



## **Munk Debate on Populism**

**November 2, 2018**

Rudyard Griffiths: Good evening. Thank you for being here for the Munk Debate on Populism. My name is Rudyard Griffiths and it's my privilege to have the opportunity to organize this debate series and to once again to act as your moderator. I want to start tonight's proceedings by welcoming the North American-wide television and radio audience tuning into this debate, everywhere from CPAC, Canada's public affairs channel, to C-SPAN across the continental United States, to CBC Radio, Ideas. A warm hello also to our online audience who's watching this debate right now via our social media partner, Facebook, on Facebook Live, and on the Munk Debate website [www.munkdebates.com](http://www.munkdebates.com). And finally, hello to you, the over 2,800 people and counting — who braved some protests tonight — to be here in his hall for this important debate on this vital subject. All of us at the Munk Debates thank you for standing up for substantive serious conversation on the big issues changing our world. Thank you. Bravo.

Thank you also to the Aurea Foundation who has the courage to support this series year-in and year-out for over a decade. Let's have a warm round of applause for the Munk Family and the late, and great, Peter Munk!

Tonight's debate is happening — we all know — just days before these critical mid-term elections, and it will tackle one of the most important issues facing the Western world: the rise of populist politics. We're going to ask tonight, from these two debaters, to answer some important questions. Is the West living a populist sea-change that will irrevocably transform our politics? Or can these longstanding liberal values — liberal values of trade, society, of politics — push back against the populist surge, and reassert their primacy in the twenty-first century? Well let's find out by getting this debate underway, and getting our debaters out here centre stage.

Arguing in favour of tonight's resolution "Be it resolved: the future of Western politics is populist not liberal," is the former strategist to President Donald Trump, and global populist campaigner, Stephen K. Bannon.

Speaking against tonight's motion: "Be it resolved: the future of Western politics is populist not liberal," is the best-selling author, *Atlantic Magazine's* senior editor, and staunch critic of President Trump and populist politics, Toronto's own, David Frum. Thank you, David.

Now, this is going to be fun — this is a little bit of a different experiment tonight for us — we are going to experiment with some *live voting* on the resolution. All of you received a clicker, and I've got mine here somewhere; let me find it. It looks something like this okay, so everyone take out their clicker and we're going to ask you to vote on the resolution. Is populism the future? Can liberal values push back?

If you are in favour of the motion, I want you to press "A" on your clicker. That's "A" or the number one. If you are opposed to the motion — there's no do-overs here okay — you're going to press "B" or number two. You can't vote in the mid-term elections, but you can vote right now. So we're going to let those results tabulate a bit; we're going to give people a few minutes.

Okay let's close that question — we've all had a chance to vote — and let's see the results. What is this audience thinking as it goes into tonight's debate. How is public opinion divided in this room?

Can we see those results up on the screen? There have you have it: 28 percent of you agree; 72 percent of you disagree. An interesting start.

Now, we're going to ask a second question. We're going ask, right now, what your views are as to your own state of mind. Are you likely to change your opinion over the course of this debate; could you hear something on stage that could cause you to switch your vote at the end of tonight? If you think you could change your vote press the number one, or the letter "A," and if your mind is set — if you're fixed here, if you're coming in with a view and you don't think you're going to get budged from it — press "B," or number two.

I think everybody has done that so let's get those results up now. We're going to close that question and show our debaters how much

opinion in this hall is in play. It will take a moment to put those numbers up on the screen. I'm going to give it a couple more seconds....

There, we've got it: 57 percent of you. So a majority here potentially could change their vote. So this debate is very much in play. Let's get it under way.

We're going to start with opening statements: eight minutes each — a bit longer than usual to give these two debaters time to articulate their views. And as per convention, the person speaking in favour of the motion will go first, so Stephen Bannon, I hand the podium over to you.

Stephen Bannon: Thank you. I want to thank the people of Toronto, the Munk Family, for hosting this, having me tonight; and for the men and women outside who are exercising their freedom of speech rights to protest.

It's not a question of whether populism is on the rise and populism is going to be the political future. The only question before us is, is it going "populist nationalism" or "populist socialism?" To understand the velocity, the intensity, the depth of the populist revolt on a global basis, we have to go back to the beginning, to what Hollywood would call the "inciting incident." I want to take you back to September 18, 2008, Washington D.C., the Oval Office. I think it's 10 or 11 o'clock in the morning, President Bush, David — [*protests from audience*]

We're in the Oval Office. Secretary — Head of the Federal Reserve Bernanke, Hank Paulson, Secretary of the Treasury, walk in and tell the President of the United States, "by 5 o'clock this afternoon — by close of business — we need a one trillion cash infusion into the American financial system. If we don't get it, the American financial system will implode in seventy-two hours, the world financial system three days after that, and we will have global anarchy and chaos."

The greatest enemies to the United States — Mussolini, Hitler, Tojo, the Soviet Union, Al-Qaeda, Osama bin Laden — nobody's ever brought the United States to its knees like that day. Who did that? Who's responsible for that? The populists? Donald Trump? No. The elites: the financial, the corporate, the permanent, political class that runs Washington D.C. That's who did it.

What was their solution? To create money and bail themselves out. On the day that happened, the balance sheet of the Federal Reserve was \$880 billion. When Donald Trump took the Oath of Office, January 20, 2017, it was \$4.5 trillion. We flooded the zone with liquidity just like the Bank of Tokyo, the Bank of England, the European Central Bank. The “Party at Davos,” the elites, bailed themselves out, afraid of some sort of deflationary death spiral. That’s not a free bail-out; there’s a corollary to that. Savings accounts are zero; pension funds have the biggest gap in history; you can’t underwrite a bond in the United States because you only get — for a public school or waterworks — you get 2 percent. The little guy, the little guy would bear the burden of that. If you’ve owned assets, intellectual property, stocks, real estate, hedge funds — you name it — in the last ten years, you had the greatest run in history. For everybody else, a disaster.

Fifty percent of American families can’t put their hands on \$400 in cash [*audience interruption*]. I hate the elites; you got to lay that down there.

Sixty percent of our jobs — our subsistence jobs... It wasn’t Donald Trump, it wasn’t the populists. The populist movement, the nationalist movement, is not a cause of that, it’s a product of that. Donald Trump’s presidency is not a cause of that, it’s a product of that. When I stepped into the campaign in mid-August, the central numbers — not how far he was behind — was that 70 percent of the American people believed for the first time in our history that the country was in decline, and the elites were okay with that. That “managed decline” was the wave of the future, whether it was education of the southern border, China, Korea, Iran, our education, our health system. It was Donald Trump that turned that around. It’s the “Party — [*laughter*]

This is a very tough crowd! We’ll have plenty of time to go through this.

The “Party at Davos” — the scientific, managerial, engineering, financial, cultural, elite that run the world — have left a financial wasteland, and decoupled from the middle-class and the working-class throughout the world. That is why Salvini and Orbán, and Brexit, and now Bolsonaro. It shouldn’t be lost on you: the day Bolsonaro, Captain Bolsonaro, is elected — is the day Angela Merkel will leave the stage.

Trump's economic nationalism doesn't care about your race, your religion, your ethnicity, your colour — *[laughter]*

Okay, okay; I got a whole night to convert you; I saw the 28 percent!

It doesn't, it doesn't matter your gender, doesn't matter your sexual preference. It matters — *[laughter]*. I said “economic nationalism;” work with me....

It cares if you're a citizen. Look at the results, look at the results today: lowest black unemployment in history; lowest Hispanic unemployment in what, thirty years; wages rising across the board; manufacturing jobs coming back.

The populist nationalist message and its policies are working in the United States, and it's spreading. The revolt in Europe and now in Latin America — and I get contacted every day from Asia, from Africa, from the Middle East. We're at the beginning of a new political revolution, and that is populism.

