated coastal focus on economic growth on the one hand and a very non-dynamic, stagnant society on the other hand where no place is shrinking but no place is growing. To me, the key here is you have to build regional economic powerhouses.

“The data is pretty clear on this; people are moving a lot less than they used to. I think at least part of that is due to the fact that if you want a shot at a good, well-paying, middle-class job, those jobs are just harder and harder to come by unless you’re willing to pick up and move thousands of miles away for them. The goal should not be to save every town, because I don’t think that is ultimately possible, but to create enough regional economic engines of opportunity that people don’t feel like they have to abandon their homes and families just to have a shot at the American Dream.”

**BV: What type of changes have you seen in economic development from a regional perspective?**

**Vance:** “You definitely see a broad recognition that people have to rethink economic development so that their towns and cities are not left behind. Whether that’s improving infrastructure or increasing

educational choice, there is a pretty broad recognition that people need to participate meaningfully in the modern economy and if you want to do that, you have to rethink some of the ways you have been doing things. In Pennsylvania last year, for instance, we visited York, Harrisburg and Lincolnshire. In the past, those towns would have treated themselves as separate economic geographies where they were competing over the same resources, competing over the same people, the same capital.

“What those areas have realized is that by working together, from the civic leadership to the business leadership on down, and creating more of a cohesive central Pennsylvania region that they can compete and attract against other parts of the country for talent and capital. They’re starting to see a lot more progress than when they were operating alone. In some ways, thinking about economic development as the sum of the parts that can add up to a more cohesive and prosperous whole is one of the trends that I like and am pretty excited about.

“One of the things I have not been excited about is the desire from a lot of folks to effectively bribe companies to relocate to their areas as opposed to creating something of real value that is home grown. In Columbus, Ohio (like Indianapolis), for example, they’re one of the finalists for Amazon HQ2.

“I understand 100% why the individual business and civic leaders want to get Amazon in their city, but at the same time it would be great if they spent as many resources trying to foster and create the next Amazon. Columbus is doing a lot of great things to attract and retain and build up the entrepreneurial ecosystem. I’d love to see more of that and a little less of spending money to convince Amazon to relocate.”

(The conversation shifts to High Alpha’s Scott Dorsey, the Indiana Chamber’s 2012 Business Leader of the Year while at the helm of ExactTarget).

“Scott Dorsey is a great friend of ours. I think of Scott Dorsey as the paradigm of what we should be doing when we think of Midwestern economic development. I want to create a dozen Scott Dorseys all over the region and that strikes me as a much better way to create long-term prosperity than just investing on relocation.”

**BV: You visited Indianapolis as part of one of the Rise of the Rest tours (October 2017) and you have made some**



Vance says he is impressed with what he has seen from the business, government and education communities in Indiana.

**investments in companies here. What are your impressions of Indiana and what is taking place here?**

**Vance:** “It’s one of the areas of the country we’re most excited about in terms of high-quality start-ups, high-quality entrepreneurs building great companies. There are a couple of real visionary leaders I point to. One is Scott Dorsey, who built a great company. Another person is Purdue University President Mitch Daniels, who is really trying to figure out what the university has to mean in the 21st century economy, in the 21st century market.

“Purdue is one of those places that is churning out a remarkably high-quality number of talented engineers and technical staff and business leaders who are going to power Indiana’s economy for the next generation. What Indiana has going for it is a committed business community dedicated to growing the long-term pie. There are a lot of cool things happening in government and education that make it a really attractive place to do business and a really attractive place to invest in start-ups.”

**BV: One of your jobs while in college was working for an Ohio state senator. What did you learn from that experience?**

**Vance:** “I worked for Bob Schuler. One thing I learned is that the process for creating legislation is incredibly complicated and it requires the individual legislators to deal with a lot of different interests. What I didn’t quite appreciate (is that) legislators pass laws based on the public interest and for the good

ones that is exactly what they did, but the public interest sometimes can be pretty complicated to define.

“I was really blown away that for any given issue, even a very small issue, a senator would have 15 people in his ear telling him to do 15 different things. I think I just recognized how complicated the public interest can be when you’re turning it from abstract principles to the specific policy.”

**BV: How are things going with Our Ohio Renewal (the nonprofit Vance started to work on the drug addiction challenge)?**

**Vance:** “What I’m most excited about is we’re sponsoring an expert in addiction treatment who is going to move to southeastern Ohio for between six months and a year. One, she is going to treat a lot of patients. There are not enough doctors to provide treatment. But she is also going to study the issue while she is there, figuring out some better treatment methods that can be used in other places and scaled nationally.

“Her name is Sally Satel. I’d love for her to come out of this with some insights on how we can treat this problem on a national scale. It’s important that we treat people day to day, but that’s one person and that’s not going to solve the whole problem.”

**BV: In regard to the Rise of the Rest tours, what are some of your takeaways? What stands out the most?**

**Vance:** “The cities and towns that have done economic development successfully have done a couple of things. They’re

thinking regionally instead of hyper locally. They’re working cooperatively to try and build up the whole region instead of competing with the town next door. The second thing that is so important is that people try to build and home grow business and entrepreneurial talent.

“We know from the Kauffman Foundation that the net job creation in our country comes from high-growth start-ups, not from small businesses that are going in or out of business, not from large businesses. The real engine of job creation in our country is these high-growth start-up companies. We’re seeing a lot of good companies that are worth investing in.

“Part of what we’re doing is raising awareness, but part of what we’re doing is just making smart investments in really good businesses. I’m more confident now than I was seven months ago, and I was pretty confident then, that there are really good companies to be invested in outside of Silicon Valley. It just requires dedicated investors to actually go to these places, find the entrepreneurs and do what is necessary to support them.”

**BV: When the Hillbilly Elegy movie comes out (noted director Ron Howard is leading the project), who plays J.D. Vance?**

**Vance:** “They’re working on the script now, so they don’t yet have actors. But what I’ve told Ron Howard is that I want him to choose somebody who is good looking, but not so good looking that they’re disappointed when they meet the real me.”