

The Future of Work podcast is a weekly show where Jacob has in-depth conversations with senior level executives, business leaders, and bestselling authors around the world on the future of work and the future in general. Topics cover everything from AI and automation to the gig economy to big data to the future of learning and everything in between. Each episode explores a new topic and features a special guest.

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**Jacob 02:20**

Hello, everyone. Thanks for joining me for another episode of the future work with Jacob Morgan, my guest today, Dr. Fareed Zakaria. He's the host of the popular show on CNN called Fareed Zakaria GPS. And he's also the author of a brand new bestselling book called 10 Lessons for a Post Pandemic World. Fareed, Thank you for joining me.

**Fareed 02:39**

Thanks, Jacob. Thanks for having me.

**Jacob 02:41**

My pleasure. This is, you know, when I was younger, my grandmother always used to say, if you don't get involved with politics, politics are going to get involved with you. And politics and history have never been a particular strong suit for me. So I went into this book. And I learned so much it was a fascinating I was so I don't know if naive or ignorant is the right word. But it was just a fascinating Look, how everything is connected together. So let's start with why you actually felt the need to write the book.

**Fareed 03:16**

I think fundamentally, I realized that we were going through what was probably the biggest event of my life. You know, when I think about it, the two events that I talked about in the book that are comparable, are 9/11, and the 2008 financial crisis. But the funny thing is, the more I thought about it, the more I realized 9/11 if you lived in, say Japan, or in, you know, South Africa, at a very little relevance to your life. 9/11 was about the United States and its relationship to the Middle East, maybe a few European countries implicated as well.

**Fareed 03:55**

And you know, it was very intense and very violent, but didn't really involve a lot of the rest of the world. Those guys they got, they got new X ray machines at the airports. But that was it. A global financial crisis, if you want part of the Western system of finance with credit default swaps and derivatives and all that. I remember talking to people in India and Indonesia and had no effect on their lives. I mean, they were affected by the by the global downturn.

**Fareed 04:23**

But this crisis, every human being on the planet has been affected by by the health crisis by the economic lockdowns. And so that's the breadth of the crisis, but then the depth of it, this is going to go on, as we can tell, this is going on for years, the effects are going to probably go on for decades. And

so I thought to myself, this is something really big. I need to try to figure it out for myself. And the best way I figure things out, is I talk to smart people I read I look in, read history, try to see what parallels I can I try to bring it all together for myself. So I was doing that I thought, you know, I think there's a book here, there's something here that could help other people make sense of this as well.

**Jacob 05:08**

No, I love the history component, and so much of it again, history, not one of my particular strong suits. But there's so much of history in politics and government and just connecting everything in there, it felt like, it felt like a big chess game where all the pieces were playing together. So it was very, very interesting to,

**Fareed 05:26**

You know, when I was in graduate school, getting my PhD at one of my professors had a great line about about history he said, you know, when you're trying to study social systems, as opposed to the kind of stuff you you look at technology and things, you can do what scientists always do, which is you do a bunch of different experiments, and you hold a few things constant, and then you see what works. And so you figure out the cause, by, in a sense, doing multiple experiments where you've held different things constant. He said, we don't have that option. You know, we don't have that ability to say, hey, what would it look like if the United States would be challenged by a communist rising power? Okay, but what about let's try capitalist rising power? Now let's try a culturally different Asian rising power, right? So and see what the difference.

**Fareed 06:18**

So what we can do is look back and say, well, the United States was challenged once in the 40s by the Soviet Union. And then in the 80s, we were all worried about Japan taking over the world. And now we're worried about China. And if we want to get smarter about this one, maybe we should learn a lot about the previous two, one. Yeah, that's our only option, because we've only got this one world. And we're not going to be able to do multiple world experiments. So you kind of have to look at history.

**Jacob 06:47**

Yeah, my my family's actually from the Soviet Union, the Republic of Georgia, former USSR, they emigrated from the USSR to Italy to Australia, which is where I was born and ultimately ended up in the United States. So

**Fareed 07:00**

Wow, that's a that's a great story.

**Jacob Morgan 07:04**

Yeah. I'm curious. Do you remember where you were what you were doing what you were reporting, when it was first announced that COVID was a pandemic and these broad sweeping lockdowns were put into place? Like what what was going through your mind when that happened?

**Fareed 07:18**

Yeah, I remember it very well. I was trying to take my kids skiing in Colorado, and we landed, and we were like, you know what, this is this, this bad stuff going on. But you know, we're going to do an outdoor activity, we'll be safe. Remember, this is before there's, you know, this is our middle of March 2020. And we get there that evening. And we set everything up. And that by thing at about eight o'clock that that night, the governor of Colorado shuts down, every ski mountain in Colorado shuts, essentially shuts the state down.

**Fareed 07:56**

And it was a good example of really how, you know, I think of myself as somebody who had thought about the the risks and the rewards who understood what was going on. And yet, I thought to myself, look, you know, this is a way to get away from crowded population centers, this is a way to do something in the outdoors. So I was trying to take precautions, and do something that felt COVID safe. But, you know, when when what what I didn't take into account is if I would have predicted the, you know, tried to run the experiment again, why is that because of legal liability issues. Everybody needs the government to shut everything down. Nobody wants to be the person making that call.

