



## **Munk Debate on the Future of Geopolitics**

**April 28, 2017**

Rudyard Griffiths: I want to spend a few brief moments with you before the formal start of tonight's debate at seven o'clock, because tonight represents an important milestone in the Munk Debates. This is our twentieth semi-annual debate and you are all part of it, an incredible accomplishment for this series. Hear, hear!

Our ability now, for going on almost a decade, to host some of the world's most compelling speakers, from Henry Kissinger to Tony Blair, to a certain guy who would go on to become the prime minister of Canada, to the late and great, Christopher Hitchens — how could we forget him? — would not have been possible without your support. Debate in and debate out, year after year. So, on behalf of all of us associated with the debates, thank you.

Especially our members, and I know this hall is filled with members because it sold out in about four hours; you could probably only get a ticket if you were a member. But the opportunity for us — and this is important — the opportunity for us to gather here twice a year in this incredible room and reflect on the big issues and ideas that are shaping the world would not be possible without the vision of our benefactor.

We know him as an individual who is passionate about debate like few other people in Canada. And his really focused philanthropy, over, again, almost a decade now, has taken this debate series from an idea to an internationally significant intellectual event. So on this, the occasion of our twentieth debate, I invite you to turn your attention to the screens above me for a message from the founder of the Munk Debates, Peter Munk.

Peter Munk: There is rarely a night when, before I sleep, I don't think back to a particular incident that now has transpired sixty years ago. It was at the end of that last war, when the Munk family, a family who'd been established for nearly 500 years in the country from which they were driven, and taken away from, and where my grandfather, at that time an 85-year-old patriarch, lost his name, his home, his love, his status, everything he had.

And he barely, barely — by a unique feat of almost unbelievable fortune, planning, and ability — managed to save fourteen members of his direct family, children and grandchildren, including me, away from the Holocaust. None of them spoke a word of English. None of them had skills to contribute. None of them had wealth to bring to build Canada's infrastructure. Yet, they were not just received with an absolute welcoming gesture, but the gates were opened.

That kind of unique display of humanity cannot be left unacknowledged. The more I travelled, the more time I spent outside the country, the more that feeling of gratitude, the feeling of an unbelievable appreciation for this country and for its attitude and for its people, became crystallized in me. And it became overwhelming.

So, Melanie and I decided that, at a foundation level, we would make a commitment that we'd provide a \$5 million additional grant entirely devoted to the Aurea Foundation for maintaining the Munk Debates. You ask me why I want to give back more and more? There's nothing I could do for Canada that would even partially repay what I received in this fantastic country. So, that's it[JM1].

Rudyard:

Bravo. Well done, Peter and Melanie, thank you. And that \$5 million gift is going to ensure many more terrific debates like the debate that we're going to enjoy in just moments on this stage. So again, bravo to the Aurea Foundation, to Peter and Melanie. This debate series is going from strength to strength.

And we are just moments away from a kickoff of our live, North American broadcast. So, stay tuned. I'll be back on stage in thirty seconds or less.

## Munk Debates on Geopolitics.

Rudyard Griffiths: My name is Rudyard Griffiths, and it's my privilege to once again have the opportunity to serve as your moderator. I want to start tonight's proceedings by welcoming the North America-wide television audience tuning into this debate right now on C-Span, across the continental United States, and on CPAC, from coast to coast to coast in Canada.

A warm hello also to our online audience watching this debate live, right now, on Facebook Live, our exclusive social media partner, and on Bloomberg.com, courtesy of Bloomberg Media. Great to have you as virtual participants in tonight's proceedings. And hello to you, the over 3,000 people who have filled Roy Thomson Hall to capacity for yet another Munk Debate. This is just great to see again.

This evening marks a milestone in this debate series. This is our twentieth semi-annual contest, and our ability, debate after debate, to bring you what we think are some of the brightest minds, the sharpest thinkers, on the big global issues of our time, would not be possible without the generosity and the public-spiritedness of our hosts tonight. Ladies and gentlemen, an appreciation of Peter and Melanie Munk and the Aurea Foundation. Thank you, guys. Well done.

As I mentioned, this is a special occasion for us, our twentieth debate. So, for only the second time in the history of this series, we're convening a one-on-one contest. Our topic is the key geopolitical question of the moment. And it is: can the process of globalization, both economic and political, that has defined the international system since the end of the Second World War, survive an era of rising nationalism, protectionism, and populism?

To find out, let's get our two debaters out here, centre stage, to square off on the resolution, "Be it resolved: the international liberal order is over." Ladies and gentlemen, please welcome your debater arguing for tonight's motion. He's renowned historian, filmmaker, and bestselling author, Niall Ferguson.

Niall Ferguson: Thanks.

Rudyard Griffiths: Niall's opponent tonight, arguing against the motion, "Be it resolved: the liberal international order is over," is CNN anchor, celebrated author, and big geopolitical thinker, Fareed Zakaria.

Gentlemen, thank you for being here. This is going to be an exciting debate, and I just want to run through a few, quick, pre-debate items with you. First, for those of you watching online, those of you in the audience — and Fareed, Niall, if you wish — there is a hashtag, #Munkdebate, and you can be part of the conversation. Also, we've got a rolling poll going. You can analyze, comment, and judge our debaters' performance throughout the debate at [www.munkdebates.com/vote](http://www.munkdebates.com/vote). And we've also got our trusty countdown clock, a key piece of the success of these debates. This clock is going to come to zero for each of the different segments of the debate. And when you see it count down, join me in a round of applause. That will keep our debate on time and our debaters on their toes.

Now, a fun and critical data point. At the top of the evening, all of you here, the 3,000 people in attendance, voted on tonight's resolution coming into this hall. "Be it resolved: the liberal international order is over," yay or nay. Let's see if we've got those results for you. The pre-audience vote: 34 percent agree, 66 percent disagree. Interesting. The room is in play.

Now, this is a critical question that we ask just to get a sense of the variability tonight: depending on what you hear during the debate, are you open to changing your vote? Let's have those numbers, please: 93 percent. So, wow — 93 percent are open to changing. So this debate is in motion, it's fluid.

Let's get it started with our opening statements. Niall Ferguson, since you're speaking in favour of the resolution, you're going first. You've got ten minutes on the clock.

Niall Ferguson: Well, thank you very much indeed, Rudyard. And thank you, Peter and Melanie, for giving us the opportunity to discuss this extraordinarily important issue.

Voltaire famously said that the Holy Roman Empire was neither holy nor Roman, nor an empire. And I think the same can be said of the liberal international order. It's neither liberal nor international nor, for that matter, very orderly. And yet it seems reckless at best to come to, of all places, Toronto, and try to get people to vote against those three words, because you're all liberal. And you're all international and, by my own experience at least, you're all quite orderly. But it seems to be that one way of thinking about this is: how difficult it would be to get you to vote

in favour of what I suppose would be the opposite, which would be “conservative, home-grown chaos”?

Now, we’re trying that in the United States at the moment, and I just want to make it very clear that I am not here to defend Donald Trump. I’m not even here to persuade you that the liberal international order is necessarily all bad. I’m just here to persuade you that it’s over.

