

Tracy Metz

Welcome, good evening. My name is Tracy Metz, I'm the director of the John Adams Institute. For over 30 years now our mission has been to bring the best and the brightest of American thinking to the Netherlands. Until now our guests have spoken in person here, but of course that's not possible now with corona, so we are pivoting to the digital options that technology has to offer. This evening we are delighted to be collaborating with the Balie to host a live interview with the renowned political scientist Francis Fukuyama, speaking from Stanford University in California.

In conversation with Yoeri Albrecht, director of the Balie, Fukuyama will address the geopolitical consequences of the Coronavirus and I'm sure some other topics will come by as well. In a recent article in *the Atlantic* Fukuyama wrote: The major dividing line in effective crisis response will not place autocracies on one side and democracies on the other. What matters in the end is not regime type, dictatorship or democracy, but whether citizens trust their leaders. Trust is the key.

A word about practicalities for this evening's events: You can watch the interview on YouTube, or via the site of the Balie, or on the Balie's Facebook, but to ask a question you go to the link in the app Sli.do, which you will find on our websites www.john-adams.nl and www.debalie.nl. And the site for asking questions, it's just a one-click process, will also appear every now and then in the image on your screen. After the interview I will pass your questions, at least some of them, to Yoeri Albrecht and to professor Fukuyama. You can send in questions whenever you like, don't wait for us to invite to do you to do so. After the interview and the questions, I will come back to you with some short closing remarks.

Last year, on March 8th, John Adams and the Balie had the pleasure of welcoming Francis Fukuyama live in Amsterdam. Yoeri Albrecht was also the interviewer that evening, so we know we are in good hands, actually we knew that already. I will now give the floor to him, to Yoeri.

Yoeri Albrecht

Thank you very much Tracy Metz, it's always a great pleasure working together with the John Adams Institute and it's wonderful to be introducing professor Francis Fukuyama to you. Welcome to everybody at home, I'm the director of the Center for the Arts here in Amsterdam, the Balie. Professor Francis Fukuyama is truly one of the most influential thinkers of our time, but I'm going to introduce him a little bit for you. Professor at the Center for democracy development at the rule of law at Stanford University in America, the United States, the author of a large number of books, including the world-known *The End of History and The Last Man* (1992), which is an elaboration on an essay of 1989, *the End of History*, but also the book *Trust* (1996), in which professor Fukuyama explains that the most valuable commodity on earth actually is trust. The most valuable commodity in any state is trust because it's the commodity which enables states to build wealth and build large organizations, which are necessary in our world to bring wealth and stability.

But recently, the event you just talked about, Tracy, recently he published, last year actually, 2019, *Identity: the Demand for Dignity and the Politics of Resentment*, which says a whole lot of very interesting things about the politics of our time, the resurgence of the politics of identity, and the importance of identity in politics. It's been translated actually in Dutch. *Identiteit* it's called, by Atlas contact, you can still buy it. It's I think one of the most interesting reads on what's happening to our global political landscape.

You referred already to it, Tracy. Recently professor Fukuyama wrote an interesting article in *the Atlantic* in which he states that indeed the response to the Covid epidemic, pandemic, the success to responses lies in the trust citizens have in their state. We were talking about that. Welcome, warm welcome professor Fukuyama. Francis Fukuyama, it's

great talking to you, thank you for joining us from Stanford live. Maybe, just to start off, Francis Fukuyama, why is it that this Trust is the most important thing in the response, in the successful response to the pandemic? Why would you say that? Just briefly to start off.

Fukuyama

So Yoeri before I answer that question, I want to thank the John Adams Institute, Tracy Metz, and you for having me. I'd much rather be in Amsterdam in person, but I guess this will have to do in this period of lockdown. So I think the reason that Trust is important: In general it's important for the economy, it's important for politics, but I think at a moment when people are asked to do something quite difficult and extraordinary, like stay at home for two months and not go to restaurants and not socialize and not do all of the things that they are accustomed to doing, you're not going to do that unless you get a lot of voluntary compliance. Now if you're an authoritarian country, you can threaten people, you can put them in jail, you can use coercion, but that's actually not the most effective way of getting compliance.

It's much better if people follow instructions because you know they believe that the government knows what it's doing, and they want to keep themselves and their fellow citizens safe and so they do things voluntarily. But that requires actually believing in a number of things. Obviously, you have to believe your government's legitimate but beyond that you have to believe that it has the requisite expertise, that it's making decisions based on some concept of public interest and not simply narrow political calculations. There has to be trust in the fellow citizens because basically, we're social animals and we imitate, you know, what people around us are doing. So if you're going to a Spring Break beach party, because you see all your friends doing it, you know you're not going to be obeying rules and so you have to have citizens that trust one another. So for all of those reasons I think in a period of pandemic, like the one we're experiencing, you know that's why this is a very precious commodity.

Albrecht

Yeah, we can follow that. It's interesting what you're saying, among other things, that you can coerce people into behavior but that's not too effective. Dictators wouldn't agree with you of course, but it's better to do it voluntarily, to understand what you're doing, to trust your government. In that respect, how would you look upon the Chinese take on this? Because they, I mean, they lock down whole regions and I mean they are an authoritarian one-party system of course, but it seems to have been quite effective. So how would that fit in?