The only question before us is: is it going to be a populist nationalism that believes in capitalism, in deconstructing the administrative state, and giving the little guy a piece of action, and break up this crony capitalism of big corporations and big government? Or is it going to be a Jeremy Corbyn and Bernie Sanders type of populist socialism? Because the “Party at Davos” and the elites have blown too many calls — too many existential events: the rise of China, the \$7 trillion spent on the wars in Iraq and Afghanistan; the deregulation that led to the financial crisis in 2008; how the financial crisis was bailed out; where we are today in this overleveraged society, because as you know — most of you in this room that work in finance — we're heading to another financial crisis.

That is the question before us. What form of populism? And I hope tonight that the good people in Toronto will listen with open ears as we debate this topic. Thank you very much.

Rudyard Griffiths: Thank you, Stephen.

David, we're going to put eight minutes on the clock for you for your opening statement. You now have the stage.

David Frum: Thank you. Well I think we're all here to welcome Steve Bannon to President Trump's least favourite country.... I worry that some of those protesters may have confirmed the idea that Canada does present a pillowcase national security threat *[laughter]*....

But I'd like to begin tonight by taking the protester's question very seriously, and to answer this question, "Why are we here, what are we hoping to achieve tonight?" We're not here to mount an entertainment or to do a show. We are here to engage in the most important, most dangerous challenge that liberal democratic institutions have faced since the end of communism. Steve Bannon is a figure from history, a very important person. He advised the president of the United States at a time when that future president was on his way to losing, and Steve Bannon helped to turn the campaign around.

He has been an advisor to parties all across Europe, many of which hold power, as in Italy. He has been an advisor to the new president of Brazil. His *breitbart.com* became an *urgent* force in American politics, transforming the way conservatism used to be, into a new kind of political movement. All that is his work.

So what do I hope to accomplish tonight by being here with him and engaging with him? I want to do three things.

First, I want to speak to those who are genuinely undecided. There may not be so many, but you are important. And you may be wondering, "Does the kind of politics Steve Bannon is speaking for, and that President Trump articulates, does that politics offer me anything? Should I listen to it?" I'm here tonight to tell you, it offers you *nothing*. It does not care about you, it does not respect you. Steve Bannon has said — he said it to Michael Lewis in an interview in February — "It is anger and fear that drives people to the polls." Anger and fear is what is offered, but nothing substantial.

Second, in addition to those who are undecided, I want to speak to those of you who see President Trump's politics for what it is, and who resist it. I know how worried you are, I know the fear that many feel, and I stand here to reignite your faith and to speak to your courage. These symbols that many of us wear tonight on our lapels [*points to Remembrance Day poppy pin*], remind us that this is not the first time that democracy has faced thugs and crooks and bullies and would-be dictators, and those who seek to build themselves up by tearing others down. This is not the first time such people have puffed themselves as the wave of the future. They were wrong then; they are wrong now. We are here to show that we are what our parents and our grandparents were, and the challenges and threats they met and overcame — we can do the same.

But the last group of people I want to speak to — and maybe this is the most important — I want to speak to those who see Trump politics for what it is, and who support it anyway. Many people are excited by the joy of destruction, wrecking things they could never build, smashing things they do not understand. Steve Bannon has talked — it's in the quote — “of burning everything down.” I'm sure he means that metaphorically. But we are nearing the eightieth anniversary of Kristallnacht, and there are people who do not — who understand burning non-metaphorically — and I'm here tonight to speak to all of them and to say, “You will lose, you will lose. You have been winning — it has been five good years for those people — but you will lose. And when you lose your children will be ashamed of you, and they will disavow you, and the future will not belong to you. And it starts tonight.”

Now, we have a definitional problem as we begin this debate because we're using words that have large meanings — “liberal,” “populist” — we're not exactly sure how to use them. And it's strange — and many people have made the point — it's strange for me, a lifelong Conservative, to be here on the “liberal” side of this debate; I am not a Liberal. I am a Conservative, but what I and other and Conservatives in the English-speaking world have historically sought to conserve, is a “liberal heritage,” and this is something that Conservatives and Liberals share. We are trying to conserve a state that does not steal, a media that does not lie, courts that respect the rights of all, and voting that is available to everybody, even if the people who are counting the votes are afraid that those who are voting may vote against them.

And what is “populism;” what is “populism?” It claims to speak for the people, but it always begins by *subdividing* the people and by saying *some* among the people — because of their skin, or the way they pray, or their gender or whom they love, or how they conduct themselves, or for some other reason — *some* of the people are not *the* people, they are *those* people. Populism begins by dividing the country between *those* people and *us* people, and saying, *those* people do not matter and *our* people do, and it is only on that basis. And you see President Trump doing this again and again, where he will say things like, “I got 52 percent of the vote of women.” Well, that's not true. He got 52 percent of the vote of *white* women, but the others don't matter. For him “the people” is always, *always*, only *part* of the people. Those who think differently, and those who report on our crooked business deals, or our clandestine connections with hostile foreign powers, they are *enemies* of the people even though

they are exercising the rights that you would think would belong to the people.

Why will this populist movement lose, and why will our liberal institutions prevail? At the bottom, it's for one reason, which is: this new populism is a scam; it's a lie; it's a fake; it has nothing. I don't mean that just in the sense that so many of its leaders are crooks, although they are: President Trump is a crook; Viktor Orbán is a crook; Marine Le Pen is a crook. And I don't mean that in the sense that they say things that are not true — Viktor Orbán is looting Hungary on a post-soviet scale, Marine Le Pen finances her party with Russian money and by stealing European parliamentary funds, and Donald Trump is running the most unethical administration in American history, enriching himself as he goes.

I mean it in another way, because it is a scam even on its own terms. What do they deliver? Donald Trump is running the American economy the way he ran his family businesses: he inherited a fortune, has proceeded to dissipate it, and is telling everybody what a great job he's been doing. President Trump today took credit that in the month of October, 250,000 jobs were created in the United States. Congratulations, good number. There were twenty-six months under President Obama where that many jobs were created, and there were five months under President Obama when 300,000 jobs were created. It's not Donald Trump's doing, no matter how much he says it is. But here's what *is* his doing: the biggest trade deficit with China since before the Great Recession, and illegal immigration that is running faster than it ran in the two years before he took office.

There's going to be a lot more to talk about tonight, but I want to just ensure all of you: liberal democracy is stronger than it looks. Since 1945, it has been built the most decent, best societies ever seen, and the new populism is based on one assumption —

Rudyard Griffiths: Your time is out I'm afraid.

Ladies and gentlemen, we're going to do something a little bit different tonight: we're going to have timed rebuttals here. We're going to let both of these debaters engage with what they've heard in the opening statements, and really get this debate underway. We're going to have two of these rounds. Stephen, you're up first. We are going to put three minutes on the clock for you.

Stephen Bannon: You know, this is the oldest trick in the book: just smear the populist movement; smear the “deplorables.” Hillary Clinton tried that. We saw how it turned out.

David, the reason that Donald Trump and the populist movement rose is because of the administration you worked in [*the George W. Bush administration*]. You keep talking about the ability to make these decisions, and how great a decision you’re making, all these scumbags and thieves that are in the populist movement. The reason you don’t like it today, is liberal democracy. The concept in *The Economist* is *illiberal* democracy. The reason you call it that is, of course, Orbán is winning with 70 percent of the vote; Di Maio and Salvini are winning with two-thirds of the vote; Captain Bolsonaro wins with 55 percent of the vote; Donald Trump wins with over 300 electoral votes [*laughter*].

Tough. Tough.

In the watch of President [W.] Bush, we saw the inexorable rise of China. It was told that it was the second law of thermodynamics: they were going to become a liberal democracy and a free market capitalist. And we just watched the beginning process of the de-industrialization of the United States, shipping all the manufacturing jobs over there. If you read J.D. Vance’s *Hillbilly Elegies*, the great sociological study of the “deplorables,” it shows you a direct correlation between the factories that left, the jobs that went with it, and the opioid crisis. They took away people’s self-worth and dignity. The second was the “great decisions” and the \$7 trillion, that’s Brown University, Watson Center — that’s not Breitbart — that’s their analysis of what it costs on these wars that we still haven’t won and are still in, seventeen years later, with 10,000 dead, 40,000 or 50,000 combat casualties, and \$7 trillion spent. And the last is the financial debacle. On *their* watch.

