

From Neoliberalism to Economic Nationalism? Lessons from Iran

In this episode, we speak with leading Marxist thinkers John Bellamy Foster and Prabhat Patnaik on the ongoing US–Israel war against Iran. Support Independent media to remain bold: <https://patreon.com/IndiaGlobalLeft> Link for donation: <https://paypal.me/sankymudiar> We explore: Is the war best understood as an imperialist war in the classical Marxist sense? The role of military Keynesianism in sustaining the US economy amid stagnation Whether war is being used as a tool to counter crisis tendencies within capitalism The significance of Iran’s resistance for countries of the Global South Can Iran’s experience under sanctions offer a model of economic sovereignty and industrial policy? Is this the moment to rethink neoliberal financialisation and move toward economic nationalism? The discussion situates the war within the broader crisis of global capitalism and the shifting balance of power in the international system. Follow us on Substack: <https://substack.com/@indiagloballeft> Twitter: <https://twitter.com/Indiagloballeft> Instagram <https://www.instagram.com/indiagloballeft/> Facebook: <https://www.facebook.com/profile.php?id=61559411353392> Spotify: <https://open.spotify.com/show/69Y9iCWUv8ha3ATsPWtWk0?si=ee1f0de3de094f17> Telegram: <https://t.me/+WNIqoiv1Rhg5NjEx> Keywords / SEO tags (naturally embedded): US Israel Iran war, imperialism, Marxist analysis, John Bellamy Foster, Prabhat Patnaik, military Keynesianism, global south, Iran sanctions, neoliberalism crisis, economic nationalism, US economy stagnation, geopolitics, anti imperialism Suggested Hashtags: #Iran #Imperialism #GlobalSouth #Marxism #Geopolitics #USIsrael #WarEconomy #Neoliberalism #EconomicCrisis

#Mudiar

Hello, and welcome to another episode of *India and the Global Left.*

#Mudiar

Professor John Bellamy Foster and Professor Prabhat Patnaik. Professor Foster is a leading Marxist theorist and the editor of *Monthly Review.* He’s best known for his work on how capitalism disrupts the relationship between human societies and nature. His research connects imperialism, monopoly capital, and ecological crisis, making him a key voice in understanding how capitalism drives both environmental breakdown and global conflict. Professor Prabhat Patnaik is a leading Marxist economist and a major theorist of imperialism in the contemporary global economy. His work focuses on global finance, inflation, agrarian crisis, and the structural constraints faced by the Global South under neoliberalism. He has written extensively on how modern capitalism reproduces imperial hierarchies through financial flows, austerity, and demand compression. Professor Patnaik and Professor Foster, welcome to both of you. Thank you.

#Guest

Thank you.

#Mudiar

If we could start with Professor Patnaik, I was thinking—how do you see this war, given that the mainstream media has been defining it as a U.S.-Israel versus Iran war? I was wondering, given your work on imperialism, is it fair to define this as an imperial war? And if yes or no, why?

#Guest

Well, absolutely, you're right that it has to be defined as an imperial war. You see, I think, first of all, the attitude of imperialism toward the Global South has changed dramatically. Noticeably, since the collapse of the Soviet Union, we've seen imperialist interventions against Mossadegh in Iran, against Arbenz in Guatemala, against Allende in Chile, and so on. But all those were interventions that were, as it were, engineered through the CIA, through various operatives—they were not direct military interventions. With the collapse of the Soviet Union, imperialism has become even more emboldened to undertake direct military interventions, of which we've had a few earlier examples, like Iraq, Libya, and Venezuela.

Venezuela was a dastardly operation, and now you have this bombing of Iran. I believe the reason imperialism is so desperate to intervene—and this predates Trump—lies in the fact that the postwar imperial order has been a very strange one. Under British hegemony, under British imperialism, while Britain ran huge current account deficits vis-à-vis the then newly industrializing countries—like continental Europe, the United States, Canada, Australia, New Zealand, South Africa, and so on—and even made capital exports to these very economies, it never got into any debt.

The reason it did not get into any debt is because it extracted huge amounts of what Indian nationalist writers called the "drain of surplus" from its tropical colonies—like India, Malaysia, the West Indies, and so on. Now, the United States does not have that kind of colonial empire, and because of that—even if it had one—it's doubtful it could have actually managed to balance its payments. But it has managed to do so in the postwar years by essentially giving its IOUs to the rest of the world, flooding the world with dollars, which are considered a form in which the wealth holders of the world can keep their wealth.