**Fareed 08:40**

So ultimately, what was what was happening was they initially they were trying to do it on a case by case basis, looking at levels. But after a while people realize like this is this is looking very, it looks very difficult to predict what the next few weeks are going to be like, and we need clarity, and we need legal protection. So we need the governor to make this call. And so the governor did.

**Jacob 09:06**

Well, you obviously talked to a lot of very smart and powerful people. Did you imagine the scale that this pandemic the impact that it would have on business society, the world at large?

**Fareed 09:18**

Nope, to be totally honest, I imagined that this would be something like SARS. That was my thought because I had been running Newsweek when SARS happened. And I remember it vividly. But both from an journalistic point of view, and I was also involved in the business side. So it was it was it hemorrhaged our ad revenues. So I remember what that felt like. You know, it was it was devastating for East Asia, but it really didn't have that much effect outside because it didn't spread that much.

**Fareed 09:51**

So the the ability for these, these epidemics to become pandemics had had really not happened since 1918, and so I was expecting something that was more in the epidemic range, something that would infect a few countries. But for some reason burned itself out. This, by the way, was the same rationale that Donnie Fauci was using when he was interviewed in March. And he was saying things like, you know, Americans don't need to worry so much about this. Americans don't need to wear wear masks, I don't think he was wrong, he was just operating on the same kind of analysis, which is that odds are, even when you have something like this happening 10,000 miles away, it doesn't become a raging global pandemic.

**Jacob 10:38**

Yeah, and the impact has been crazy. I mean, we, we had a baby that was born, our son was born during the pandemic, we have a daughter, she's turning five this year, and I don't think she's ever been to school without a mask on. So the the implications and the impact have been massive. I think, like you said, it touched everybody around the world.

**Fareed 10:58**

And I think we've learned a lot, particularly by watching our children. I think that one of the things we don't talk a lot about, we talk, particularly in your, in your field, we talk about the magic of all these new technologies, like the one we're using right now, Zoom, let's say use Zoom as a kind of metaphor for all this. And it's amazing. I mean, it's extraordinary, that we've been able to do as much work, and that we've been able to connect with as many people. But there are a lot of limitations also. And I think you see them most dramatically with education.

**Fareed 11:31**

Because education is fundamentally a social and emotional enterprise, as much as it is an intellectual one, we don't think about it that way. But you see that when you watch little kids, you have to create an atmosphere of social trust, you have to create an atmosphere in which people feel like they're having fun, you have to create an atmosphere where people feel a little bit of competition, you know, with peers, and, and, and all that, together, creates the kind of opening in our minds that allows the knowledge to go in, you know.

**Fareed 12:06**

And so if you just think of it, and say I'm just going to put you in front of a computer screen, and you will get information, and you will imbibe that information. No, you won't, you won't, you know, the mind just switches off. It doesn't, it doesn't doesn't process it as well. And, you know, I think about it, in terms of one of our challenges in this post pandemic world is to figure out both the power and the advantages of this all online world we've been on. But the disadvantages, and therefore what do we need to do? You know, how do we fix it technologically? How do we, there are some parts which you can fix technologically that will require that in person emotional component? And how do you do that, you know, that we're going to as you know, I write in the book, we're going to move to a hybrid model of some online, some in person getting that right, I think is going to distinguish the people who really thrive in this post pandemic world, and those who don't.

**Jacob 13:01**

You bring up a very interesting point, which is, you know, the pros and cons of technology. You know, I can only imagine what it would have been like, if this pandemic happened 15 years before, where we didn't have these types of technologies, I think the impact would have been far more devastating on businesses on jobs. But at the same time, it also feels like, it means there's no substitute for the in person, right? The trust, psychological safety, the building relationships, the growth, the development, even kids like, it makes me so sad to even think that, you know, my daughter hasn't even seen the faces of some of the kids in her school, like they only know each other by the masks that they have on. And that is such a sad and depressing thought for a young child. And the other thing in I don't know if you feel like this as well, but it also makes me wonder if we are using technology, it's kind of controlling

us, right? We assume that technology, when we're connected, it means we have to be available. And because we're virtual, first thing in the morning, we want to make ourselves available, like all the time, and it maybe leads to burnout, disengagement frustration. Have you seen anything like that happening as well?

**Fareed 14:12**

Oh, absolutely. I think you're you're exactly right. I think as I said, these are amazing technologies. This I mean, the point you make is absolutely right. The the world would look completely different. If we were back 15 years ago, and you did not have this capacity to work to live to generate income online, you know, that a large part of the population has had let's be clear, not everyone, and that isn't that is one of the big challenges. But but, but there's also a you know, a kind of deformity that this kind of technology produces. And we're beginning to understand, you know, this is all very new and very, very, it's all very young. So I think we're beginning to understand all that.

**Fareed 14:55**

I'm very I'm an optimist by nature, I think we will get there But you know, if you think about texting and driving, if you think about misinformation, if you think about the kind of burnout that you're talking about, oh, but the multitasking, we are actually not paying attention. Because you can always have your phone on while you're talking to somebody on their computer screens. All these are manifestations of the same issue, which is, we have not figured out how to use technology for the best purposes. There are all these downsides.

