

# Larry Johnson: Defeat in the Iran War Will End the U.S. Empire

Larry Johnson is a former CIA intelligence analyst who also worked at the U.S. State Department's Office of Counterterrorism. Johnson discusses why the U.S. cannot win on the battlefield, why a peace agreement will radically reduce U.S. influence in the Middle East, while a continued ceasefire /blockade will push the global economy over the edge. Read Larry Johnson's Sonar21: <https://sonar21.com/> Follow Prof. Glenn Diesen: Substack: <https://glennDiesen.substack.com/> X /Twitter: [https://x.com/Glenn\\_Diesen](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](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. We are joined again by Larry Johnson, a former CIA analyst who also worked at the U.S. State Department's Office of Counterterrorism, and who is also an author at Sonar 21. I'm leaving a link in the description. It's great to see you again, Larry.

## #Larry Johnson

Hey, thanks, my friend. I keep watching you too. You know, you're everywhere.

## #Glenn

Yeah, good to know. I wanted to ask about this because I keep hearing that Iran and the U.S. will likely go back to war now. And during this ceasefire, which the U.S. really wanted to, I guess, rearm a group, make itself ready for a potential, well, another round of warfare. But we also learned from U.S. intelligence services that Iran has rearmed much quicker than they had expected. How are you assessing this? How ready is each side now for war?

## #Larry Johnson

Well, the United States has been prepared to launch strikes since the declaration of the ceasefire. Good Lord, was that back on April 15th? So now we're towards the end of May. The problem the United States now has is basically Saudi Arabia and, to that extent, Qatar and Kuwait. I leave Bahrain out of it because, A, they're so small, and B, they've been basically decimated by Iranian airstrikes. And they're not much of a player in terms of oil or gas or anything. But we saw the Saudis flex their muscles about three weeks ago, when after Trump had announced Project Freedom to

open the Strait of Hormuz, the Saudis basically said, you're not going to conduct any air operations from our territory.

Shut them down. And that was real. Trump got on the phone with Mohammed bin Salman, trying to talk him out of it, trying to cajole him. And MBS said no, he was firm. So that shut down that military operation. So here's Trump all ready to go again, and yet it appears the Saudis have not backed away from that prohibition. And now, with the Hajj starting on Sunday, and you've got this influx of two to three million Muslims from around the world, the last thing the Saudis want to do is put themselves in a position where they're going to be attacked by Iran.

And the only way they'd be attacked by Iran is if they allowed Saudi territory to be used to launch strikes against Iranian infrastructure and Iranian civilian targets. Because Iran is valid: if that happens, you—Saudi Arabia, Qatar, Kuwait—if any of you are involved with facilitating these attacks on us, you're going to get hit. The same goes for the UAE. And I think Iran and the Saudis have reached a point where they don't want to go down that path. So with Eid in the way, and then you've got the Hajj on Sunday—Eid is like next Wednesday or Thursday—but you have a number of days in this entire journey to Mecca.

You know, it's an obligation of every Muslim to do that once in a lifetime. And they go through a variety of rituals and activities to commemorate, to sort of reenact the lives of the Prophet Ibrahim and the Prophet Muhammad. So, you know, it's very important. And the last thing the Saudis want to do is get in the middle of a shooting match with Iran during this activity. So, you know, that's why I see this as whatever Trump wants to do, he's now constrained. I have heard that the U.S. air refueling operations have been largely confined to Iraqi airspace, which, you know, creates some additional risk. But with the United States not able to transit Saudi Arabia—essentially, if they can't transit through Saudi Arabia—it really hampers U.S. military capability, as well as Israel's.

They basically have to go up through Iraq. And once you force them into, if you will, a more narrow channel, yeah, it makes it easier for air defense operations. They don't have to be focusing over a 2,000-mile front. They get to focus over a 200-mile front. Big difference. So you've got that underway. There are reported negotiations taking place both in Tehran and in Islamabad. The Pakistanis have stepped up. They have sort of the full backing of China and Russia to play a lead role in trying to bring about a peace agreement. If nothing else, it may not necessarily involve the United States. If they get agreement with the Gulf Arabs and Iran, and then Turkey is also involved, and possibly Egypt, then all of a sudden the United States is irrelevant.