Fukuyama

In certain ways. So I was actually about to add that, you know, citizens have to trust the government, but the government also has to trust citizens. Because, you know, it's citizens that have knowledge of what's actually happening on the ground, in their communities and neighborhoods and so forth, and that's where I think China has a really big problem. Because it basically doesn't trust its citizens and so, you know we had the case of this doctor Li Wen Yan, who early on tried to blow the whistle on this spreading virus and he was you know told to shut up and eventually you know passed away and I think this continues to be the case. The government, you know, in a sense doesn't trust certainly an independent media or citizen watchdogs or whistleblowers, to actually reveal instances of non-compliance so forth, because they simply don't like to be not in control of everything that's going on in their society. So I think that's the big weakness of authoritarian government, the lack of the government's trust in their own people.

Albrecht

But that would apply for China, you just explained that of course, but everybody seems to be under the impression that the response of China to this crisis was very effective or would you say it was probably not?

Fukuyama

Look, if you look in terms of the statistics of per capita deaths and infections and so forth, there is a problem with the statistics coming out of China, so now a lot of people think they're understated, but even if they're not understated I think that you still have, you know, fairly impressive performance in controlling the disease. However, if you look at neighboring South Korea, the democratic country, they have even better statistics, you know. They have fewer infections, they were able to control the disease despite a big early outbreak and they have done it through democratic means and again I think that reflects the fact that it's not a repressive state. That the government can make use of information coming from civil society, from you know from ordinary citizens. So yeah I think that China did this but it did it at a big cost in terms of, you know, personal freedom and it could have been a better performance if the trust had gone both in both directions.

Albrecht

That's interesting, that's a very interesting point. It could have done better if it would have done different. But you're saying it doesn't, so democratic states and authoritarian States could perform both quite well, that's not a defining difference. It's a trust in their population both ways, in the government and of the government in their populations.

Fukuyama

It maybe it may be easier to understand if you think about some contrary examples. I think among the worst performing countries in the world are Brazil under Jair Bolsonaro, this is a populist president now. And I'm sad to say, you know, my country: The United States. I mean we now account for by far the largest number of deaths and infections and so forth, and part of the problem in both of these countries is that citizens don't trust each other, you know. Both of these countries are deeply polarized and that's completely affected the response of both places, so in Brazil and in the United States you have a president that really didn't want to believe that this was a serious crisis in the beginning, didn't take steps to ramp up testing or to get prepared and well, Bolsonaro hasn't admitted it even to this point. Trump did it very late but now he is so, I think, worried about his own personal political fortunes that he's urging people to go back to work even when the conditions really aren't right for it and people will follow that because he's got these very loyal followers but then other people are much more trusting in the public health experts and so it means that we don't have a you know a unified response to what is the single biggest public challenge to, you know, our health and well-being in my lifetime.

Albrecht

Would you say that the distrust between the two the partisanship in your country, in America, let's turn to America for a short while, and then maybe to Europe because we are Europeans, but would you say that the bipartisan distrust actually aggravates the crisis in America?

Fukuyama

Oh by far. I mean you see this right now, you know, for the last several weeks we've been having these demonstrations in a number of states against a shutdown. In fact in Michigan, you know, a bunch of these lunatics walked into the state capitol with, you know, semi-

automatic weapons and, you know, complaining about threats to their freedom and, you know, this is not individual irrational behavior because you go to a big rally with no social distancing, you know, you're actually putting yourself in personal danger of getting the disease, but I think the kind of cultural identification has gotten to the point where you don't actually think rationally about things you say: what's my team doing? And if my team is saying oh we got to get back to work you know, the virus the epidemic is a big fraud, it's way overstated, it's really not a serious issue, then you're going to take certain actions. But if you believe an alternative set of facts and you're going to behave you know very differently.

Albrecht

That's bipartisan distrust and it feeds at least to irrational behavior of citizens even because they care more about being democrat or republican than their own health or securing their own health. You also said that it's been aggravated the situation the pandemic in America because of the erosion of trust into institutions by the central government, by the president. Is that right?

Fukuyama

Well you know the United States has always had a problem with government. One of the most fundamental facts about American political culture is that citizens don't trust the government. They trust the private sector but they don't trust the government. That's been true since the founding of the Republic, yeah but it's been exacerbated in recent years with the shift of the Republican Party to the right. This really began under Reagan but it really accelerated with the rise of the Tea Party after Obama was elected, where the government is seen as a potential tyrant. You know the reason that these guys are carrying around semi-automatic weapons is they think they're going to have to defend themselves against their government, you know. It's I think a completely crazy way of looking at the world but that you know it's true of a certain part of the American public and that's led to this gradual erosion of state capacity which I think is also really critical in dealing with the national emergency. We haven't invested enough in our civil service, we don't hire enough experts and under this administration the situation has actually deteriorated, because you know we've gone through this whole series of events having to do the Mueller investigation and the impeachment and so forth where you have you know permanent civil servants that are simply stepping up and telling the truth about behaviors that they saw and they're being punished for it. And this has led to an emptying out of expertise and a politicization of many government agencies and it includes the Centers for Disease Control. I mean I used to use the the CDC as an example of why it's important to have an expert professional permanent civil service but it turns out that over the years you know the leadership of that has gradually gotten more and more politicized. People have been leaving positions there because if you don't please your political masters your career is not going to go anywhere and I think we're now paying a price for that.