As a result, you have the richest country in the world—the most powerful country in the world—also being the most indebted country in the world. Now, this is something that, of course, gives enormous fragility to the international financial system. People say, "OK, it's not so fragile because there's no currency that can possibly challenge the dollar." But it's not a question of currency. In

fact, it's a question of people moving internationally—at a pinch—from dollars to commodities, as indeed they did when President Nixon broke the dollar–gold link. There was a massive shift from dollars to commodities because of the huge inflation.

Now, such huge inflation—particularly at the current juncture, when working people all over the world are suffering not only from rising global income inequality but also from the recession engendered by that inequality—would really, utterly destabilize the entire system politically. So, for some time, there has been an attempt by U.S. imperialism to grab hold of the world's resources in order to bolster its balance of payments, to strengthen the position of the dollar. And this, to my mind, is actually a continuation of the very same effort.

If the U.S. could actually get control over the bulk of the world's oil resources—which it succeeded in doing in Venezuela, and it is itself a major oil producer—and if it could have done the same in Iran, then the U.S. would be in a position where, in the case of a shift from the dollar to oil, it could bolster the dollar. And what's more, it could also prevent any such shift by intervening in the market with the oil under its control. So it's really an imperialist effort to bolster its position in a world economy that is extraordinarily fragile financially.

#Mudiar

Professor Foster.

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Well, I think it's an honor to be here with Professor Patnaik, whose work I've read since I was young and whose work I revere. I think that everything that was said here is correct, but I want to emphasize some other aspects of this—maybe in some ways more general. I see this as part of U.S. geopolitics, an imperial geopolitics, a new grand strategy. The United States, of course, was the unquestioned hegemonic power after the Second World War, but this has ebbed considerably. And there are really two stages that we have to look at in our time.

One is the demise of the Soviet Union and Soviet-type societies, and the decision by the United States at that time to become a unipolar power dominating the whole world—a real reach toward global power. And it was articulated within the U.S. Defense Department that the United States was going to overthrow various societies—regime change in societies that had been in the Soviet sphere or had been blocked from U.S. interventions because of the Soviet Union. So, right after the Gulf War, they said—Wolfowitz told Wesley Clark—that the plan was to remove seven regimes. I won't go into all of them, but all except Sudan have been removed.

All but Sudan and Iran—Iran was the last on the list. The plan was to carry out regime change in seven countries, maybe within a decade. They also decided they had to build NATO all the way to Russia's borders, into Ukraine. The first step in that was the Yugoslav War. So this has been a

project to expand U.S. control. At that point, the idea was that the U.S. could be the unipolar power in the world and really rule the world in a way no country ever had. That plan more or less stayed in place, including the expansion toward Russia, until 2008, the great financial crisis. And at that time...

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Between 2008 and 2010, the United States learned that it had a greater vulnerability. The Chinese economy had been growing rapidly, but the assumption was that the market would dominate, that China would come under U.S. control—the whole thing. The idea was that China would become simply capitalist, and the U.S. would be able to exert direct control over its economy. But around 2010, or during the great financial crisis, they realized that the Chinese economy hadn't gone into a depression-like situation like the West. Instead, it had recovered in a kind of V-shaped way—it went down and then popped right back up again. With China having growth rates of 10%, 7%, over a long period—the greatest expansion we've really ever seen—suddenly the Chinese economy looked unstoppable.

And so the United States realized it was losing control. This was particularly evident in the high-tech sector, which was most affected. Obama introduced his "pivot to Asia" in 2010–2011. Obama and Hillary Clinton wanted to act, but they couldn't really go after China at that time because China was going through a political transition right after that. They thought they might get a new Gorbachev—they thought Xi would be the new Gorbachev. They didn't understand what was actually happening in China or the commitment to socialism with Chinese characteristics until around 2015. And then came the 2016 election.