**Fareed 15:32**

And so we're gonna have to learn, we, you know, we need to figure out how to do that. You know, I think that we need to think maybe when you get into a car, since I have phone, we'll be able to detect that pretty easily. If it cannot already. It should, the phone should just go on to do not disturb mode automatically. You know, maybe it should do that. By law. I mean, you know, we lose 40,000 people to car accidents every year in the United States, it used to be the single biggest determinant of that was alcohol, I would suspect that if we don't do anything, the single biggest determinant, determinant of that will be cell phones in the future, people looking at their phones, right. So maybe we should maybe, and that's just one. And I'm not saying that with any great confidence. But I feel like we can see there are these problems being generated by technology. Everything generates problems. So I'm not again, I'm an optimist, but we need to, we need to be real and not pretend that this is all just going to happily work out, work itself out automatically.

**Jacob 16:38**

I also think the implications on leadership have been interesting, right? I mean, leaders of teams, leaders of organizations, I've said it on several, for example, all hands teams meetings, and it's not quite the same when you as a leader are trying to motivate and engage and empower people in person. Whereas when you're behind the screen, and I would imagine for you, you've interviewed so many people during the course of your career, have you noticed a difference between the in person versus the virtual, like, it's just not, it's not quite the same, or people are not as good or effective in the virtual world?

**Fareed 17:10**

Oh, it's a huge difference. You, you look, you can do it. And if you're trying to just get information, you know, there's a great correspondent who's been abroad, and you're trying to get them him or her to import information, you've got a really smart person, you're just trying to get some some of their ideas across, you can do a pretty good job with it. But if you're trying to get a more holistic feel for who this person is, how he thinks, how she operates, if you're trying to get a conversation going between two or three people, where each one is picking up on the on the verbal and nonverbal clues of the other person, it's very different.

**Fareed 17:52**

I give you an example, which doesn't relate to what's on camera, but both behind the camera, but I think it's very telling. So my team has been entirely virtual, and we produce the show entirely, you know, everybody in their own home, we connect in through technologies like this. And we were noticing that there was a morale problem building. And we're a team we're not very big. And everybody at this point on the on the team is somebody handpicked by Tom Goldstone, the executive producer and myself. So you know, we feel very good about the people we have very high quality. But I we realized that there was there was burnout, there was there was all kinds of things that we hadn't usually had too many problems with.

**Fareed 18:43**

And so we had a kind of all hands on deck meeting and just said to everyone, just everyone vent, we want to hear what everyone has. And what came through was the nature of teamwork is very different. When nobody is together. Basically, it's a lot like what I was saying about education for your kids, right? It has all the the downsides without many of the upsides. There's none of the comradery there's none of the casual joking, there's none of the, you know, just the empathy, the sympathy the How are your kids doing? What did you do last night. And the result is that it can be everyone is just frayed. And when then you have a problem when you have.

**Fareed 19:25**

So one person put it to me very directly, which I thought was very helpful for me. She said to me, Look, you sometimes send these really cryptic emails that really, you know, very hard for us to take. And I said, Well, let me talk more about that. Because Yeah, I mean, I've always had high standards. I'm not you know, I'm not going to change that. And you know, so if I say something like you got to rewrite this. I used to say the same thing and she say yeah, but in The context in which you used to say previously was, we've been, we've seen each other, you know, for two or three days, we've had two or three meetings, you'd bantered with us, we had talked to you about your kids, we you know, and in that context of you say, you got to rewrite this, it feels very different than I haven't seen you in the flesh for months, the only communication I get from you is this one, short email, and she said, It ruins my day. Right?

**Fareed 20:33**

So it made me realize that what I was doing there was I was spending social capital, rather than building social capital. And that what I had to do was to be very conscious of the fact that in this virtual environment, you've got to build social capital before you can spend it. And you've got to put in the time

and the energy. And, and, and if that means then that, you know, the email needs to be three lines, rather than one line or a paragraph rather, or it means that you try to make sure that on the, the, you know, the Google Hangout or whatever technology you're using, you almost consciously do a little bit of joking and, and, you know, breaking the ice, like everyone is going to have their own method. But you need to realize you cannot just, you know, kind of issue commands and expect people to follow them or issue directives, that that doesn't work, where it might have in a different context, where there was a lot of soft stuff going on. And then you had this one email that came through.

**Jacob 21:35**

I think that's fantastic for for leaders to be aware of, it almost makes me wonder if we're going to become more human instead of less human as a result. We're going to be more conscious of putting people first of having these types of discussions of asking, How are you how's your family? So it'll be interesting to see if that actually does manifest in that way. In the book, you talk about some of the countries that responded best to the pandemic, and some countries which didn't do that great of a job. And I wanted to know if you could talk a little bit about which countries did the best job. And if there's anything we can learn from that, that we can apply to the world of business? Because you made some, I think, very important parallels there.

**Fareed 22:19**

Sure. I mean, look, the there's no question in general, the countries of East Asia handled the pandemic the best and continue to even though we've done pretty well, and we can get to that later. Just so you know, per capita deaths, overall, US is still pretty bad. East Asia is still by far and away the the the kind of gold stars, and within East Asia, or the in my personal favorite is probably Taiwan, Taiwan has 22 million people. It has 10 COVID deaths. To give you a point of comparison, New York State has 19 million people, it has 40,000 deaths. So you know, with fewer people, it has 40,000 deaths, that's just, you know, extraordinary to think that Taiwan has 10 deaths.