Albrecht

If we turn to Europe we see a very different approach in the northern parts of Europe and the southern parts of Europe. What's your what's your analysis of that? I mean the lockdown is much more severe in in the countries bordering the Mediterranean than it is in the Scandinavian countries. It couldn't be more apart actually. They're both members of the European Union but their approach is totally different. What does that tell you about your hypothesis of, well actually, your observation of trust in societies?

Fukuyama

Well yeah I think it actually confirms the overall hypothesis because one of the things that you have in northern Europe, you know in Germany, the Netherlands and Scandinavia is a much higher degree of social trust and social consensus which has been reflected in, you know, the continuing dominance of the centrist parties in most of that part of Europe. In southern Europe it's different because you've had a much higher degree of polarization. I mean Spain has had multiple elections because they can't agree on what kind of government they want. France has been bitterly polarized with you know, not just a populist right, the National Rally, but also the the GE Jean(?) movement. Italy is even worse: They've had a populist government, I mean, now temporarily out of power, but very big divisions between the North and the South that gets reflected in every decision they make in national politics and so I think it's that failure to have a kind of broader consensus that can be steered by the elites towards sensible policies that's really weakened the ability of southern Europe to deal with you know with the current crisis, and it's going to get worse you know I think that now the attention is going to shift from public health issues to economic issues, you know who gets bailouts and who gets public support and where does the money come from and where does it go to and again you know, the same divisions I think between north and south that we saw during the euro crisis are coming back you know in a even more intense way.

And now actually it's overlaid by an east-west slant because that's also another big division that's opened up in Europe. The countries of Eastern Europe, a lot of them have been slipping backwards frankly into semi-authoritarian or maybe even outright authoritarian government, you know, Hungary and Poland and then would-be entrants into the EU like Serbia, so all of these divisions you know I think are going to make decision-making in Europe much more difficult.

Albrecht

You would say that under the pressure of the pandemic, of the coronal crisis, already existing cracks would widen, so the north-south divide and east-west divide in the union.

Fukuyama

I think they already have been apparent. You know you had this recent decision by the German Constitutional Court-

Albrecht

Yes, this week.

Fukuyama

That basically undermines the you know the power of the ECB to essentially help some of the weaker members of the euro.

Albrecht

Yeah European Central Bank in to help the southern members of the of the Union yes. You stated recently, because these are worrying developments and you could also say of course: Never waste a good crisis, the European Union has always overcome the crisis and if it doesn't kill you it makes you stronger, the Union actually tends to change the European Union only under pressure of sort of major crises. It has a tendency to do that - how would you look upon the chances of getting you know stronger out of this sort of a corona crisis the European Union, the chance of that?

Fukuyama

Well, what doesn't kill you makes it stronger but then sometimes it just kills you in the long run, so I'm not sure how far that aphorism goes. Sure yeah you can think of lots of positive scenarios that will come out of this because I think that you know this crisis like other crises reveals weaknesses in existing institutions and political arrangements that people are willing to let slide for long periods of time because there seems to be no urgency and then a crisis comes and then people realize they have to fix things. It's not just in Europe I think, that's true in the United States and many other countries. So a lot of that will depend I think on how the economic part of this crisis plays out. If things resolve themselves over the next few months and then the pandemic recedes and things begin to get back to normal then I think that you might say well it was a big scare but it's really revealed these weaknesses and we really need to improve the decision-making capacity of Europe and you know, within each country of national governments. However, I think that the likelihood is that this is going to be much more prolonged. I think the experience right now Asia indicates that it's really hard to stamp this thing out in the absence of a vaccine or, you know, some technological fix. I think the Economist was talking about a ninety percent economy. It may actually be an 80 or 70 percent economy and if that sort of thing persists for a long period of time then you're going to get all sorts of strange political backlash movements because you know this kind of prolonged pain is going to be much harder to endure. People just get tired of living under these conditions that they want to blame on somebody and that I think you know could lead to much more serious political consequences in terms of the strength of the overall Institution. And we just don't know what the future is going to hold it so you know you can imagine both good scenarios and bad scenarios.

Albrecht

Yes because yes you just stated there could be many good consequences from it, you know, there could be positive developments, but if I looked upon your facial expression if I may say so, are you doubtful of that? You were more worried than that.

Fukuyama

On balance, just giving the epidemiological characteristics of what we're going through, it looks like we're not going to get out of it quickly and if we're not going to get out of it quickly, then you know I think you're going to face much more complicated and dangerous long-term consequences.

Albrecht

Because I'm just thinking of a quote I read an interview you just recently gave I think it was on websites up China where you stated: "I worry both about global democracy and peace because we may be losing both of them." That's a much more dire scenario. How, I mean that is really worrying and I think it's extremely worrying if it's uttered by the man who's been, you know, one of the most influential writers on 1989, who's been who's been very influential on writing about the consequences of 2001, the 9/11 crisis. So if this is partly or wholly your take, I mean, how come will peace and democracy-

Fukuyama

Well look, so my opinion is not going to affect anything in the long run and honestly you know we just don't know what what's going to happen but I would say that there are lots of reasons for worrying about global democracy because any kind of external shock like this, a national emergency automatically creates incentives to strengthen executive authority, and what you've seen in many countries is executives, that have authoritarian instincts, use this

opportunity to increase their power. The most obvious case of this is Viktor Orban in Hungary, who got his Parliament to vote him emergency powers. Of course the first thing he does with these new powers is to roll back transgender rights. It was obviously the most critical thing happening in Hungary at that moment but I don't think he's going to give them back. But it's not just that country. You know that this has happened and I think that one of the things that worries me is that we're not even aware of this happening in many countries because we're so preoccupied with our own domestic crisis that we're just not paying attention to other parts of the world. But it's been going on let's say in Uganda, in El Salvador, in Turkmenistan, you know many other places where authoritarian leaders are tightening the screws and are unlikely to give back power once the immediate crisis relents and so that's something that I think everybody that's interested in the future of democracy needs to pay attention to. By the way you know so if you actually, this is a concrete suggestion I can give to a European audience.

