

Jeffrey Sachs: Trump's Naval Blockade of the Strait of Hormuz

Prof. Jeffrey Sachs discusses Trump's naval blockade of the Strait of Hormuz and the extent to which U.S. policy can still be considered rational. Jeffrey Sachs YouTube channel: <https://www.youtube.com/@JeffreyDSachsOfficial> 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: 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 is April 14, and we have the great pleasure of being joined by Professor Jeffrey Sachs. Thank you, as always, for coming back on the program.

#Jeffrey Sachs

I'm delighted to be with you, Glenn. Thanks a lot.

#Glenn

So we see that the U.S.–Iranian negotiations appear to have failed, largely because the U.S. set conditions that more or less amounted to capitulation. As a result, the U.S. is now starting a naval blockade in the Strait of Hormuz even before the ceasefire has expired. So I was wondering, how do you make sense of this? Yeah.

#Jeffrey Sachs

The events day to day, of course, make no sense, or it's very hard to discern them. A few days ago, Trump was going to destroy a civilization in the evening. Suddenly there's an announcement of a ceasefire. The next moment, Israel is essentially carpet-bombing Beirut. The straits don't open. Then the U.S. vice president goes for a marathon session of negotiations—completely unclear negotiations—about the format and the organization, and to my sense, completely inconsistent with the statement made two days earlier that the basis of the negotiations would be Iran's ten-point plan, which we never heard of during the visit of Vance or afterward. Then the negotiations fail.

Then the U.S. blockades a blockade. This must be a first: we object to the blockade, so we blockade you. Then we hear statements from Trump that Iran is begging for further negotiations. Honestly,

this is not linear, transparent, or clear. I don't think there's any deeply profound cleverness behind all of this. I think there's a chaos that's part of the story. Part of that chaos is that there are two partners on one side of the war—Israel and the United States. Israel doesn't want a ceasefire; Israel wants the full destruction of Iran. That fact isn't hidden. So the moment there's a supposed ceasefire, Israel goes into escalation mode in Lebanon.

And then we have this weird day of debating whether Lebanon was part of the ceasefire. The intermediary, Pakistan, says definitely yes. Iran says, of course. Israel says, of course not. The United States hems and haws. So this is simply that one partner in this war—Israel—does not want a ceasefire and does not want a negotiation. Then there's the question of what the negotiations are about. The United States had put forward its maximal demands before; Iran had rejected them. Iran had sent back a counter list of objectives. Donald Trump had posted that those were acceptable as the basis for negotiation. Then we never heard about them again. Okay, what's going on there?

Well, in some sense, obviously, the United States—and it's a strange term to use, Donald Trump, because it's not the United States, it's one person—believes that he can bully and bluster his way to some kind of outcome. And this is the overwhelming idea he's had all along: that he can demand, huff and puff, bluster, post, bomb—whatever it is—and that will yield an outcome. This is partly a delusion. Partly, it may be—strangely enough—that the Iranians are very polite in their public demeanor in the negotiations. This may be taken as a sign of weakness, personally, by the United States, which does not believe in politeness or expressions of hope for trust and other things.

If Iranian negotiators say, "We would like trust with the United States," Trump thinks, "These people must be idiots. I'm trying to kill them—what are they talking about?" And so it may be this kind of bizarre, even cultural, absolute lack of contact that's taking place. Trump, whether delusional or for whatever reason, believes he can force his way through this—that he, to put it in his vernacular, "has all the cards." And the Iranians, I think, at the core, believe that they have a lot of the cards, to use that strange expression in this context. But I don't think they are simply acceding to U.S. demands. If that were the case, they would have acceded to U.S. demands a long time ago.

If anything has become clear in recent weeks, it's that the United States cannot actually militarily defeat Iran. That's the overriding lesson. So why the bluster, the demands, the bombing, the threats, the killings by Trump—which didn't work before—why would they work now? But clearly, Trump believes they will. And I don't think he's bluffing about that. I think he believes he can either bluff or bomb his way to success. It seems to be the case—I wasn't there, and I only heard it secondhand, of course—but that Trump was calling constantly to Vance during these negotiations. If that's true, it's also a little pathetic and very bizarre, but it could actually be the case. It would certainly underpin what I believe is a fact.

