

Jeffrey Sachs: Trump's Defeat in Iran & Decline of the U.S. Empire

Prof. Jeffrey Sachs discusses how Trump's failure in the Iran War exposes the limits of US power, and intensifies the decline of the US Empire. 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 Friday, April 24th, 2026, and we are joined by Professor Jeffrey Sachs. Thank you for coming on. I've been wanting to speak with you about what appears to be the decline, at least, of the hegemonic era after the Cold War. Because after the Cold War, we really saw that the image of the U.S. as being all-powerful was very important in shaping the international system. That is, states linked their security to the United States as it tended to monopolize security, and adversaries tried to keep a very low profile not to provoke the U.S. But as we know, hegemons become overstretched and exhaust themselves. And it seems this is what Trump wanted to reverse. But with the Iran war, it seems instead it exposed even more so the limits of U.S. power. I was just wondering, how do you see this? Or how do you assess, I guess, the longer-term relevance of the Iran war?

#Jeffrey Sachs

Certainly, we're seeing the limits of U.S. power, no doubt. I think what we're seeing is a long-term trend, a long-term trend actually that is a decline of Western hegemony, or an end of Western hegemony, which one can date already back to the end of World War II. When most of Europe lost its colonies around the world, the United States, in a way, replaced the European empires to become an American empire. It competed with the Soviet Union as the two major imperial powers. But the U. S. was, within that competition, in some way always dominant economically and technologically. That was a very frightening time because these were two nuclear superpowers that were at each other's throats, often at least in proxy wars.

When the Soviet Union dissolved or disintegrated in 1991, it looked to the U.S. leadership and to much of the world that the U.S. was the sole superpower and was completely dominant. But I would say the long-term trend that had led to the decline overall of Western power after World War II was continuing. What happened at the end of World War II with the end of the European imperial age

was that the rest of the world, and especially in Asia, was given new space for catching up technologically, catching up in terms of education levels, literacy, urbanization, industrialization.

And so all the way back from the end of World War II on, there was a narrowing of the gap between the industrialized West, which, broadly speaking, was Europe and the United States, and the countries of Asia, and at least some partial economic development success stories in other parts of the world as well. So the way I view it is that for around 150 years, roughly speaking, from the beginning of the 19th century to the end of World War II, the Western world, and especially Europe, dominated the world. That really was a Western hegemony, basically Britain in the lead of that, but a number of powerful European countries with imperial possessions around the world.

After World War II, the gap between the West and the rest narrowed. Within the West, the U.S. was clearly the dominant power, but underneath the surface was the year-by-year economic progress of much of Asia. And that means that on a long-term trend, not on a year-to-year trend, but on a long-term trend, the dominance of the Western world was bound to diminish. But I would say two things hid that. The dominance of the U.S. and the Soviet Union made it look like it was really a two-empire affair battling with each other, and it was easy to take one's eyes off the rise of Korea or the rise of Taiwan, Singapore, Hong Kong, the so-called Asian tigers, or even the rise of China economically, which began in the late 1970s.

So it looked like it was two powers battling each other when more fundamental change was underway. And I keep coming back to Asia as central to this because Asia's home to 60% of the world population and has always been the center of gravity of the world population and of the world economy for two millennia or more. And so what was happening was that Asia was slowly coming back from a century and a half of European imperial rule. But that was beneath the surface. It was gradual. It was year to year. And it looked like the United States and the Soviet Union were duking it out, so that when the Soviet Union ended in December 1991, there was peace — one superpower remaining. The end of history was declared. The United States looked like the sole superpower.

It was the unipolar moment. The U.S. was the indispensable country. Every superlative one could imagine was given. The neoconservatives in the United States believed their own headlines, and the portrayal that the fundamental change in the world was U.S. dominance became the meme. But I would say from an economic point of view, the fundamental story was the year-by-year, step-by-step narrowing of the gap between the West, again meaning Europe and the U.S., and Asia. And the rise of Asia was the real story in terms of relative power. Now, one could add a few points — that even in the heyday of U.S. power, the U.S. could not defeat Vietnam. The U.S. could not overcome the anti-colonial wars and anti-colonial sentiments. The U.S. could not keep European empires intact or replace them with American empires in much of Asia, though the U.S. influence in post-war Japan and Korea was nearly total, we can say.

But all of this means that, from my point of view, the unipolar moment after 1991 was an illusion to an important extent. If you were looking at this as an economist, as I was during that period, I was

rather routinely saying that Asia is rising and that this is creating a different kind of world. If you were in geopolitics, power projection, and military, it didn't necessarily look like that. And what's interesting, I think—and I think it would be fun to actually go back to look at what the strategists were saying about China back in 1991 and 1992, when the unipolar moment was projected. My memory, which may be wrong, is that they weren't saying much about China, that China was not viewed as a likely important actor. It was a poor country that assembled goods for U.S. markets.