Albrecht

Yes please.

Fukuyama

Europe, you know so you're talking about possible good consequences: One of the failings I think of Europe has actually been to prevent Hungary slide into authoritarian government and I know that there's a lot of you know political calculations within the European People's Party in the European Parliament about why the Germans in particular haven't been willing to you know to pressure them more, but actually the crisis gives you a perfect opportunity to do that because there's going to be a lot of you know funds that will be made available by the European Union to countries that are in trouble. And I just don't think that they should be given out unconditionally and this is actually a great opportunity you know with a country like Hungary or like Poland, both of which have been backsliding in terms of democratic practice, to say you know you don't get a single euro until you have fixed some of these problems in your own democratic institution. That's my little sermon, I'm not a European so I can't you know vote in any European elections but I mean there is an opportunity.

Albrecht

The eyes of the outside are actually sometimes more important than you know our own eyes so it's a very important observation I would say. I can see your point about democracy and the threat this crisis brings to liberal democracy and the global democracy, because you didn't mention Xi or Putin but they both you know are liable to do the same thing as Viktor Orban did of course. Actually Putin already did, nobody really noticed but he you know managed to stay in power for another ten years or something. But you're saying world peace as well, world peace might be at stake for a prolonged crisis?

Fukuyama

Well yeah so the reason I think to worry about that really has to do more with the developing world. You know, people have been speculating for a long time that climate change was going to make a number of developing countries basically unsustainable and that that was already beginning to drive conflict in parts of sub-Saharan Africa and the Middle East, and that that in turn drove the earlier refugee crisis, and I think that the epidemic has not even begun to play out in many parts of the developing world. Actually, in Africa it's surprising that the numbers seem to be as low as they are, but yeah that may be the result of poor statistics and record-keeping on the parts of governments. But you know given the conditions in many parts of the developing world in the next two years or so, this could you know evolve into a really

monumental health crisis that then is going to drive people to migrate to move, you know to their neighboring countries and then eventually to try to get out of, you know, their regions all together and that will bring back potentially a migrant crisis like the one that happened in 2014 but potentially on a much larger scale and so that I think would be the main worry about political instability leading to potential conflict.

Albrecht

And also the fact that we're so preoccupied by our own crisis, I mean our own national crisis that we won't look upon other places in the world deteriorating or backsliding or big famines or those sort of things. You also said in the same interview, I read you saying: "There are some big changes in global distribution of power that have been created by this crisis." Since you're a good observer of international relations, it's very interesting and you're saying that already have been some big changes and where would we see them?

Fukuyama

Well I think that the biggest shift is simply an acceleration of something that was underway before the crisis which is a shift of global power to Asia. Obviously this is the big story of the past generation, but because a number of Asian countries have tended to get this disease under control much more quickly than Europe or the United States, it means that they're going to start recovering economically earlier than Europe or the United States and that in turn is going to drive, you know, the center of global economic activity you know, further to that region. Now the one unknown factor has to do with, actually, the relationship of the rest of the world to China because I think that, in my view actually this is a positive consequence of the crisis, many countries are now reassessing the extreme extraordinarily high level of dependence that they've developed on Chinese manufacturing. I think that actually because of the degree of globalization that had gone on over the last 20 years, we had created a lot of fragility in the system that is now being exposed by the epidemic and I think that, you know, corporations thinking about their supply chains are going to think very carefully about you know exactly where to locate them. I think previously it was simply driven by very ruthless considerations about efficiency you know, that if you can squeeze a couple of cents out of a particular supply chain you know, you're going to move it to a different country and I think that resilience is going to be you know more highly valued. And you know in a way this began with Trump's trade war already, because a lot of companies that were sourcing things in China began to move their factories out of China to other you know parts of the developing world or bringing them home in some cases, and I think that the one aspect of a kind of future economic world that may develop is that China itself will in a sense become the target of a lot of global anger and other countries will begin to reduce their dependence on China. So it cuts both ways but overall it does seem to me Asia is going to do better of all the parts of the world and therefore it's still going to be a pretty powerful or an increasingly powerful actor.

Albrecht

So it's reinforcing actually already existing tendencies, the crisis, in that respect. I am looking for a closing question, because we want to go to the audience as well. Obviously if I look at the interviews you're giving and the articles you're writing at the moment you're having a close look at what's happening in the world and this crisis. Are you preparing a new book? Are you working on a book or is this just me hoping that we can invite you back to Amsterdam?