If the Gulf Arabs shut down U.S. military operations in their countries, the United States doesn't have a lot of good options. It certainly doesn't have the air power from aircraft carriers to sustain any kind of campaign to speak of. So this is in flux. I could make a case that despite the threats—oh, we're going to restart, we're going to attack—I don't see anything happening until, you know,

the one window would maybe be the first two weeks of June before the start of the World Cup. Because I think once the World Cup is underway, there's going to be tremendous international pressure against the United States to stop attacking Iran.

## **#Glenn**

Yeah, I can imagine a lot of the Gulf states being a bit cautious now about joining in on the war against Iran, because if, as it appears now to be happening, that Iran is coming out victorious—that is, it's coming out on top, controlling the Strait of Hormuz—and the U.S. might be pushed out of the region, it's not a great idea to be on the losing side. Right. I can imagine a lot of the countries would want to begin to strike a bit of a different balance between the U.S. and Iran, essentially adjust to the new realities which are coming. But if negotiations still have a chance of succeeding, why? Where do they stand at the moment? Because it's hard to get good information coming out.

I think Trump referred to the Iranians' last proposals, or one of the last proposals, as garbage. But is this about mainly the... where they're stuck is Iran's right to enrich uranium. And of course, what should happen to the Strait of Hormuz? Because, again, on these issues, it doesn't seem like the U. S. has a lot of negotiation power. But what I was thinking is, even if Iran comes out victorious, it still has an interest in the U.S. removing sanctions. So this is kind of the great card that the U.S. holds in its hands. Of course, any deal with gradual removal of sanctions, probably that's all nonsense. That's not going to happen. But how do you see this? What can be actually achieved in these talks?

## **#Larry Johnson**

Well, the Iranians have not consulted with me about negotiating strategies, but I put myself in their shoes. It's no longer acceptable to say, as you pointed out, gradual relief on sanctions. No. We tried that before with the JCPOA. It didn't happen. We've had repeated broken promises by the West. So going forward... the sanctions come off now, up front. That's number one. The frozen assets, those are returned to Iran. That's number two. And the other non-negotiable point is Iran is going to continue to charge ships that want to enter the Persian Gulf or leave the Persian Gulf. They're going to have to abide by the new rules that the Persian Gulf Strait Authority, the PGSA, is now implementing. And in fact, yesterday, 36 ships went through, despite Trump's claim, "Oh, we got a blockade, it's ironclad, nobody's coming through."

The fact of the matter is otherwise true, that the ships are starting to move. So this will provide some relief on the international economic front. Not much. It's still two-thirds of the ships that normally went through are not going through. So you've got only one-third of the normal activity. But the whole nuclear issue, I maintain, is a red herring. The United States has now tried to make that its central claim. That's really our concern. That's what we've got to get rid of. If Iran didn't have a nuclear program, and if they had never enriched one ounce of uranium, the United States

would still be trying to destroy Iran. That's the point. And it has nothing to do with whether Iran is in, quote, a quest for a nuclear weapon. I watched this organization in Canada, the Munk Society. They host debates.

So they did a debate on Wednesday that pitted John Mearsheimer and Stephen Walt against Victoria Nuland and Mike Pompeo. And I mean, what caught my attention was this narrative, the neocon narrative that is built up that, you know, like Saddam Hussein was a monster because he had chemical weapons, without any acknowledgment whatsoever from Pompeo and Nuland that we, the United States, were the ones who provided, who facilitated those chemical weapons by providing the precursors. And not only that, we provided biological agents as well, bioweapons. So as the United States approaches these negotiations, there is no historical memory. I mean, from Iran's perspective, it's like they're negotiating with an Alzheimer's patient. The United States can't remember what the hell it did two years ago.

