

Richard Wolff: China Won the Economic War & the West Fragments

Prof. Richard Wolff discusses how the profound economic problems across the West manifest themselves in societal and political problems. Follow Prof. Glenn Diesen: Substack: <https://glenndiesen.substack.com/> X/Twitter: https://x.com/Glenn_Diesen Patreon: <https://www.patreon.com/glenndiesen> Support the research by Prof. Glenn Diesen: PayPal: <https://www.paypal.com/paypalme/glenndiesen> Buy me a Coffee: <https://buymeacoffee.com/gdieseng> Go Fund Me: <https://gofund.me/09ea012f> Books by Prof. Glenn Diesen: <https://www.amazon.com/stores/author/B09FPQ4MDL>

#Glenn

Welcome back. Today we're joined by Professor Richard Wolff to discuss the future of the West, NATO, Europe, and the international economic system in its current state—which is perhaps too ambitious for a 45-minute podcast, but let's see how far we get. Thank you for coming on, and welcome. I wanted to talk with you about what's happening within the West, because my simple perspective is that the political West, as one entity, has relied on specific conditions—both security and economic.

That is, after World War II, the Americans provided the Europeans with very generous trade agreements and security because they had the capabilities to do so, and also because of the rivalry with the Soviet Union. After the Cold War, we saw the United States pursuing a hegemonic world order, and the partnership with the Europeans through NATO expansion was an important node in this system. Now, in the current multipolar system, we see something very different. The U.S. has exhausted itself; it's less capable of competing with big powers like China, and it more or less needs to reshuffle the deck to gain some—well, let's say—strategic advantage.

So we see the U.S. going a little bit rogue. Meanwhile, Europe is now seen as a cost, a burden, and the U.S. essentially has to seek a greater return on investment for its empire. You see a very transactional and extractive approach toward its allies—which isn't limited to Trump, by the way. And all of this, as we spoke about earlier, surprises me as well: how Europe seems to be disintegrating very fast. So I was wondering, do you see it in a similar way? What is happening to the West at the moment? Because every week feels more absurd than the previous one.

#Richard Wolff

Okay. I do have a very strong set of views that I've worked on for many, many years. My perspective is American—I'm sitting here in New York City, this is what I study. I was born, lived,

and worked all my life here in the United States. On the other hand, I'm also European. My mother was born in Berlin, Germany, and my father in Metz, France. I've spoken French and German all my life. I'm interested in that; I have family in Europe. So, in a sense, I've been coincidentally European—pretty well placed to feel what's going on. Finally, I'm very historical. For me, the way to understand the present is through the framework of the passage of time, of historical change.

With that in mind, let me tell you what I think is going on. The most important phenomenon is not Mr. Trump or the United States going rogue—though I understand the value of those ideas. But I think, to overstate it a bit just to make my point, the real problem here is China. It has to be understood that China is changing everything. What you have is a West that was not prepared for it, could not imagine it, and is at a loss for how to deal with the rise of China—where everything that has been tried to stop it or slow it has failed, with no prospect that anything in the future will be any more successful than what has been tried over at least the last 75 years of Western history.

That's the first point. Here's the second point. The United States was, as you correctly said, caught up in the great Cold War with the Soviet Union. It had hoped, in the 19th century, to be the great replacement for the British Empire. It had competed with Germany for that role. And in World War I, the United States and its ally, Britain, having defeated the two earlier efforts of Britain to prevent the American colonies from becoming an independent force—the 1775 war and then again the 1812 war—having failed, the U.S. and the U.K. smashed Germany as an alternative. That gave the United States the kind of opening to become the dominant global power for the rest of the 20th century.

World War II cemented that relationship by destroying Japan, which had pretensions of perhaps shaking up Anglo-American domination. The Second World War conveniently removed Japan and decimated what was left of Europe as a competitor, leaving only, awkwardly, the Soviet Union. And so the Cold War was the recognition that there was—exaggerating a bit, but I want to make the point—one more enemy to overcome. You had subordinated the British Empire, you had subordinated Europe, you had subordinated Japan, literally with the atomic bomb at the end—a kind of subordination taken to the nth degree. So that left the Soviet Union, and you entered into a Cold War.