Fukuyama

No actually I usually take a couple of years to think about things. The New York Times columnist Tom Friedman a few weeks ago, wrote a column saying that anybody that was writing a nonfiction book before this crisis hit has got to stop working on it and we think the whole book, because I do think that this is one of those monumental you know events like 1989 or 2001 that's really going to change a lot in the nature of global politics and that requires I think a little bit of patience as we watch some of these trends play themselves out. So short answer to your question is no, but like everybody else in the world I'm actually just hoping to get back to some semblance of a normal life at the present moment.

Albrecht

We agree. We thank you very much for, right in the middle of this crisis, sharing your thoughts. That's wonderful, it's very generous of you because, as everybody knows, events are evolving rapidly so your willingness to share your observations and thoughts in the middle of this is really wonderful and courageous and is helping I think us a lot and the audience to understand what's happening in the world, so we thank you very much for doing that.

Fukuyama

By the way just one comment: Actually I don't think it's courageous at all, I think that there's a lot of courage being exhibited by doctors and nurses and emergency workers and so forth. One of the things that worries me about the future actually is an impact that people like me, who are professionals and largely in the service economy should actually carry out our lives on zoom or other software forms of connectivity, but if you work with your hands and you actually have to be in a factory or in a meat processing facility or some other place, you don't really have another option. And I think that another thing to worry about is that I think the class divisions that were already producing some real political reverberations are going to get more intense as a result of this crisis because some of us are actually going to be pretty much insulated from the impacts but others are going to have to face it very directly, so I actually count myself as being quite fortunate in that respect that I don't have to go into the office and I don't have to take the risks that certain other people are being forced to.

Albrecht

It's a very interesting observation as well. You would say that it aggravates already-existing class division which the globalization brought with it. So actually the more fortunate classes are retreating into cyberspace and the others need to keep working on a daily basis with their hands. It's an important observation I would say, yes. It might even be one of the more, in the long run, important consequences of the crisis we're seeing now. The division of capital and labor again. Marx wrote about these sort of important things more than 100 years ago, 150 years ago. Thank you very much. There was time for questions people from the internet watching. Tracy, you've been following the conversation and the questions coming in?

Metz

Indeed.

Albrecht

Maybe you have a question or maybe you've already got a question from the audience?

Metz

We have many already. People are eager to put questions to you professor Fukuyama, one of them was about one of the possible positive aspects of the crisis: That we suddenly see that

we need to fix things. The question is if there is so little trust, how will we ever get to a consensus on what needs to be fixed and how?

Fukuyama

You know I think that that's very specific to different countries and the level of trust in the United States or Italy is much lower than it is in the Netherlands Denmark or Sweden so I think that generally speaking people have said that you get back to a sense of common purpose and trust by some big external crisis that hits the country as a whole and people realize they're all in it together and you would think that a pandemic would be a sufficiently big external crisis that it would produce that kind of result, but I think what we're seeing in you know the US and other countries is it's actually just exacerbating the existing internal crisis of trust. Now at a certain point, so this is this interesting cognitive issue that right now I think people are drawing lessons based on their partisan affiliations more than actually processing real empirical information. At a certain point the gap between what you want to believe and what's actually happening gets to be just so great that you have to finally admit that maybe I got to rethink some of my prior assumptions. And a lot of times that happens when you personally are affected by something that you dismissed as an important issue. So it's possible that if this thing goes on like that, that will happen but right now we're living in this very strange world where people have alternative facts. I mean again this is much more true in the U.S. than in the Netherlands but depending on your political affiliations you have simply different facts: How many deaths there have been, what's the contagiousness of the disease, there's no agreement about this sort of thing just as there was no agreement about the facts of global warming prior to this. So you'll have to see how all of that plays out.

Metz

Another question, the question is should we understand trust as coinciding with national identities or as something super national and is that perhaps the reason why the World Health Organization is under attack?

Fukuyama

Well trust exists at every single social level that imaginable. Right, it exists between two friends, it exists in the family, it exists in a neighborhood, in a company, and then all the way up to nations and in the global level. The problem with the global level is that trust is not something that just in itself you have or you don't have. It's the byproduct of trustworthy behavior and the more diversity and differences you have in a group the less easy it is to cooperate and therefore to generate the kind of trust that's necessary to lubricate subsequent social interactions and therefore, at an international level, since you have big disagreements over the nature of government and over ideology and religion and ethnicity and all of these other things, it's very hard to generate trust at that level. I think that in Europe it's a little bit even more complicated because between a global level and a national level you've got the European level. And this is one of the things I argued in my book identity, that there had not been enough investment by European elites in creating a sense of European identity as opposed to German or Italian or French or member state level identities, to create this true post national pan-European sense of solidarity and we saw that in the euro crisis, a breakout, and we see it now in the current pandemic, where members of rich northern countries don't necessarily want to bail out poorer ones, because they don't really trust the government to spend the money properly and so forth. And so I think that you have to worry about trust at all of those levels and the way you build trust really depends on the level but again, it really is based on some kind of trustworthy behavior so it means behavioral changes for many of the actors.

Metz

One of the members of our audience wonders whether the Covid crisis could be the spark in the American political gunpowder keg that causes a new American Civil War. Coming back to your comment on the danger for peace in the world.