**Fareed 23:06**

Now, why did this happen? Basically, what you have is government institutions there, particularly in the public health sector, that are well run, well staffed, given a lot of autonomy, given independent decision making authority. These are all things that I think businesses should think about, you know, it's not, it's not always about how big or how small you are. It's how much independence you give how much autonomy you give, how much you choose good people and let them exercise their judgment. Taiwan did it, largely because it acted early. It acted aggressively, and it acted intelligently. So the early part was they had had dealings and experiences of SARS, MERS, and things like that. They also perhaps interestingly, knew not to trust the data coming out of China, because Taiwan has had extensive experience with that. They acted aggressively because they realized that they were too close to the stuff they had been burned before. And that was better to err on the downside.

**Fareed 24:05**

The intelligent part to me is the most interesting and it does have very real parallels with business. So what the Taiwanese did was they said, We are not going to shut down the economy, we are going to instead isolate the people who have COVID and the people who potentially have it through contract tracing. Because their rationale was unless you let this thing get out of control, the number of people



with the start who get the disease very small, what we need to do is constantly take them out of circulation. And if we can be vigilant about taking those people out of circulation, you don't have a you know, you don't get to a pandemic. And so what they did was a 14 day mandatory quarantine you were put in a hotel room you were given a government cell phone, by the way, this is not through any kind of dictatorial means. Taiwan is a democracy. These are all actions that were passed legally, you know passed by Parliament stood up in courts, no issues there.

**Fareed 25:04**

But you know, they took the the they, they pulled up and sharp, which is to say this is a this is an emergency and they were going to do something that responds to the emergency. Now, the reason I think this is so interesting is that they got the risk reward right, in Taiwan, right, which is that they said, the danger, the kind of the risks of having one that we are these people isolated, is what the reward of never having to do a lockdown. Their economy essentially barely, barely changed.

**Fareed 25:36**

We looked at it and said, Well, we could never do something that dramatic that you know, that will be a curtailment of civil liberties, that would be a curtailment of civil rights. So instead, we shut down the entire US economy, and let unemployment go up by about 25 million people. And that we didn't think, was a curtailment of people's liberties, right? They suddenly were shutting down every store, nobody is allowed to conduct business, no restaurants are allowed to stay open. That's all somehow, okay. But the Taiwanese putting you up in a nice hotel room and giving you a cell phone that they just call you on three times a day to make sure...that that was too, yeah.

**Fareed 26:14**

So we're not thinking about this rationally, we're not thinking about risk reward properly. And if you can think intelligently about risk reward very often, you can end up with a much more intelligent solution. By the way, the reason I dwell on this is wasn't just Taiwan, Singapore did the same thing. Hong Kong did the same thing. South Korea did a version of this, Vietnam did a version of this, if you acted intelligently and taking appropriate risks. You didn't have to do the lockdown. The lockdown, I asked the guy who ran the Taiwan program what he thought of the lockdown. He said, Well, the lockdown means you've already failed. He said, a lockdown is a sign that you've already you've lost control of the disease, the simplest thing to do is to get these people out of circulation.

**Fareed 26:59**

And but you know, the one place they're doing this and it's working brilliantly, is the rich US colleges. All have a version, I would say have essentially a version of the Taiwan program in place. And if you look at the Harvard, Yale, Princeton, Stanford MIT's they've all been operating with 1000s of people. You know, the classes are often virtual, but they're still living in dorms there. There's a huge amount of commingling miniscule number of cases, the why as they used an intelligent risk reward system.

**Jacob 27:32**

Yeah, in the book, you talk about the importance of learning, embracing failure, experimenting, asking constantly, what you can do better, is very much reminds me of this concept of having a growth mindset on what you can keep doing to improve. You also brought up an interesting point, which is one of the



questions I wanted to ask you. And it seems that leaders or maybe even people in general, for some reason, we have the habit of waiting for things to get really bad before we realize we need to change. You wait till you're obese, or you have a heart condition before you start eating healthy. The organization waits for something bad to happen before they start to innovate and think of new products and services. Why do you think we have such a hard time of adapting and evolving when things are going well, as opposed to always having to wait when things are not going well, before we force change that

#### **Fareed 28:26**

It relates to this whole idea of risk. This is to me one of the central ideas we need to understand which is nobody wants to take the risk when you don't have to. Right nobody wants to fix the roof when it's shining. When the sun is shining, you only do things when you are pressed against the wall. I remember seeing a very good study in the World Bank on when do nations do serious structural economic reform? And the answer was, when they have gone when they are going through economic collapse. The only time that people are willing to actually do fundamental economic reform is when their back is against a wall when they have no other option. It's often the worst time to do it, by the way.