It would be good if it rose in power, perhaps, because it would continue to check Russian influence. But I don't think that China was viewed as a strategic country by the United States until after the start of the 21st century, and really until around 2010, when Obama started talking famously about the Asia pivot or the China pivot. So all of this is to say, Glenn, that the broadest trend of all in the world scene, in my view, is that from 1800 to 1950, roughly speaking, the Western world, led by the European empires and within Europe by Britain, dominated the world. They industrialized. They had the vast preponderance of military power. They had the vast preponderance of technology, the overwhelming leadership in science.

Whether that balance was in Europe or the United States already began to shift by the beginning of the 20th century, but decisively shifted at the end of World War II. But taking the West as a whole, that dominance of the West peaked around 1950. And while there was no—well, I'd say the headline was: European empires over, India independent, People's Republic of China declared, and so forth. Those political headlines started a deep economic process that we loosely call catching up. It's not an adequate phrase, but at least for the first 50 years of the period from 1950 to 2000, it's not a bad phrase to think that what was happening in Asia was catching up in the sense of literacy for the first time, mass public education for the first time, basic infrastructure being built that had not really been built during the European imperial heyday.

Catching up is no longer the right phrase because China is clearly in the lead technologically in a lot of areas now. And the United States is by far not the hegemon or the sole superpower in the world. On most criteria, economically and technologically, China is at least the peer of the United States, but I would say in manufacturing almost across the board, and in heavy industry almost across the board, China's way ahead of the United States right now. So in this sense, the idea that American hegemony is coming to an end, I would say that has been true gradually for decades.

Uh, I would say that the, uh, post-1991 euphoria in the United States about the unipolar world—and it really was euphoria. I was around to see it, to see it in the think tanks, to see it in the universities, to see it in Washington, to, of course, listen to it in the rhetoric of every president and so forth. This was always, in my view, economically ignorant. I was also part of a debate back in the 1990s: was the rise of Asia real or something that was going to collapse? And there were articles about the myth of the Asian miracle and so forth. And my view all along was we're seeing a long-term, real catching-up process. And again, after 2010, a going-ahead process in many ways. So I never bought into this unipolar story as being real.

And having witnessed the Vietnam War debacle, I always felt that America exaggerated its power. I would say that the Ukraine war is another demonstration of the clear limits of American unipolarity, because basically the Ukraine war was the end of NATO enlargement and the end of the U.S. putting its pieces on the board wherever it wanted. We can remember that in this unipolar moment, Zbigniew Brzezinski basically had the idea that the United States would come to dominate Eurasia—nothing less—and that Ukraine would be the pivot. And President Putin basically stood up and said, no, not on my watch, it's not going to happen. And the Ukraine war is essentially a war of the limits of American expansion. So, the limits were already demonstrated.

The U.S. thought that it would just blow off Russia financially, economically, by sanctions, or militarily, or through subversion inside with some kind of color revolution or something else. And all of that proved to be a complete illusion as well. So, long answer to the question: yes, we're seeing the limits of Western power. We're seeing the limits of U.S. power. But my answer is that Western power, which is a relative concept after all, has been waning because of the rise of Asia already for 75 years, since the middle of the 20th century. And the unipolar moment was never real. It was always a bit delusional to think that the U.S. was riding supreme. Now, having said all of that, the U.S. clearly still has a lot of power and a lot of influence and a lot of destructive capacity. So this isn't the collapse of U.S. power, but it is definitely the limits of U.S. power.

#Glenn

It's interesting, by comparison, that in the 19th century much of the power politics was seen through the prism of Britain versus the Russian Empire. And then, as this rivalry was going on, you saw new powers emerging at the periphery — the U.S., Germany, Japan. And, yeah, to some extent, this is what the 20th century was as well — the United States versus the Soviet Union. But, of course, now in this rivalry, you saw especially Asia really emerging at the periphery. And still, there's the assumption that the normal state of things, which is, again, Western hegemony, that we'll go back to this somehow. But I'm curious.

#Jeffrey Sachs

This is a basic point, and it's a basic lesson of all of history, that advantages of any one place are temporary. They could be temporary over the course of centuries, or they could be fleeting over the course of decades, depending on what you're really looking at. But technology, which is usually the key to giving some kind of advantage—military technology or productive technology—and in the case of the 19th century, I put the steam engine as absolutely central to that unique advantage of Europe over the rest of the world. It wasn't the only advantage, but it was very key. Eventually, good ideas, technology, know-how diffuse. And so keeping a monopoly of power is almost never possible. You can try to hold trade secrets. You can try to limit the exports of high technology.