You know, they barely know where they are now. So this claim that, oh yeah, it's a deal stopper unless Iran gives up its enriched material. Now, reportedly yesterday, Mojtaba Khamenei, the new Ayatollah, said, no, there aren't any nuclear materials. It's not even on the table. And, you know, frankly, from Iran's standpoint, it's a sovereign nation. Why should they give it up? They've signed the NPT. They've allowed IAEA inspections. They have been the victim of persistent, constant attacks, terrorist attacks, murders of nuclear scientists. Not only what took place last June, but what took place before. So I can see Iran just asserting its sovereignty and saying, no. The West is not going to dictate to us what we do. We are a sovereign country and have every right to do this.

## **#Glenn**

Yeah, no, it's a great point. But I also hear that U.S. intelligence is not just making the point that the Iranians are rearming, but they're also apparently telling Trump now that the Strait of Hormuz – well, it can't be opened, it can't be done. So I'm not sure who else has been whispering in his ear, probably Netanyahu, that they should have another go nonetheless. But if you can't open up the Strait of Hormuz, if you can't defeat the Iranians – what is the point of going back to war? Because it appears that this is becoming a very real possibility. Again, I'm not sure how likely you think the United States will attack Iran again.

## **#Larry Johnson**

Well, just to reinforce the point, it's not just the U.S. intelligence community. Admiral Darrell Caudle, C-A-U-D-L-E, testified before Congress yesterday and said, hey, we don't have the military capability to open the Strait of Hormuz. That was his message. It would be too costly, too risky to try to send ships in there to attack Iranian positions because Iran has such an arsenal, a multi-layered arsenal that can be brought to bear on any ship entering the Strait, that the United States isn't capable of destroying those. So an honest assessment of U.S. military capability—and there are some in the military that have pushed this forward—but it appears that Admiral Brad Cooper, the commander of

CENTCOM, said, the boy lacks a spine. And I'm calling him a boy because he's about 20 years younger than me.

And God, what a cowardly bureaucrat this cat is. You know, he was being questioned before Congress the other day by Congressman Seth Moulton. Seth was a Marine, served in the Marine Corps, left Harvard to go serve in the Marine Corps, so not your typical Marine. And Seth was asking just to define the difference between degraded and obliterated. And, you know, he played word games. He went, oh, I can't talk about the nuclear program. And Moulton goes, I'm not asking about the nuclear program. I'm simply asking about your word usage. What's the difference between degraded and obliterated? And he wouldn't answer the question. So when you've got a military commander playing those kinds of games and being more of a politician than a military leader—because what you need is a military officer that doesn't give a damn about the politics.

And frankly, could care less whether he gets promoted or whether he gets fired. Doesn't care that he's going to come in and tell it exactly as he sees it. And then to state the reality, you know, Congressman Moulton, is we have not abraded politics from Iran's military capabilities. As the CIA, I was pleased to see, has been briefing Congress at least something that appears to be much closer to the truth than anything that the Trump administration is saying, noting that not only have we not destroyed the majority of Iran's ballistic missile capability and air defense systems and their ability to construct new ballistic missiles and launch them, but they appear to have enhanced their capabilities since the ceasefire was declared—now, what is it, eight weeks ago?

So the United States is caught between Trump's rhetoric and what the United States actually can do. The only thing we can do going forward would be to launch some new set of airstrikes, and if they were prevented from using Saudi Arabian airspace, then we have to go through Iraq, which then creates new security vulnerabilities for the attacking force. Because Iran's no longer Iran without the support of Russia and China, they're going to know exactly where to focus all their intelligence assets to collect. They'll know what's coming, where it's coming from, and will be able to mount some defenses accordingly. Plus, they can deploy groups with shoulder-fired surface-to-air missiles into theater. They don't have to take out an F-35; all they have to do is take out the tankers like they did before, three or four weeks into the start of the war.

## **#Glenn**

Well, it seems, though, that as well, we've seen that Russia and China have been pushing for a different format for a peace agreement instead of just having a ceasefire and, you know, waiting for war to break out again or ending up in a situation where either the US will dominate or Iran will dominate. They seem to favor the development of a new inclusive security architecture in the Persian Gulf, that is, in which the countries in the region seek security with each other instead of this alliance system where they seek security against each other.