I may be wrong, but I believe this is really individualized behavior. This isn't the U.S. government, in some institutional way, rolled out to accomplish something. This is a one-person show—an incompetent, delusional one-person show. But my interpretation, Glenn, is that it's one person:

Donald Trump. Maybe that's wrong. Maybe that's naive. Maybe I'm just reading the surface of the reality, but I don't see anything deeper here than an incompetent, delusional old man blustering and shouting and bombing and killing, trying to get his way with a partner who doesn't want any outcome other than complete destruction. So that's why it looks so weird. It is weird. That's my interpretation.

#Glenn

Well, it's certainly very confusing statecraft—to use the word “delusion.” I often wonder if there's some lack of rationality behind this, because when we heard the reasons to go to war—be it nuclear weapons, or Iran being these irrational mullahs who can't be deterred, or this assassination attempt on Trump, which was also somehow attributed to the Iranians—it just didn't add up. That reasoning wasn't very convincing. And then, of course, the reaction was this regime-change war, and they seem to have severely overestimated how fragile the government in Iran actually is.

And also the assumption that regime change could be done with an air campaign. And the Iranian reaction—Trump made a point that they couldn't have predicted they would start striking all the bases, shut down the Strait of Hormuz, and essentially pursue a long war. But in advance of the war, this is what we were discussing on my podcast. This was the likely thing they would do, because they see it as an existential threat and need to deter. But it begs the question about the rationality behind the whole thing. How are you assessing this? Because none of the reasoning, reactions, or assumptions seem to be based on anything that makes much sense.

#Jeffrey Sachs

As best I can judge—again, we're outside the room, as it were—but from all accounts, this seems to be a deinstitutionalized and irrational process. Meaning that, as you and I are close observers of governments and how they normally act—how they behave, how they process information, how decisions are made—it's usually with files, bureaucracy, options, deliberation, memos, and then final decisions that have the character of a group decision. And in the U.S. political system, on paper, it's more complicated, because we have at least two branches of government that would normally be involved. The judiciary is not, but the legislature certainly would be. There would be deliberations.

The president of the United States would meet with senators and congressmen. Senior administration officials would routinely brief key members of Congress and congressional committees. Congressional staffs would be engaged. It wouldn't be quite an all-of-government process, but a very extensive one. We sometimes have detailed records of such processes—the most famous example being the Cuban Missile Crisis. The executive committee of President Kennedy met repeatedly, and those meetings were taped and have been studied by historians for decades. That executive committee included principals from each of the key departments of government: the Pentagon, the CIA, the Justice Department, and the State Department.

And so the principals would go back to their own headquarters, their own ministries, and there would be a process there as well. There was written documentation, verbal arguments, diplomatic back channels, and so forth. When we look at the current process, it's very hard to discern any of this right now. What's reported—and it's pretty widely reported—is Trump and a few people around him, mostly yes-people, listening to Trump opine and make decisions. This is not a rational process. We've now heard repeatedly—and I especially want to commend a paper I often criticize.

The New York Times has had inside accounts that seemed very credible, detailed, and not denied in any way by anyone involved. They portrayed this as Netanyahu and the chief of Mossad pitching a war to Donald Trump in a small group, where the rest of the group—Vance, the CIA director, and the chairman of the Joint Chiefs of Staff—were all skeptical. Some thought it was farcical, but Trump said, "Yeah, this sounds good." And Mossad, uh, played the card that the Iranian leaders were all meeting together—"let's kill them all." And so they went for it, with Trump making the decision, Vance reportedly saying, "I disagree with this, but I will support you, Mr. President," and the others expressing various degrees of doubt and skepticism about the likelihood of success.