You know, it’s pretty easy to sit here with all these hifalutin terms and how “racist” — the populist movement is not racist. Look at the economic benefits that are coming through President Trump’s policy. And if you believe for a second his thing about Obama — he didn’t understand the math between \$880 billion and \$4.5 trillion. It’s pretty easy to create things when you’re flooding the zone with capital, and destroying the basics of the Judeo-Christian-West family, which is saving. You cannot save anymore; you don’t have a pension plan. That is all the work of the “great elites,” of the permanent political class, that look at the populist movement as a bunch of racist, nativist xenophobes. Well it’s not. They’re the

backbone of our country, the most decent people on earth. Here in Canada you're built upon the same building blocks of the little guy, the little person — what do you call it — for the common good.

David Frum:

I did work for President [W.] Bush, and I served him on one of the darkest days in American history, 9/11. I was in the White House that day, and I saw what the American spirit could be. Steve Bannon voted for President [W.] Bush twice — I believe that's correct?

And we have one other thing in common which is — he will maybe not remember this — but this is actually the second time he and I have met. The first time was when I made an appearance in one of his films. It was about ten years ago: I got a call from a friend of mine. There was this Wall Street banker who was setting up a new career as a Hollywood producer; would I be interviewed for one of his movies? And we talked about these very themes. And at the end of it, Steve Bannon kindly sent me back to work in one of his limos. So I am very surprised to see my old producer-friend now emerging as this fiery tribune of populism [*laughter*].

But it is absolutely true that liberal democracy is in trouble now because of the failures that have happened in the past, because of the financial crisis, and because of lost wars or unsuccessful wars. And it was true that liberal democracy in the 1930s got into trouble because of mistakes that were made: there would have been no fascism had the 1920s led to permanent success.

The failures of a good system are not a reason to turn to an evil one. We have to renew and repair.

When Steve Bannon and I talk, one of the things we have in common — and this is one of the things I really credit him for — is, in a world of Republicans who said that everything was fine, Steve Bannon was one of the first people to say that things were not fine. We saw the same thing. We saw the stress that was happening to middle-class incomes, and we saw the tensions that were rising as wealth became more extremely unequal in the United States.

I think one of the reasons it's interesting to reconnect after this time is because we had very different responses to that. The populist movement sees those fissures, and sees them as opportunities to exploit, to destroy, and overthrow; and I see them as flaws that demand reform, constructive repair, and renewal.

What you're being asked to vote on tonight is not, was everything handled well in the Bush years? What period in history was everything handled well? The question is, what are you going to do about it, how are you going to respond, what kind of world do you want to build? The choice is between destruction and renewal, between freedom and non-freedom. The choice is between a society that respects everybody — *all* the people, and a politics that defines the people against the people — always excludes someone else out, and it makes the basis of the nation the suppression of much of the nation.

Stephen Bannon: David Frum needs no introduction; he's one of the most significant public intellectuals in the United States and the conservative movement. And, yes, I reached out to him when I made a film about the financial crisis because I needed his intelligence, I needed his perspective, I needed his wisdom. It's a very high priority for me and others in the populist movement to convert people like David Frum to our cause.

We're not trying to stop elections. We're going to win elections! We love elections, because we're going to win. Victory begets victory. We're not saying, don't have elections. We're the true anti-fascists: fascism looks to *worship* the state.

The Trump movement has three things: economic nationalism, America First national security policy, and deconstruction of the administrative state. The progressives over the last forty or fifty years have built up an administrative state bigger than the cabinet departments we have. Something the founders never — it's a fourth branch of government. Trump's entire program — that's why Gorsuch and Kavanaugh are in the Supreme Court.... The Chevron exemption.... They're all about deconstructing. It's not deregulation: it's taking the Leviathan apart brick by brick, which David Frum has argued *for*, for thirty years of his professional life. Economic nationalism is putting your country first when it comes to the economy, and to not have the maximization of shareholder value, but have the maximization of *citizenship* value.

If the Trump program and the populists are so bad, David, how did we get the new NAFTA deal? And the key to the NAFTA deal ... is to create a geostrategic manufacturing base that will counter East Asia, and not allow China to gain the system through Mexico. The benefits of this — as you see the supply chains, you see the EU and Japan and Korea have bilateral deals with us — are going to be enormous. It's going to bring our manufacturing.... It's like the

original NAFTA, when Canada's economy went up ten times because of the manufacturing it took from the U.S. You're going to see the supply chain start to come back [*comment from audience*]. Reasonable men can disagree.

The America First national security policy is to.... The roles-based international order is on the back of the "deplorables;" it's their sons and daughters in the Hindu Kush, in the South China Sea, on the thirty-eighth parallel. That network of commercial relationships, capital markets, trade deals — from Europe, to the Persian Gulf, to South China Sea, to Northwest Pacific — President Trump is trying to reinforce that: make NATO work; make the Gulf Emirates work; have free navigation of the South China Sea, and make our allies —

Rudyard Griffiths: David, I'm not going to muck this up by over-moderating, so we're going to put another three minutes on the clock. Let's do another round and see where this goes.

David Frum: How did we get the new NAFTA? I'm going to tell you a story — and this is a true story ominously enough — about how President Trump found his most important trade advisor. When he, to his surprise, won the election of 2016, he decided trade with China was going to be an issue, so, as one does, he asked his son-in-law to find him one. Jared Kushner, as one does, went to the Amazon website and typed the words "China" and "trade" into the browser, and he pulled up a video called *Death by China*, made by a man named Peter Navarro. It was a very exciting video — lots of flames. Peter Navarro does have a Ph.D. in economics, but no peer reviewed articles. I think he was teaching — I don't know where he was teaching — and he's now the chief trade advisor to the United States. And maybe it fits, because when President Trump was making notes on his approach to trade, as Bob Woodward reports, he wrote as a prompt in one of his speeches, "TRADE IS BAD."

So how did we get the new NAFTA? A lot of responsible people surrounded Donald Trump and tried to encourage him to do as little damage as possible to the most important trading zone on earth. And the good news is that, although the president crashed into the podium and knocked the cell phone to the floor, the screen was not too badly damaged. And NAFTA is waiting there to be repaired and brought into the modern age when there are people with good faith who can do things like negotiating the digital economy — none of which got done. *No* constructive work got done. All that happened was that NAFTA was prevented from being destroyed.

One of the questions we talk about here tonight is nationalism and globalism. “Globalism;” it’s supposed to be a bad word. North American lungs breathe Chinese pollution; Russian missiles shoot down Malaysian airlines with European citizens aboard. The only way we are going to stop this planet from getting too hot for our species to live on, is if we all work together. It’s one planet.

We love our counties. Only through countries can we exercise our democracy. But we work together with friends and partners. How did Donald trump get NAFTA? By *bullying* people, not by treating them as partners. He’s never been able to negotiate a win-win deal in his business career. Both Canada and Mexico are less powerful than the United States, and in the past America always said, even though that was true, obviously, “We can work cooperatively together.” But this idea of America first, or Hungary first, or France first, or Germany first — it gets progressively less attractive doesn’t it, as we name the other countries who are going to put themselves first — we left that behind to say, “We are going to build a community of democratic nations who understand that, of course there are clashing interests that have to be worked out, but we are stronger, *always*, when we work cooperatively, and that we can build peace and prosperity.” That’s a liberal idea, in the truest sense, because the central thing we’ve been arguing about for 200 years is: is the relationship of human beings one of domination and oppression, or one of potential fruitful cooperation — and that’s the question on the ballot tonight.

Stephen Bannon: In the populist nationalist movement in Europe, as I’ve gone around and met the leaders — and I’m not an advisor to these individuals; I’ve set up a group called “The Movement” to be kind of, hopefully, the interconnective tissue that can help them focus on the European parliamentary elections next year — not one leader, haven’t heard one, say they want to destroy the European Union. What they talk about is the sovereignty of their country. They want their countries back, and they want their countries to be sovereign entities. And they want their citizens to be empowered, and not to report to these transnational entities that have no accountability, the ECB and the EU. They want to make the European Union — not the United States of Europe, where Italy’s like South Carolina and France is Georgia — they want to make it a collection of sovereign individual states that work together.