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Trump won, and they introduced what we call the new Cold War on China in 2017, during the first Trump administration. Very, very explicit. That was part of a shift, too, conceived partly by associates of Henry Kissinger. The idea was that they needed some kind of détente with Russia so they could focus on China. This has been the governing aspect of the U.S. military strategy. But they realized, with the tariffs—they were hitting China hard with tariffs of about \$120 billion—and then China countered by restricting rare earths, and the Trump administration had to retreat. So they decided to focus on gaining control in Latin America and the Middle East.

But this is part of what we often see with the present administration. Actually, the Republicans and the Democrats are at one in this new Cold War. The big split is over how much to focus on Russia, and the Democrats want to pursue that strategy. So this has been going on. In the administration, they first argued—Albrecht Kolbe, who was the deputy secretary of defense for policy, argued—let's not focus on Iran, let's focus on China. But they eventually concluded that the way to get at China was to go after the weak links, and they saw Iran as one of those. And, of course, controlling Iranian oil would then give them leverage over China, and even over Russia and Central Asia.

So this is like—there's a lot of imperial geopolitics involved in this, as well as the issue of the dollar and the balance of payments that Prabhat is talking about. These issues are actually all connected. And the decision to attack Iran full force, together with Israel, was really made by the United States. Israel had been wanting to do this forever, but they couldn't do it without the United States. And it was a rash decision by Trump. They eliminated all the generals and national security advisors who were willing to talk back to him or give him any decent information. And they willfully went in there thinking they could do in Iran what they did in Venezuela—essentially, with assassinations.

And they've walked into Iran—a trap. So this is the situation, but it's part of a larger imperialist strategy. And as Prabhat says, the United States is really quite desperate now. You know, I always remember George Orwell's essay "Shooting an Elephant." There's a sad element to that. But the United States is sort of like a wounded elephant now, and it's very, very dangerous for world stability. Remember, Trump said he's going to increase U.S. military spending—official U.S. military spending—from basically \$1 trillion to \$1.5 trillion. And that's official. The amount is...

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Really, the real amount is actually twice that. I've done empirical studies with others on this. And you have to understand that China spends about \$300 billion on the military, while the U.S. spends a third of that just on nuclear weapons every year. So this is a very dangerous situation, where world stability and peace are threatened like never before in our lifetimes.

#Mudiar

If I could expand on the question of the military, given Professor Patnaik's response about the importance of defining this as an imperial war—and you've spoken about the attempt to reinforce the petrodollar system, whether by grabbing Iran's oil or by trying to anchor those oil revenues through investments in dollar assets—whether they're succeeding or not is another matter; we'll discuss that later. But that's the attempt, and Professor Foster adds that there's also the element of geopolitical dominance.

And once the strategy of dominating China seems to be failing, perhaps the next strategy is to dominate the relatively weaker link. I wanted to ask a question about the military in particular, because finance, the dollar, and the military are the most important pillars of American imperialism. My question to both of you—perhaps Professor Patnaik can take it up to begin with—is this: traditionally, Keynesian economics said that the problem of demand deficit was tackled by accelerating the military industry in the United States, which led to near full employment, and so on. And even within Marxian theory—and Professor Foster has written about this—the idea of monopoly capital leading to stagnation in profit, one of the ways of resolving that could be war.

But what we're seeing now, at this stage, is that the impact has been quite negative. The BLS statistics on labor, as well as ADP and others, show clear stagnation in the labor market. Interest

rates are now high to contain inflation, which could further push down growth. Professor Foster spoke earlier about the deficit that could escalate or accelerate if the defense budget rises from \$1 trillion to \$1.5 trillion, and we could go on and on. So my question to both of you is: where do we stand, as Marxists or as analysts, on the idea of military Keynesianism at this stage of late imperialism and capitalism?

#Guest

Well, the United States has always been, throughout the entire post-Second World War period, a military Keynesian regime. In fact, this is something that, you know, Baran and Sweezy showed, and Harry Magdoff showed. *Monthly Review* has taken the lead in exposing both the tendency toward overproduction under monopoly capitalism and the counteracting tendency through Keynesian intervention—but through military expenditure. It's quite different from Europe, where, under the impact of social democracy, you actually had a number of welfare-state measures. Of course, one should not overestimate those welfare-state measures, because many of them were financed through social security taxation of the working class itself. Nonetheless, the Keynesian intervention in Europe took a form quite different from that in the United States.

