

Business

A hazard and maybe a gold mine

ON MONEY
FROM THE MAGAZINE

BY BROOK LARMER

The police raid on a junkyard on the outskirts of Bangkok had all the trappings of a drug bust.

Swarming onto the open-air property in late May, officers from the Royal Thai Police found undocumented workers from Laos and Myanmar engaged in dangerous work that exposed them to blasts of toxic fumes and dust — a common hazard on the lowest rung of their illegal and booming international trade.

The products these workers handled, however, were not heroin or methamphetamine but vast piles of discarded computers, electrical wires and circuit boards. And it's very likely that much of this electronic waste came from one of the world's biggest producers: the United States.

E-waste has become the world's fastest-growing trash stream. For all of us who have discarded a phone or computer for a newer, sleeker model, the reasons are hardly a mystery. Still, the growth is staggering: The worldwide accumulation of e-waste has more than doubled in the last nine years. In 2016, according to the United Nations University, a global research institution that tracks the problem, the yearly accumulation reached 49.3 million tons — enough to fill more than a million 18-wheel trucks. By 2021, the annual total is predicted to surpass 57 million tons.

The explosion of e-waste highlights its dual (and dueling) identities as both environmental scourge and potential economic resource. Though often laced with lead, mercury or other toxic substances, laptops and phones also contain valuable elements like gold, silver and copper. Yet barely 20 percent of the world's e-waste is collected and delivered to formal recyclers. The destination of the rest is largely unknown. Only 41 nations compile e-waste statistics, and their partial data can't keep up with the expansion of electronic devices into so many consumer categories — toys and toilets, watches and refrigerators. In the United States, which generated an estimated 6.9 million tons of e-waste in 2016 (42 pounds per person), most e-waste probably goes straight into the trash. By one account, e-waste makes up just 2 percent of the total volume in American landfills — but more than two-thirds of heavy metals.



ANDREW RAE

Despite being the world's second-largest producer — China recently claimed the top spot — the United States is the only developed country that hasn't ratified the Basel Convention on hazardous waste, a treaty that restricts the exports of e-waste and that has the support of 186 parties. Moreover, the United States has no national law for managing e-waste, leaving the issue to the states. (Fifteen states still have no e-waste legislation in effect.) The European Union, by contrast, has some of the toughest enforcement of e-waste laws in the world, banning exports to developing countries and compelling manufacturers to help fund recycling. Europe's recycling rates for electronics — around 35 percent over all — are much higher than the American rate. “The U.S. has always been the elephant in the room that nobody wants to talk about,” says Deepali Sinha Khatriwal, a Mumbai-based research associate at the United Nations University. “Until it decides to play a part, we can't really solve the problem of e-waste shipments.”

A significant but ultimately unquantified portion of American e-waste is quietly exported, mostly to Asia. Until last year, China was handling an estimated 70 percent of the world's processed e-waste. In January, Beijing imposed a sweeping ban on the import of e-waste as part of its “National Sword” campaign to slash the levels of what it calls “foreign garbage.” Though spurred by environmental concerns — rivers choked with toxic chemicals, children with high levels of lead in their blood — Beijing's move also seems emblematic of its increasing self-sufficiency and growing rejection of the West. The ban has caused upheaval in the global trade in e-waste, diverting huge amounts to smaller E-WASTE, PAGE 8

Tariff shots fired, but what now?

WASHINGTON

Trump's trade salvos have U.S. businesses worried about strategy

BY ANA SWANSON
AND NEIL IRWIN

President Trump has said that trade wars are “easy to win.” Now, as he opens a global skirmish with allies and adversaries alike, the question is whether he has a plan to achieve the results he wants or whether he is heading into a costly and futile clash without resolution.

The United States and China hit each other with punishing tariffs last week as the two nations tipped into a long-feared trade war that is only expected to escalate.

The president appears to be betting that threatening trading partners like China, the European Union, Mexico and Canada with tariffs will eventually force them to bend to the United States.

His strategy is being buoyed by a strong economy that is giving Mr. Trump more latitude to impose tariffs that might otherwise pose too much risk. Job growth was strong in June, according to a new government report, as employers added 213,000 net new jobs and the unemployment rate rose as more people entered the labor market and began looking for work. Manufacturing job growth was particularly robust.

Those numbers are backward-looking, but there is little reason to think that the initial batch of tariffs will knock the entire economy off course. The \$34 billion worth of Chinese goods subject to tariffs, and an equivalent retaliation by China, is tiny compared to the \$20 trillion United States economy. Global stock markets largely shrugged off the announcements by the United States and China on Friday.

But the tariffs are still inflicting pain on some industries, including farmers and small manufacturers who have long supported Mr. Trump. And with little sign of a negotiated resolution between the United States and China — or any other trading partner — the conflict threatens to escalate, eventually affecting hundreds of billions of dollars' worth of additional products.

“Trump's soundest argument in his election campaign was that he would not waste American lives and treasure in pointless wars of choice,” Adam Posen, the president of the Peterson Institute for International Economics, wrote in March in an op-ed article. “His launching a trade war would prove, however, to be his economic Afghanistan — costly, open-ended, and fruitless.”

On Friday, the Trump administration took its most aggressive step yet as it imposed tariffs on \$34 billion worth of Chinese goods, including medical devices and airplane parts, and threatened billions of dollars more in the coming months. The Chinese immediately responded with tariffs on an equal volume of American soybeans, pork, automobiles and other products.

Mexico, Canada and the European Union have similarly retaliated against Mr. Trump's steel and aluminum tariffs and have threatened to push back if the president moves ahead with his threat to place a 20 percent tariff on imported cars and car parts.