Why is that so hard, and why is that demonized? Why is the nation state — that’s been with us since the Treaty of Westphalia and is the

central building block of our world — why is all of a sudden the nation state so scorned? Why is the term “nationalism” so scorned and demonized? What people want is *subsidiary*: they want as much as control as they can have *as citizens*, and that’s through the nation state.

Donald Trump gave that back to the American people. I know you may mock and ridicule it. But the economic turnaround didn’t come from Obama, and everybody in the United States knows that. The most progressive president in the United States — and he can’t defend this — flooded the zone and bailed out the elite in our country. We have socialism in the United States for the very wealthy and the very poor, and a brutal form of Darwinian capitalism for everybody else: the devil catch the hindmost.

That’s what the future entails if we don’t get this right in Trump’s administration and further administrations. If we don’t bring out the benefits of capitalism, if we allowed the millennials.... The millennials are nothing but eighteenth-century Russian serfs right now; they’re better fed, they’re better clothed, they’re in better shape, they have access to more information; but they don’t own anything and they’re not going to own anything. Because of what Obama did, they’re 20 percent behind today where their parents were. And they live in a gig economy, they can’t afford a house, there’s no pension plans, there’s no careers. That, by the way, is the biggest potential for our populist movement — the millennials — because they’re going to see the logic of what we are talking about.

Once again, David, we are not saying we shouldn’t have elections. You just don’t like it now because the established Republicans can’t win any elections. What you serve up in all your brilliance —

David Frum:

Oh my lord. Did they bring me to Toronto to defend the Obama economic record? This is a weird argument to be having at the end of the worst month in financial markets since the financial crisis of 2009. The financial markets are telling you the Trump economy is careening to disaster.

Steve Bannon cares a lot about manufacturing jobs. Since the bottom of the recession — I looked all these things up; I don’t carry this around in my head — since the bottom of the recession, the United States economy has created 1.2 million manufacturing jobs. Two thirds of those jobs were created while Barack Obama was president; one third since Donald Trump has taken the presidency. The Trump economy is *the continuation* of the Obama economy, but with more

tariffs, more inflation and higher interest rates. And as Steve Bannon himself very astutely said, with a giant financial crisis headed our way — but it's not created by Ben Bernanke; it's created by the actions of this presidency.

Populism always ends in economic disaster because populist economics is not interested in results, and it's not interested in the future. It is an attempt to exploit emotions to gain power. President Trump, on the campaign trail, has compared — keeps accusing the Democrats of wanting to turn the United States into Venezuela; but his policies really are inspired by Juan Perón's Argentina: high tariffs, massive borrowing. The United States is going to run a trillion dollar deficit in the coming fiscal year, a bigger deficit than George H.W. Bush ran to win the First Gulf War, and a bigger deficit than George W. Bush ran to fight the Second Gulf War. And all of this is coming to a head, and the financial markets are telling us this.

It is a funny thing to talk about millennials here — I don't know if there are very many here unfortunately. A few? Some of mine? They're unpersuaded. They're unpersuaded, they're un-mobilized. Because like all people, millennials — like all human beings, every one of us — they can feel when they are respected, and they know who has their interests at heart. And they are going to demonstrate on Tuesday who they feel is not protecting them.

But this debate involves them in another way because what we're really arguing about is not who's right or wrong — although of course I'm right — we're arguing about, to whom does the future belong — because it's possible to be right and still to lose. The future belongs to my side of the argument, because the future only belongs to those who care about it. The future does not belong to those who *immolate* the future in order to achieve a temporary advantage. That is the policy of the Trump administration, and that's what all of these high-inflation, high-tariff parties across Europe are: they don't know what they want to do; they only know who they hate. And hate doesn't build.

Rudyard Griffiths: This is just too good, so I'm going to put another three minutes on the clock for you Steve — you're not getting off too easy tonight! Another three minutes. Come back on David on those points.

Stephen Bannon: You know this is the whole thing, the other smear, which I never thought David would stoop to, given my esteem for him as a public intellectual.... This whole thing about hate. Donald Trump is supposed to hate Muslims, right? He's supposed to be an

Islamophobe. Where's the first place Donald Trump went? Read the book — [*interruptions*]

Hang on, hang on, hang on, hang on, hang on, hang on.

It was to bring — [*interruptions*]

Bear with me....

The Islamic world had reached out to us. There had been limited engagement during the Obama administration. The Obama administration was engaged with Iran, so the first summit in Riyadh was set up to talk about and discuss three things that they brought up: (1) how do you eradicate Islamic terrorism from the face of the earth by cutting off the financing; (2) how does the Arab world come together as one with Israel, to stop the expansion of Iran; and (3) the Islamic world says, "We know we have to go through some sort of form of modernity; can you assist us in some way? We have to do this ourselves." Three aspects that they asked for, even before we won the election, when Trump met with them at the UN.

So how does Trump get to be called "a hater?" He went over there and said, "Hey, here's the system of how we stop the financing of radical Islamic terrorism, because it's blowing back on your societies today, in Western Europe and the United States." And look at the improvement we've made in just two years. Look at the eradication of the physical caliphate of Isis that was done in conjunction. Remember, in 2014, Isis had eight million people under slavery, they had oil wells, they were taxing people. That was Trump coming together with the Muslim world to destroy [Isis].

In addition, it was the beginning of an alliance, the beginning of a partnership — as imperfect as it is in that part of the world — with the Arab world, and Israel, and the United States, and the nations ultimately of Europe, to stop the expeditionary expansion of Hezbollah in Iran.

And the third was to assist the Arab world in any way, in *any way* — understanding that they have to do it, just like Christianity had to do it — to go through its own enlightenment.

And yet Trump is smeared every day as an Islamophobe and a hater. He's anything but. It's his actions, his actions, his *actions*. Look, it's the signal in the noise. Listen to the signal. He puts it out every day though actions. The noise I understand as a flashbang grenade.

Rudyard Griffiths: You guys have been superb; you practically made me irrelevant in this debate, and that's a sign of a great debate, when the moderator doesn't have to step in. But I want to just cover off — because I'm conscious of our time — I want to cover of a couple of questions that I know are on people's minds watching online and in this audience.

And David, I'm going to start with you and the mid-terms, Tuesday: a critical test to this presidency. He seems to have campaigned out of a populist playbook: hard message on immigration — some would say *shocking* message on immigration — hard message on China and on trade, and a demonization of the media and so-called elites. Why isn't that a powerful proof point for your opponent here tonight: the effectiveness those populist memes seem to have with the American voter, as opposed to your liberal idealism?

David Frum: Well, we will see how powerful they are. But I think Donald Trump is president not just because of those notes, but because of something else he did — and Steve Bannon was there, and this was very clever —which is, Donald Trump campaigned in 2016 as the one Republican who would respect and protect American's health insurance. He gave an interview in September to Dr. Oz — that's a program that probably a lot of people in this room and the dreaded elites do not watch, but it's watched by a lot of people; 80 percent of his audience has a household income of less \$30,000 a year — and Donald Trump said on the program, "We're going to come up with plans, healthcare plans, that will be so good and so much less expensive, both for the country and for the people, and so much better." Lack of detail, but you hear the commitment.

So what did he do? Nothing; nothing. Healthcare under Donald Trump is — especially for the Dr. Oz audience — worse. His administration is right now in court trying to make it possible for insurance companies to deny coverage to people who are already ill. And the Democrats are talking about health insurance. Republicans should have had an answer to this question. One of the dreaded elites whom I quite like, Mitt Romney, he did — and he actually got a larger share of the popular vote than Donald Trump but the ball didn't bounce right for him in the Electoral College, and so this job was left for Barack Obama to do. But that is going to be a pounding, because the people who we're supposedly here to protect, the people that — if we actually are concerned for them and are not just using them — they need a health system that works for them, and Donald Trump has blown it up.