But on the other hand, military intervention per se does not necessarily mean a permanent war economy. In other words, it doesn't mean actual wars. As a matter of fact, I think the military expenditure incurred during the Vietnam War was really responsible, in many ways, for the collapse of the dollar earlier, when Nixon had to snap the gold-dollar link. Because again, you had so many dollars pouring out of the U.S. that de Gaulle made it clear France was not going to hold on to them. At that time, the dollar price of gold was fixed at \$35 per ounce, and everyone wanted gold—which is why, of course, the gold-dollar link was snapped. So military expenditure, if it actually leads to a war-like situation or to wars, can even be counterproductive.

So I would say that, of course, at the moment, the entire capitalist world—because of the vastly increased income inequalities under neoliberal capitalism—is really reeling under a crisis of overproduction. Now, this is something that's camouflaged in the United States because the unemployment rate is hidden by a lowering of the labor force participation rate. But if you assume the same participation rate, the unemployment rate is actually quite high. The Trump administration's tariff policies would not make sense if the U.S. were close to a full-employment economy, because the whole purpose of the tariff policy is to shift activities to your own economy.

And if it is close to full employment, you just give rise to inflation. So there is an implicit admission, in Trump's tariff policies themselves, that the U.S. is really experiencing a state of overproduction and unemployment. Now, of course, on the other hand, I'm not so sure that the increase in military expenditures is necessarily functionally related to that. I mean, my own feeling is that, as John said, and as I was saying earlier, the imperial project is taking off both for economic reasons—to do with the strength of the dollar and so on—and for geopolitical reasons that he has enumerated. Fundamentally, there is an attempt to recolonize the world.

In fact, Marco Rubio's speech is indicative of that. He said Western civilization was undermined by the rise of communism and by communist support for national liberation and anti-colonial struggles. The idea now is to reverse that reversal, which basically means attacking communism and undoing the gains of the anti-colonial struggle. So the project is one of recolonizing the world, in which, of course, huge military expenditures come in. But the project is not, the other way around, about generating employment through military spending. I would say it's really an imperial project rather than a Keynesian one.

#Mudiar

Professor Foster.

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I think that conclusion is right—that it's an imperial project rather than a Keynesian one. I mean, there are still some Keynesian elements in it. But, you know, in the Second World War, or even the Vietnam War, when they expanded, when they had a full-scale war, they drafted millions of soldiers, and obviously that had an effect on unemployment. But they're doing this war with a standing military that doesn't affect employment directly. Right.

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It's also that, you know, a war has to be very big to have a real effect. I mean, the United States is already spending so much on the military. But let me approach it from a different angle. One of the big things in the United States now is AI technology—artificial intelligence and databases. And we can look at this statistically. I think it was in the last quarter of 2025—actually, I have to check which quarter it was, maybe the third or fourth quarter of 2025—the United States was spending... the U. S. was spending—

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Investment expenditures—about 80% of them—were being carried out by high-tech companies focused on data centers. I mean, it was extraordinary. Eighty percent of all investment going on was AI-related; otherwise, the economy would be in a depression-like condition. And if you look back to the 19th century, railroads accounted for about 25% of investment in certain periods, and that was mammoth. But what they're doing with data centers is even bigger than that. This technology is very connected to the military, and the U.S. government is trying to link it more and more to the traditional military contractors, as well as to the new AI military contractors.

Anyway, a lot of this is feeding into imperial development and military spending, and they see themselves as being in a race with China to dominate this technology, which they think gives all the power to whoever is in the lead. So this is a really significant aspect. Trump's support, in terms of

the billionaire class, comes largely from high tech—the biggest part of it—as well as oil and finance. That administration is very much integrated with this, and they're very warlike now. They want to use AI in war. And, of course, we saw on the very first day, on February 28th, within the first 24 hours, they targeted a thousand sites with AI and, of course, hit that school and killed 175 people.

So this is a big part of it—this technological development. They see themselves as in an entirely new industrial revolution, and it's military-related. Putting more money into the military is part of this. And they see this as, also, you know, they need resources. They need lithium, they need cobalt, they need rare earths, they need oil. And so this is also encouraging an imperial drive. I mean, to understand this, we have to understand this whole notion of “make America great again.” The whole idea behind the Trump administration was that the United States was declining in the world, and they were going to reverse that. And so all the things that Prabhat and I have been talking about are really part of a single idea.