Now, I think there should be some full disclosure, Fareed. You and I have been amongst the beneficiaries of the liberal international order. Not quite as much as Peter, but some. We’ve had our fun at Davos and Aspen over the years — I think you still go to those places. And I’m not going to deny that it’s been pretty good. The question I want to address is whether or not it’s been good for a whole lot of other people who may not be so well represented in this audience tonight.

Has it been good for ordinary Americans? North Americans, Canadians, and U.S. citizens? Has it been good for ordinary Europeans? Has it been good for the people in the places we come from? Those Glaswegians who didn’t make it to Toronto. Quite a lot tried. Or the Indian Muslims who didn’t make it onto CNN, really seems to me, the point.

And I want to suggest to you tonight that we need to consider very seriously the possibility that globalization has overshot. That in overshooting, it caused at least two major crises, the consequences of which we’re still living with: the financial crisis, and then a crisis of mass migration. And if we carry on telling ourselves this story — and the story goes something like this: “Oh, we’ve been so much more peaceful and prosperous since 1945, thanks to those nice, liberal, international order institutions, the United Nations, the International Monetary Fund, the World Trade Organization, and so on. Ah! Why must these beastly populists spoil it all?”

And that seems to me to be an extremely dangerous narrative for us to cling to. I don’t think it’s even good history to explain peace and prosperity in that way. In fact, I think it may be “fake history.” Let me explain why I think that.

Why is it not liberal? Because the principal beneficiary of this wonderful liberal international order has been China. Yes. That has been the principal winner. Back in 1980, China accounted for

perhaps 2 percent of the world economy. And the U.S. and Canada together were about a quarter of the world economy.

Well, what are the percentages now? Well, today China accounts for 18 percent of the world economy, and the U.S. and Canada together, slightly less, 17 percent. And on present trends, that differential will grow. By 2021, the IMF says, China will account for a fifth of the world economy. How can it be a liberal international order if the principal beneficiary is a one-party state run by a communist elite?

And they're not the only beneficiaries. Fareed, you wrote a terrific article once about illiberal democracies. Well, the illiberal democracies, the ones with elections but no rule of law also turn out to have done rather well from this system. I actually looked at some of the measures you used in that article. I wanted to see if the world had got any more free since you wrote that article back in 1997. It hasn't. The proportion of countries that count as free is about the same as it was in 1997. And some of the world's countries are getting less free by the day. Dramatic declines in freedom have happened not only in Russia but in countries like Venezuela. China, the principal beneficiary of the liberal international order, ranks 173rd out of 195 in terms of freedom today. Some liberal order.

Some international order, too. Let's ask ourselves who really has benefitted from this era of globalization. It's really an inter-elitist order that we should be talking about, because the principal beneficiaries of the system turn out to be those lucky few who possess rare intellectual property, or rare, real assets, including — and Peter knows this as well as anybody — commodities.

Even Canada has experienced rising inequality in this era of liberal international order. Your Gini coefficient has gone up since the 1980s. A third of the gains that this economy made in the glorious decade before the financial crisis accrued to the top one percent of income earners. The share of income in Canada that goes to the top 0.1 percent today is as high as it was before World War II. That's another consequence of the liberal international order.

The winners take all in this system. It's one of the paradoxes of globalization. And if I'm right about that, it's signified by the fact that it's not only populists who are trying to rein in globalization. Here in Canada, you've just imposed an additional stamp tax on

foreign investors in housing because of the dramatic increase in the cost of housing that there's been as Chinese and other investors have poured into the Vancouver and Toronto markets. Toronto housing has gone up by a factor of three since the year 2000.

Let me conclude by observing that the liberal international order isn't orderly. The order in any case wasn't produced by the UN, much less by the World Trade Organization. It was produced by the United States and the military and other alliances that it led — a point that Fareed himself has made often in print. Let's not confuse these things. It's very different if the world is led by a Pax Americana based on American power as opposed to collective security based on the UN.

As the challenge has been made to that Pax Americana, what have we seen? Increased disorder. Islamic extremism, claiming tens of thousands of lives every year. Tens of millions of people displaced from their homes. Nuclear proliferation — the Koreans fired another missile tonight. Luckily it didn't work. This, we're calling order? That seems to me a misnomer.

Ladies and gentlemen, we don't need to support Donald Trump to know that there's something wrong here. You don't need to be a populist. You can do it as a classical liberal, which is what I consider myself, and recognize that the biggest threat to classical liberalism is an unfettered globalization that undermines the foundations of a free society based on the rule of law and representative government.

So, the liberal international order, spelled L-I-O, ladies and gentlemen, is an L-I-E. It is neither liberal, nor it is truly international, and it certainly is not orderly. Folks, it's over.

Thank you very much.

Rudyard Griffiths: Powerful opening statement. And now we'll call on Fareed Zakaria. Your ten minutes will go on the clock now.

Fareed Zakaria: Thank you all. Thank you, Rudyard. A great pleasure to be here. I have to confess, I was nervous when I was told I would be up against Niall Ferguson. You know, I do not have his erudition, I do not have his Oxford degrees, and I certainly don't have the British accent. And I thought — you know — he would have these extraordinary moments of eloquence. He began by quoting

Voltaire. I'm a simple guy, I can't do all that. I'm just going to tell you a story.

I'm going to tell you a story of how this liberal international order began. And it's an interesting story because it involves a Canadian. About a year after Pearl Harbor, Franklin Roosevelt decided he wanted to try to figure out what kind of world the United States wanted to build at the end of World War II. He already could see, believe it or not, that the United States would decisively win this war.

And he didn't have somebody he could talk to and really trusted, except Mackenzie King, who was a confidante of his. And he asked him to come to Washington. And King took the train from Ottawa down to Washington, and they sat down at dinner. Roosevelt had a martini — didn't offer Mackenzie King a drink because he knew he was a teetotaler — and then they went to the Oval Office. And Franklin Roosevelt, this ageing visionary man, described to him what kind of world he wanted to build.

Mackenzie King kept a diary, and so it is one of the rare instances where we have Roosevelt's vision recorded. And it basically was an understanding that the world had so far been characterized by war, great-power conflict, colonial empires, economic mercantilism, and exploitation. And Roosevelt said, "The United States cannot support the resurrection of that old order. We are going to try and do something different. We are going to try and build a new international order."

He didn't quite call it a liberal international order, but that was clearly what he meant. And it is a world in which, he said, first we will ask for the absolute surrender, the unconditional surrender, of the axis powers. We will also ask the British and French to understand that they cannot reconstruct their great empires, that we need a world in which freedom and liberty and self-determination have a much greater scope.

He wanted a world of open trade and open economics. He wanted a world of greater commerce and contact. But he also wanted a world that had more rules, and so some political structures would be built that allowed for a somewhat more orderly resolution of political disputes. And that, he called the United Nations.

And all these things together, in Roosevelt's view, would justify the great American effort and involvement in World War II. Now,

at the end of World War II, Roosevelt did not live to begin to build that vision, but he talked about it throughout the war and he worked on it throughout the war. And in fact, what happened was a partial creation of exactly that vision.