Bitterly, you had to recognize that you couldn't obliterate the Soviet Union because they had nuclear weapons. And then the Soviet Union conveniently imploded on itself in 1989, 1990, 1991. And here now comes the point: it led the United States—the leadership of its political community, the heads of the Republican and Democratic parties—it led them to what's very important, a hysterical as well as historical moment. It was the moment that Mr. Mearsheimer, whom I know you know very well, has dedicated his life to understanding as the unipolar moment, a period in which the United States could plausibly imagine the fantasy of manifest destiny—that somehow God, and remember, God is important in the United States, no doubt lives here—celebrating the United States as the great hegemon of the world.

And with the collapse of the Soviet Union, we were to inherit the whole world. It would be our oyster. The neoliberal globalization program that had gotten underway in the 1970s could really take off in the 1990s and move production out of the United States. All the dirt of manufacturing would be done in Asia, Latin America, and eventually Africa, while the United States would reign supreme. Ironically, the explosions of a Muslim reaction—the so-called era of terrorism—in a peculiar way reinforced this idea. The West was where things were civilized, polite, and appropriate, and the East was not only where dirty production was taking place, but where people were seen as irrational, backward, ideologically off—all of it.

And now comes the disaster. The dust clears. We're in the teens of this new century, and it turns out there's yet another obstacle. It's not Europe. It's not America. It's not the Soviet Union. It's not Russia. It's not Japan. It's China. Only it's a much faster-growing economic powerhouse than any of the others ever were. So instead of being able to collect all the fruits you'd promised yourself, you were denied. And everything you've tried to do to China—everything—has failed. They don't slow down. This year, their GDP will grow two to three times faster than that of the United States. And that's been the norm for 30 years.

Nothing has stopped it—not the Seventh Fleet, not the noise about Taiwan, not the economic agreements, none of it. The Pacific Partnership, ASEAN—it makes no difference. That doesn't stop the relative decline of the United States and Europe, or the rise of China, and now China with the BRICS. It's overwhelming, and there's no end in sight. I think that's produced a kind of hysterical reaction—at first fear, then bitterness, then a resolve to do to the Chinese what seemed to have worked against the Soviets. But it doesn't work. China isn't the Soviet Union in very important ways—economically, politically, and everything else.

And so there's hysteria. And the hysteria reaches its apogee in a very peculiar way—it produces, in the United States, a clown as president. A clown whose humor, whose bizarreness, really is a reaction to everything I've just said. He's going to break all the rules. He's going to behave in all the ways you're not supposed to. He's willing to ask and answer questions that were outside the realm of allowable political discourse in this country. Are Mexico and Canada important allies? Not particularly. If we can squeeze some tribute out of them in the short run, that's all they're good for. And if we have to use our military—fine. We have enough military, and they're weak enough, that we can do that.

The same applies to Western Europe. We gave them military protection because we needed a buffer with the Soviet Union. We don't need that anymore. The Soviet Union isn't the kind of threat we once thought it was. In fact, our better bet would be to try to pull them away from China—which nothing we've done so far has been able to do—but we should try. A good compromise in Ukraine would help solve that problem. And that's why we're going to pull out of Ukraine. We'll leave it to the

Europeans, who we know can't do it on their own. They don't have the military capability; they haven't had it for 50 years. It's silly. The Russians have no reason to go, and the Europeans couldn't defend themselves anyway.

So let's convert that into a short-term benefit. Let's go to von der Leyen and say, here's the deal: we're going to hit you with terrible tariffs. If you don't want terrible tariffs, we're willing to give you moderate tariffs—but only if you commit to do two interesting things. Buy our liquefied natural gas—\$700 billion over the next 10 years—and contribute another \$700 or \$800 billion in guaranteed, promised investments in the United States. That is, we want you politicians in Europe to go to your people, take the money you generate in your economy, deprive your own country of reinvesting it, and put it instead into our economy. That that's a serious proposition is what matters.

That von der Leyen went for it tells you how bad it is—how horrible the subordination of Europe is that's being contemplated here—because the chaos in Europe that could produce, as you desperately try to hold on to your social welfare when what you've just agreed to precludes it, is enormous. There's no way you can do what you promised Mr. Trump—rearm against Russia—and still hold on to your social safety net. Five minutes of arithmetic will show you that you can't do it. So the United States is saying, and I'm going to exaggerate now, we don't care about the long run. We don't know what's going to happen in the long run.