You know, this whole phenomenon has to do with the decline of U.S. power and the attempt to resurrect it, and the dangers that this presents for the whole world. And of course, it's not just the United States. Europe has been declining fast— even more than the United States— and they're focused on Russia, paying little attention to anything else at this point. But the United States is dependent on what Samir Amin used to call the triad of the U.S.–Europe alliance and Japan. As U.S. hegemony slipped, that became the new hegemonic alliance. Now the U.S. sees Europe as fairly useless in this, unless they really remilitarize and so on. So this is a big imperialist project, which Prabhat summed up as an attempt to recolonize the world.

#Mudiar

Professor Patnaik, do you have any thoughts?

#Guest

No, I mean, given the fact that I see it as an attempt to recolonize the world, I believe Iran's resistance is something really necessary and salutary for the entire Global South. In other words, my freedom—the freedom of countries in the Global South that were decolonized after the Second World War—is very closely tied to whether the U.S. project in Iran fails. If it succeeds, we're in a very critical situation. If the U.S. succeeds in Iran, it will be emboldened to carry on its imperial project in an even more accelerated way. But if it fails in Iran, then I think it might actually be possible to halt it in its tracks.

I mean, for instance, what happens in Cuba is very closely related to what happens in Iran. So I think this struggle in Iran is of crucial importance to the world. And I have a feeling that, globally, there isn't sufficient appreciation of this fact. I think President Lula has underscored it, has emphasized it. But in the rest of the Global South, that appreciation is much more limited, which is evident from the fact that there have been several UN resolutions critical of Iran, but not of the U.S.–

Israeli attack on Iran. I think it's very important that this message actually reach the people of the Global South.

#Mudiar

Professor Foster, I just wanted to add one point to what Professor Patnaik just said—the significance and importance of the struggle in Iran, or the resistance in Iran, against U.S. imperialism. It's so significant in many ways for West Asia itself, for the resistance and struggle in Palestine as well. But I'd also say it matters for things like moving away from the petrodollar system. Some analysts are saying that the vulnerabilities of the choke points have exposed how dependent Global South countries are on oil. Others are saying that the push for green energy—and Chinese technology in particular—may accelerate after this, given the conditions Global South countries are facing on the ground: the long queues at petrol pumps, and so on. So I was just curious, in your analysis and your opinion, what is the significance of Iran's resistance?

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Well, the immediate significance of Iran's resistance is a struggle for sovereignty, and I think we have to see it that way. I mean, of course, in the U.S. and its propaganda system, they try to make it a case of a non-democratic or terrorist regime and all those things. But all of that is a distraction; it has nothing to do with that. From a Global South perspective, this is a question of sovereignty—whether Iran can defend its sovereignty—and really a case of deterrence. If Iran can deter the United States, that's going to make an enormous difference in the world everywhere. Maybe it's worthwhile to look at the war a little bit.

I guess Trump is going to give a speech on it tonight where he's going to say that we've won the war and we're going to deliver a final blow and then get out. We don't know what that final blow is going to be, but that's what they're going to say. I don't know that they can extricate themselves from this, but it's worthwhile to look at the situation. Iran is really winning this. This war—well, part of it is the Strait of Hormuz, of course. And there's no way the United States can put ground troops in there, you know, on Kharg Island or the other islands, to try anything. They've got 50,000 troops now that they've moved in, but there's no way they can open up the Strait of Hormuz. Ground troops wouldn't be able to do that, which is sort of absurd, and they'd come under heavy fire.

But they'd need deep-sea mine-removal ships to clear the Strait of Hormuz, and the United States doesn't have them—and they'd be under fire. There's no way they can accomplish that. So Trump has just said, well, we don't really care about the Strait of Hormuz; we don't need it, let the other countries pay for it. You can't trust anything the administration says because they lie all the time. And even within the administration, his representatives are saying that the fact he contradicts himself practically every other word is a sign of how brilliant a strategist he is—because the enemy doesn't know what he's going to do. But he doesn't know anything either.