Rudyard Griffiths: Steve, we come to you on mid-term question also. You've said it: this is a critical test of your guy, this president. If he does not maintain both Houses, his presidency is in real danger, according to *you*. That's the end of his populist movement; that's the end of your populist icon.

Stephen Bannon: We're just in the top of the first inning on populism. This is a critical test, there's no doubt about it. I think if you look at what's going to happen, I believe we will hold the Senate, and I think it's a complete dogfight for the House, and we'll see. And if we lose the House of Representatives, as I've told you — and I've seen David talking on TV — the Trump program will grind to a halt; there's no doubt about that.

But remember, we understand it's a process. Both Brexit and 2016 are inextricably linked. Look at Brexit two years later: they're no closer to a deal than [when] they first started because the establishment wasn't just going to pat the British workers on the head and say, "What a great idea, why don't you just leave the EU?" Just like with Donald Trump, they're not going to pat him on the head and say, "This is fantastic — all your great populist and economic nationalist ideas — why don't you just take the keys and run for it?" You are going to have to win election after election after election, and I think the Trump base understands that. I anticipate it's going to turn out.

I want to address one thing with David. When we won as a coalition, one of the first things I did was reach out to the Republican establishment in mid-August. We had to win as a coalition, just like the Reagan coalition, where you had economic conservatives, and you had anti-communists, and you had the religious right. We have the same thing: we have the establishment, we have the populist nationalist movement, we have limited- government conservatives. We are a broad coalition; that's what needs to come together to win.

In governing, David, we turned immediately to the Republican Party, our partner in that victory, who said, "We've got it. Give us the keys on healthcare; we've been working on this for seven years." The entire debacle on healthcare in that first year was one hundred percent the Republican establishment. It turns out, they didn't really have an idea about healthcare.

The same thing with taxes. Remember, we were going to start with the "border adjustable" tax that Paul Ryan had worked for seven years on. In ninety days, that got blown, and we had to do the tax

plan we had, of which, by the way, I argued — as many of you know that read *The Wall Street Journal* — in the Oval Office, for a 44 percent tax rate for people that make over \$5 million a year; and I was blown up! I was blown up by the progressive Democrats that were in the administration, the Wall Street guys, who forced in the big tax cuts — which President Trump has now realized, I think, was not actually the best thing to do; that's why he brought the middle-class tax cut last week. You know it takes a while — he's getting his sea legs, you don't start day one —

Rudyard Griffiths: David do you want to jump in at his point? I think that's a great segue to bring some Frum into this conversation?

David Frum: The best defence of Donald Trump is: the job's just too hard for him. The best defence is — he looks cruel and unfeeling and bigoted and hateful — but really the problem is, he's just never run a large enterprise before, and he's certainly never paid his debts before, so how could he do it? The buck must stop anywhere else.

Donald Trump did all these things; he signed all these things. It is an amazing fact about the presidency that you do have to deal with other people, and you do have to make compromises, and you do have to build coalitions. And if you can't do that, then you're not very good at the job of being president.

Stephen Bannon: The economy is not only growing at 3 percent, 3.5 percent, some say maybe 4 percent — I realize we owe President Obama all that; 3.5 percent — but Trump is taking liquidity out of the market, he's taken \$360 billion in quantitative tightening; he has not opened up the spigots to liquidity.

And what's he's doing to our national security — he is the one that's trying to *rejuvenate* NATO. He is the one that's sitting there going, “Hey, listen; the British can put up one combat division, the French two combat divisions, all the rest of NATO a combat division. The United States can't bear the entire burden.”

We have a \$1 trillion defence bill. I know it says \$780 billion — it's a trillion dollars. It's a trillion dollars. We can't afford to continue to do that. It's not that we don't want to be engaged in the world, and we will be engaged in the world. But what Trump is saying, from Europe to the Persian Gulf, South China Sea, Northwest Europe: it's trade deals, commercial relationships, capital markets — and an American security guarantee. That has to change and we have to have partners, like we have allies in Canada, in Israel, in UAE;

everybody else has to step up and be and be an ally. We're not looking for protectorates, that's what Trump's saying. I haven't seen one — and David we can get into this — I haven't seen — and I don't want the discussion of populism to devolve to one about Trump's presidency — I haven't seen a bad decision from Trump yet.

David Frum: When we talk about Trump and NATO, this is where I really feel for the poignancy of Steve Bannon's position tonight. Steve Bannon wore the uniform of the United States. I believe your daughter wears it now?

Stephen Bannon: Yeah, she's in the First Airborne.

David Frum: And Steve Bannon described the Trump family's meeting in Trump Tower with agents of the Russian state as borderline treason. So, I accept that you believe in America's defence relationship with its traditional allies. But your president does not, and his family does not, and they are *selling* the United States.

Stephen Bannon: David, do you disagree though? Let's talk about NATO, because this is about America First national security. Donald Trump is trying to save that alliance. What he is saying is people have to put in 2 percent of GDP; you just can't continue on like this. When we first stepped in, we put a \$30 billion supplemental, just because of operational readiness. The Italian/German defence budget is not more than \$30 billion. We're not looking for protectorates. And that's what Trump is saying. Trump is more engaged in the Persian Gulf, he's more engaged in the South China Sea, he's more engaged in the Northwest Pacific, he's more engaged in NATO than any president in living memory, but he's doing it in a way to say, "Hey we can't bear the entire burden anymore, we just can't." The "deplorables" — it's all on their shoulders, it's their kids and their money. And it's come time that we're not looking to be an empire. We're not an *imperial* power, we're a *revolutionary* power.

David Frum: If the suggestion is — as you've made a couple times — that it's the "deplorables," meaning Trump supporters, who are doing the fighting for the United States, this is an example of one of the real ills of populism, because may I remind you: that force is one third made up of non-white people who certainly did not vote for Donald Trump, and they get forgotten and omitted from the story. We have to be able, as we see the country, as we see the United States, to see it *as it is*. You're only a patriot if you love your country *as it is*, not

as you imagine it might have been in the past, and not if you begin to chop off groups of people you think do not belong there.

Donald Trump on NATO made it clear through the campaign that if it's up to him, NATO countries are not being defended. Estonia — he told Maggie Haberman and David Sanger of the *New York Times* in an interview at the time of the Republican convention — not going to defend it if it's up to him. Estonia is a NATO partner.

But overhanging all of this — I don't think you can talk about the Trump foreign policy and any of these, by the way, these parties that you advise through Europe — they all have some sinister murky connection to Russian power. The National Front: funded by them; your Italians friends.... And as I said, I do not put this on you — I know you wore the uniform. But I don't know how you, having worn the uniform, can sit with these people who have these sinister connections, and know that there is someone else who does not have the interests of your country, my adopted country, at heart. And he is calling the tune for all of the populist parties.

Stephen Bannon:

I want to return to Russia in a second, but I want to talk about the first one. My daughter, when she had her last command — she's back at West Point where she's on the staff — I think she had fifteen non-commissioned officers, all of them African-American or Hispanic. I think something like a third or 40 percent of the United States Army today is made up of African-Americans alone. Donald trump understands that, the “deplorables” understand that. Remember, one of the focuses we have — that's why black unemployment is so low, Hispanic unemployment is so low — one of the focuses we have as a populist movement, is to take 25 percent of Bernie Sanders' movement, the economic nationalists and that. The focus — and I've said this from day one — is to get a third to 40 percent of the African-American vote, and a third to 40 percent Hispanic vote, the working-class and middle-class.

That realignment with a Trump base will give us a governing majority for fifty years. It will be like 1932. 1.8 million African-Americans that voted for Barack Obama did not vote for Hillary Clinton. Now, they weren't prepared to vote for Donald Trump, and I think you're going to see the same thing. They may not be prepared to vote for Donald Trump *now*, but it's a process. I think that the Democratic Party is going to be in complete shock on Tuesday about the turn-out of the African-American vote, and, I think, the Hispanic vote.

David Frum: If Donald Trump and his Republican Party, as it's been remade — not the McCain party, not the Bush party, not the party I believed in — if they believe that African-Americans were going to vote for them, they would allow them to vote rather than bending heaven and earth to stop them.