Now, such a system, which would include not just Iran but also the other regional actors, be it Turkey or the Saudis — to what extent do you think this could succeed? Because on one hand, yes, it would be an inclusive one; it would mitigate security competition. On the other hand, it also then puts an end to U.S. influence in the region. So it wouldn't necessarily be anti-American, but it would definitely dismantle the, well, let's call it here, the U.S. empire completely.

## **#Larry Johnson**

Yeah, well, this is where I see the—I think it's a viable solution. It's one that's actually being seriously entertained by all the relevant actors in the region. Russia and China are pushing hard for it. And Iran appears to, you know, even though the rhetoric in the West tries to portray Iran now as this fanatical Muslim state of these ultimate hardline radicals that have no ability to compromise—no, no, no, no—that couldn't be further from the truth. The fact is, the Iranians are very pragmatic, and they're actually operating now with more confidence from a position of strength. They've demonstrated confidence.

We could take every blow that the United States wants to throw at us, along with Israel, and we stood up to them. You know, none of those other Gulf states can say that. And so Iran, the rapprochement between Iran and Saudi Arabia, started two years ago as a result of Chinese intercession. And so the Chinese are still working that angle, and they're using Pakistan. You know, I had forgotten this. Colonel Wilkerson mentioned this during my conversation with Nima a little bit ago, that when they had one of the uprisings in Mecca, you know, several years back, the Pakistani troops were actually used to help quell that uprising.

So there is a good relationship between Pakistan and Saudi Arabia. And so that's why the Paks are playing sort of the leading role in this. So I could very much see Iran willing to make some concessions with the Saudis and Qataris and Kuwaitis for passage of ships through the Strait of Hormuz in order to secure their cooperation in the new security arrangement. I don't see them being so hardline to say, you know, I don't care what you do. I don't care how much and how sorry you are. You're going to pay the damn fee. I think they've got some flexibility on that.

And so I'm hoping the most likely outcome is that these negotiations behind the scenes are going to bear some fruit, and the continued refusal of the Saudis to allow the United States unfettered air operations against Iran will prevent the United States. The United States may absolutely want to attack, but the general in charge of the aviation forces is going to say, look, if we can't use Saudi territory, our ability to actually sustain these attacks is very limited, and it's going to create greater risk. So this thing could actually be sort of—it's not going to come to a halt because, oh, hey, we got an agreement, both sides have sat down, peace is at hand. Instead, it's just sort of going to sputter out like a dying, dying fire.

## **#Glenn**

Yeah. Well, you have a good point that Iran is often criticized in the West for taking a hardline position. But a hardline position in terms of holding on to the Strait or setting up the toll—the reason they're not compromising on this is because this is the source of their security. If they put tolls on countries that either sanction them or host American bases that threaten them, it's a way of making sure they're not going back to the old status quo of economic coercion and military threats. But again, if proposals such as those put forth by the Chinese and the Russians for an inclusive security architecture—something that could provide security—I mean, that would be the ultimate goal of the Iranians.

Then they might soften their stance on needing to, I guess, control the Strait of Hormuz all on their own, because I don't think that would be the ultimate objective in itself. But this kind of goes against the hegemonic security model, the divide and rule, because as long as you have the Gulf states in a conflict with the Iranians, then the U.S. has an ability to weaken the Iranians and also make sure that the Gulf states remain dependent, thus obedient. It's a bit like the system we have in Europe. After the Cold War, we actually had agreements for an inclusive pan-European security architecture. And, yeah, they recognized that's not the same architecture that would have brought the U.S. into Europe, which to a large extent is correct.

So instead, we went with NATO expansion. So again, we revived the Cold War logic. Russia is marginalized. The Europeans remain obedient. But at some point, of course, if the hegemon is declining, it's in the interest of the frontline states to also seek an alternative. So I'm... I think it could be a good solution, but again, it would be very difficult to hammer it through, especially right after war. However, if they don't come to peace, how long can this continue? Because now there's no war—well, there's a little bit—but there's no peace either. But the markets, surely this is unsustainable. I think this is what the consensus is as well, that this can't continue.