Fukuyama

Well that's a worrisome possibility. I think that one of the interesting things in the United States up till this point is that although we're extremely polarized, there has been very little violence. I lived through the nineteen late 60s and 70s when there's terrorism and bombings and police shooting demonstrators and things like that and we've had almost none of that in this country despite the bad feelings that people have for one another. I do think that there is the combustible material there, you have all these people carrying automatic weapons to a demonstration and a gunshot goes off and all of a sudden you can end up with a lot of people dead and then that begins to escalate and so forth. But actually I don't think that that's likely, I think what's more likely is you're going to have an election in November and you may choose a completely different kind of government and actually this may be the opportunity for democracy working the way it's supposed to and actually between those two scenarios I think the latter one is much more likely than the former.

Albrecht

That's reassuring at least.

Metz

Perhaps this is my opportunity to ask what you expect in November. Will we actually have an election? I've read the hypothesis that Trump will try to postpone the elections and what do you see happening?

Fukuyama

Well I don't think that that's going to happen and I think that what's much more likely is something like what happened in the state of Wisconsin, when it held its primary elections a few weeks ago where you still have an epidemic, people don't feel safe going to vote and there isn't enough time to prepare mail-in ballots or some alternative way of voting, and as a result people will start to contest election results. If you have a lot of mail-in votes for example, I don't think they're going to be able to call the election on November 3rd, I think it's probably going to take you know several days until people really know what the results are especially if it's a very close election and that is like in 2000 Bush v Gore that itself could lead to all sorts of bad feelings and litigations between the Republicans and Democrats and so I think actually facilitating a really fair election is going to be a really big challenge. It'll be met by some states and I think other states it won't be them, so that's something to worry about. But the question, there is a further question which is what will be the outcome of an election and there I think there's a lot of signs pointing to really big problems for the Trump administration because voter turnout in all of the primaries up to this point for the Democrats has been extremely high, he got a little bit of a bump in popularity at the beginning of the crisis but it's since come down and I think that you know the biggest selling point that he had for getting reelected was the strength of the economy which is now you know vanished and the management of the crisis itself I think has been so bad that I think he has not done himself any favors in the way he's handled things. So you could get a pretty strong turnout of Democrats in November and a very different kind of election outcome.

Metz

A member of our audience are already looking forward to a Biden administration and has a question whether the Biden administration will manage to recommit the US to multilateralism, to trade, to climate all the major issues?

Fukuyama

Oh I think there's no question that that would happen under a different administration. The the thing that you would have to worry about however is that the underlying polarization is not going to disappear even if you have a big Democratic victory in November and there's going to be a third of the country that remains extremely loyal to trump or to his agenda and that is not going to go away and it was a little bit like what Obama inherited when he took office in January of 2009 and was right after the worst part of the financial crisis, unemployment was extremely high and it was very hard to dig yourself out of that hole and a Biden administration would have a similar kind of problem and every step that they take is going to be second-guessed and criticized by the partisans on the other side, so I don't think that even a fairly decisive election is going to change things all that quickly but certainly on international affairs where the president really does have a lot of power to change policy I think that's going to go back to you know something much more internationalist than what we've seen in the last three-and-a-half years.

Metz

A question that goes perhaps back to your book *The End of History*, asking about your view on the concept of democracy in today's world. I assume with the emphasis on today, does it exist if it has ever and should human relationships interactions be re-examined? Well we won't solve that before a quarter past nine, but perhaps some sanguine words on the democracy's chances of survival?

Fukuyama

Well, I think first of all you have to break down democracy into its components. Actually what we have really is liberal democracy, which is the uniting of two different types of institutions. So the democratic institutions are things like free and fair multi-party elections that are procedures that try to make sure that the governments that are elected reflect the will of the largest number of people possible. But then we have a completely separate set of institutions that are the liberal institutions, that are things like constitutions and the rule of law, which are intended to limit the power of even democratically elected government so that they cannot violate the rights of citizens, so that excessive power is not concentrated in an executive but the checks and balances that apply to state power and I think democracy has never been in the threat even with the rise of all these populist government's. I mean they're popularly elected and so they actually like elections.

The real threat has been to liberal government, that is to say to the rule of law and to constraints and so in Hungary and Poland the first things that are attacked are all of the check and balance institutions, so an independent media and nonpartisan bureaucracy, the judiciary in both of those countries has been a big object of the ruling party trying to get control of judicial nominations to make sure that judges conform to the ideological outlook of the ruling party and so forth, and similarly in the United States that's really what Trump is trying to do, he's attacked every American political institution that has gotten in his way, so the bureaucracy is really a deep state trying to subvert his rule, the courts similarly dismissed, the press, the mainstream media is dismissed as enemies of the American people, his own Justice Department and FBI, when they start to try to investigate him or his family, are part of this big conspiracy. So this is a very common pattern among all populist governments so I think

the threat again is really not to democracy at such it's liberalism and to the kind of openness that liberalism tries to breed and that's why you've seen this big increase in nationalist movements everywhere, including in a lot of established liberal democracies.

Metz

What would be required to restore trust in the U.S. is one of the questions here, simply electing a Democrat cannot be enough, what could he and the VP, she, do to bring the country together? No doubt one of the greatest challenges facing Biden.