After hundreds and hundreds of years of something completely different, perhaps thousands of years of something different, there *was* built this liberal international order. There *was* created a rule-based system. There *was* created an open economy with greater commerce and contact.

It wasn't perfect. There were many, many flaws. And there were lots of countries that were not part of it, the Soviet Union and its allies being the most important exceptions. But it did create a new world, and if you think about the world we live in, it is the world that Franklin Roosevelt created and dreamed of with Mackenzie King.

It is a world of much greater order, much less political violence, much greater trade, commerce, contact, and capitalism, and much greater broad sustained prosperity than has ever been true before. That's the world you live in. That's the world we live in, and that we take for granted because it has now become so commonplace. And it becomes easy to attack the little flaws, the challenges, the pauses that take place, the tiny reversions that take place when you have a world like that.

So, just look at the big picture. Steven Pinker, a Harvard professor who was a colleague of Niall's, wrote a book in which he meticulously calculated that we are now living in the most peaceful age in human history. Violence, political violence, war, civil war, and yes, terrorism, is down 75 percent compared with four or five decades ago. And it's probably down 90 or 95 percent from 500 years ago, or at least so he claims. I'm not sure.

The data from the late middle ages is not very good, so I'm not sure that one can speak with confidence about that, but he's a Harvard professor so I trust him. I think that when you look at the expansion of this world, you see the ineluctable power, the endurance, and the appeal of it. It started, as I said, without the great Soviet empire; it started without most of the third world. But then by the '50s and '60s, countries began to realize that in order to grow fast you needed to be part of it.

And so, Japan and Taiwan and South Korea start to come in, and then Latin American countries start to join in. And then, of course, you have the collapse of the Soviet Union, the collapse of communism, and all of a sudden, the entire world becomes part of this system. So, the free trading system, the so-called GAT, had 70 countries, 78 countries in 1970. It now has 170. If you look at the European Union, which had 6 countries in 1970, it has 28 now—27 when they kick out Niall's Britain. But still an enormous expansion from that time.

This is the way in which all these groups have grown. And they include most powerfully, of course, the new rising and emerging powers in Asia. Niall talked about who this order has empowered. Well, I will tell you who it has empowered more than anybody else. It has empowered the poorest people in the world. The United Nations calculates that in the last fifty years, we have taken more people out of poverty than in the preceding five hundred.

And that is principally because countries like India and China were able to grow and raise their living standards and allow peasants who were living on a dollar a day to move out of poverty. I know this world well because my father was a politician. His constituency was largely rural. There were a thousand villages in it. Went you went to India thirty or forty years ago, and you went into those villages, people lived lives that looked as if they were from the middle ages.

And today when you go to those places, it is a world transformed. They have food, they have medicine, they have shelter. It's not luxury by any standards, but it is the difference between living on a dollar a day and living on three or four dollars a day. And that transformation has taken place in India and China. It has taken place in Latin America. It has taken place in other parts of Asia, and it is beginning to take place in Africa. Those are the people who have most powerfully benefitted from this new liberal international order.

But others have as well. It is not as though the United States has been standing still. U.S. GDP is up 1000 percent since 1970. European GDP is not up quite that much, but if you go to any of these countries, you are struck by the fact that they are rich societies. There *is* a problem with inequality, there *is* a problem with how this wealth has been redistributed, and there *is* the reality that people are culturally anxious when they see so much change as there has been in the last thirty years.

We have globalized very fast, and we have had enormous amounts of immigration. And women have been emancipated. All these changes produce cultural anxiety and they make people want to go back to a simpler time to make America great again, to make Britain great again. But you know what? These countries have been great because they led and spearheaded this liberal international order.

They have found a way to allow the world to share in this extraordinary dream that Franklin Roosevelt had, that he talked to Mackenzie King about. It is a dream that brought Peter Munk from Hungary, fleeing persecution, here. It's a dream that brought me from India to the United States to make a family and a life for myself. It is a world that allowed Niall Ferguson to leave Scotland and then Britain, and then come to the United States and fall in love with a woman who was born in Somalia and fled to go to Holland to find freedom there. And then, to the United States. It is where they have had their son, a beautiful boy named Thomas. Tiny Thomas, Niall calls him. I think that Thomas's future rests on an open, plural, diverse cosmopolitan world, where people think of you based on the content of your character, not the colour of your skin.

I think that is the world that Niall secretly believes is powerful, deep and enduring. Otherwise he would not have voted with his feet and moved to the United States and moved to Palo Alto, because he knows that that is where they are inventing the future and he wants to be a part of it.

So, what I say to you, Niall Ferguson, is come home. Come home to the liberal international order. Come home to the liberal international order that has been so good to you and that will be so good to your son Thomas.

Rudyard Griffiths: Wow. This is what you get when you get two just fabulous debaters on stage, like this, head to head. We're now going to move into two rounds of rebuttals. Each of you is going to have three minutes on the clock, uninterrupted, to react to what you've heard in each other's opening statements. Niall, you're up first with your first rebuttal.

Niall Ferguson: Now he's crossed the line because he's brought my children into it. You should not have done that! That wasn't smart; you're going to regret it.

So, Franklin Roosevelt had a vision, but what was the reality? The reality was that the United Nations was permanently gridlocked because of the veto exerted by members of the Security Council, the permanent members.

And in practice, what the U.S. did was to dismantle other people's empires and then build one of its own — with, I think it's fair to say, mixed results. So, I don't think we should fall into the trap, as I said earlier, of believing that the relative peace of the period after 1945 had anything much to do with the institutions that Franklin Roosevelt discussed after that martini with Mackenzie King.

On the contrary, it's an illusion, it's fake history to credit the relative peace of the post-1945 period to those institutions. It's an incorrect inference. The reality was that there was considerable violence, and it was a lot like the violence before. Violence between two great empires — the United States and the Soviet Union — both of which pretended they weren't empires. Steven Pinker's book will be like Norman Angell's *Great Illusion*, proven wrong at the first nuclear war that happens. The potential is there to invalidate that entire thesis in a day.

Yes, people have been pulled out of poverty in China and not to mention India. But Fareed, you know as well as I do that the principal reason is that those countries abandoned respectively communism and state socialism and embraced market reforms in their own domestic policies. Once again, it's an incorrect inference to say they grew because of a liberal international order. No, they grew because they realized that state control of the private sector does not work.

You mentioned Thomas. You know, it means a lot to me that we live in the United States because we live in a society based on the rule of law, on representative government, on a constitution that has withstood all the challenges it faced and will withstand the current challenges of populism and demagoguery. That's why we chose it, because my wife can be safe in that country, safer than she ever was in Western Europe. It's not got to do with the kind of "glo-baloney" that, frankly, you're talking tonight.

Fareed Zakaria:

I thought what I'd do is talk about China, because clearly that is the elephant in the room, as it were, the country that Niall rightly says has benefitted the most from this liberal international order. It is not simply that it has grown fast because it has embraced

capitalism, though capitalism is a core part of the liberal international order.

The word “liberal,” of course, is “of or pertaining to liberty.” The first time that phrase was used was by a Scottish Enlightenment thinker, a forerunner of Niall Ferguson, in a sense, William Robertson. The second man to use it was Adam Smith. Both used it in the specific context of capitalism and free trade. But China’s embrace has not just been that. It has been a broader embrace of order.