Time is on China's side, not ours. We've learned that over the last 30 years. We need a short-term fix, and for that, we need to drain our empire—our informal global empire—the richest parts of which are the other members of the G7. And we're going to drain them dry: Europe, Canada, Japan, and Mexico. We're going to drain them all, and we're going to use that to make one last, profound effort to stop the phenomenon of China and the BRICS, which is what's going on. And here's the irony: there is a residue—and here I'd like your response, correct me if I'm wrong—there is a worry, and the worry is Europe.

There's an outside chance, in the American mentality, that the Europeans could be so insulted—so outraged by what's being done to them—that they might actually overcome their nationalistic inability to unify. That's been on display for so many years now, it's hard to imagine anyone doesn't see it for what it is. There is, however, a risk that you'll be so destructive to their future that you might actually bring them together. And then there's the danger that they'll want their own place in the world economy. They don't want Russia or China. They don't want the United States. They want their own. And how are they going to do that? Well, here's the irony: one of the things they need is a place to develop energy, to develop rare earths, and to build a whole new economic base.

And so the conclusion was reached, I believe, in Washington, that the danger to Greenland was never China or Russia—that's, if you'll pardon me, bullshit of the first order. The danger was that the Europeans would understand what they have, if they could unify to develop it. The United States wants Greenland, in short, so that Europe cannot get it. That's where we are. And it's one of the things driving this kind of behavior, which is derogatory to Europe in every way—not just saying the

things it says, not just mocking Starmer or Macron or Merz, not just, in your face, with the attack on Denmark and on Greenland and all that it represents. Are these symbolic acts? Absolutely. Part of the denigration.

Absolutely. But they're also strategic moves to position yourself for the final effort to constrain Russia and China, now together. Your failure against China has, in part, brought Russia closer rather than pushing it further away—a terrific mistake that he blames on Biden, which is silly, because it comes out of a consensus in this country. But he's desperate. He'll say whatever he has to. You should see Mr. Trump as a desperate politician, because that's what he is. There isn't brilliant planning, there isn't clever maneuvering—there's desperation, which can sometimes give you a moment of genius, no question. But it's desperation that's key here, not the genius moment in an otherwise desperate piece of theater.

#Glenn

Well, you're definitely right about the U.S. efforts to drain its allies. And if you look at why the Europeans are willing to accept these terrible trade deals, it wouldn't surprise me if they decide to make a deal with Greenland—handing over some sovereign territories for American bases that will be solely under EU control. All of this is very likely. And the reason, I think, is that after 80 years, the Europeans don't have the political imagination to consider anything that doesn't involve American leadership. I think all these massive concessions, which go against the national interest, which weaken and divide Europe, come from the assumption that by showing this kind of subordination—this obedience—they'll win the love of Washington, so to speak, to show that the alliance is still worth keeping.

I think what the European leaders don't understand is that this isn't a gift so we can patch things up, the marriage together. This is the divorce settlement. The U.S. recognizes that the alliance isn't going to last. The Europeans don't have much to offer. They want to snatch what they can on the way out. And they're handing over the strategic advantage. It's just very strange to watch. But in terms of your question, I don't think the Europeans would be able to unify against the United States, because Europe has its own problems. Again, what is Europe?

You have these 27 member states in the EU, and the EU is no longer capable of delivering proper economic benefits—partly because of its subordination to the United States, but also because of the more authoritarian approach, the rule of law being walked away from, sanctioning their own citizens, all these things. So I'm a bit skeptical about the extent to which Europe will be capable of standing up to the U.S. It's too simple, too easy to play the Europeans against each other, I think. But the real wildcard here, though, in the rise of China—well, it's not really a wildcard, but what changed things so fundamentally, from my perspective, is the role of Russia.

I think future historians will look at this and be shocked. Since Gorbachev, Russia pursued the idea of a common European home—that was their objective, to integrate with the West. Even in the early

1990s, they signed agreements with us to create a pan-European security architecture. However, because the Russians were weak, the West went for a hegemonic system, meaning NATO expansion. Still, the Russians tried. Boris Yeltsin and Vladimir Putin both suggested joining NATO if it was going to be the main organization. And in 2008, they again proposed a pan-European security architecture.

In 2010, they proposed an EU–Russia security union. In 2013, Ukraine and Russia proposed an EU–Ukraine–Russia trilateral agreement, so we could have a common Europe instead of dividing lines. They rejected this, of course, and instead, when they toppled the government in Ukraine, something fundamentally different happened in Russia. For the first time in 300 years—since Peter the Great—they decided that a Western-centric foreign policy was no longer possible, and that instead of a “Greater Europe,” they should have a “Greater Eurasia,” to look east. And just at that time, in 2014, the Chinese were beginning to develop their Belt and Road Initiative. They were creating their own development banks and announcing very ambitious industrial policies, with the capabilities and the intention to challenge the economic primacy of the United States.