Fukuyama

So that's not an easy question to answer. I think that the starting point has to be that any future leader actually has to really want to lead the whole country and you're not going to be able to regain the trust of everybody but there are certain symbolic acts and policies that you can undertake that will try to rebuild that. So, for example, one of the big problems really does have to do with working class people who have not benefited from globalization that feel vulnerable and so forth so you know you have to devise policies that will try to take care of them in some way. I think there's a lot of symbolic acts that are important, unfortunately on both sides you know you've had this tendency to try to build your own base by mobilizing them through anger at the other side and if you stop doing that you know that might help a little bit in terms of kind of turning down the volume and that like I said at a certain point reality begins to kick in. I mean I would have thought that this would have happened a long time ago but it shows how deep the polarization is but at a certain point, certain things that you do just cease to make sense.

I'll give you an analogy and the Great Depression started with the crash of the New York stock market in October 1929 but the government kept pursuing these then Republican policies of tight money and fiscal austerity several years after that, until you had a banking crisis in 1931 and then the banking system collapsed and then unemployment skyrocketed to 25 percent and it took that long for people to realize well actually maybe tight money is not the best solution to our problems. But that's like three four years later and so sometimes it really does take a long time until the reality that you're in a very different kind of situation begins to really take hold and so i think at some point you know reality does, it's like a big 2x4, you hit a donkey over the head and if you hit him hard enough you're going to get his attention and up till now you know the financial crisis in 2008 was not enough of a shock, the early phases of this crisis have not been enough but at a certain point that that actually may come.

Albrecht

That can take quite while I mean you're right I mean reality is a bummer you know it hits you on the head in the long term. Just I think today CNN published a poll an opinion poll where they said that 36% of the American voters trust Trump to tell the truth on the Covid pandemic although 45% of the Americans still approve of him as being president, which is interesting, there's a big gap between that, a lot of people don't trust him to tell the truth but they still agree with him being president. Would you say as just it takes longer for reality to hit or would that point to the fact that maybe trust isn't that important anymore in your political leader or could you I mean comment on this I mean amazing hole I would say.

Fukuyama

Yeah it's hard to know, I mean, his support has always been different for different parts of the population so there are certain core supporters, where they're going to support him no matter what happens and that's I think that 30% that still think he's doing a great job in a crisis. There

are other people that came to support him because they like overall things that he was doing like deregulation or tax cuts or appointing the right kind of conservative judges to the courts, who didn't actually think that he was a great leader or figure that people ought to follow but they said on balance I still think it's better than the alternative. And then there's a lot of people frankly that just don't like the Democrats and I think that was a particular problem with Hillary Clinton because she wasn't just any Democrat, she pushed a lot of buttons for people that really triggered this very negative reaction and so there's yet another group that are voting because they dislike the other side so much not so much because they like him and so I think that those different poll numbers kind of reflect those sorts of divisions in the support for him.

Metz

Interesting question here from Gustav: In the U.S. is Covid bringing Medicare nearer for all and would that be a way to restore trust in government?

Fukuyama

So again this is a question about social learning and rationality. I think that rationally what this crisis revealed is the importance of the United States having some kind of system of universal access to healthcare. As I think everybody is aware of, the United States was the only rich country that did not have a government mandated system of universal health care until 2010, when Obama's Affordable Care Act was passed and even that one didn't really cover everybody but it got us much closer to that goal and then you know as you're also aware Republicans then spent the next four years you know relentlessly, in fact I mean it continues up to the present trying to repeal Obamacare and to get rid of what I think was one of the great achievements of that administration.

Now you would think that a public health crisis like the one that we're facing right now would underline the need for universal care. Now whether it's Medicare or some version of Obamacare which still relies on private insurance and private providers, that's still a matter that can be debated. I think there's actually reasons why it is more sensible to go with the private option than to try to have the government run the whole thing, but that's an argument, that's a kind of second-level argument but certainly the argument for reinforcing the universal mandate and universal coverage is very powerful but then you get this whole question of social rationality because one of the things we've seen with the rise of the internet is that social learning is very hard to do when you've got an Internet out there that where anyone can say anything and if you think about it in a longer term perspective, most social learning is basically done by elites.

You think about the Great Depression and lessons we learned about monetary policy, right, ordinary people really didn't learn those lessons. It was academics, it was bankers, it was people that really understood the causes of the depression. It was John Maynard Keynes, people up at that level. That meant that by the time you got to the 2008 crisis, Ben Bernanke was the chairman of the Federal Reserve, he was actually a historian of the Great Depression. Unfortunately he understood what the real lessons of that story were, but you still had populist like Ron Paul that were running around saying we need tight money, we need the gold standard and so forth and unfortunately, one of the things that's happened is that with the rise of the Internet the elites have lost control over these narratives and anyone can basically say anything so there's this anti-vaccination movement that's very powerful in the United States, in Italy, in other parts of the world and a lot of these people are now lining up to say if there's a Covid vaccine developed, I'm not going to take it because this is part of a big government led plot to control our lives. That's what I mean by social rationality, that social learning really historically has been the province of experts and elites but with the decline of trust in elites and the rise of populism I think that becomes harder and harder to do. That's a very long-

winded way of answering your questions. Yes I believe we should learn this lesson but whether we actually will or not, I'm not so sure.

Metz

Speaking of vaccinations, one of our questions, okay. Do you see a reason to mistrust the strong emphasis on developing a vaccine by Big Pharma? Or should we look more to other developments?