But reverse engineering, copying success stories, understanding the underlying science and technology — this is a worldwide gift. And so leaders find competitors because the basis of that

leadership was typically some kind of real, substantive technological advantage, very often a military advantage that had come, but then one that was quickly copied elsewhere. Of course, the whole nuclear age was like that. When the atomic bomb was developed at Los Alamos and then dropped as a demonstration by Truman — a demonstration to Stalin by killing massive numbers in Hiroshima and Nagasaki — the U.S. planners thought that the U.S. would have the atomic monopoly probably for about 30 years. It lasted four years because the Soviets spied, because they had great scientists, because of a lot of things. But monopolies don't last. The idea that the United States has choke points is a constant meme everywhere.

You know, it's almost ludicrous, but you go back to the beginning of 2022 — the U.S. talked about cutting off Russian banks from SWIFT as the nuclear option. It was going to bring down the Russian economy. We had the choke points, we had the definitive hold on power. It basically meant almost nothing in the end. So this is a constant refrain of history — that if one country takes the lead, which Britain did in industrialization in the late 19th century and then especially after the Napoleonic Wars, other countries innovate, catch up, steal good ideas, narrow the gap, and often leapfrog. And that was true of both Germany and the United States vis-à-vis Britain from around 1870 onward. But it was kept within the Western family, I would say, broadly speaking, for decades — a long time. It led to many racist ideas that this is a white people's hegemony, that this is a European cultural hegemony, that this is a Christian hegemony.

But the idea was that, yes, even as the reach of technology spreads, with Germany and the U.S., it's somehow all within the broader family. It's the Western dominance. One country and one country only joined that by the end of the 19th century, and that was Japan. And Japan began its own imperial adventures on the basis of imitating the European empires, and very cruelly, Japan invaded China multiple times and other parts of Asia in imitation, I would say, of the European empires. But other than Japan, this was a Western, white, Christian hegemony over the rest of the world. And it was taken by and large to be a permanent feature. There were glimmers of insight that this was temporary. Napoleon supposedly warned that when China awakes, the world will tremble. And, you know, he supposedly said that in France.

I think, in exile already in the 1810s. But the point is that the natural dominance of the West was assumed; it became very deeply part of the mindset of the U.S. and Europe. After World War II, Europe accepted that the U.S. would carry the lead baton, but still the assumption of Western dominance prevailed, and I'd say it still prevails today in some mindset change. China is viewed as an absolutely improper intrusion, as something that can be contained, as something that needs to be contained. How did we let that happen? Our biggest mistake was we let China into the WTO — it's a constant refrain in Washington. We let them develop, as if that's the American choice. But that's also part of this delusion that the natural order of things is Western dominance. In any event, I think that's over. That's the point.

#Glenn

Well, in realist theory, though, it's often assumed that states are security maximizers. That is, if we're unbalanced, we'll continue to expand. So NATO expansion, the Middle East, all of this, until we're balanced. Once we're balanced, then we'll seek a new status quo in order to essentially maximize our own security. And you would think that as NATO expansion came to a grinding halt in Ukraine, as NATO has been balanced by Russia, or what we see now with the Middle East, or what we see with China, you would assume that there would be a diplomatic effort to shift to a new status quo.

Do you see it? But I don't see it, essentially. Instead, if I look at Iran, I think this is part of the reason why there can't be peace, because Trump only wants a hegemonic peace. And, you know, we saw that the U.S. was quite desperate for a ceasefire. They agreed to Iran's format, then walked it all back once, you know, the guns went silent. And now the U.S. appears to be marching toward an all-out war against Iran. Is this based on their reluctance to, I mean, find a peace that's not based on dominance? Or what do you think Trump's place is?

#Jeffrey Sachs

This is a great question, and I think it comes to the very schools of thought of realism. There is the school of thought of our good friend John Mearsheimer, offensive realism, which says that you can't really find an equilibrium among the great powers. They're always looking for an advantage. They're always annoying each other. And in John's theory, you end up with what his great book is titled, **The Tragedy of Great Power Politics.** John says, no, there really can't be a balance of power that's satisfactory. In what is sometimes in U.S. schools called defensive realism rather than offensive realism, the idea is that security is at the center, but you can find a kind of *modus vivendi* among the great powers and a bit stay out of each other's way, and treaties can matter and stabilize things a bit. That is the predominant view.

I would say Kissinger was somewhere in between the two. Strangely, Kissinger studied the Concert of Europe. This was his great model — the 19th-century relative stability of the major powers of Europe through a concert of systematic negotiation and basic norms of behavior. But Kissinger also succumbed to the offensive realism that when the other side is down, you take advantage of it. So he was in favor of NATO enlargement in the 1990s, even though he knew it would provoke Russian unhappiness. And others argue that prudence is feasible. I think one of the things that makes John Mearsheimer's work so important is that, while I don't agree with it myself, as the author, it's a necessary description of international politics.