They don't know what they're doing. They've lost the Strait of Hormuz, and Iran is now going to impose tolls on it for the countries they approve—which doesn't include the United States, Israel, or U.S. allies. They're going to raise tens of billions of dollars, and their currency is going to strengthen. So economically, you know, it's really... in many ways, it's going to be a success for them. There's nothing the U.S. can do about it. The U.S. is talking about maybe—well, they're thinking about every option—attacking all the civilian power and water facilities, basically attacking the civilian population, even using tactical nuclear weapons.

We don't know what the final blow is supposed to be in this. And with that sort of mad leadership, anything can be expected—but it won't change the fact that I don't think there's going to be any reversal of the situation. Iran has really deterred the United States; it's able to hit U.S. bases, aircraft carriers, planes—everything—and the U.S. will withdraw. They're now saying in U.S. defense circles that, well, “we mowed the lawn in Iran, and we're going to come back and mow the lawn again, just keep their grass from ever growing again.” It's really a kind of silly thing, but it's extraordinary what has happened.

And I didn't think that Iran could—I didn't realize that Iran could take out the THAAD radar and basically break through the entire U.S. and Israeli defense system like that. But that's the truth. The bases are now not really usable, and that affects what the U.S. can do. So there's all of that. Now, in terms of the consequences—yeah, I think we're seeing nations choosing solar technology, green technology from China, because it actually reduces their dependence on oil. You know, Cuba, if it survives, is going to be the greatest solar state, the greatest example of a solar-powered economy that we've seen. Oil is mainly needed now just to facilitate the solar power infrastructure. And I think countries in Africa and everywhere are going to be moving to solar.

So it gives China leverage, and it will undermine the oil economy. All of this is sort of undermining the oil economy. And of course, it's disastrous for the U.S.—you know, Trump only had 27, 29 percent support for the war in the beginning, which was astonishing, because that doesn't happen in the U.S. And that was before the ill effects came into being. We figure the MAGA base is 34 percent, and the support for the war is lower than that. It's really damaging him day by day as prices at the gas pump go up. So the United States is really desperate to get out of this because the administration is sinking. And to me, Iran defending its sovereignty is what this war is all about.

#Mudiar

Professor Patnaik, given what both of you are saying—that this is, first and foremost, a struggle to defend sovereignty—I wanted to tie this up with the question of economic nationalism, because after all, military resistance is one component of it. And after all, what Iran is showing us is that it could defend itself because it had an industrial policy. So the question is, of course, we are living in a time of tremendous nationalism of the positive sort against U.S. imperialism—because of the tariff wars to begin with, and then Venezuela, Iran, and so on.

My question is, would this be a moment to shift toward economic nationalism—to move away from financialized, neoliberal capitalism—given that the war has exposed the vulnerability of the United States? And given that even a country like Iran, with less than \$500 billion in nominal terms and less than \$2 trillion in PPP terms, somewhere around 26th or 27th in overall GDP, has been able not only to resist but to inflict significant damage on the U.S. empire by maintaining an industrial policy despite tremendous sanctions. I personally feel this is a significant moment for countries around the world to rethink—to realize that we can, we should, and we must have industrial policies and move away from neoliberalism. You've been a leading voice on these issues. Could you share your thoughts?

#Guest

Well, two things. Firstly, I think it's going to change the notion of war that we've had so far. Iran has a military budget, I believe, of about \$8 billion, while the U.S. has about \$1 trillion—roughly 120 times that. Now, the point is that the fact that Iran could actually survive...

#Guest

The U.S. calculation was obviously wrong. They thought that once they killed off the top leadership, Iran would just collapse—but it hasn't. This shows that war isn't confined to military conflict; it also involves oil, the stock market, and the broader world economy. So I think the very notion of war has to change. Simply having enough military power isn't enough to actually win. On the other question you raised—that's very important. I think it's not just that the entire neoliberal argument was flawed; it was really a kind of confidence trick played on the Third World. I believe that argument was wrong from the very beginning.

I think it's a bogus, completely wrong argument that every country can benefit from export-led growth by opening up its economy. That's not possible because the growth of demand in the world market is finite—it depends on all kinds of independent factors. Therefore, if one country grows rapidly, it must be at the expense of another. The whole idea was to make the global South pursue beggar-thy-neighbor policies—like saying India can do well only if Bangladesh does not—which I think is ridiculous. It was a confidence trick from the very beginning, meant to trap our economies in a situation where we remain beholden to metropolitan capital.