If you think of Mao’s China, this was a country that threatened routinely to have nuclear war blow up the world, and Mao said, “At least that way there will be a few communists left and all the capitalists would be dead.” China has moved from that place to a remarkably more rule-based acceptance of this liberal international order. It wanted desperately to become part of the World Trade Organization. It is now desperately seeking greater and greater influence at the United Nations.

It is now the second-largest supporter of peace-keeping operations around the world. It wants to become the second-largest funder of the United Nations in general. It has become far more involved in nuclear security issues, supporting the Comprehensive Nuclear-Test-Ban Treaty, supporting the Nuclear Non-Proliferation Treaty. Remember, these are all things that Mao’s China believed were terrible, vicious, American imperialist plots to keep the world down.

Now, the Chinese actively want to be part of that. They want to try and solve the problems that arise. If you look at how they’re handling North Korea, again they are moving to a more and more constructive, co-operative approach, where they’re involving regional actors. They want to resurrect some kind of regional diplomacy.

This is not perfect; of course it’s not.

Of course power still matters. Of course the old Realpolitik rules still live. But what Roosevelt was trying to do was put in place some degree of regularity, some kind of norms, some kind of procedures that might help tame some of these savage winds of war. And I think if you look at the challenges we face — the extraordinary effort to incorporate the rest of the world into this system, the rise of nuclear weapons, the dangers that that poses,

the dangers of chemical and biological weapons and their spread — and look at how we have managed to deal with some of these issues, for example, the outbreak of Ebola, the outbreak of other kinds of diseases, these successes have been through international co-operation, through greater and greater consultation.

Of course, some of it has involved the UN, some of it has not. But surely that is the kind of world we want, rather than one where we hope somehow that the countries that have nuclear weapons won't use them, or where the United States could just keep threatening countries to blow them off the face of the earth. So, the liberal international order is inevitable because the alternative is unthinkable.

Rudyard Griffiths: Niall, you're up with your second rebuttal.

Niall Ferguson: *I want to talk about history now. You see, what troubles me most about Fareed's argument is that we have heard something very similar before. If you go back to the late nineteenth century, there were a great many people who believed that a new, international order could be based on what we now call globalization. The idea of an international liberal order was there before the First World War, at a time when the forces that we've seen in our time were extraordinarily, powerfully, at work.*

In the period of the late nineteenth century, international migration reached levels that we have now begun to see again in our time. The percentage of the U.S. population that was foreign-born reached about 14 percent in the 1880s. Free trade reached new heights, international exchange of goods, international capital flows, all of these things reached unprecedented levels.

And liberal intellectuals — and don't be bashful, Fareed, I know you went to Yale and have a PhD from Harvard — liberal intellectuals then make the exact same mistake that Fareed Zakaria and my friend Steve Pinker are making now, and that's the "everything-is-awesome" mistake. You know, everything is awesome if you are in a liberal bubble, as, for example, your counterparts in the early 1900s.

Globalization brought, as John Maynard Keynes famously said, everything that he could possibly order to his room in a matter of days. Telegraphs, steam ships, international trade — Norman Angell's book *The Great Illusion* said, "What could possibly go

wrong? There would never be something absurd as a war, given this liberal international order we've created?"

And they were wrong. They were wrong because they underestimated the backlash that is generated if you allow globalization to run too far. They also overestimated the ability of international institutions to avert conflict. Who now remembers the Hague Peace Conference? So there's a warning from history here. The real history we should learn is the history of what went wrong when globalization last self-destructed.

What worries me when I hear these fairy stories about Franklin Roosevelt, the United Nations, and Tiny Thomas living happily ever after is that it is glo-baloney. And worse than that, Fareed, it's fake history. And I suspect that in your heart, you know that. Thank you.

Fareed Zakaria: For someone who doesn't want to be associated with Donald Trump, you've certainly used the word "fake" several times, Niall. And I have refrained from associating you with Donald Trump because I don't know how you feel about him, one way or the other. But let me just talk about the challenges that you've raised, because they're real. There's no question. Donald Trump thinks he's a singular, unique phenomenon. And in some ways, I suppose he is — his flexibility with the facts and matters like that.

But in many ways, he's part of a trend. There is this right-wing populism that is against the liberal international order, and you see it everywhere. What's striking about it is where you do see it, though. You don't see it in Latin America much. In Latin America, they're all busily trying to integrate into the liberal international order. From Mexico to Brazil to Argentina, populism is on the decline. If you look in Asia, whether it's India, Indonesia, Japan, you see the same thing — reformist prime ministers and presidents who are trying to integrate into the order.

Where you see populism is in Europe and the United States. And you see it in countries in Europe that are doing very well economically, so it can't just be about economics because Germany's powering ahead.

It can't even just be about inequality. Northern Europe has not had much of a rise of inequality, for example, the Dutch have not had a rise in their Gini coefficient, the way you measure inequality, in about twenty years. Sweden is growing very robustly. But what all

these places do have are immigrants. And that has caused enormous amounts of cultural anxiety. And let's be clear, that's true, and there are some legitimate concerns. And by the way, there have been periods in the past when immigration has been restricted, even in the United States. The liberal international order still continued to grow.

What it tells you, though, is that these things can be managed. You can find ways to address inequality. You can find ways to deal with immigration. And in fact, we are in the one Western country that is not going through a great rise of right-wing populism — Canada — and I would argue, it is in large measure because Canada has managed immigration quite well.

This is not something endemic to Canada, it's not in your DNA. Canada had a whites-only immigration system that had its own problems, and then it changed under Trudeau, and then Mulroney. There was an enlightened reform of it, an emphasis on a certain kind of multiculturalism and assimilation. And now you are in this extraordinary position where you watch the rise of this illiberal anti-globalist populism, but you are not feeding it. There is almost none of it in Canada today.

And so, I look at that and it gives me great hope because it tells me that there are policy solutions to the very real challenges that Niall Ferguson has brought up, and it reminds me once again, that we should all, around the world, be a little bit more Canadian.

Rudyard Griffiths: Great opening to the debate. We're now going to move into the moderated portion of this, which I'm going to do very lightly. And I want to just start, gentlemen, by refocusing this debate a little bit, because let's remember, the resolution is, "Be it resolved: the liberal international order is over."

I think it's a secondary concern whether it's good or bad. People may choose to vote on that pre-requisite, but many people in this room are trying to figure out, is it over or not? So Niall, I want to pressure-test you a bit. Give us some examples, some concrete examples of why you think, not that it's bad but that it's over, that its time has come.

Niall Ferguson: Well, Fareed has just said some extraordinarily optimistic things about Europe, but I would say that the European Union's current crisis is a perfect illustration of why the liberal international order is over. Remember, it's precisely one of these institutions that

Fareed has held up as an example of what can work. But the truth is, it isn't working, and that's one reason why a majority of British voters opted to leave the EU.