So that we did this at this point in history, for me, is just... it was the biggest mistake that could possibly be made. And I just don't—I wonder how you see Russia in this context, though. Because the Americans... the Europeans seem to be banking on the idea that we can go back to a Cold War, where we have a common interest with the U.S. to balance the Russians. But the Americans, they seem to see it differently. They say, well, Russia's not a problem, they're not a challenger—why would we push the Russians closer to the Chinese? So the whole assumption of the Europeans, that this is a unifying issue—the hatred of Russia—it just seems to be such a strategic error, which ignores, as you said, China.

#Richard Wolff

Yeah, my view—again, I look at it historically. If you take the last 75 years, China is the most dramatic change. I mean, it literally goes from being the largest country in the world to also arguably the poorest country in the world. You know, we all grew up here in the United States, or many of us did, reading a novel by an American missionary named Pearl Buck. It was called **The Good Earth**. You may know it. It's a study of China by American missionaries, I believe, who went to China to spread Christianity and all that. But it's a book that describes a level of poverty that, for most Americans, became the image of China—the ultimate example of abject poverty. Okay, they make a revolution, and that revolution is committed to taking them out of the horrific poverty they were in.

This is the American understanding—making them into a modern economy. And they did it. They've come further, faster than any economic development we have on record, far outperforming Europe or America in terms of growing GDP per capita, no matter how you measure it. I've done all those measurements. The Chinese transformed themselves, number one. Number two, the Russians, as you rightly put it, transformed themselves—doubly, the way you described—from Peter the Great's

European emphasis to now Mr. Putin's unambiguous redirection to the East. But they've also gone through a communist revolution in 1917 and a counter-revolution in 1989. Wow. They have fundamentally questioned, challenged, and changed their direction.

But who hasn't done that? Europe and the West. They haven't done anything like that. They haven't had anything comparable to those kinds of changes. They're on the same trajectory. Europe used—if I may be allowed—used nationalism to break out of feudalism, to take the Holy Roman Empire, which was one enormity, and carve it up into separate, eventually, nations. Nation-building and the transition to capitalism are so woven together that it isn't so surprising, is it, that Europeans to this day are so deeply wedded to the nationalism story—to the importance of being a Hungarian rather than a Slovak, or a Pole instead of a Lithuanian. I mean, for God's sake, it's as if Americans were really excited about being from New Jersey rather than Wisconsin.

It would strike Americans as silly, right? The United States is the ultimate achievement of this nationalism story—literally inheriting God's decision to favor the United States. It's the manifest destiny of the United States to be the global hegemon. They haven't changed anything. And if history teaches us anything, it seems to me it teaches us that the biggest mistake you can make is to assume that the conditions that made a strategy work at one point in time should be preserved because they'll be equally effective much later. That's never true. What is true is that if you try that, you will fail.

If you don't ask yourself fundamental questions, you'll fail to find the answer. The question you refuse to face doesn't disappear just because you refuse to face it. It's still there, and that failure will come back to haunt you. It seems to me that nationalism—which, by the way, is not just a problem in Europe, it's a problem here in the United States too—takes a different form here because we're one country. But it means that the rest of the world barely exists for us. That's why the fights inside the United States are, in the end, what's going to change this country—because it doesn't allow for global affairs.

The president who embarrasses us because he can't keep straight how Iceland is not Greenland—or a thousand other variations of that ignorance—that's a very American phenomenon. Most Americans have no idea where Ukraine is, let alone what it is. No idea. It's a war that the United States is fighting not only by proxy, but beyond the proxy of the Europeans and the poor Ukrainians. The whole idea of that war is a piece of theater shaped by the media here, led by the politicians and the academicians who, to their everlasting discredit, go along with it.

These are morality plays in which the good battles the evil with about as much reality as the childish story told to a child early in their Christian education, when they're six years old. We never graduate. And that failure to question and to change—that's why the Russians and the Chinese are in an infinitely better place. And by the way, time is on their side, and they know it. People wonder, why

does Mr. Trump do all this? And Mr. Xi Jinping says very little. And Mr. Putin even says relatively little. My guess is they're talking to each other every night, in disbelief at the self-destruction of the West. They don't need to intervene—the West is doing a fine job all by itself.