I think it's not a—let me put it positively. I think it's a very good description of the mindset of American strategists. American strategists don't take enough as a basis for stopping. They think there is a problem in the United States, which is, if any other major powers are standing, we are threatened—that's the idea. And so the United States has—and by U.S., of course, I mean Washington, and by Washington, I mean mainly the security establishment government—has a very hard time with the idea that Russia is a stable great power.

It has an extremely hard time with the idea that China is a stable, great power. It's going to have a hard time with India being a great power because in the American mindset—and I don't want to overinterpret John Mearsheimer's thoughts—but I think he does portray the idea that it's too dangerous just to leave these other powers. You can't really trust them, and you should do what you can to undermine them. So John Mearsheimer does generally view China as a threat that we should be doing what we can to contain. I disagree with that viewpoint, actually rather deeply, because I don't view China as a threat to the United States at all.

And so I would like to work on cooperative accommodation in a number of ways and stay out of each other's red lines, and stop the United States from arming Taiwan and many other things that I think would make the world a lot safer. But the American mindset is it's a dangerous world out there, and we have to push wherever we can. And we have caricatures of that. Our most caricaturish senator, who is a warmonger for every occasion—if you want a new war, you trot him out—is Lindsey Graham. He's always saying, we need more war. Don't stop. Escalate. Whatever it is, whether it's Ukraine, whether it's Taiwan, whether it's Iran. And there is a course like that.

One theory is they get campaign contributions from military contractors, and so they're mouthpieces for them. They're warmongers in other ways. But there's also an idea that America should be the unipolar power, and that it should fight its way to do that if necessary. And it should put a stick in the spokes of any other major power to tie that power up in knots and create trouble for it. And that, to my mind, is an accurate description of American foreign policymaking and statecraft, but also a disastrous approach that is unnecessary, destabilizing, and ultimately dangerous for the United States itself, not to speak of all the rest of the world.

#Glenn

Well, when there's extreme power disparities over the past centuries of Western dominance, it often makes sense for it to generate or be accompanied by ideologies of superiority. So when you address the rise of the rest, as you say, or the rise of China, the reaction one often gets would be, I guess, encapsulated in work like Robert Kagan's. He wrote the book **The Jungle Grows Back: America and Our Imperiled World**, in which essentially the answer is the garden, which would be the civilized us, would have to go out and trim back the jungle again and civilize it. I mean, this is a very deep ideology.

#Jeffrey Sachs

It goes back centuries. It's also very interesting from the point of view of the history of thought. Philosophers, inadvertently or advertently, often really are just the scribes of power. And so when countries become powerful, the philosophy arises to underpin that power. And we had centuries of European ascendance and then 150 to 200 years of unchallenged European dominance over the rest of the world, basically. While Europe lost some battles, it won most of the wars in Africa and in Asia.

And a whole ideology developed, many variants of it—scientific racism, pseudoscientific racism, I should say, but scientific racism.

And, of course, the religious impulse—God's on our side—and many other similar ideas, philosophical ideas, the civilizing mission, we have the key to civilization. And even the most enlightened, subtle, impressive thinkers like John Stuart Mill were basically imperialists. John Stuart Mill worked for the East India Company. He wrote tracts for it, and he wrote that it's Britain's mission to bring civilization to backward India. And so it's okay if there's a tutelage period. This is what empire is for. So a lot of ideology developed, and it goes away very, very slowly.

You look at British and French behavior today. While they don't have empires anymore, they absolutely have imperial mentalities, and often even more naive and militaristic than the United States, which actually has an empire. But British Russophobia and Britain's drumbeats of war against Russia in Ukraine are even louder than in the United States, and cruder and more simple-minded. But they come from a longer period of empire—the idea that British dominance is natural, inevitable, that Russia was the enemy of British dominance. And they still continue that battle, even though they're an island, not an empire. And it would be humorous if it weren't so dangerous.

#Glenn

Well, in the 19th century, John Stuart Mill advocated for a liberal empire. Today, we have NATO advocating for liberal hegemony. So there's some consistency in history, though—absolutely.

#Jeffrey Sachs

I say we learned everything we know from the British Empire—everything America thinks it knows from the British Empire. And actually, the links are very direct. Of course, language, culture, direct education—it's all there to be seen. Bill Clinton was a Rhodes Scholar, and Rhodes was the great imperialist of Africa, great in the large at the beginning of the 20th century. Clinton absorbed that at Oxford, so that when he became president of the United States in the 1990s, he was filled with American grandiosity that he had somehow learned from the British experience.

#Glenn

Well, you have a big day there in New York, so I want to thank you for taking the time to speak with us. Of course, anytime.

#Jeffrey Sachs

Great to be with you. Talk to you soon.