But on the other hand, I think—as you say, quite rightly—that any amount of argument might not have convinced people. But this war has certainly made it very clear that, look, I mean, you know, they can cut off your food supplies anytime, they can cut off your essential imports anytime, they can bring your economy to its knees anytime, the moment you start thinking in terms of this whole notion of global interdependence and so on. The idea of global interdependence in a world characterized by imperialism is fundamentally wrong. And this is something that has been sold to the Third World, and I'm glad the war has actually exposed its hollowness.

#Mudiar

Professor Foster.

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I agree with all that, too. I was just thinking along slightly different lines—about how Samir Amin, in his last book, the title of which escapes me right now, emphasized that China was able to have a sovereign national project. On the question of Iran, though, he went back and forth. He said that Iran, because of the theocratic political structure they developed, wasn't really able to build a sovereign national project in the same way, right? And that was a limitation, let's say, of the Islamic Revolution. However, the Islamic Revolution did, at the same time, partially allow them to break from capitalism. They were forced to.

The sanctions force a kind of delinking, right? All these sanctions—the constant hybrid war against Iran, if we can call it that—have pushed them to delink and to develop what you might call an industrial policy of their own. And we're seeing some effects of this in their ability to resist. It's really quite extraordinary that they're now able to impose tolls on the Strait of Hormuz as a result of this. They couldn't have done that before the war, or they would have been inviting one. But now they can, and it does seem like it's opening up space for a sovereign national project of sorts in Iran. They've been developing within the context of the Islamic regime.

And the United States has managed to bring down nations in the Global South that were actually developing in an independent way. It's not just about oil; it's about removing all power centers. And I think there are signs that Iran was operating very independently, and that's the basis of their resistance. We're seeing the signs of it. And that should—that lesson should—come across in other countries in the Global South, about how they order their societies. That dovetails with what Prabhat is talking about: falling for the neoliberal trap, pure export economies, and beggar-thy-neighbor policies, and so on. Of course, Iran has oil, so it doesn't have the same problems that a lot of other countries have, and that makes a difference. But still, there are lessons to be learned here.

#Mudiar

We're coming to the end. I just wanted to give Professor Patnaik and Professor Foster one minute each for a closing comment, if you have one.

#Guest

Well, you know, I mean, the way I look at it, in terms of very long-term developments, I believe imperialism managed to beat back the challenge of socialism—which had emerged with the Soviet Union and so on—by using Islamic fundamentalism, by using Islamism. They got rid of Mossadegh because they had Ayatollah Khomeini in Iran supporting them. They used the Taliban against the

Afghan revolution, which also undermined the strength of the Soviet Union. So Islamism has been an ally of imperialism in its anti-communist crusade. And now, having done so, Islamism itself is confronting imperialism.

And I think the positive sign is that, let's say, China helping Iran is really building a front against imperialism, which consists of the left as well as Islamism. In other words, they can't now isolate Islamism alone as the enemy and destroy it. In fact, you're seeing a front between the left on one hand, which China represents, and Iran on the other, representing Islamism. So I think, in terms of the long-term implications of what's going on, these developments are very, very crucial and fundamental at this moment.

#Mudiar

Professor Foster, your closing comments.

#Guest 2

Well, I think, you know, if you go back to 1979 and the Islamic Revolution, it was really the first great revolution that wasn't on a Marxist basis, right, but on an Islamic basis. But it was a revolution, and it unified the country in a different way. Of course, there are lots of contradictions within it. But I think the United States, in declaring war on Iran, has underestimated the fact that they're fighting a nation that went through a revolution—and that changes a lot. And I think that, and the fact that, as Prabhat notes, China has allied itself with the Global South and with Iran, is creating a different constellation in world politics. Other than that, I'd just like to add that, yeah, I'm a student of his—not formally, but informally throughout my life—and I always learn from him first and then come up with my own ideas, maybe to supplement them. So I'm honored to be here and be part of this.

#Mudiar

It was a great honor for me to host both of you, and thank you so much for doing this. We're separated by time zones that aren't very convenient—it's pretty late, or at least late, in India, and it's also fairly early for Professor Foster in the Pacific time zone. So once again, thank you both for doing this.

#Guest

Thank you. Thank you very much.