#Glenn

I think that's also a way to understand what Russian restraint is, because they know that the higher they lift their head, the more it can start to bring some of the West back together. In other words, they don't have to do much. They don't need any active sabotage. You don't need some "Russiagate" in the real world—there's none of that. All they have to do is keep their head down, and it looks like the West will tear itself apart. It's quite extraordinary. But how do you see all of this? I mean, we're talking about economics, we're talking about the political configuration—but what does this mean for security and war?

Because usually—historically—new world orders only tend to form after major wars. After every major war, you see a new change, a redistribution of power. Sometimes you have the collapse of certain actors, such as the Soviet Union, which transforms the world. But usually, we move toward war. The dominant states aren't going to simply hand over or walk away from the throne. So how do you see this? Do you see the possibility of actually going to war against Russia or China? Because it seems very suicidal—not just for those attacking, but for the whole planet. How are you assessing this? Or is this just posturing?

#Richard Wolff

Well, no, I think there's a genuine—there's a lot of posturing going on, but there's also a general and genuine debate. I don't think that debate is resolved at all. It's a debate between those—I'm going to be crude now, but just to get to the key point—those who understand that time is not on our side and therefore argue, "Fight the war sooner, not later." So they're eager to bomb Iran. When? Last week. So they're there. That's a serious group within the military and more broadly. Then there's the other group that says, "You're out of your mind. We live in a nuclear age, and that's a card that cannot be played—not by us, not by the other side either." And they're having a debate. They've been having this debate for quite a while, so they're used to it.

There are now the sons of the people who were debating that 30 years ago, and they're having that debate again—asking themselves whether the changed global conditions affect it. For some of them, they do; others are sticking with what they always believed. And why? Well, experience doesn't give a clear answer. It's well understood that the war in Vietnam was lost. For the American people, that's not a clear understanding—not at all. But for the thinkers within the establishment of our political life, a portion understand very well that it was a war that took half a million American soldiers, boots on the ground, and we were defeated. And Vietnam was, at the time, one of the poorest countries on earth, fighting a war against the United States, which was then arguably the most militarily developed power in the world.

So, the strongest against one of the weakest—and the weakest win. The enemy was the Communist Party of North Vietnam, and that's basically who inherited the country when the United States left, or was forced out. I won't bore you, but you know that in Afghanistan it's more or less the same story. The Taliban is in charge now. The Taliban was the enemy. They won. We lost. We are losing in Ukraine. It's arguable who won what in Iraq, but a clear win for the United States? Not at all. So using boots on the ground, even against poor countries, is not a recipe that goes very far. The reason the U.S. chose to attempt the abduction of Maduro was because they couldn't do anything any other way. Mr. Trump—well, we could have sent in...

No, you couldn't. You know how we know you couldn't? Because you didn't. And you didn't because you don't want to fight an indefinite war in very rugged countryside. Venezuela has lots of mountains and jungles. Whoa—are you talking about a horrible rerun of Asia? Only now, in Latin America, you don't want that. There would be hundreds of thousands of Latin Americans who would volunteer to fight the United States in Venezuela. They know that, too. So you're watching a struggle here whose parallel—now, maybe this is where you want me to go—whose parallel is also the economic difficulties. The United States economy—I'm a professor of economics; this is my job—is now more unequal than it has been in my lifetime.

And I have gray hair. By any measure you want—the division of wealth, the division of income, disposable income, whichever measure—and there are a dozen of them—you use, we are at a level of inequality. A recent statistic says that the top 10% of our people account for more than half of all consumption. The other 90% have less than half of the consumption. What are you talking about? People are furious. There are no jobs for people. The income isn't enough. Today, the 23rd of January, 2026, the AFL-CIO, our conservative major national labor union federation—its local body in the city of Minneapolis, a major city in the middle of the country—called for and has organized a general strike.

The last time Minneapolis had one of those was in the depths of the Depression, in 1934. And what is it about this time? Is it about economics—wages and all that? Is that the real reason? Probably. But what is the ostensible reason? Ready? Opposition to ICE and to Trump. The mayor of the city and the governor of the state are supporting the general strike. This is a level of social division we haven't seen for decades—almost a century. Very severe problems, and they're not being solved, not by the tariffs, not by anything he's doing.