I was very ambivalent about Brexit last year, but I came to realize why so many people in Britain felt that way. They felt that way because they discerned that in two fundamental respects the European Union had become dysfunctional. It wholly mismanaged the financial crisis, massively amplifying the negative impacts on the other member states of the European Monetary Union. Britain felt very relieved not to be a part of that.

And then it massively mismanaged the migration crisis caused by a crisis in North Africa and the Middle East, which the European Union had a hand in causing, although European politicians like to pretend the migration crisis is a sort of natural disaster. But at every level, the most basic roles that we expect a state to perform, from economic management to the defence of borders, were flunked comprehensively by the European Union over the last ten years, and the British response was: we need to take back control.

That's a really important idea here, because control by sovereign states is vital if they are to retain legitimacy. What's scary in Europe is to see populists gaining strength from the failure of Fareed's beloved international institutions. And that's the argument I'm trying to make tonight.

If you're complacent — as Fareed, I'm afraid to say, has become — in your elite bubble on the upper west side of Manhattan, imagining that everything is awesome and going to Sweden to another bubble there, and then presumably to a bubble in London, you don't realize how disaffected ordinary people in the provinces are — in peripheral France, in the provincial parts of central and eastern Europe that have swung sharply away from your liberal international order.

That's the trouble. The populism that Fareed alludes to is not something I'm here to legitimize or defend. My point is precisely that it's a symptom of what is malfunctioning in this liberal international order. And I think ultimately that the European Union will fall apart because it's simply not possible to pursue a monetary policy for an entire continent and have borderless travel for an entire continent.

It's not compatible with the stability and legitimacy of the nation-states themselves. And the Brits have just been the first to realize that.

Rudyard Griffiths: Fareed, let's have you come in on that. In effect, Europe is the canary in the coalmine, and it's close to death?

Fareed Zakaria: I'm so glad that Niall is mingling with the people in Palo Alto, where my home would probably buy you a garage. But I think it's important to remember history here when we talk about the European Union. For the four or five hundred years before World War II, Europe was wracked by wars of the kind that almost no continent had ever seen before.

In the religious wars, for example, one third of Germany was killed. France and Germany went to war three times between 1850 and 1950, and dragged the world in on two of those occasions. And when you look at the Europe Union today, the principal achievement is that it is unthinkable that these countries, which routinely went to war for hundreds of years, will ever go to war again.

Yes, they have problems about border control; and yes, when they meet, they have debates about monetary policy; and oh, yes, it's very difficult to have monetary policy move in one direction and fiscal policy move in another. But it's a very different world from Germany invading France, Belgium — from the horrors of World War I, World War II, and all the wars before that.

So I look at the European Union, and I know it's fashionable to decry it and to talk about the bureaucracy and to talk about the sclerosis, but it is an extraordinary achievement of political and economic co-operation that should be a model for all countries in the world. That is how we want to solve problems. That is how we should.

Those great liberal internationalists of the 1900s, Normal Angell and such, did not predict, by the way, perpetual peace. Norman Angell's book did not say there would be peace forever. He said that a war within Europe would be so costly that it would make no sense, economically, to wage it. That the victor would lose economically so much by plunging the continent into chaos that it wouldn't be worth the candle. He was proven absolutely right in that because of the interdependence that had been achieved by this order.

Now, why did Britain leave? Britain has always disliked European. Britain — I mean, if you read John of Gaunt’s speech in *Richard II* written by Shakespeare, it’s all about Britain as “this scepter’d isle,” set against the scheming, disastrous, infectious, war-like, Machiavellian Europeans. This is the way Britain has always thought of itself.

It has always seen itself as a country set apart in all kinds of ways. There is the famous headline that you saw in Britain in 1900, which said “Fog Over Channel, Continent Cut Off” —

Niall Ferguson: That is made up, Fareed.

Fareed Zakaria: That is part of Britain’s —

Niall Ferguson: That’s a made-up story.

Fareed Zakaria: But let me just —

Niall Ferguson: Just to be clear, that’s fake. I mean, it’s a good story, but it’s just not true, that’s all.

Fareed Zakaria: Well, as we say, as we say in journalism, some stories are too good to check.

I thought that Niall might bring up the Brexit issue, and I was struck by Theresa May’s declaration of independence from the European Union, in which she said, we are doing this because we want to be a global, free-trading Britain that embraces the world, that embraces greater international commerce, co-operation; that wants to remain in all the international organizations and institutions we are in. We see it as a path to global free trade and greatness.

Now, you might ask why you would then exit the largest free trade body in the world as a process of getting to free trade. But my point is that if you look at the way in which Britain has exited the European Union as some kind of harbinger for what is happening, I would argue you’re looking at the exception that proves the rule. Europe has gone from six countries to twenty-eight.

There was a line of countries desperately trying to get into Europe. Why? If Britain is the one country that wants to get out, why do all these other countries want to get in? Because they understand the virtue of stability, of peace, of co-operation; because they see the

before-after picture in Europe like you have never seen anywhere in history.

Niall Ferguson:

Can I just push back a little bit here? If you asked yourself what exactly the European Union is, calling it a free trade area is a stretch, Fareed, because what the European Union has become — and this has been true since the Treaty of Maastricht — is an endeavour to create a quasi-federal system, what Angela Merkel calls “Bundesrepublik Europa,” the Federal Republic of Europe.

In some ways, when you look closely at how Europe works, go to Brussels, and meet the people who run it, you see that they live very good lives. You know, Eurocrats don’t even pay tax. You discover that it’s actually a wonderful product of mid-twentieth-century thinking. It’s extremely bureaucratic, highly centralized. They use the word “subsidiarity,” but they never actually devolve anything that they can retain control over.

It’s predicated on an extraordinarily complex system of regulation, and most importantly, to my mind, those people who run it have become almost completely disconnected from the ordinary people in what I’ll call provincial Europe. Now, Fareed sneers at the fact that I live near, but not in, Palo Alto — though, really Fareed, I wouldn’t make jokes about real estate prices in Toronto, if I were you.

It’s a reminder that Canadians themselves ... that Justin Trudeau has realized that globalization has overshot. And I don’t think it’s wrong to draw a distinction between what the European Union has become, which is a kind of failed, centralizing, federalist state, and what Theresa May and others in London hope to achieve, because what we must wish for is a stable international order based on democratic and rule-of-law-based sovereign states.

Yes, they can certainly reach trade agreements, but those trade agreements aren’t etched in stone. It’s time, unquestionably, to revisit NAFTA. It’s far from clear that it’s perfect. But that is exactly a function of what I would regard as a stable, international order is: that Canada, the United States, and Mexico look at a trade agreement and establish whether it needs to be updated. That is not the situation Britain was in.

Britain was in a position where rulings made by the Council of Ministers could be imposed on the British Parliament, regardless of what the British people wished. And there’s a huge difference

in my mind between *that*, which seems to me the essence of Fareed's liberal international order, and the more conservative, nation-based order, which historical experience shows is far more likely to produce stability.

Rudyard Griffiths: Fareed, we've got a lot of terrain to move through here, and I want to again keep this debate focused on the proposition: is it over or not? We can discuss whether it's good or bad, but ultimately the 3000 people in this room need to make up their minds on the question. Is it at its end?