#### **Fareed 29:07**

It's much better to fix the roof when the sun is shining. But it's very hard to do. And it takes a lot of it takes real leadership. It takes real because you know people are asking you why you're doing this you're incurring all these costs for no reason. And people are resistant to that. I remember asking Mike Bloomberg what he was most proud of. I think I did the last interview with Bloomberg. before he left the mayorship in New York, and I asked him what he was proudest of. And he said something which I had said was so surprised by he said for building the second water tunnel for New York. This was a big project where you had to put together you had to build a I think it was billions of dollars for a water tunnel. I said Why? He said because the current one we have is not going to last forever. It is going to wear out, it is going to then trigger an emergency crisis. But it takes years to build a new one. So nobody asked me to do this, I got no benefit from it. Nobody even knows I've done it. But I found a way to get the, you know, the \$5 billion that it took, I committed myself I therefore did not use it, you know, to boost people's pay where were you know, to do all the things that were given me cheap applause at the moment, I decided to do this thing, because I knew that it was the most important thing I could do to make sure that New York did not face a water crisis when the first tunnel crumbled.

#### **Fareed 30:41**

And I think that's, you know, that's, we should all be thinking about what are the things that we think are really important, and that we would be proud of having left behind a legacy of. You know, part of this relates to we become too outwardly focused in terms of our how we judge people, yardsticks, things like that. People should retain, there's always going to be a mix. But people should retain some strong element of asking yourself, how do I want to live a good life, but what it what would make me a good CEO, what would make me a good leader, and to try to do that, you know, a few things that you know, are the right thing to do, regardless of whether you're going to get short term applause for it, regardless

of whether you're going to get short term credit for it. And that, I think, is, it's a very important lesson to learn.

**Fareed 31:34**

One of the things I noticed about Biden, Biden is taking some big decisions, he's taking some risky decisions, I mean, think about pulling out of Afghanistan, right, he could easily kick the can down the road for one more four year term, like people had done before, even Trump who claimed he was going to get out. But I think part of part of it, but Biden is he's 79 years old, he's been there, he's seen everything he's like, you know what, I'm just going to do what I think is the right thing. And I, you know, if it, if it's a mistake, it'll be on my watch, I will be forced to clean it up, I'll have to deal with it. We need more of that sense, you know.

**Jacob 32:10**

Yeah, I suppose that's a sign of a great leader, somebody who's willing to be courageous and bold and take risks to shape and create a better future and a better organization without having to wait for things to be terrible before doing so.

**Fareed 32:25**

That and then I would say to correct when you make a mistake fast, you know, that's, again, very hard to do. Because, you know, you have to admit you're wrong. And it's very hard to do that. If you look at many of companies, you know, General Electric, IBM, you think of ones that have gone through problems, people knew they were problems. The trouble is that it is a culture where it's very hard to admit, you know, that you just spent \$20 billion on on a wrong strategy, or, you know, that big acquisition of Nokia was actually not a good idea. You know, whatever it is. It is the, you know, one of the things Harry Truman used to always try to do was you make decisions fast. And then when they're wrong, you correct them fast.

**Jacob 33:11**

Yeah. Well, arguably, we've seen more I think business transformation in the past 10 months than we have in the past 10 years. When you think in general about how organizations or maybe even broadly speaking, how business is evolving? What do you think, one of the main evolutions and changes that we're going to see after, you know, the pandemic is, quote, unquote, over I guess.

**Fareed 33:31**

The biggest effect of the pandemic on business has been to make the big, bigger and the small, weaker, unfortunately. But it's without any question true. You can see it. Look, I mean, I wrote a book about this, but the book is itself an example of it. Book sales actually up in America over the pandemic. Turns out, not everyone is watching Netflix, a few hardy souls are reading books. So book sales up 10 to 15%, depending on how you count it. Amazon's share of the book market in February 2020, before the pandemic was 30%, it's now best I can tell 65%. So you can see, you know, the transformation and who's who's gone out of business. It's the small bookstore that was not online, or that did not deliver, or you know, that did not have, you know, good digital services.

**Fareed 34:28**

And Amazon stories, of course, true for Home Depot for Walmart for it. Basically, if you are big, if you are digitally savvy, if you're strong lines of credit, diversified kinds of businesses, you are likely to have thrived in this kind of environment. And if you didn't have all those characteristics, many, many just went out of business. If you look in New York City, for example, a third of the restaurants have closed, but if you look at the third that closed, it's very telling. They're the small single owner, you know, often these were fantastic restaurants Michelin starred. And all, that's not the issue. The issue is the ones that were larger, that had technical capacity that had digital capacity that had delivery capacity. Those are the ones that succeeded.

**Fareed 35:13**

So that's the main effect. In terms of the pandemic itself. Post pandemic, it'll be very interesting to see whether whether that trend towards consolidation, which by the way, preceded the pandemic, as you know, will continue. If it does, it's a very disheartening thing for American for business. I mean, one of the areas where the US economy is moving in the wrong direction, is small business formation has been going down for the last 30 years. And I think most people don't realize that. So there's something going on here where the, I believe it's partly has to do with the information revolution, the digital space, tends to privilege and encourage a winner take all reality.

**Fareed 35:59**

And so I mean, look at the digital space, right, you've got basically five companies that dominate in a way that it's almost inconceivable I mean, John D. Rockefeller, is probably the only guy who ever got to that level of consolidation that each of them have in their fields. So that may be one part of it. But why is it happening in airlines? Why is it happening in you know, in car rentals, part of it is I think the government is becoming more lax on it, and to trust enforcement. So there's a whole bunch of things. I mean, cell phone services are much more expensive in the US, compared to Europe, airline tickets are much more expensive in the US compared to Europe. Why? Because, you know, we have not adopted the same anti trust philosophies the Europeans have. So I don't know if that will change overnight. But I think it will change, I think that you are going to move toward a there's going to be as there is some reaction against these companies just becoming too big.