This seems to me like Trump's show. That is not a normal process for grave decisions like this. We can then add the absolutely bizarre behavior of Trump in the last couple of weeks—but he's been bizarre his whole public life—especially in the second term, and I'd say particularly in the last six months, where something even seems haywire compared to his previous bizarre behavior. Trump seems unhinged. He's making statements and posts that are, let's say, not just three standard deviations but four standard deviations outside the normal range of statements we've ever seen from an American president. "Open the fucking strait, you crazy bastards," was Trump's attempt a few days ago at public diplomacy, let's say. "Your civilization will end, never to return"—I'm paraphrasing.

This evening was another example—Trump's attack on Pope Leo yesterday, his posting of himself as Christ, and then saying, no, that wasn't Christ, that was the Red Cross. Of course, that was just Trump trying to get out of a PR disaster. But the rest is absolutely bizarre. And we have to factor in the real possibility that not only is there no institutional process, but that this man has lost his mind. That's not a partisan statement. The previous president of the other party, Joe Biden, lost his mind too in the last year—something that was denied by those around him.

A bad sign for the U.S., but we should remember it—it was just two years ago. Many of us heard from people who met Biden that he wasn't all there, but this was strongly denied by his team until one evening, during a debate, he had to stand there by himself. Then we saw that he wasn't all there, and some people rather disgracefully said, "Oh no, he was on medicine, he had a cold that day," and so forth. They hid his dementia during the past year or two of the government. Well, Trump shows profound signs of mental instability right now. They can't hide Trump, because in the middle of the night he starts posting on his Truth Social.

These seem to be unfiltered. They're not put out by staff—they're posted by Donald Trump himself, the one and only. And they're irrational, a sign of some kind of serious mental problem. This has been widely talked about over the last few days in Washington. So this isn't me piping off; it's something that's become common currency in Washington as well. None of it looks like normal government at the moment. The saddest part for me is that even if everything else I've just said were true—and I'm not sure, but that's how it looks—we would normally have members of Congress taking some action in this context.

It's their constitutional obligation. It's their assignment under the Constitution—war and peace. And they're not acting because it's the party in charge, because Trump is even more dangerous to Republicans than he is to Democrats. With Republicans, he can wipe out his own partisans more easily than he can the opponents. And so they are paralyzed and terrified, repeatedly voting not to say anything about anything. "We don't want to be bothered. Leave us alone. We just want to hold our jobs." So they duck their heads, take no responsibility, and we're off to the races, as it were.

#Glenn

No, I think definitely with Trump we see there are some deficiencies in his personality. There might be some mental problems on top of that. And the fact that he divorces himself from key institutions, of course, undermines rational statecraft. But as you said, we saw similar things with Biden. That's not just a cover-up—it also begs the question of who was essentially running the White House when he wasn't mentally present. So, you know, you can point to a polarized society and political system where you don't just hate the opposing side, but you make excuses for your own because you have to protect them, and because the alternative is someone you think is the enemy.

#Jeffrey Sachs

I knew, by the way, during the Biden period—since it was mostly my former colleagues or friends in the administration—that even the most senior people there barely saw the president of the United States. Some of the top people in the departments were telling me, "We don't really know what's going on. It's the White House. There are a couple of handlers, his wife, a few political advisers, a few insiders." That's how the administration was run. We had the same phenomenon after World War I, when Woodrow Wilson had a stroke, and it was known inside but kept hidden from the public by his wife.

And so this is an American tradition, actually—of incapacitated presidents. We're not a parliamentary system, where there's a prime minister who's the head of the leading party in a coalition of a parliament. We're a presidential system, where one person is vested with profound powers, and when that one person is incapacitated, the first instinct of those around them—whether it's the wife or somebody else—is to hold on to the power and hide the fact of the incapacity. And I think there's a reasonable chance that this is what's happening right now.

#Glenn

But it just seems the problem is wider because, very briefly, under the policies toward China, the assumption—the intelligence suggested—that if we just cut them off from semiconductors, their economy would begin to falter. We saw the Europeans; they were shocked that China would respond to sanctions, because they assumed China would see those as legitimate. We saw the same with the Russians. Everyone bought into the assumption that it was unprovoked, even though all evidence suggested otherwise. We assumed they would be beaten on the battlefield, that they had a hopeless economy that would collapse within a week, that they would be isolated internationally. All these things were very easy to see were not true, yet we still base our policies on them. And when the reactions come, you see the politicians are genuinely baffled. It's just—I don't understand anymore what is happening. Wow, this is real.