The president and his advisers insist that history is on their side and that Mr. Trump's approach will yield better results than years of diplomatic niceties, including bilateral talks with the Chinese, that have produced bad deals for the United States.

“We have the worst trade deals in the



GABRIELLA DEMCZUK FOR THE NEW YORK TIMES

President Trump has started a trade war with China, but the objective in imposing billions of dollars worth of tariffs is unclear.



MARK SCHIEFELBEIN/ASSOCIATED PRESS

Chinese investors monitoring stock prices in Beijing on Friday as U.S. tariffs against Chinese imports took effect.

world. We lose money with everybody,” Mr. Trump said last week. “Every country is calling every day, saying, let's make a deal, let's make a deal. It's going to all work out.”

His approach has garnered support from certain corners of American industry, particularly sectors that have seen significant job losses connected to China's rise.

“These aren't the first shots of a new ‘trade war,’” Scott Paul, the president of the Alliance for American Manufacturing, which represents steelworkers and manufacturers, said last week in a Twitter post. “China's been conducting a highly effective war on American workers,” he said, adding that the “difference now is that we are systematically pushing back.”

But many of Mr. Trump's supporters say they are unsure how the trade war will work out, given the escalating threats emanating from the White House and the lack of a clear strategy toward resolving differences with the United States' trading partners.

Mr. Trump's steel and aluminum tariffs had barely gone into effect before he threatened auto tariffs on those same allies, pushing trade relations with Europe and Canada to their rockiest point in decades. With China, the president's advisers have vacillated between asking Beijing to purchase more American products to lower the United States' trade deficit and pushing for more substantive economic reforms. And talks to revise the North American Free Trade Agreement with Canada and Mexico remain stalled over deep differences with the United States.

If the conflict with China is not resolved soon, Mr. Trump has threatened to place tariffs on nearly everything China exports to the United States, in addition to tightening Chinese investments in the United States and limiting visas for Chinese citizens. While many supporters describe the president's bold statements as a negotiating tactic, talks between the Chinese and the United States have faltered for now, with no additional discussions in sight.

“There is no apparent plan,” said Daniel Price, a managing director of Rock Creek Global Advisors, an advisory firm, and a former trade official in the George W. Bush administration. “The administration has given no indication what the off-ramp is or what their objectives are.”

“Trump is treating trade policy as though it were a real estate deal, where the goal is to beat your opponent, step on his throat and humiliate him,” said Daniel Ikenson, the director of trade policy studies at the Cato Institute. Even if it works, and nations like China blink, Mr. Ikenson said, “the cost to that will be trust in the U.S., and it will encourage other governments to behave this way when their backs are against the wall.”

Many farmers and manufacturers remain staunch supporters of Mr. Trump. But their faith is starting to waver as tariffs take effect and they feel the impact of reduced market access and higher costs.

“I would just like the administration

Hold the anti-game medications

Many experts aren't ready to accept nonstop playing as a diagnosable disorder

BY BENEDICT CAREY

After the World Health Organization added “internet gaming disorder” to its manual of psychiatric diagnoses, the reaction was, shall we say, muted.

At a time when millions of grown adults exchange one-liners with Siri or Alexa, the diagnosis seems years overdue, doesn't it?

Put down your phone and look around: If half the people you see walking down the street or riding the bus with you are face-deep in a small screen, then it's not a wild leap to think that some percentage of us, particularly those younger and male, have fallen hard for “Fortnite” or “League of Legends” or “World of Warcraft” and cannot get up, except to fetch the occasional bowl of Lucky Charms cereal.

They're stuck. They sleep with their heads on keyboards. They could use a friend of the breathing, let's-go-to-the-park variety. They could use some help.

Yet embracing internet gaming disorder as a new mental health disorder has its own perils. Many psychologists

are skeptical that it exists at all as a stand-alone problem. The diagnostic criteria are still fuzzy, and the potential for overdiagnosis is enormous.

“The question is, what's the difference between a bad habit and a disorder, and where do you draw that line,” said Scott Lilienfeld, a professor of psychology at Emory University in Atlanta.

“Some, like me, believe there's often no reliable way to do that. Others disagree. The point is, you need to be very careful in doing so” for people who need help to buy in.

The W.H.O.'s definition of internet gaming disorder, added last month, is a mouthful:

A pattern of gaming behavior characterized by impaired control over gaming, increasing priority given to gaming over other activities to the extent that gaming takes precedence over other interests and daily activities, and continuation or escalation of gaming despite the occurrence of negative consequences.

As a diagnosis, it's a potential blockbuster. Estimates of its prevalence — up to 9 percent of all gamers — mean that tens of millions of mostly young people worldwide may now be said to have a mental disorder.

Some of them surely do, whatever its underlying dynamics.

“The kids I see truly have a problem, and it has disastrous effects on many parts of their lives — school performance, social life, their moods,” said Dr. Clifford Sussman, a psychiatrist in Washington who treats compulsive gaming with psychotherapy.

“It doesn't much matter what you call it, the point is to give them tools” to control the habit, he added, and better integrate it into their lives.

Many other psychiatrists agree and say they have treated the compulsion successfully. But the American Psychological Association takes exception to the diagnosis.

The association argues that the definition remains too vague, and that mood problems may in fact precede excessive gaming, not vice versa. The new label reflects a “moral panic,” the critics say — an unfounded fear of new technology that years ago had parents and some experts finger-wagging about the mentally corrosive effects of TV, and before that, radio.

“There's a kernel of truth in what the partisans are saying,” said Christopher Ferguson, a psychologist at Stetson University in Central Florida who has been a skeptic of the many ills attributed to ADDICTION, PAGE 8

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