Let's come back across the Atlantic to the United States, because as Niall said in his opening remarks, some might argue that the liberal international order has had a fatal crisis of legitimacy. That by impoverishing broad sections of its own voting publics in Western democracies, it now no longer has the social consensus within the nations that it needs to further itself to advance.

How do you respond to that specific argument that this is in fact over because of a crisis of legitimacy that it can't recover from?

Fareed Zakaria: Sure. So, let's think about that. That was much talked about after Brexit and Donald Trump, and what I would point out is that we seem to be in a slightly different moment right now, right? You have just had the French elections in which the person who seems likely to win is Emmanuel Macron, a former Rothschild banker, an economic-free-trader, a believer in the European Union, a believer in trans-Atlanticism, and a proud believer—

Niall Ferguson: Sounds like he's a good friend of yours, Fareed. You must have met him at Davos.

Fareed Zakaria: Exactly, exactly. The person who seems to be likely to win in Germany is Angela Merkel. But if she loses, she is likely to lose to a Social Democrat who is more pro-European than she is.

Niall Ferguson: You can see why we're leaving.

Fareed Zakaria: If you look at Donald Trump and the United States — while it is true he won the presidency, it is also true that Hilary Clinton won almost three million more votes than he did. And he now has the lowest approval ratings of any president in history, at this point in the presidency.

So, it's important for us to remember that there are many forces within these societies, that there are lots and lots of people who are

in favour of the liberal international order, this kind of world, the world we live in, as I say. And what's most telling, and the reason I think that it's not over, Rudyard, is because the one common factor in all these countries is that young people are overwhelmingly in favour of the kind of world I'm describing.

It's because not only do they understand that it is inevitable — you can't stop China from growing, you can't turn technology off, you can't stop the co-operation and interdependence that comes from trade and capital flows — but they also understand that it is beneficial. They want to live in a world that is open, that is connected, that is pluralistic, that is tolerant, that is diverse.

And that is why you see these extraordinary numbers when you look at young people in the United States, when you look at young people in Europe, and even when you look at young people in Britain. Had the vote been, you know, an under-forty vote, Brexit would have lost dramatically. And that tells me something very important, which is that the future lies with this kind of world.

We are going through a period where people who are older, who have less education, who live in rural parts of the United States and Europe understandably feel anxious and, as I say, there are policy remedies for that which we *should* employ. And they are across the board. They involve things from immigration to economics. But don't forget that the future belongs to this liberal international order.

Rudyard Griffiths: Demographics is destiny.

Niall Ferguson: You should always be wary of people who say that the future belongs to them, because the reality is, to answer your question, Rudyard, that peak globalization, peak liberal international order, is already in the rear-view mirror. And you can show this with some very simple measures. Trade is no longer growing at the rate that it grew prior to the financial crisis. In fact, it's significantly less important, as Fared well knows, as a driver of global growth post-crisis.

International capital flows have been reduced, too. Notice also that the crisis of migration continues to expose the fundamental weakness of a liberal international order that can't even achieve stabilization of a common-or-garden civil war in a state like Syria. Right now we have 65 million displaced people in the world, 21 million who are classified by the UN as refugees.

This is not a succeeding liberal international order. It's an increasingly illiberal inter-elitist international disorder. And that is why there is so much disaffection, and that is why we see support for populists on both the left and the right. Because, remember, populism comes in two flavours. It's like ice cream in a communist country; you can have raspberry or chocolate.

Just as last year we had Bernie Sanders — who of course would've been the democratic nominee if they hadn't rigged the democratic nomination system — and if one looks at the French election, Fareed, I'm sorry to tell you but your pal Macron got almost no support from younger French voters. They were all behind the communist, Mélenchon. So, let's not pretend that the centre is holding when it's not.

What in fact we see — and this is clear from a whole range of studies that have been published recently, and if you actually do academic research, which is, it seems to me, very important if we're going to get the historical record straight — what is very striking, if one looks at all the elections all the way back to 1870, is that financial crises lead to backlashes against globalization that erode the political centre. And it's eroded from both sides, from the far left and the far right. What we see in European politics at the moment is really a regrouping of deck chairs on board the *Titanic*. And you can imagine how this will play out. Mr. Macron will doubtless win, and he will then meet Angela Merkel, or possibly Martin Schultz, and they will tell one another “everything is awesome.”

And the alienation will continue. And if you haven't already read it, I do recommend Michel Houellebecq's wonderful book *Submission*. Because what Houellebecq says in *Submission* is that, yes, this election in France will go pretty much as it has gone — he got that right — but at the next election, in order to keep out the Front National candidate, Le Pen, there'll be an Islamist candidate.

And that's the critical point that we need to focus on. Not the here and now, not this week's poll, but where Europe is headed. And it's very clear to me it is on an unsustainable path. If it cannot even secure its own borders other than by making deals with yet another illiberal pseudo-democrat, Mr. Erdoğan in Turkey; if it cannot ensure even the most elementary financial stability in peripheral countries in southern Europe (remember, the Italian banks haven't gone away as a problem) all of this talk of liberal international order is just what they do at Davos and Aspen to

keep their spirits up, as ever slowly and inexorably, ever smaller shrinks the deck on the *Titanic*.

Rudyard Griffiths: Fareed, I'd like just to have you respond to some of the symptoms of the demise of the liberal international order that many people in this room might think about. We could look at the annexation of Crimea, the violation of another nation's sovereignty, something that was never supposed to happen after 1945.

We see, as Niall has mentioned, declining trade, but maybe more importantly, more recently we've seen the use of chemical weapons on defenceless civilians in Syria, responded to by little more than a cosmetic military attack. Again, why are these things in your mind, not significant events that foreshadow — or state — that the liberal international order is in fact in demise?

Fareed Zakaria: Look, you can point to every bad thing that happens in the world and find a trend out of it. But the plural of anecdote is not data. And when you try to figure out what is actually happening around the world, you have to look at the aggregate data, and the aggregate data shows that political violence, by which I mean war, civil war, and terrorism, is down. It had a modest uptick last year, but over the last 30, 40, 50, 60, 70, 80 years, the chart goes way down.

Niall Ferguson: Hey, can I correct you, Fareed? This is a really important point, because we *are* talking about whether there's been an inflection or not. If you look at the data on armed conflict or terrorism, there was a clear upturn from 2010, which was pretty much the low point.

Fareed Zakaria: Yes, I agree with that.

Niall Ferguson: And everything that has happened since the misnamed Arab Spring has cause terrorism and armed conflict to escalate. So you can't claim that the liberal international order is in great shape. It hasn't been in great shape since 2010 at the very latest.

Fareed Zakaria: Let me just talk about that for a second.

Niall Ferguson: I mean, literally twenty or thirty thousand people a year are being killed by Islamist terrorist groups like Islamic State and Boko Haram. I'm sorry, I don't find that comforting ... partly because they would like to kill my wife.

Fareed Zakaria: Which is terrible. And thirty thousand Americans die of handgun violence every year, and that is terrible, too.

Niall Ferguson: But there's a difference. There *is* a difference, Fareed!