**Jacob 37:02**

You touched on this earlier, but you mentioned this concept of the blurring of work in life having a hybrid workforce. And before I even push the record button, we were talking about the irony that I'm in the Bay Area, you're in New York, and these are the two cities that everybody keeps saying, you know, everyone's going to move out of New York, it's going to disappear. San Francisco is going to go by the wayside. What do you think about this idea of cities like New York and San Francisco disappearing?

**Fareed 37:28**

So first, let's just think about this in historical perspective. If you ask yourself from a demographic point of view, what is the one generalization you would make about human life on planet earth over the last 350 years, that generalization would be people from the countryside move to the city. That is the basically the story of the Industrial Revolution. That is the story of modernization, economic modernization in every country in the world, that is starting with England in the 17th century, and going

through to China and Vietnam and Bangladesh today. And the reason that has happened is not because people are romantically attached to cities, and because they like the cool coffee culture that San Francisco or New York may have. It's because you earn more money. When you live in a city.

**Fareed 38:20**

When you live in a city, whatever you are purveying, there are more people who can buy whatever you are trying to do. There are more people who can invest in, you hear about more deals, you you you're more likely to bump into people who are people you can you can trade with or compete with or cooperate with. That density is what produces economic activity, and which is why, you know, there's a couple of very good calculations that suggests that people who live in particularly large cities tend to be about 50% more productive than people, I'd say it's not that we're smarter, is that you're more likely to meet people, you're more likely to do more deals, you're more likely to see more stuff.

**Fareed 39:02**

I don't think that's going to change. I think that there's very little evidence that that would change. In fact, you know, your your, if anything, what you've seen over the last 20 years in the United States is an acceleration. And again, a winner take all phenomenon, even within the cities, where the 20 biggest cities in America have kind of left the rest. Now, you're going to see some corrections to this some, some adjustments. The first is going to be I think people will really realize you don't have to live in the city center. One thing that digital work and life allow you to do is to live in a larger house in the suburbs, but you're still part of the same metro area, you're still probably you know, essentially in the same in the same zone that I'm talking about.

**Fareed 39:46**

Second, you may choose to live in a smaller city. You don't have to live in New York or San Francisco because of the cost of living you could you could choose to live in Austin, or you could choose to live in you know somewhere very close to Miami so that you can take advantage of, you know, low cost of housing, good weather, things like that. Third, I think you are going to see, the downtown spaces of cities get completely transformed over the next 20 years, I do believe that will be a major transformation, you do not need those many big office buildings. But that's what capitalism is great at, you know, what, what's gonna happen is prices will fall. At some point, those prices clear by which I mean, somebody is willing to pay for to do something there. And whether that's the city saying, We've got to be, you know, provide affordable housing to people, whether that's NGOs, saying we need more space for you know, what we do, or that's performance space, you can imagine all kinds of things that that happen in that in those spaces, but you will have, I think.

**Fareed 40:53**

But that gets me to my final point, which is what we started with, this is all good, because the idea of a zone where people had to live in a zone where people had to work was a very weird 19th century factory model of living. You know, it's, it's actually very unpleasant to have to get up in the morning, schlep for two hours or one hour and you know, on freeways and public transport to get someplace, work there for a few hours, then schlep all the way back. What we're returning to, in a sense, is the older model, where the farmer lived on the farm, the craftsman, he played his trade at home, the, the,

you know, the doctor hung a shingle in his, you know, in his, in his house, as opposed to the storekeeper lived above the store.

**Fareed 41:38**

So Midtown, New York, you know, might look more like a kind of mixture of some housing, some offices, some new, you know, some new areas for restaurants, some new performance spaces. And that's great. That's, you know, that's what what I think was is going to happen is the WeWork the company failed, but the WeWork model will succeed, which is, office becomes a much more flexible place, much more of a place where you meet people. If you need to use an office, you rent this the the cubicle, because everything is in the cloud. And the people who will have dedicated offices with photographs of their children and their baseball memorabilia are going to be very, very senior executives. And that's it.

**Jacob 42:25**

Yeah, it'll be interesting to see that transformation happen. It's funny, my dad's aerospace engineer and his entire life, he always commuted. And he usually commutes two and a half, three hours a day, pandemic happened, And now, you know, he's working at home in his sweat pants, it's like a totally, totally boring thing, right? He's never done it his entire life. So it's really been interesting to see just how at least my family's been able to adapt.

**Fareed 42:51**

And as you say, that would not have been possible 10 years ago, you know, mostly, we think that 10 years ago, you wouldn't have been able to do it because broadband was not as good, which is true. But it's also true that computers were not as good. So my guess is your dad is able to use can be, you know, on a good desktop, he has the capacity to do the kind of design and engineering that would have, you know, in the old days, you'd have to go in and it would be only the office computers could do all that stuff. There are very few things I mean, unless you're doing semiconductor metal, fabrication or something. There's a lot of stuff you can do on a desktop today.