## **#Larry Johnson**

Well, that is the other very curious and disturbing aspect of this. The markets are not acting normally. I'm sure as an undergrad you had to take, like, Introduction to Economics, something like that. I don't know if you took any economics courses. I did. And, you know, you learn the simple concept of supply and demand — that if you've got a supply of something that people need, you know, it's called an inelastic good — that no matter what the price is, you still need to buy it. You need it. So if the supply of that goes down, boy, the price is going to go up because the demand is there for the same amount and there's less of it to go around. I'm simplifying, but that's how it works. Well, here we've witnessed now, we are on — so today is day 22 — so, 83, we're day 84 since the war started.

## **#Larry Johnson**

And in those 84 days, that's almost three months, there has been a complete cutoff — not only of 20% of the world's oil, 10% of the world's access to liquefied natural gas, 35% of the world's urea,

30% of the world's sulfur, 44% of the world's helium. So those are not just, you know, nice things to have. Those are essential commodities for industrial production and have a whole variety of applications. That's gone. So you would think the markets would be going, oh, heavens, God almighty, particularly with oil. Assuming that demand has not fallen off the charts, that demand remains stable, if not slightly increased, you've got a decreased supply.

Inevitably, the price has got to go up. But what we've seen is both a suppression of oil, and as oil is suppressed, the stock market in the United States keeps going up like, hey, things are great. Things are not great. But the markets are pretending that it is. And we saw during COVID, when the price of oil went up to \$150 a barrel, we didn't have any actual shortage there. It was not like the supply got— they stopped pumping oil, and they stopped filling tankers, and the tankers stopped sailing on the seas, like has happened now. But yet, the price of oil went up to \$150 for what? Now, when we have an actual shortage, they're pretending, oh, no big deal.

We got this under control. One of the ways they've been mitigating the rise in oil is the United States has been emptying its strategic reserve and reportedly selling that strategic reserve so it's going overseas. So it's all a charade. At some point, that charade's going to come to a halt. The actual economic impact will arrive. The shortages will become readily apparent. The price rise will no longer be managed. And this will translate into not just economic recession, but probably an economic depression. And then it'll be at that point that the United States will finally have to be honest with itself about negotiating an end to this.

So I can see that Iran is in a position to continue to limit the flow of goods out of the Persian Gulf, continue to disrupt the global economy. And yet the irony of this is, if you go back and start asking the questions on who are the alternatives to the Persian Gulf, the two countries most commonly that come up are Russia and China. So Russia and China actually benefit from this. The United States to a lesser extent, because the United States is a major supplier of liquefied natural gas. But beyond that, the United States is not a major supplier of oil, certainly not a supplier of helium, sulfur, and urea. And, you know, the entire shortage of fertilizer, the global impact on that.

Again, we're six months from seeing the full impact of that start to be apparent, where it's going to be translated into fewer crops being produced, shortage of food, et cetera. So I see this thing able to drag on for quite a while. I don't see the Iranians ready to just say, okay, yeah, let's open everything up and never mind, we don't mind having been attacked. Iran's objective in this is to get a firm security guarantee that this is never going to happen again. And I think China and Russia are willing to provide that. And a key to that is enlisting Turkey, the Saudis, Egypt, and getting on board with that kind of broad agreement where, if you will, they come up with the equivalent of a West Asian NATO without Western involvement.

**#Glenn**

Well, it seems that the war against Iran and also the war in Ukraine appear to be the same war, and they would also have the same solution. This is a hegemonic system which has broken down, and it requires some multipolar solution. In other words, it can't be one side dictating the terms — that is, peace through strength, as NATO loves to say. But again, a way in which we also have to accommodate the security concerns of the opponent. That's not something we've done over the past 30 years. That is, to discuss what are the security concerns of the Iranians, the Russians, the Chinese, and how can they be respected in a security arrangement. Again, it's very different from the bloc politics we've been pushing, which kind of begs the question: if the U.S. can't defeat Iran in war and they have to find a settlement, what will the world look like after such a defeat?