Fareed Zakaria: But let me, again, just broaden the scope and remind you that if you look at the world of violence right now, a striking thing happened this year. The Colombians announced a cease-fire with FARC, in an insurgency that had gone on for five decades, killed three or four hundred thousand people, displaced millions of people.

And the reason it was striking to me was that it marked the end of a kind of political violence in the Western hemisphere. Half the world, in other words, now does not have a war, a civil war, an armed insurgency of any kind — and if you say to yourself, well, that's Latin America, well, Latin America was very violent when I came to the United States. There were armed insurgencies in five or six Latin American countries.

The United States was funding insurgencies in places like Nicaragua. It then invaded Grenada and invaded Panama. There was a lot of stuff going on there, and that has now essentially come to a close. Violence in the world is essentially restricted to a band of places that one could call the crescent of crisis, going from Nigeria to Afghanistan. It is almost all an Islamist belt. It is worrisome.

I think Niall and I probably agree on some of the causes of it, but notice how restricted it is. You don't see it in Asia. You see it almost not in Africa, which is extraordinary. And my point here is not that bad things aren't happening in the world. There were bad things happening in the world in the 1940s, you might have noticed. There were bad things happening in the world from 1914 to 1919. There were a lot of bad things happening in the nineteenth century. But the trend that we are looking at, this broader trend, is unmistakable.

Let me make one more point, because Niall keeps talking about the European Union, and I think it's important that we understand that the people who want the European Union the most are not people who go to Davos and Aspen, but people on the ground in the poorer countries that surround Europe.

So, look at Ukraine. Why is Ukraine trying to break free of Russia's embrace, and Russia has, as a result, engaged in an act of imperialism against it? Ukraine is trying to break free because it wants to be part of this liberal international order. Now, why does it want to do that? Ukraine and Poland in 1990 faced a choice. Poland chose to be part of the European Union, part of the West, part of this liberal international order.

Ukraine, whether it chose or not, was not allowed to become part of that order. They had the same per capita GDP in 1990. Today, Ukraine's per capita GDP is one third of Poland's. Poland is three times richer than Ukraine, having started in the same place in 1990. So when people look at that, it is those Ukrainians, ordinary Ukrainians, ordinary Poles, who understand this — and who understand, by the way, that the European Union provides them with political stability.

It provides them with all kinds of economic assistance. It provides them with the world's largest market, into which they can grow. And it provides them with some sense of order and protection, and fleeing a world that they have known for so long. Those are the people who I look to when I asked myself, does the European Union have a future? I couldn't care less about the bankers at Davos.

Rudyard Griffiths: I'm conscious that we've got about five minutes left in this exchange before we get to closing statements, and I want to come to you, Niall, on the point of technology. You're living not in Palo Alto, but nearby.

We are living in an age of rapid technological advancement and change, and I guess many people here might wonder, why isn't the technological revolution that we're living through underpinning a bulwark to the liberal international order? Because its thrust of intention, in many ways — networks, connecting people, allowing people to talk across linguistic and national divides — would seem to supercharge liberal internationalism, not hold it back.

Niall Ferguson: Yeah, it's funny how that's turned out, isn't it? Not quite what Mark Zuckerberg intended when he created Facebook, that he would unwittingly create the engine that probably did more than anything else to get Donald Trump elected last year. If one looks at the impact of social networks on not only domestic but international politics, you can't really claim that it's done a great deal to help Fareed's beloved liberal international order.

And that's not entirely surprising, actually, because the unfettered growth of companies like Facebook, not to mention Google, has without question made us a more interconnected species. We really are far more interconnected than ever before. But has that promoted the values that Fareed has been pitching tonight? Actually, no, it's turned out to be a tremendously powerful engine not just for the notorious fake news but for full-blown cyber warfare.

Fareed ducked your question about Ukraine, rather feebly, I thought. What happened with the invasion of Ukraine was a complete failure for the liberal international order. It utterly failed to uphold not only the UN charter, but also the Budapest agreements; and the annexation of Crimea by the Russian Federation is essentially now accepted by the liberal international order as "just one of those things ... never mind."

And Ukraine is in a state of more or less civil war. It'd be wrong to call it a frozen conflict because it's really quite hot and there are periodic outbreaks of violence. The picture that Fareed paints of Latin America is also kind of baffling. I don't know — heard of Venezuela? Following events in Caracas? Populism might be on the retreat in Latin America — it is in some countries, notably Argentina — but it's putting up a ferocious rearguard action in Venezuela right now, and people are being killed in the streets of Caracas. So my sense is that we have all probably overestimated the benefits of creating a completely interconnected world.

We didn't realize that it would actually be former KGB operatives who would best understand how to unleash troll armies to try to influence democratic elections. We underestimated the extent to which an interconnected world would be a great opportunity for the radical Islamists to propagate their message.

Fareed says, oh, it's contained in a crescent of crisis. Really? Radical Islam is contained? I must say I hadn't noticed that when people were being murdered in San Bernardino, in London, in Paris. You know? Even in Canada there have been attacks. This is a global threat, and unfortunately, the technology that we dreamt up in Silicon Valley has proved to be essentially morally neutral.

Fareed Zakaria:

Can I just interrupt you for one thing, Niall? I think it's important to point out that the incidence of terrorism and deaths by terrorism in Europe in the 1970s was three times higher than it is today. I know it's easy to scare people because they are Muslims and they

look different and they sound different — and there are ways in which importantly, they are dangerous — but let's not forget that Europe went through very bad stretches with terrorism. It's easy to get people all riled up about this, but the reality is that we have been through periods of violence, we have been through periods of terrorism. Yes, the Russian annexation of Crimea was a terrible thing. So was the Soviet invasion of Czechoslovakia. So was Hungary in 1956. So was the Soviet invasion of Afghanistan.

It is not as though we didn't have bad stuff happening during what you call the heyday of the liberal international order. The point is: on balance, where are things tilting? You know? If you look at Martin Luther King's great line, he said the moral arc of the universe bends slowly, but it bends towards justice.

I would argue that the arc of history bends slowly and in zigzag ways and curves, but overall it is moving towards a greater degree of freedom, because, Niall, your great hero, Margaret Thatcher, said, "When people are free to choose, they choose freedom." I believe that still, even if you don't.

Rudyard Griffiths: Okay. Well done, gentlemen. Well, we've come up against the clock, so we're going to move now to our closing statements. These will happen in the opposite order of the opening remarks. We're going to put five minutes on the clock, and Fareed, the stage is all yours.

Fareed Zakaria: You see, I told you I was worried about being up against this brilliant, well-read man who reads academic papers and, as I said, has this very posh accent. But I'm going to try again to just tell you what I know. I'll tell you about a scene from my favourite movie. It's David Lean's wonderful movie *Lawrence of Arabia*.

There's this moment where Lawrence is convincing the Arab tribes to go up against the Ottoman Empire. And to do it, he has to get them to take the Port of Aqaba, the Turkish fort. They have to go through this terrible desert. They all say, it can't be done, it's never been done before. He gets them to do it, but they leave behind an Arab soldier, a very, very important Arab soldier whom everybody loves, Gasim.