Fukuyama

No not particularly, I think that basically there's a lot of different labs all over the world that are working on different vaccines, I think Big Pharma has more resources and therefore they're able to do this a little bit more quickly and broadly than others, but I think that they will be under a lot of scrutiny if actually somebody does manage to come up with a cure. And I'm not that worried that they're simply going to be able to exploit it for their own purposes because I think in the middle of this kind of health emergency politically, they'll know no company is going to be able to get away with something like that.

Metz

If Asia, coming back to the role of China, if Asia comes out first from the Covid19 pandemic and gets its economy jump-started before the West does, what will the consequences be for global relations?

Fukuyama

Well as I said it's going to continue this shift of the center of economic activity globally to Asia. It's going to increase the prestige, so if you ask the question: Are democracies or autocracies doing better? I think as that quote that you had from my article in the Atlantic indicated, I don't think there's any correlation. I think there are some democracies that have done very well, Taiwan, Germany, South Korea, some that have done very badly and there's some authoritarian governments that have done well and others that have done I think so that's not the big issue. However, what people are looking at is not, they're not comparative political scientists that are looking at a big sample of democracies and autocracies. They're looking at the US versus China and right now that looks terrible for the United States and I think that that's what people are paying attention to, because China and the US are seen as exemplars of their respective forms of government and so that's the kind of reputational damage that I worry about, that the China model will get what in the end is an unfair boost as a result of its apparent success, not in containing the virus initially but in dealing with its aftermath, but we're not at the end of that story yet because I think that there's also a lot of anger around the world at China for the way that they've covered up information and I think that even in Europe people can see that a lot of the Chinese aid is kind of a publicity stunt rather than something more long-lasting. So I wouldn't say that the short-term reputational damage that democracy has suffered is necessarily going to translate into long-term damage.

Metz

And do you see, given this increasing east-west polarization, do you think there's a role for Europe to come fill that power gap or are we standing on the side looking on ineffectively?

Fukuyama

Well, so the first thing is that I do not think that Europe can possibly take this view well you've got the U.S. on one side and China on the other side, they're both big super powers and we're going to be equally distant from both of them. Right, that's just in terms of fundamental

European values that's just impossible. One of them is a pretty brutal dictatorship that's put a million of its own citizens in concentration camps, that is militarizing the South China Sea and on the other side you've got a United States that, right now, it's got a lot of problems politically but because it's a democracy it can change its government and it can fix a lot of those problems and certainly is more likely to fix them in the short run much more quickly than China is I just don't think that Europe can say oh well plague on both your houses we're going to somehow maneuver between the two of you and that means that actually I think Europeans need to think seriously about their own values.

So for example just to take the Huawei controversy as an example I think that just because the Trump administration has been pushing this line doesn't mean it's incorrect. I think any democratic country that allows Huawei to build its information infrastructure is crazy. It's crazy to allow them to do that. There is no such thing as a truly private Chinese company. By law all of these private Chinese companies have to grant the government access to data, to information if the government demands it and so you've got to worry that if you've got Chinese infrastructure that's built by a company like Huawei in a future crisis, China suddenly decides to shut down your communications infrastructure so the internet stops working. Are you going to really allow yourself to be put in that kind of a situation? So again, I mean that's a very concrete example where I just don't think that Europe has the luxury of pretending that it's somehow going to carve out this reasonable middle position between these two unreasonable super powers. I think that you have to take basic European values into consideration and between those two powers it's not China that is really the best example of them.

Metz

Did you have any closing question for professor Fukuyama?

Albrecht

Well I'm very interested in the last remark you made: We cannot just sit on the fence between two big powers, we need to re-evaluate our own values and see whether we are democrats or not. Whether we're interested in authoritarian government or not. And I would say that probably you know the large majority of the Europeans would immediately you know choose democracy for that, but coming back to the introduction of the first part of our conversation, you're saying interesting enough whether you're an authoritarian or democratic government it doesn't really make, that's not what defines your effectiveness towards this pandemic. So in that light why would you—I mean if there isn't any difference between those two, maybe to round it off, this conversation, what would be the reason, if there isn't any difference in the response and effective response towards this pandemic, why would we choose for a democracy?

Fukuyama

Precisely. Exactly the wrong lesson to draw from this crisis is to say: “oh we need authoritarian government; we need to move closer to the Chinese model.” It's not true, I thought what you need to do is move closer to the South Korean model. You remain a democracy, but you have good state capacity, you have good social consensus, where people will trust the government and that's what will lead to effective outcomes. It's not by being able to arrest people and control the media environment and this sort of thing that you're going to get to positive results and so I think that's a really important lesson that people need to take away: being a democracy does not guarantee that you're going to do well but it sure isn't the case that being an authoritarian government, that doesn't guarantee good results either.

Albrecht

Thank you very much, thank you. You're gonna round off Tracy? Thank you very much again professor Fukuyama, thank you to the audience. Thank you and thank you Yoeri and the Balie, and thank you to our - for us - invisible audience, for joining us this evening. On May 26 the John Adams will be doing an online interview with Esther Safran Foer, indeed the mother of Joshua, Jonathan, and Franklin, about her new book *I Want You to Know We're Still Here: a Memoir*, and on June 20th we are welcoming another returning luminary in the field of international relations: Madeleine Albright. Make sure you check out the lively online programming of the Balie as well, on their website. Thank you for joining us and we'll see you soon.