As US and European political leaders fret about the future of quality jobs, they would do well to look at the far bigger problems faced by developing Asia – problems that threaten to place massive downward pressure on global wages. In India, where per capita income is roughly a tenth that of the United States, more than ten million people per year are leaving the countryside and pouring into urban areas, and they often cannot find work even as chaiwalas, much less as computer programmers. The same angst that Americans and Europeans have about the future of jobs is an order of magnitude higher in Asia.

Should India aim to follow the traditional manufacturing export model that Japan pioneered and that so many others, including China, have followed? Where would that lead if, over the next couple of decades, automation is going to make most such jobs obsolete?

There is, of course, the service sector, where 80% of the population in advanced economies works, and where India's outsourcing sector still tops the world. Unfortunately, there, too, the path ahead is anything but smooth. Automated calling systems already have supplanted a substantial part of the global phone center business, and many routine programming jobs are also losing ground to computers.

China's economic progress may have been the big story of the last 30 years, but it struggles with similar challenges. While China is far more urbanized than India, it, too, is still trying to bring ten million people a year into its cities. Between jobs lost to automation and to lower-wage competitors such as Vietnam and Sri Lanka, integrating new workers is becoming increasingly difficult.

Recently, the rise in global protectionism has made this difficult situation worse, as epitomized by the decision of Foxconn (a major supplier to Apple) to invest $10 billion in a new factory in Wisconsin. Admittedly, the 13,000 new jobs in the United States is a drop in the bucket compared to the 20 million (or more) that India and China must create each year, or even compared to the two million that the US needs.

At the margin, the US and Europe might have some scope to make trade fairer, as Trump says he will do. For example, many Chinese steel plants have state-of-the-art pollution controls, but these can be switched off to save costs. When the result is that excess output is dumped at cheap prices into world markets, Western countries are fully justified in taking countermeasures.

Unfortunately, the long history of trade protectionism is that it rarely takes the form of a surgical strike. Far more often, the main beneficiaries are the rich and politically connected, while the losers are consumers who pay higher prices.

Countries that go too far in closing themselves off to foreign competition eventually lose their edge, with innovation, jobs, and growth suffering. Brazil and India, for example, have historically suffered from inward-looking trade policies, though both have become more open in recent years.

Another problem is that most Western economies have long since become deeply intertwined in global supply chains. Even the Trump administration had to reconsider its plan to pull out of the North American Free Trade Agreement when it finally realized that a lot of US imports from Mexico have substantial US content. Erecting high tariff barriers might cost as many US jobs as Mexican jobs. And, of course, if the US were to raise its import tariffs sharply, a large part of the costs would be passed on to consumers in the form of higher prices.

Trade will surely increasingly permeate the service sector, too. Amazon's Mechanical Turk (named after the eighteenth-century chess-playing machine which actually had a person cleverly hidden inside) is an example of a new platform that allows buyers to contract very small specific tasks (for example, programming or data transcription) at third-world wage rates. Amazon's clever slogan is "artificial artificial intelligence."

Even if protectionists could shut down outsourcing of tasks, what would the cost be? To be sure, online service platforms do need to be regulated, as early experience with Uber has demonstrated. But, given the massive number of new jobs that India and China need to create every year, and with the Internet remaining highly permeable, it is folly to think advanced economies can clamp down tightly on service exports.

So how should countries deal with the relentless advance of technology and trade? For the foreseeable future, improving infrastructure and education can achieve a great deal. While the rest of the world floundered in the aftermath of the 2008 financial crisis, China continued to extend its vast logistical and supply chains.

In a world where people are likely to have to change jobs frequently and sometimes radically, wholesale changes in adult education are needed, mainly effected through online learning. Last but not least, countries need to institute stronger redistribution

though taxes and transfers. Traditional populist trade policies, like those that Trump has espoused, have not worked well in the past, and are likely to perform even worse now.

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