And Sharif Ali, who is played by Omar Sharif in the movie, for those of you who remember, tells Lawrence, "You can't do anything about it. The desert has swallowed him up. It was his fate. It was written." Lawrence goes into the desert for a second

time and manages to bring him back, and he brings him back alive and presents him to Sharif Ali, and he says to him, “Nothing is written.”

And what I want to remind you is that this is active, ongoing history in the making. Nothing is written. Yes, there are all kinds of challenges to the liberal international order. There are people who are celebrating its demise, from Donald Trump to Marine Le Pen to Nigel Farage to Geert Wilders — all these people who want it to fail, who believe that they’re onto something, who are exploiting the anxieties of people who perhaps don’t understand the complexity of these forces, and telling them something very simple.

Donald Trump’s message, after all, to Americans, to particularly the kind of Americans Niall is talking about is, “Your life sucks, and it’s because of Mexicans, Muslims, and Chinese people. The Mexicans take your jobs, the Chinese take your factories, the Muslims endanger your lives. I will beat them all up and you will be great again.” It’s a powerful, seductive message.

That was, by the way, the entire campaign in two minutes! But the truth is, you aren’t going to get very far by beating up foreigners. You aren’t going to get very far by building walls. You aren’t going to get very far by closing yourself off to the world.

I feel as though I’ve lived through this movie. The India that I grew up in was an India that very much believed in rejecting this liberal international order because it believed it was all a Western plot, it was American imperialism, it was another version of British colonialism. And so they shielded themselves from it and said they were protecting their industries and protecting their workers and protecting their culture.

And what you got instead was corruption, decay, stagnation, and a sense of being completely isolated from the world. You lack the technological progress, you lack the dynamism, you lack the sense of hope that came from being part of this much larger world. So what I want to say to you is: Don’t give in to the fatalism here, don’t give in to the sense that these are great forces. We can fight these forces. You can fight these forces. You don’t have to give in to them. And by voting for Niall’s side, you will be giving in to a certain kind of Middle Eastern fatalism. We don’t believe in that. We believe that we can write our own history. We believe we make our own destiny.

And I think that as long as we remember that, and as long as we remember that in every one of these countries there are powerful forces that believe in pluralism, in diversity, in tolerance, in liberalism in the sense of the protection of liberty — whether you're a conservative or a liberal on the political spectrum, we are all in that sense liberals — we will prevail, because honestly, there are many more of us. There are many more people like us. And there are many more people who are not scared. They are anxious, but they understand that this is the future, and they want to prepare for it.

When thinking about the prospects of the liberal international order — now more than seventy years old, weathered and worn, tried and tested — I am reminded of that great, wise poem by Alfred Lord Tennyson, “Ulysses,” and its glorious closing lines: “Though much is taken, much abides; and though we are not now that strength which in old days moved earth and heaven, that which we are, we are, one equal temper of heroic hearts, made weak by time and fate, but strong in will to strive, to seek, to find, and not to yield.”<sup>1</sup>

Not to yield. Never yield. Never give up. I know you won't. Thank you.

Rudyard Griffiths: Niall, you get the last word.

Niall Ferguson: Fareed's a friend. You might not realize that, but he is. But, you know, he's also an optimist. He's a super-optimist. In some ways, Fareed was even more optimistic than me in the sense of how the United States would do, back in the day when he was a neoconservative.

If you look back through Fareed's archive — I'm a historian, so that's the kind of thing I do — you find him writing: “cordiality between the great powers and rising global prosperity is not natural nor self-regulating. It is the product, more than anything else, of American power and purpose.” Oh, that's the same guy. Just twenty years ago. September the 15th, 1996.

Here he was in January 2003. “American power has brought peace and liberty to countless places around the globe, especially to Western Europe. American power helped create a more civilized world in the Balkans. Despite Washington's tentative approach

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<sup>1</sup> *Ulysses*, Alfred Lord Tennyson, 1809–1892.

toward nation-building, the war in Afghanistan has vastly improved the lives of the Afghan people. And a war in Iraq — if followed by ambitious postwar reconstruction — could transform Iraq and prod reform in the Middle East.”

This doesn’t quite sound like the liberal international order you were talking about earlier, Fareed.

If I think about the argument that is central to much of Fareed’s work, it includes a proposition about how the liberal international order will work on its principal beneficiary, as Fareed has acknowledged, China.

Here he is back in 1997. “By dealing with China,” Fareed wrote, “the United States can encourage it to play by civilized international rules . . . and moderate its regional ambitions. By increasingly integrating into the world economy, some . . . argue, China will over time become a more liberal state.”

And in his book *The Post-American World*, Fareed just hadn’t given up on that. “As Chinese standards of living rise, political reform is becoming an increasingly urgent issue.” That’s true, an increasingly urgent issue that they want to prevent from ever happening.

Fareed has also given you an optimistic view of the threat of Islamic extremism. He’s always been an optimist on this score. In *The Post-American World*, he wrote: “Over the last six years, support for Bin Laden and his goals has fallen steadily throughout the Muslim world. Much more must happen to modernize the Muslim world, but the modernizers are no longer scared. The Muslim world,” he wrote, “is also modernizing, though more slowly than the rest.”

“The arc of history” is one of those phrases that I’m allergic to, because there is no arc in history. What there sometimes is, is a cliff. And what worries me about Fareed’s optimism is that it’s the kind of optimism that leads you to walk off a cliff.

Telling yourself that the liberal international order will somehow keep you up, it’s that Wile E. Coyote moment that older members of the audience will remember, when Wile E. Coyote runs off the edge of the cliff and keeps running, and for an agonizing few seconds, he thinks he’s still on solid ground. But then he looks

down. And then he falls. History is much more like that than any kind of arc.

We don't know when the next cliff is going to come along. If one thinks back to the last great age of globalization before the First World War, the most striking thing is how hard they kept running, even after they'd gone off the end of the cliff. The socialists were still planning a meeting of the International in the summer of 1914.

The statesmen kept writing their letters and their telegrams, even after the armies had been mobilized. The liberal international order is over because it has run over one of those cliffs, and like Wile E. Coyote, optimistic Fareed and his liberal international order are going to fall. Please don't go over the cliff with them.

Rudyard Griffiths: Gentlemen, a terrific debate tonight, and a sign of a great debate is that you largely made your moderator superfluous, and for that, I thank you. I also thank the Aurea Foundation, Peter and Melanie Munk for making these debates possible. All of you in this room have a ballot. This is your opportunity to vote again on tonight's resolution.

Let's just review where we were at the start of this evening. Of the 3,000 people in this hall, 66 percent of you disagreed with the motion; 33 percent were in favour. And then we asked what percentage of you could change your mind, and which of you were open possibly to changing your vote, and look at that: only 7 percent were dug in at the beginning of the debate. So, let's see how this plays out. We're going to be taking those votes from you as you leave the hall, and for those of you watching online, we'll have the results on social media shortly after 9:00 p.m. Thanks again everybody for a terrific debate. We're going to do this all again come the autumn.

For their reactions to the debate, who they thought won and lost, and would they do anything different if they had to have this debate again? I'll have that exclusive conversation for you with Niall and Fareed in just a couple of minutes. So stay tuned, hang on, and we'll be with you momentarily.