**Jacob 43:26**

Absolutely. I wanted to shift gears a little bit. I talked about this briefly before we started recording. And this was a couple years ago when Andy McAfee yourself and in me, we were speaking at a conference in in Florida. And at the time, we were having lunch together and there was a big conversation around technology and automation. And I wanted to kind of get back into that a little bit and get your thoughts on the role that you think technology AI quantum computing is going to play on jobs and how that's playing with the pandemic, if the pandemic is impacting that at all, and just get your general perceptions on if you are optimistic, or a little bit pessimistic on the role of technology and AI and jobs.

**Fareed 44:08**

So here one has to be honest, it's such a moving target. It's so complicated, that you can't be sure, the data so far does not suggest massive job loss on the basis of automation. You know, just I mean, to put it another way, if you were seeing that you will be seeing massive rises in productivity, right, the smaller number of people super productive, which is why you have these job losses. Well, we're not seeing either of those things actually happen. You know, we were at full employment before the before the

pandemic. In fact, we were lower than we thought we could go in terms of the unemployment rate, and you're not seeing very high numbers in terms of productivity. It's possible and we're measuring productivity wrong.

**Fareed 44:54**

But what I do worry about is that it does feel as though, what is happening is as we move to a more digital economy, what that means is you're moving more and more into the world of software, because everything is now being run by software. And the more you work on software, the more it means AI is going to run the software, because the software is just too vast and too complicated for human beings to run. So effectively larger and larger parts of the economy are going to be run by AI, which means I think, possibly you have an issue with in terms of jobs themselves, you certainly have an issue with the kind of quality of the jobs, the creativity of the jobs, you know.

**Fareed 45:38**

I mean, give you an example, it used to be said that the movie trailer was a kind of fine art that an editor only a human editor could do. Because, you know, you were it was a complicated, you were trying to convey a feel for the movie, but not reveal too much. You were trying to show every major star, you're trying to show every you know, every major, every major set, but not so much that people got bored, you know, so it was a very, it was always thought to be a kind of art more than a craft. Well they now basically have AI doing these, these trailers and they do much better than you know, if you look at least YouTube clip clicks, which is the standard measure for some of this stuff, they do much better than the human ones, because the AI has been taught here are the things that work here, then down to you know, every cut, every take, and every piece of music has, you know, AI can respond to micro incentives at that level, where I think it's very hard for human beings to

**Fareed 46:37**

Does that mean there as you you lose address, I don't know. But it does seem to mean to me at least that the editor can take less pride, less joy, and have a less of a sense of ownership, maybe ultimately get paid less. You know, in one of the things that happened, you mentioned your dad was an aerospace, one of the big dramas of the last 30 years with airline, the airline industry was a you remember all these recurring pilots strikes? Well, the reason the pilots were striking was basically they will set on old wages that were based on the reality that the pilots used to fly the plane. The airline companies, on the other hand, were saying, guys, you know, most of the time, the machines are flying the planes, you guys are watching movies on your iPads. And we you know, we need you guys partly for reassurance for the passengers, partly for emergencies. So, you know, we'll pay you but we're not going to pay you like we used to pay you when you actually flying the plane.

**Fareed 47:36**

So I think part of it is it's not just about unemployment, it's about what kind of employment, what kind of wages, what kind of jobs? And so that's the part I worry a lot about, which is how do you, you know, how do you make sure that you give people dignity, you give them substantive Things to Do you, you know, that they have now maybe this will all work itself out, because there'll be a whole new slew of jobs that are created. But it's difficult for me to understand how that works. Because even those new jobs will have the same feature, which is they have a lot of software and the software will mean it's



being done by AI know, so I mean, unless we're all going to say we're going to cut each other's hair and give each other massages, you know, things that really can't be done by software. You know, we we does feel like we need some we need to think a little bit more about how we structure I love the phrase that I think that the Stanford or the Berkeley computer scientists have, which is a human centered AI. How do we make sure that, you know, we're not just maximizing efficiency? We're maximizing human happiness and human fulfillment. Because after all, isn't that the point of all these machines? The point that all these machines is to make human life better, Let's not forget that.

**Jacob 48:53**

Yeah, absolutely. We only have a couple of minutes left. Your book has a tone of, I guess you could call it cautious optimism. So I wanted to get your take on where do you see the opportunity for individuals? So if people just like me, you know, not leaders of big companies? Where do you see the opportunity for individuals as things start to open back up? And also where do you see the opportunity for leaders of organizations?

**Fareed 49:19**

Gosh, that's a great question. I guess the way I would answer it is one thing that I think we don't talk enough about is what are the personal lessons and opportunities that the pandemic has produced? We spend a lot of time talking about all the external stuff we have to fix. How do we get better government policies in place? How do we get corporations to change the way they run? How do we get cities to be transformed? You know, what are all the external things we need to do? But we should also be thinking to ourselves, what are the internal supports that have mattered the most during this pandemic? How have we, you know, what have we learned about ourselves as human And beings, what do we need to be fulfilled to be happy to be productive and productive in every sense of the word right, not just as as workers, but as, as partners as parents as children.