The outcome of the race in Georgia depends on whether black people are allowed to vote as the Fifteenth Amendment — and so many promises since then — have said they should be allowed to, and the candidate there is doing everything he can to stop them.

What happened in 2016 is true: black voter turn-out dropped off dramatically between Barack Obama and Hillary Clinton. Well, you might say that kind of makes sense. But something else was weird about that election, which is: a smaller percentage of black people turned out to vote for Hillary Clinton than turned out to vote for John Kerry, in 2004. Now that's hard to explain — unless you remember that between 2010 and 2016 a lot was done to make it much more difficult for those ethnic minorities in the United States to vote.

And that is not happening by accident: it's a plan. And this is why I keep returning to the saying that populism is not a politics of the people, it is a politics of *some* of the people, defining *others* of the people as not being of the people at all, and many of the people — including its free media institutions — are “enemies” to be sent pipe bombs to, through the mail, by supporters of Donald Trump.

Rudyard Griffiths: And that's a question we've got to address tonight Stephen, which is the incredible hate that has seemed to have surfaced during these mid-term elections. You are the avowed architect of the Muslim travel ban in the United States, you participated in that. You are someone who —

Stephen Bannon: The travel ban that was upheld by the Supreme Court of the United States; that travel ban?

Rudyard Griffiths: That travel ban.

Stephen Bannon: Okay. Thank you.

Rudyard Griffiths: You are someone who's participated in rallies where your Democratic opponents are called “evil,” “un-American.” Are you really going to say to this audience tonight that all of that vitriol, all of that hot populist rhetoric, is not responsible for the spike that we've seen — and the numbers are real — in terms of political violence, and even worse: white supremacist terror?

Stephen Bannon: Yeah, look — by the way, did Hillary Clinton not two weeks ago, or three weeks ago —

Rudyard Griffiths: Hold on, hold on; we're getting off topic here.

Stephen Bannon: No, no, this is —

Rudyard Griffiths: Let's not go back and start arguing. This isn't a debate about Hillary Clinton.

Stephen Bannon: No, no, no. *This* is the topic. The topic is —

Rudyard Griffiths: Can you answer the question though?

Stephen Bannon: Hang on, nobody focuses on —

Rudyard Griffiths: Can you answer the question, plain and simple?

Stephen Bannon: No.

Rudyard Griffiths: I asked you a question.

Stephen Bannon: There is no correlation between —

Rudyard Griffiths: Okay, thank you.

Stephen Bannon: There is no correlation, none.

Rudyard Griffiths: Explain.

Stephen Bannon: There's just no correlation between the rhetoric of our movement and what is going on. The first individual was obviously mentally ill for many, many decades. He had done this back in the 1990s. And the [perpetrator of the] horrible tragedy in Pittsburgh with the massacre thought Trump was *too close* to the Jewish people because he had moved our embassy to Jerusalem. He thought Trump was *too pro* the Jewish people in the United States. He thought [Trump] was *too anti-BDS* [*Boycott, Divestment and Sanctions Movement*]. This guy was a hard-core anti-Semite, and someone who hated the Jewish people. How could you lay that on Donald Trump? The rhetoric on the left is just as bad, the opposite party media will not report it. Please, spare me, spare me, spare me.

I just made a film called *Trump at War*. The first five minutes is a prologue. What I took is Don Lemon — I respect Don Lemon — I took Don Lemon's "greatest hits," when he looks into the camera and says, "It's not Donald Trump who's a racist, it's you who're a

racist, you're a xenophobe, you're a racist" — the *backers* of Donald Trump. And I cut it with the footage of Antifa beating these people up ... if you wear a red ball cap. And someone said, "Where did you get this footage; it's almost X-rated?" I said, "Hey, this is shot by the cable networks, it's shot by people, it's just never played." It's always *Trump's* supporters that are the "racists," it's always *Trump's* supporters that are the cause of all this. They never talk about Antifa, they never talk about the intimidation. Look at what happened to Ted Cruz; look at what happened to Mitch McConnell. Do not sit here and tell me that the left and that the Democratic Party, and the instigators like Hillary Clinton and [Eric] Holder ... Holder said, "When they go low, kick them." That's never mentioned. The violence that's brought up by the democratic left is far worse than is brought out by our movement.

David Frum:

A few minutes ago this evening, Steve Bannon said that when you're assessing President Trump, you have to distinguish the signals from the noise; the things he does from the things he says. So, I wrote words [*speeches*] for a president, and one of the things I learned was that what a president says, is what a president does. Now, obviously President Trump is in no way accountable for that terrible crime in Pittsburgh; obviously. What he *is* accountable for is what he didn't do decently afterwards; that he could not find words; he could not find something in himself. Now, that's a personal failing — that maybe doesn't have political consequences. But the pipe bombs — that's a different story, because that person was someone who was previously completely un-political, became political in 2016, became obsessed with Donald Trump. And every one of the people who got a pipe bomb was a *named* target of President Trump's.

Now, if somebody had listened to Eric Holder and had decided to take him literally rather than metaphorically — as he obviously intended — and somebody had gone on a kicking rampage, and kicked somebody to death, and it turned out he had Eric Holder posters all over his room ... I bet we'd see a pretty contrite Eric Holder today. But that didn't happen. What *did* happen though, was the pipe bombs went to President Trump's — the people he had named — and President Trump said, "I blame the people who got the pipe bombs!"

Stephen Bannon:

David, David, David. You just said that President Trump made them targets. President Trump never made them targets. Maybe in speeches over this time he singled those people out, but he's never sat there and said, "they're targets." You can't equate the two.

David Frum: There are 330 million people in the United States, and most of them, of course — like all people everywhere — are wonderful; but some are disturbed. And disturbed people — like the unconscious mind always seeks to be taken seriously, to express itself in terms that are intelligible. And presidents do set tone and give permission. Now, most of us will never behave wrongly no matter who the president is, and that's why American society is not dissolving as we speak — because if people acted like the president, the place would be Gotham City. But there are people who are at the cusp, and who are asking themselves, “Are my behaviours normal?”

We have seen that. And this is one of the reasons that Breitbart was so powerful — unfortunately, I think, not for good. You can see the *radicalization* that has happened even within the sort of so-called “legitimate” conservative media: how much more radical Fox News is; how much more credence it gives to crazy conspiracy theories; and how much more, by the way — while of course no one wants violence — how much more airtime it gives to subliminal, anti-Semitic messaging. I think —

Stephen Bannon: Anti-Semitic — subliminal, anti-Semitic —

David Frum: Every Jew who hears the way George Soros is talked about knows the text beneath the text.... And I think, in a way, I try to — I can't of course put myself completely in the person's shoes — but try to imagine how it must [sound] to black people, or to Mexican-Americans, or to Asian-Americans, or members of any other group. When you hear this barrage, and you hear something that seems like, “Oh, we're just talking about this *one* shadowy mastermind — plutocratic person — that bends the world to his will through his monetary conspiracy; not everybody else, just this *one* person.” We all hear it and we know what is meant, and it has resonance though history, and we feel endangered.

Rudyard Griffiths: Now, to be conscious of the time —

Stephen Bannon: Can I respond to this?

Rudyard Griffiths: Yeah, you're going to respond to this —

Stephen Bannon: George —

Rudyard Griffiths: Hold on one second. We're going to respond to that — just so the audience knows where we're going — and then we're going to go to closing statements. So respond, respond.

Stephen Bannon:

We're having a such a good time I thought we could engage some more.... Let's waive our closing statements and still have combat!

George Soros — I saw it in the *New York Times* the other day — George Soros is demonized because he's *effective*, not because he's Jewish, and he's been very proud of how effective he's been. I kind of model myself and my NGOs on George Soros, that's how effective he's been in in Europe and the United States. And he has not been shy about bragging about that over the last ten years, of what he's done, how much money he's put to work. He's been incredibly effective. In that regard, he is a role model on his effectiveness. But, as I said the other day, when you're that "out there" — I've got security all the time and I'm a "grundoon." It's the admissions price. It's the admissions price. When you're dealing in this type of environment, it's the admissions price. This is not about George Soros being Jewish.