## **#Larry Johnson**

Well, it would be better off. Here's the problem. The Western approach, not only to Iran but to China and Russia, was on display with this — it's called the Munk Debate. It took place Wednesday between John Mearsheimer and Stephen Walt on one hand, and Victoria Nuland and Mike Pompeo on the other. And the question, the way it was framed by — this is a Canadian group, and hopefully they'll have it available online for people to see on YouTube. Right now, you've got to pay to see it. The attitude of Victoria — the underlying question of the debate goes back to John Adams saying that the United States should not be going out looking for monsters to destroy overseas.

And the entire premise of it — well, we've got to deal with these monsters. Well, let's start with, what's the definition of a monster? A monster is an imaginary creation. It's not a real thing. It's, you know, Frankenstein, a monster. Shelley, you know, that wrote the book — Mary Shelley, was it, that wrote the book? It was a fictional creation. So we've got these fictional creations, but they were described as: Iran is a monster, Russia is a monster, China is a monster. We've got to stop the monsters. That mentality, unfortunately, I would say, still dominates in the United States — that anybody that comes out to try to argue that this is completely ridiculous...

And let me just give you one data point. Here's Mike Pompeo, the former head of the CIA and the former Secretary of State. He's a moron, an imbecile, a cretin. Let me find some other demeaning words to suggest his lack of intelligence. Because he talked about the thousands of Israelis that have been killed by Hezbollah. And I thought, really? So anybody that's out there watching, go use Grok or use Claude. Go in and type in how many Israelis have been killed by Hezbollah since 1982. The number that Claude came back with was 872. You know, 44 years, 872. How many Palestinians have the Israelis killed?

## **#Larry Johnson**

Well, that number would be in excess of 100,000. Right now, Claude came back and said like 92,000, but that's being very, very, very generous with assuming that all these bodies have been buried beneath the rubble in Gaza. But my point is, here are the actual facts. The country or entity

that's been killing the most of another is the Israelis, not the Palestinians, not Hezbollah, not Hamas. And the country that's been killing the most foreigners in the world over the last 66 years is the United States. It's not China. It's not Russia. But yet we want to see the monster's exterior. We're the goddamn monster. And we fail to accept it.

## **#Glenn**

I often make the point that whenever we look at these international security issues, I'm, like you, quite critical of what we're doing. And I'm often... well, the accusation often thrown against me would be then, well, why are you taking the side of the Chinese or the Russians or the Iranians? But this is not about taking one side or the other. It's about recognizing that the hegemonic system we set up is not working. And it's not great for us either. I mean, we've been in perpetual war now for decades. It's weakened our security. It's weakened our economy. Our political culture indeed is draining the soul, I would say, out of our nation. And there's no going back to the 90s, especially—that's what the European politicians keep dreaming of. But in the 90s, the political West was all-powerful. It also had political stability, economic, social stability. Thank you very much.

## **#Glenn**

And same with Iran after the September 11 attacks. They were open to using this as an opportunity to get closer with the United States, solve some of the historical problems. All of this—this was the perfect condition, and we couldn't pull it off. We instead went into perpetual war. Exactly how is this still going to work? I mean, we exhausted ourselves. Look at the debt, political climate, all of this. And rising powers are balancing us. This is why America had an offshore balancer strategy: don't remain in Europe after the war is gone, because then the powers will balance you as you pull back. They will instead balance each other. I mean, it's hard for me.

It is just people, I think, they confuse the continuation of empire and global dominance with taking the side of their own, as if the only future of the West is to dominate others. This was frustrating with Marco Rubio when he came back in February to the Munich Security Conference, where he said, listen, Europe, you used to be great until World War II. You lost your empires, and we can still dominate the world if we— Is this really all there is to the political West? You know, it became a bit offensive. Anyways, I'm getting a bit off the point. I guess where I was going is, how do you see this kind of settlement, which you are describing, with the US pulling a bit out of the Middle East? How would that impact the broader world order, though, you think?