#Jeffrey Sachs

The incompetence of the administrative system in Washington is extremely high right now. First, remember that in the U.S. political system, when a new government comes in, the top six or seven levels of the hierarchy are actually political. People are vacated, and the ones who come in—especially these days—are often incompetent. This is a corrupt political system in which money buys the office. So the people coming in are not individuals of deep professional talent. They're either incompetent, placed in the position by a powerful interest that paid for the campaign, or perhaps they're a friend of Trump or Biden. But what we have is a deinstitutionalization.

All of the issues you mentioned have been handled by amateurs of the most amateurish kind. The entire trade war last year was, again, just like this war with Iran—handled by a few people completely lacking knowledge, professional experience, or training for these issues. Trump is, whatever else one says about him, completely illiterate economically. He has no concept of what he's talking about, no formal training, and no understanding of politics—even the basics like trade deficits. Then he picked Howard Lutnick, an incompetent business friend from New York. Peter Navarro—I think the worst PhD my economics department ever issued—an utter incompetent with no professional background, reputation, or experience, but an ardent protectionist.

And it was a handful of these people who implemented last year's illegal, destabilizing, confused, and failed trade policy, including the retaliation by China, which in two days told the United States, "You can't win—you just lost." And so, yes, this is exactly what has happened with Biden. I saw the same thing, the same issue you just raised: they thought Putin would fold or fall immediately. Our sanctions, the nuclear threat of cutting Russia off from SWIFT—this would bring down the Russian economy, and so on. My God, are you kidding? So this has simply been a deinstitutionalized process, run by people who are not competent, and with an objective that's impossible to achieve. And that objective is a hegemon—a would-be hegemon—that has lost a tremendous relative amount of power and influence, flailing around to protect its dominance.

And that is the story of Ukraine, it's the story of China, and it's the story of Iran—three different cases, each one of which is the assertion by these amateurs, in a failed process, that the United States can simply pound its way through anything. And this is Trump's M.O. to this day: "I make the demands, and the other side folds." None of it works. He was going to settle the Ukraine war in a phone call. He was going to show China who's who. He was going to choose the next leader of Iran. So that's a personal-level delusion. It's an institutional failure. And the backdrop is a failure of policy—the failure of the United States to recognize a multipolar world. That's the fundamental failure.

Because if there were an overarching idea—hey, we have to deal with other people, we have to deal with other governments—you'd already have a different kind of response. But the basic point is, we don't have to deal with anybody. We're the United States of America. We have the most powerful military in the history of the world. We can do what we want. They'll fold. I demand 100%, not 95%. All of the backdrop thinking comes from the broader structural factor of a decline in U.S. relative power. But then it runs through this collapse of our governmental processes, the corruption of Washington politics, and, at this point, the personalization of decision-making.

#Glenn

Well, throughout history, one often sees that large empires build these complex bureaucracies. When they go into decline, those bureaucracies become slow, corrupt, and very hesitant or resistant to reform. And elite competition keeps intensifying. So it's not unprecedented, but I'm not sure where this is coming from, to be honest.

#Jeffrey Sachs

In the U.S. case, just to say—the U.S. bureaucracy has always been less structured in most parts of government than in other countries because of this very high turnover and the politicization of senior levels. The one place where that's basically not true has been the CIA, which is central to U.S. foreign policy and has been more structured. You put in a director who is quickly owned by the rest of the organization. So the deep state has been there. But what's happening now is that people like Hegseth or Lutnik—or Trump—are really making the decisions. They happen to be awful, ignorant, unstable, delusional—but they're really making the decisions. So that is actually the surprise, as it were.

#Glenn

Well, thanks for taking the time. I know you have a busy day there, so thanks again.

#Jeffrey Sachs

Great to be with you. Good, thanks a lot.