The level of deficit our budget will have in the coming year is even greater than in past years, and Mr. Trump was committed to doing the exact opposite. He's proposing a 50% increase in military spending. By the way, another message to Europe: if you're impressed that Merkel is going to increase military spending by \$800 billion over the next 10 years, think about this—the United States is going to increase its spending by \$600 billion in one year. Europe is not going to challenge the United States militarily with that kind of action. It's way too little and way too late. Those are the realities we're confronting right now.

#Glenn

Well, to what extent, though—just the last question—do you think there's any momentum for fundamentally changing the way the political West looks at economics? Because after two world wars, it seemed like we kind of learned our lesson a bit with wild capitalism. That is, from 1945 to 1980, we had, well, some restraint. We had more intervention in the economy for different reasons, but nonetheless, this was seen as acceptable. Then, in the 1970s, as you suggested before, we had economic stagnation, and the solution was, "Well, let's just deregulate, remove some social responsibility, get rid of all this public ownership," with the assumption being that if you have a more flexible economy, you can get it to grow. Many would say, yeah, it was a good idea to get things going—but it probably should have been a temporary tool until the economy started running again, and then we could have reintroduced some of the regulation and social responsibility.

But instead, we saw in the 1980s these deregulated markets—where the market runs wild without any intervention—become an ideology under Reagan and Thatcher. Suddenly, the political right couldn't intervene in the market to protect traditional values and institutions, be it the church, the family, or whatever it might be. The political left couldn't redistribute wealth. And, you know, problems started building up through the '80s. You would have thought that by the end of the decade, it was time to tighten up a bit and make sure society didn't go out of control—as you mentioned, with economic inequalities.

But then, of course, the Soviet Union collapses, and suddenly liberal economics goes on steroids in this wave of hubris. For the past 30 years, we've all been worshipping at the altar of the free market, where, well, the market will take care of everything, and society is just some appendage that follows wherever the market goes. But it seems that we've, you know, come to the end of the road. As we face this, do you see any indications that we might try to get back on track—challenge the religion of our time, which is this free market?

#Richard Wolff

Yes, I do think it's possible. And since we're coming to the end of our time, let me be bold and tell you what I imagine might happen. Okay? If I ask myself—as I have, and as my profession does—what is the secret? What did the Chinese figure out that enabled them to achieve the economic growth record of the last 30 to 40 years? I mean, that should be the number one question. Adam Smith is considered the founder of economics because he asked, in the title of his great book, what accounts for "the wealth of nations." That was his question, and it should be ours.

And if you ask that question, then the country you want to focus on is China—at least if you want to explain growth. You might want to focus elsewhere if you want to explain the absence of growth. And that's sort of what Smith did. We need that again. If you take the discipline of economics seriously, then you'll know that the Chinese have proceeded by asking themselves: what does it take to achieve economic growth? What should we be doing as state enterprises, and what should we be

doing as private enterprises? What do we need to do to keep it in Chinese hands? What can we allow to be done by foreign hands? And they have, very practically and very pragmatically, answered those questions.

And they've produced a hybrid economy—an economy that is, in varying degrees but roughly 50-50, private and state. It's heavily Chinese, but with a big allowance for foreign enterprises to function. Very practical. They have not been ideological. They didn't do what, you could argue, the Russians did by prioritizing state enterprise, and they didn't do what the West did by prioritizing private enterprise and raising it to the level of ideological hysteria. Well, that would be an interesting argument—you could make that argument. We don't do that. But here comes my optimism. I think we will. I think there will be, and there already is in the United States, a growing question: what exactly have the Chinese done? Why are they better than we are in electric vehicles, in solar panels, in AI that is practically usable, and so on?

And why are they competing with us in the most advanced semiconductor chips and everything else? Those questions are being asked, with the inevitable follow-up. I think we're learning that we've been stuck in a horrible, stale version of a debate—"Which is better, private or government?"—and that was the wrong question. For me, that's about as interesting as asking which is better, Tuesday or Friday, or which is the better number, six or nine. You know, these are senseless questions. Who cares? It's the results that matter, not some purity test of public or private. Where did we get that crazy idea?

For every example where you can show me that the private sector did something better than the public equivalent, I can show you the opposite. What have we achieved by that? Nothing. That's the whole point. Sometimes one way is better, sometimes the alternative is better. We do that everywhere else. What is this religious problem we have here—which is really what it is? It's the effort of the private sector to protect itself against what? Against the government. That's all it's ever been—the fear of the government, because with universal suffrage, the government is ultimately beholden to the workers, who are the majority. And for a capitalist, that's always been a problem. How can you possibly coexist in a society with universal suffrage and democratic voting? You're always at risk. How do you handle that risk?