## **#Larry Johnson**

Well, I mean, I think it's going to be accompanied by war. No hegemonic system surrenders its control without a fight. But the challenge that the United States confronts and refuses to recognize is we do not control our destiny anymore. What used to be an economically powerful country, because we had this robust industrial base, was largely destroyed. We were resource independent. We didn't

need to go out and conquer other countries in order to get control of resources like rare earth minerals. We do now. We could be self-sufficient with energy. We're certainly not self-sufficient with fertilizer, a critical component for our agricultural industry.

And increasingly, the very technology that's driving modern society is being produced in China, not here in the United States. So it's going to be, if you will, the economic collapse that's going to be the final wake-up call for the folks in Washington, D.C. They can't continue with this fraud that they have been perpetuating. And, you know, in Donald Trump's—let's see, we had 12 months in 2025, we're now into the fifth month, so let's call it 16 months that Donald Trump's been in office—the national debt has grown \$2 trillion. So he's added more to the national debt in 16 months than was added by Joe Biden in, say, three years.

So this debt accumulation is increasing. It's not decreasing because the U.S. spending obligations are going off the charts because of the war against Iran. And we've got all these forward-deployed assets, et cetera. At the same time, you step back and look and say, okay, what's happening on the global front? Are more countries lining up to buy U.S. Treasury bills, or are more countries getting rid of U.S. Treasury bills? The answer is the latter. And just this week, we've seen Turkey do a sell-off. Japan sold off a number. China's continued to sell off, like \$41 billion. So the nations, particularly in the Global South, they're not rolling around saying, man, how can we buy more U.S. Treasuries?

How can we lend the United States more money so it can continue its hegemonic activities around the world? That's not happening. Well, at least the petrodollar is still intact. Sort of, except again, more countries are making purchases in oil, and like these shipments coming out of the Persian Gulf or going into the Persian Gulf through the Strait of Hormuz, the Iranians are saying, hey, you're going to pay in rial, you're going to pay in our currency, and/or you're going to pay with Chinese yuan. Dollars? Forget about it. Russia itself made a statement about three weeks ago that it was going to start accepting payments in yuan as opposed to the dollar.

So again, you've got to shift away from the dollar. Those two pillars that, for the United States, have been critical for its capital flows to maintain its economic dominance—they're crumbling. The petrodollar is crumbling. The U.S. Treasury bill is crumbling. Now, it's not going to come to a crashing end here in the next few weeks. This may perpetuate for some time to come. But certainly, it's not the United States building strength. It's just the opposite. It's bleeding out, maybe a little bit at a time. But nonetheless, you keep bleeding out. Eventually, at some point, you run out of blood.

## **#Glenn**

Well, something has to give, though, because I understand the pressure that Trump is under. And from what I'm being told, the Gulf states have now explained to the United States that they believe time is on Iran's side. And I get it. There's a lot at stake. It's not just how to end the Iran war.

Indeed, as you said, the entire world order is more or less at stake here. So I can understand, on the one hand, the pressure to have another go at attacking Iran. On the other hand, if you can't win militarily, what's the point of this?

And from what I understand, the Iranians have plenty of other ways to escalate if the U.S. decides to restart the war. My last question was, we heard about this spat now between Trump and Netanyahu. I'm not sure of the credibility of it, but apparently Trump was considering putting an end to the war, accepting something of a defeat, which... well, would not be good for Israel, which made Netanyahu quite angry. Again, I'm not sure how much we should believe the news these days, but I want to ask you, though.

## **#Larry Johnson**

Well, I mean, just the simple fact that you have to say it that way tells you everything you need to know. You always have to look at the news as it's being presented with a point of view. I call it intelligence with a purpose. It's designed to elicit a particular reaction or to manipulate. It is very much manipulative. Go ahead, sorry to interrupt.

## **#Glenn**

No, no, no. If I read The Guardian, it's to know what The Guardian wants me to think. It's not because you believe that you're getting reality there. I think, especially over the past few years now with the war, the focus on elevating the war narratives is always pushed to the forefront, prioritized above reality. Yeah, I think one should be a bit cautious, but... but if it is to do, do you think Israel would be in a position to essentially deny Trump or influence Trump to reject the peace? Because I always thought if the core U.S. security interests are at stake at some point, he would have to distance himself a bit from the pressure coming out of Tel Aviv.

