

Globalization vs. Technology-Enabled Disruption

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A number of the pressures that workers are feeling in this country, I think, are being attributed to globalization, meaning people think that maybe immigrants are the cause of job losses. Or they believe that trade is the cause of job losses in many cities and certain industries. And I think both those impacts may have been true to some extent several years ago. I think today, though, is often not always, but often far more likely that job losses being experienced by workers and in certain industries is much more due to technology-enabled disruption than it is to globalization. Even though the narratives sometimes it's being attributed to globalization, I think it has more to do with disruption. I think there have been millions of jobs that have been either redesigned or lost or changed or whole industries. For example. The film industry is a good example. The camera industry that's been dramatically changed because of technology-enabled disruption and the reason I like to step back and site. The difference between these two causes is if we misdiagnose why things were happening. If we mistakenly attribute some of these job losses to globalization, we may actually make decisions from a policy point of view that could make us even less competitive, create more job losses on bad policy decisions.