**Fareed 50:16**

That's, I think one of the things I think a lot about. So no matter who you are, you have this opportunity, you have this extraordinary opportunity to, to learn from what happened. And ask yourself, what makes me happy, what gives me joy, what makes me productive, and to maximise on that in a way that you have not done before. And I think that that's a that's a big opportunity. I mean, I've talked to people over the last year whose income has been reduced by half. And they've said to me, multiple people, this was the best year of my life. And the reason was, because I had this opportunity to ask myself, you know, what do I really want to do with my life? You know, we only get one girl round. And so you really want to be thoughtful about that.

**Fareed 51:00**

So I would say to me, that's the single biggest bonus that has come out of this. And I think whether you're a person or leader or non leader, or a CEO, I would stick with that, I would say, just really ask yourself, how can you How can you be a better version of you, given that we've had this opportunity to, you know, to experience ourselves without a lot of the trappings that we're all used to without the travel and the business meetings and the lunches and the work meetings, and you're just sitting there, and it's you? And you know, what made you happy, and you know, what made you sad, and you know, what made you productive, so now do something about that.



**Jacob 51:46**

I think that's fantastic advice. And you are optimistic about the future, right?

**Fareed 51:51**

I'm very optimistic. I'm basically an optimist. I think that the best way to approach life is to be an optimist, who is always aware of all the problems that exist, because that's the only way you fix them. You don't want to be a blind optimist, you want to be a seeing optimist who's always noticing the problems, because that's how they get fixed.

**Jacob 52:16**

Yeah, no, and that's great. We'll to wrap up in the last a minute or so I just had a couple of fun, rapid fire questions. This is oftentimes the favorite part for a lot of people because they get to know you more on a human level. Starting off with what has been your most embarrassing moment at work.

**Fareed 52:34**

My most embarrassing moment at work, pressing reply all on an email, and writing something that was very much not meant to go to all I think this is one of the worst features of these email system. And I always say to myself, and I always give advice to people don't send this you always think through before you send an email, don't do it reply all. Yeah, there are all these checks you're meant to have. But then in the moment, you think of something either funny or sassy, or nasty, or, and you just do it. And I have done it several times. Alas.

**Jacob 53:17**

Yeah. What are you most proud of?

**Fareed 53:21**

I'm most proud of the fact that I think every person who has worked with me, or for me, I think has had a generally positive experience, we have had a long association and relationship. Almost everybody who works with me, you know, these are these are often decade long relationships, and then they then they continue. That's, that's very important. To me, I feel like particularly those of us who are in a position where you get a little bit more of a profile and are seen as a little bit more of a leader, to be very aware that you're you know, you want to make this a an interesting, productive and, and decent experience for everybody, you know, so I don't yell. I'm not a I'm not somebody who, you know, who does that. And, and I think it's, it's, uh, you know, it's not it's, I suppose it sounds like a low bar. But, you know, I feel like, you know, I've done it for 30 years, and I and I think that there are very, very few exceptions to that. To that, I'm proud of that.

**Jacob 54:28**

Right And last question for you before he asked you where people can grab your book from all people you interviewed during the course of your career, which interview particularly had the greatest impact on you as a human being or stands out for you the most and why?

**Fareed 54:45**

Probably interviewing Lee Kuan Yew, the founder of Singapore. So this is a guy who takes over Singapore which is basically like a sandbar in the middle of Southeast Asia. With a polyglot population very poor. One of the poorest countries in the world when he takes it over. And he grows it within one generation really to become one of the richest countries in the world. Now, Singapore's per capita GDP is higher than the United States. And what's fascinating about him is that he, most people can either be good thinkers or good doers, he was both, and to see that, to see the intellectual creativity, but also the real word discipline of saying, you know, these are this is how we have to have this is how it has to be, this is what I have to do, these are trade offs I have to make, that's very rare. And to find that, and it's the same is true in the corporate world, you often find people who are very good strategists, and they will tend to be the McKinsey consultants and then they're the guys who actually know how to implement stuff. You know, Lou Gerstner once said, strategy is implementation. If you can't implement an idea, it is not an idea. So that combination, I think, is very rare. And that's probably the person I remember most as, as being able to almost seamlessly bring those two things together.

**Jacob 56:07**

Yeah, seems like a very inspiring person. Where can people go to learn more about you, your book? I mean, you're very easy to find, obviously, but anything in particular that you want to mention for people to check out, please feel free to do so.

**Fareed 56:21**

Sure. I mean, it's the usual stuff that we all do these days. And if you Google, I think my I think my, my homepage-- Fareedzakaria.com, is probably the best single place. And you will, you have a choice by the way of whether you can buy the book on Amazon, and pay less, or buy it on bookshop, which is a consortium of independent bookstores and pay more, you know, but there is a trade off, which is the the Amazon prices are good bit lower.

**Jacob 56:51**

Yeah. Well, thank you so much for taking time out of your day to speak with me. fantastic book, I learned so much. And I'm so delighted that you decided to come on and share your insights with me.

**Fareed 57:02**

It's a great pleasure for me as well, Jacob, thank you for having me on.

**Jacob 57:06**

My pleasure. And thanks, everyone, for tuning in my guest again, Dr. Fareed Zakaria, please make sure to check out his book 10 lessons for a post pandemic world you can find it pretty much wherever you can find a book. I read it and highly recommend it. I'll see you next week.