It's just like "globalist;" it's not some dog whistle for — it's not about the Illuminati, or the Jesuits, or the Freemasons, or the *Protocols of the Elders of Zion*. The "Party at Davos" — this is the thing — it's no conspiracy, it's in your face! It's in your face every day. Look at the op-ed that was written, the anonymous op-ed that was written, about President Trump — this kind of rolling coup in his administration. They're quite proud of the establishment Republican who said, "We're the 'steady state'." That's what it is. There's no hidden conspiracy, and there's certainly no subliminal.... The commercial that they rip on President Trump [about], was written by myself and Stephen Miller — Stephen Miller is Jewish. There was nothing about ... there wasn't any code words about that. It was off of Hillary Clinton's speech.

And this is the thing that just ... the acid that's dropped on Trump every day about this, to try to *delegitimize* him as a president. He has not been delegitimized; he has not. This is the "nullification project," David, that started from the moment he won. The establishment rejected him, they considered him a clown, they considered us clowns — an island of misfit toys that kind of ran this campaign and at least reached out to working people and said, "Yes, your concerns are our concerns." That's why we won Michigan; that's why we won Wisconsin; that's why we won Ohio. It wasn't Trump that didn't use Barack Obama to go to places like Iowa where he had won in landslides before, or Ohio, or these other districts; that was Hillary Clinton's campaign.

This thing of the total demonization....

I understand how he's triggered people. That's why we may lose the House. The left, the Time's Up Movement, the resistance and the Tom Steyer movement.... I disagree with their ideology. I admire their grit and determination because they understood something that David and the Republican establishment did not get: that Donald Trump is a *transformative* president and a *historic* figure. He is going to be in your lives ten, twenty, and thirty years from now. That's a Kafkaesque novel isn't it? It is. And it's just not about the judges and the 140 federal judges in appellate court that are going to go to 200, that are all going to be federal society, and textualists, and originalists, and deconstruct the administrative state. It's what he's doing from a legislative point of view. Why do you think the left has been out there like the Tea Party? Why do you think they've been out there since April and May, walking — doing the hard work of politics, knocking on doors? You know why? They know they have to stop him on Tuesday or he's going to get further in their lives. They understand he's transformative; they understand he's a historical president. And it's just going to keep on.

Rudyard Griffiths: Okay, closing statements. We're going to put five minutes on the clock for you, David; and then Stephen, as per custom, you get the last word.

David Frum: I appreciate my promotion to the Republican establishment. Maybe that will help me get a reservation at the Trump Hotel where the lobbyists and the members of Congress gather to eat overpriced steaks and put the money directly into the president's pocket. That seems to me pretty much where the Republican establishment is today.

If Donald Trump and the Republicans lose on Tuesday, and if they lose badly, it's not going to be because of "the left," whatever that means. It's not [going to be] because the fifty Antifa black-masked guys who roam around the United States breaking windows and committing mayhem, most of whom are probably paid police informers. Donald Trump is going to lose because a lot of people who voted Republican in every election since 1984 — especially women — are going to say, "Enough. This is not me; this is not America."

And across Europe, one of the things that needs to be borne in mind through all of these so-called "populist parties" across Europe, none of them are quite ever able to get an actual majority of the vote. They get stuck at about one third. And the secret of their power is not democracy — not to win elections — but to manipulate the political

process, to manipulate the media process, to break institutions, to take over courts, to corrupt media in order to exert power in anti-democratic ways. And that is indeed what Donald Trump has been doing in the United States: slowly corroding institutions. He is not a popular figure; populism is not popular. Populism is the art of subdividing the country and excluding much of the nation from the rest of the nation, in order to justify the authority of some.

We are here tonight to talk about where the future is going, and we are here — I am going to ask for a little bit of an act of faith, not just to wear these [*points to poppy on lapel*], but to think about what they mean; the sacrifice that earned them.

We wear these to remember people who shouldered arms at a time when things seemed a lot more hopeless than they do now; a lot more frightening than they do now. In 1940, in 1939, things seemed worse, and the people we were up against seemed more dangerous. And the forces of good seemed more divided — but they prevailed, and so will we. Liberal democracy is stronger than it looks because human kindness and decency are stronger than they look. The cruel always think the kind are weak. But they're going to discover that loyalty and patriotism — these are tremendous resources — and they are going to begin to be felt more and more.

It's been five years of a losing hand for those who believe in the things that I do, and that I hope that many of you do. Whatever our party identification — whatever you call yourself — if you believe in free trade, if you believe in a free society, if you believe in an executive that's accountable to the legislature, if you believe in honest government, if you believe that the head of government shouldn't steal and do business on the side, and shouldn't be beholden to Vladimir Putin; if you believe those things, it's been five tough years. But at another dark moment, another great American president Franklin D. Roosevelt said, "History has recorded who fired the first shot, but in the end, all that will matter is who fires the last shot."

And on this one, the future belongs to the people who cherish the future, not to the people who are despoiling it, not to the people who are indifferent, not to the people who are out for advantage, not to the people who know what they are against and can only tell you how to wreck — but to the people who actually have answers to the challenges that we as democratic societies face: the challenge of dealing with concentrated wealth, the challenge of making sure that economies grow faster, environmental challenges, the challenges of

effectively and fairly governing a multi-ethnic society, the challenges of building ways that men and women can live together on terms of respect and equality. Those challenges — the people who have answers to them — the answerers will always beat the non-answerers. Something positive will always beat something dark. That is something, anyway, that I believe, and that I ask you to believe.

I think we are going to see, when all of this is done, that the people who have done the right thing will be able to look back on their records with pride, and the people who have done the wrong thing will not; and that the answers tonight on the other side of this aisle are heading to something that George [W.] Bush — for whom I worked — so memorably called, “History’s Graveyard of Discarded Lies.”

I ask you to vote *against* the resolution, but above all, *for* your faith in yourselves, in what you have built, in a better world, in a world based on mutual respect, and not on the domination of some by others.

Stephen Bannon:

That was very good David; and irrelevant. President Trump identified himself as a nationalist the other day, and the media went into a complete meltdown. Judge President Trump and this populist movement — and the populist movement worldwide — judge by their actions, hold them accountable. We’re not perfect; people are trying to figure this out as they go. But I will tell you one thing: the little guy — this is about the little guy versus the elites. The little guy identifies with that, whether it’s in Hungary, whether it’s in Italy, whether it’s in Brazil, whether it’s in the United States of America. The future obviously belongs to populism. It’s only going to be defined by: is it left-wing populism, or conservative and right-wing populism; is it about deconstructing the administrative state and opening up the power of capitalism, or is it going to be about more state intervention in your entire life — because *that is going to be the future*.

The battle going forward in the United States is against the Bernie Sanders, and the Cory Bookers, and Elizabeth Warrens, and that aspect of the Democratic Party that grows in strength every day — the resistance. That’s the reality; the rest of it is just happy talk.

The other thing: look beyond the smears, the signal and the noise. Look at the signal, look at the actions, look how they are bringing people in. Look at how this populist movement will reach out and

take the economic nationalists and the Bernie Sanders movement. Look at how we will go, and accommodate, and bring in, a third of the African-American vote in our country — something the Republican Party, for decades and decades and decades, talked about and never did. Look at it right now: I think it's 40 percent — the poll today — 40 percent of Hispanics agree with what President Trump is doing on the border, because they understand they bear the burdens of the solutions of that.

I'm not saying President Trump is perfect; he wouldn't say he's perfect. He's a very imperfect instrument. He might not say he's an imperfect instrument but....

I can understand David's frustration. I can understand the *angst*, you know, as one of the senior public intellectuals and leaders of the Bush administration — the traditional Republican Party. Look at the sixteen people that ran against President Trump in 2016, or the fourteen. They were a flower of a generation of donor money, of the heritage of AEI [*American Enterprise Institute*], of [*the*] Cato [*Institute*], of Paul Singer of the Kochs — of all of it, and look at the quality of the people: Jeb Bush and Marco Rubio, Governor Christie, Ted Cruz, Rand Paul; every vertical had its best person.