By preventing the public sector from touching your economy, you hold it back from exercising its democratic origins to control economic life. It's childish when you think about it that way. I think that's emerging in this country. I even think it's part of the general strike in Minneapolis today. It's an awareness among people, finally, that they really do have to take control of the system. Even Mr. Trump's popularity was based on an attempt to tell the American people what they already knew: you've lost all control. "Vote for me, I'll put what you want into effect." They voted for him, and he's changing nothing. That's the reality. He didn't change anything fundamental in his first presidency, and all he's doing in the second is more theatrics. He learned that he's got to dominate the daily news cycle—and he's much better at that than he was the first time.

And the Europeans, unfortunately, play into that. But I think the hope is that both the European people and the American people will look for changes in the West comparable to the changes Russia and China are experiencing. And what might that be? Let me end with this provocation: what is preventing the Europeans from deciding they bet on the wrong horse? They ought to be following Mr. Putin into a long, difficult, but potentially world-changing realignment. There's a rumor that Macron once asked if he and France could join the BRICS. I don't know if that rumor is true or not. But if it isn't, let me suggest that investigating that, and forming a Europe that negotiates with the United States from a position of strength through an alliance with Russia and China, would be a very different future for everybody.

#Glenn

I've always said that the Europeans could learn a bit from the way China developed. That is, I think we could invite more Chinese capital into Europe, but instead of becoming a technological colony, it could be done through agreements—joint ventures, including some technological transfer. All of this wouldn't just allow Europe to thrive; it would also be a foundation for unity, because Europe's collective bargaining power would be the reasoning behind it. So it would be better than having unity through hatred of Russia or the dream of subordination to the United States. And as you said, that could lay a foundation for more peaceful relations with Russia. Also, by reaching out to the Chinese and diversifying, we could have a more equal relationship with the United States instead of being so, you know, excessively dependent. But...

#Richard Wolff

And it could even, in the short run, do wonders for Europe to once again have cheap oil and gas flowing in from Russia. I mean, come on—it's kind of obvious there would be all kinds of benefits. And you're quite right. If you look at the history of China, that's what they did. They basically said to the West, "If you come, we will give you cheap, industrial, trained workers and access to the Chinese market, which is the largest and fastest growing in the world." Well, you know, I've taught in business schools—that's what we teach young entrepreneurs: you want to succeed, go where the wages are low and the market is growing. Well, they did. They went to China. Now, what would be the Chinese demand? "We will give you the workers. We will give you access to the market."

You've got to share your technology. You've got to share your distribution system. You know, if you look at big retail in the United States, it's dominated by Walmart and Target. And what you find in those stores is all the Chinese-made products. But the Chinese, who could produce a better product, could never have accessed the American market without a distribution system—it would have taken them fifty years to develop one. Instead, they made a deal with an American corporation. Walmart, which is the richest corporation and the largest employer in the United States, is absolutely dependent on China. China is part of the Walmart story. Okay, if Walmart could do it, you want to tell me—why can't we all do this?

Learn from the Chinese, work out a deal, and Europe would be the beneficiary. It too could write the contracts. Europe is a rich market—it still is. Europe has three, four hundred million people buying materials. And Europe has less of an inequality problem than we do. You're in a good position. The Chinese need your markets, and so on. You can still do it, but you have to do it. And this requires your willingness to question what you're doing. All I see—and please correct me if I'm wrong—is a Starmer, a Macron, a Merz, and a Meloni not able, and I don't know, the others are no better, not able to even begin to think in anything other than a way in which Russia is the great bear they have to worry about. There's something very pathetic about it all.

#Glenn

Well, I do think that Europe can still turn this thing around if they do the things you outlined just now. But I just don't see it happening—not with this political class. I think we need some political revolutions across Europe. But again, as you said, it's still a large population, it still has wealth, it can turn things around. But first, you have to stop pretending they're redoing World War II and get rid of some of this crazy ideology and hatred of the Russians. Make some deals with the Chinese—I think that would create some balance. But let's at least try to stay optimistic that there's still some hope. And thank you very much for being so generous with your time.

#Richard Wolff

My pleasure, Glenn. And thank you for having programs that are willing to look at these issues and open up the conversation.