## **#Larry Johnson**

Yeah. No, I think they—yes, they can influence Trump to try to make decisions that will be inimical to U.S. interests. But even though they may get Trump convinced that he needs to do this, the reality is the United States may face constraints on what it can do. In other words, you know, OK, we're going to relaunch the attacks on Iran, but we're going to have to go through Iraq. We can no longer go through Saudi Arabia because, you know, what the Saudis, Kuwaitis, and Qataris are particularly concerned about—UAE is not concerned about it, but they would end up taking the biggest blow—is that if they get back into facilitating these attacks, they are going to suffer some devastation beyond what they have experienced already.

And the Iranians have taken the position that, you know, they recognize that we can handle a first strike. It'll be our retaliatory follow-up that's going to be devastating. So I don't discount that Trump can still be talked into renewing the attacks, but he's also going to come up against the practical

realities of what the United States Air Force can now do with the constraints. If, again, Saudi Arabia continues to say, no, you're not going to use our airspace, then that limits U.S. options.

## **#Glenn**

So given this reality then, also if the U.S. attacks, how much worse can it get if the Red Sea is shut down, if some internet cables are cut off, the Gulf states cease to exist if their desalination plants or energy infrastructure get blown up? With all these different considerations also weighing against the interests of Israel, how likely do you think it is that the U.S. will now attack again? Because when I look at the force buildup, I keep feeling that, you know, if you're going to build up that many forces, you can't bring them home again—that they're built up for war. But again, I'm not a military man, so...

## **#Larry Johnson**

Well, no, you're just—you're plagued with logic and rational thought. So, yeah. No, you're absolutely right that we have not seen the order come down to say, okay, let's start withdrawing, let's start drawing down. For that simple reason alone, I would say, yes, the United States is going to renew the attacks. But the ability of the United States to sustain that will be extremely limited, and the damage that will be inflicted on U.S. forces in the area, as well as Israel—Israel is the one that really, I think, is grossly miscalculating the kind of damage that Iran can inflict on it. And so, you know, I'm hopeful that this, you know, this thing continues—let's call it the non-combat portion of this—continues to drag out.

You know, that because of the Hajj, well, okay, no attack now. And then the Hajj ends, and okay, now we're at the World Cup. So let's get through the World Cup. That takes us another month. So that can give, you know, a couple of months of negotiation. That would be a better outcome. But I think Trump is going to come under enormous pressure to attack. And so I can just say that it's not going to surprise me if the attack comes again. I'm not going to say and predict, oh, it's going to happen next week. I don't know that. I don't have access to that information. All I do know is Trump's under pressure to do it, but he also faces some real-world obstacles that prevent it. Now, how those two get bridged, I don't know.

## **#Glenn**

Well, as the months come and go, if there's no war and no peace, the markets will nonetheless suffocate. So the clock is ticking nonetheless. I don't see a good outcome out of this. For the United States, I think for Iran, they can come out very strong, I guess, if they finally shake off, you know, 47 years of crippling sanctions and perpetual military threats. If they can get something new, it can be great. But for the U.S., though, there's no going back, really, which is, yeah.

## **#Larry Johnson**

Well, the way you phrased it, and I think you bring excellent insight to this, is that the economic situation will ultimately determine if the United States will go forward with military strikes. And I cannot conceive of a scenario in which U.S. military strikes against Iran are going to strengthen the world economy, strengthen the U.S. financial position in the world, increase desire to purchase dollars, make the petrodollar more universal. In fact, I would argue that any further military escalation by the United States will have the exact opposite effect. And once there is that realization, I think that argues against, you know, we shouldn't do this because the economies are too fragile. And, you know, we're starting to see the full effect just happen in Indonesia, but it's going to be hitting Europe with greater intensity. And ultimately, you know, probably by the end of June, the United States is really going to be suffering the economic consequences.

## **#Glenn**

Well, Larry, as always, I appreciate your insights, so thank you very much for your time.

## **#Larry Johnson**

Hey Glenn, always a pleasure, my friend. Keep up the good work.