It was the strongest field in the history of the Republican Party, and Donald Trump cut through that like a scythe through grass. Why? Because he talked about trade, he talked about this radical idea, a radical idea of free trade — particularly when you're going against a totalitarian mercantilist society like China. He talked about the de-industrialization of our country; he talked about what people — where people's lives are; he talked about what mattered. That's why he won. That's why he won the Republican primary; and that's why he beat Hillary Clinton. Our whole thing was to compare and contrast. You [*Trump*] are the tribune of the people and she is the guardian of a corrupt and incompetent elite — a permanent political class.

Somehow, I see I'm not quite connecting....

This is the future. And it's not — and I realize David tonight tried to demonize this — it's not racist, it's not nativist, it's not xenophobic. The “deplorables” are the finest people. We're in the Fourth Turning of American history: we had the Revolution, the Civil War, the Great Depression, World War II; and now, the Fourth Turning. Every eighty to one hundred years this happens, because in *Generational History* — the movie David was in with me — it's about how you're

raised, how you raise the generation. We're in the great Fourth Turning. In the next ten, fifteen or twenty years, the United States is going to be — we're either going to be the country we were bequeathed, or we're going to be something totally different. And the backbone of our country — we're not an idea; America's not an idea. It's a nation. We have the greatest land, the greatest resources; we have a divinely-inspired constitution and declaration of independence. But that's not our strength. Our strength is the "deplorables," just like in Canada; it's the little guy. It's upon their shoulders everything rests. And they're the backbone of the populist movement. They're not racist, they're not nativists, and they're not xenophobes. They're citizens of the greatest country in mankind's history, and *they* — not Donald Trump, not Stephen K. Bannon, not Mike Pence — *they* are going to lead us through these great turmoils to come.

Thank you very much for having us tonight.

Rudyard Griffiths: Well, ladies and gentlemen: absolutely superb debate tonight. I want to start with a few thank yous. First, thank you to this audience on behalf of both of the debaters on the stage: you were engaged, you were civil — [for] the most part. But more importantly, I think we've done something tonight. We've shown that Toronto is capable of coming together to discuss difficult, contentious, ideas in a way that informs and engages all of us, so bravo to the Munk community.

Next, I think we owe our debaters a big thank you. Let's hear it. That was superb guys. Opinions may or may not have been changed, but both of you talked across the moral, and intellectual, and ideological divides in our society. And that's something that just does not happen enough, and it's a credit to this series that we were able to facilitate that tonight. So thank you, both of you.

Two final people — because this was a challenging debate for everybody — two organizations I want to single out. First, the Roy Thomson Hall Corporation. This was not easy for this organization to pull over: they gave us this hall, they stood up for free speech, they made this debate happen! Bravo!

And finally, it goes without saying that, unfortunately, there was a demonstration tonight. I understand possibly even one police officer was injured. So I think on behalf of all of us, we just thank the Toronto Police Services for *everything* that they've done this evening. Superb job guys, absolutely superb.

Okay, we are now going to get to the point of tonight, where we get to vote on this resolution for a second time, and figure out how opinion has changed in this room as a result of the last hour and forty minutes of captivating debate. So I'm going to open the question now, and we're going to allow you to use your clickers again.

We're going to do the same thing we did last time: so if you're in favour of the motion, "Be it resolved: the future of Western politics is populist not liberal," press "A" or one. If you're opposed to the motion, if you're against it, press two or "B."

While those votes are tabulating, let's just remind ourselves of where opinion in this hall started at the beginning of tonight's debate. If we can get those numbers up on the screen to see where we all started off? I think it was 28 percent in favour of the motion, 72 percent opposed; but we'll get those numbers in a moment. And then we had a fairly large group of you in this hall that said that you could change your mind; I think slightly over 50 percent of people thought they could change their mind.

So, let's close the second vote on the resolution now. We are going to give it a few minutes to tabulate, and then we're going to find out a really important live vote at this moment: how has opinion shifted in this hall.

Can we see those results now?

*[Due to a technical error the incorrect result was displayed during the live show. The final result was 72 percent against the motion and 28 percent in favour.]*

Congratulations. Shake each other's hands for a superb debate.

Rudyard Griffiths: Okay ladies and gentlemen, that's it for tonight. Thank you to the Munk Family, the Aurea Foundation. We will do this all again in the spring. Have a safe evening on your way out.

Rudyard Griffiths: *[To the streaming audience]* Was there any kind of consensus that they reached about the issues under discussion? Is there anything they've left unsaid? We're going to give you that exclusive behind-the-scenes, post-debate analysis from Steve Bannon and David Frum right now. So just follow me and we'll bring the two debaters over here.

So, just a moment and we'll get our two debaters right here to talk to us about what they felt about tonight's proceedings. And again,

for those of you watching online, we have had this live poll up and running: [www.munkdebates.com/vote](http://www.munkdebates.com/vote). You can vote on the resolution at the end evening too, just like the audience in the hall.

Here we have David Frum joining me; we're going to get Steve Bannon in the shot too.

Steve and David, that was a terrific debate. I've done a lot of these over the years. This was an important issue; you two guys really engaged with it. So on behalf of the Foundation and on behalf of the Munk Family, thank you for doing this.

Let's just talk about a few things briefly. First of all, I like asking this question — to you first David, and then I'll ask it to Stephen. Which of his arguments did you find the most convincing?

David Frum: Most con—?

Rudyard Griffiths: Which caused you potentially to rethink your belief in the resolution. Was there anything that he said that made you think, “Hey, wow that's a point that's worth registering?”

David Frum: The strongest point, and the one that is powerful to make, is the one about what people have been through over the past ten years — the pain of the financial crisis and what happened afterwards. That's really true, and that's why established institutions have taken such a beating; and of course the Iraq war and the Afghanistan war — that continuation. That's ... I think that really plays a big part of what's going on in the United States; and in Europe you could mention the Euro crisis and the migrant crisis. Those are the powerful things that have made the basis of this new kind of politics.

Rudyard Griffiths: Same question to you [*turns to Stephen*]. Which one of David's arguments in this debate, would you say, “Hey, that's a point worth registering; I appreciate that analysis”?

Stephen Bannon: Well, I actually agree with most of what he said about... We have to think these things through and we have to vote. I mean, look: one of the reasons I came here tonight was not just to engage in the debate with the good people of Toronto. In our movement, if we don't convert people of the stature of David Frum into our movement as the public intellectuals, we're not going to have a movement; it will peter out like he said; you know, it burns hot and then dies out. My whole point to Republicans and particularly senior thinkers, like David Frum, is that, “Hey, this is an aborning movement; we need thinkers in it.” And it doesn't have to be — I know David's thing is

about how dark it is and the dark side of it — it doesn't have to be like that. That anger that's there — the natural populist anger — can be channelled in a very *positive* direction to change the country. I thought the most impressive was that [David] is an incredible debater —

Rudyard Griffiths: He is.

Stephen Bannon: The entire night was —

David Frum: Like 2016 — as in 2016; the rural vote came in [*laughs*].

Stephen Bannon: Exactly. What an evening.

Rudyard Griffiths: Well guys, again, I think we've all earned a drink. Do you agree?

David Frum: Yes.

Rudyard Griffiths: Okay, let's do it. Thanks again for a terrific debate; thanks for coming to Toronto, Steve.

Stephen Bannon: Thanks for having me.

Rudyard Griffiths: David, this was a long time in the making.

David Frum: [*To Stephen*] Thank you, congratulations to you.

Stephen Bannon: Thanks.

Rudyard Griffiths: A great evening.

Ladies and gentlemen who have been watching on the live stream right now, thank you for being part of this conversation. As I've mentioned, we do these debates twice a year. Sign up for our free membership: [www.munkdebates.com](http://www.munkdebates.com). All these debates are free, courtesy of the Aurea Foundation and the Munk Family. It's a great public service. Join. Be part of the conversation; be part of the debate.

Goodnight. Thank you. We'll see you again in the spring. Bye-bye.