

Richard Wolff & Michael Hudson: Iran Did the Unthinkable – Trump Left With Nothing

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#Nima

Hi, everybody. Today is Thursday, June 4th, 2026, and our dear friends Richard Wolff and Michael Hudson are here with us. Welcome back, Richard and Michael.

#Richard

Good to be back.

#Nima

I want to start with a clip of Robert Kagan in his last interview. He's talking about the situation that Donald Trump is in, in the Middle East. I know that you know Robert Kagan, and for our audience, he's a hardcore neocon who was advocating for this war against Iran and, in the Middle East, the great war to defeat Iran. But right now, his assessment of what's going on is not in favor of what Donald Trump is talking about. Here's what he said.

#Speaker 03

Clearly, we see now what the future looks like. Iran is in control of the Strait. There seems to be no prospect that the United States is going to be able to open the Strait by military force. Trump clearly doesn't want to do that, which means the Strait will be open, but under new management. It'll be under Iranian management, which means they will control who gets in and who gets out, how quickly and at what price, because they're certainly going to charge for it eventually. And this gives Iran enormous leverage in the region and in the world. And we're already seeing that leverage playing out today with the crisis in Lebanon and how Trump is handling that.

I don't see any particular options. I think we have already lost this war. It's just a question of when we acknowledge it. Trump, of course, doesn't want to acknowledge it at all, which is why we're sort of in this stasis of paralysis right now. But I don't see any options for the United States. This mistake, unfortunately, is going to be a lasting mistake with lasting strategic consequences. Well, it

means that the power relationship in the region will shift dramatically. I mean, before the war began, Israel was by far the strongest power in the region. Iran was decimated, weak, isolated. After the war, with Iran in control of the Strait, Iran is going to be calling the shots.

You'll see the Gulf states cutting deals with Iran. They've already begun to do so. And you'll see Iran exercising influence over Israel's behavior, as it is doing right now in Lebanon. Iran wanted an end to Israel's bombing of Beirut. They demanded it, and Trump called up Bibi Netanyahu and told him to cut it out. That's the future. Israel is going to find itself tremendously isolated. Iran is going to be in a position to have leverage over countries as far away as Japan and Korea, who are, of course, utterly dependent on access to the energy supplies of the Gulf, with Iran able to control that access.

#Nima

Richard, coming to you, do you see any sort of connection between what he's talking about, what Robert Kagan is talking about, and what Donald Trump is trying to say to us? Because in the minds of those people who are running the administration, they don't feel this way. They feel totally different. They're winning the war, and they want to stay there. That's why in the last two days we had confrontations between the United States and Iran, because of these sorts of minds, because the blockade is still there. And you remember Donald Trump announced that he's going to lift the blockade. The blockade is still there. That's why we have some sort of, I would say, important escalations between the two sides. What is your understanding of what's going on?

#Michael

Well, I think the key to your clip is the word "control." When you talk to a neocon like that, and he talks like that, what he is bemoaning, what he is so upset about, is the loss of control. He said it. The control is now not what it was—paraphrase—it's not under U.S. control. It has moved to, quote, "new management," Iranian control. That is an outstanding, impossible horror for Mr. Kagan. That's the problem. The rest of what he says there is cheap nonsense. For example, "It was a mistake." What are you talking about? What kind of mentality is that? You have a world-historical shift of things, and you attribute it to a mistake. Mistakes are made all the time.

When they have the consequence of this, then you have to ask the question, which he can't ask: why the mistake? Why did this happen? And the answer is, you're an empire losing control. That's what's going on now. It's been going on slowly for years. Now it's speeding up. Iran was always powerful. Now it's clear how much power. Why? Because the whole world has shifted. Iran isn't anymore Iran. It's Iran with Russia and China and the BRICS. That's a whole new story. If Mr. Kagan weren't lost in his ideological blinders, he would be able to talk in some intelligent way. He can't imagine it. And by the way, Mr. Trump the other day did exactly the same. He said, the Iranians want to control the Strait of Hormuz, and no one's going to control it.

No one is going to control it. Euphemism. You're controlling it. You always have, you big faker. You're pretending now that it's upsetting because someone else—and then he gives it away. He says, no one will control it. We're going to keep our eye on it. Okay. Nobody should be fooled. He wants to have some control, and he doesn't want to understand he can't have it. This is a fundamental, momentary recognition—very constrained, very minimalist—a momentary recognition of what we've been talking about, you, me, and Michael, for a long time, which is the decline of an empire. That's what this is. An empire just lost a very important passageway, which is now under someone else's control.

And these people are all astonished and would like to imagine that it was just a mistake, which they can learn from and then avoid in the future. No, Jack, not a mistake—one of these traps that a declining empire waltzes its way into. Here he has to forget that they've been doing this kind of intervention, including a year ago in the same country, the same two people, and it didn't have quite the result. They couldn't learn last year, when they had to stop the war after 12 days and had not achieved their goals. They couldn't see it then either, and they can't see it now. The only difference is, now clearly Iran, even if it doesn't want to, is showing the rest of the world that the organization of the world is changing. Last point.

He can see, because this is what he cares about most, he can see that this is going to have enormous consequences. But again, he thinks it has to do with this war. No, it doesn't. This has to do with the declining empire. It has to do with the fact that sooner or later, every country on Earth, not just the Gulf states, is recalibrating. The world has changed. The United States and Western Europe have split apart. Neither of them is the power they once were. Russia and China are emerging as the new ones. And they're all going to—of course, they're going to cut new deals. But so is Latin America. So are Mexico and Canada. It's already going on. Is this all a big mistake? Stop. This is the mentality of Americans who need not to see what's happening to them.

#Richard

When Richard talks about a declining empire, what he means is that the failure of what we've been discussing for an entire year now is that the entire U.S. international strategy has been based on control of the world's oil trade. The control means the ability to cut other countries off from access to oil to run their factories and heat their homes and make petrochemicals and fertilizer out of it. So that means of control that the United States does not feel secure unless it can control other countries to the point of being able to create chaos for them if they do not agree to U.S. foreign policy and the kind of agreements that Trump imposed upon them with his tariffs a year ago—that if they want access to the American market, he said, instead of being turned off with chaos, they have to impose sanctions against other countries exporting oil: Russia, Iran, and at that time, Venezuela.

Well, the whole strategy of the United States is controlled by being able to cut off the world's oil trade, the food trade for countries that need food, and now the internet and artificial intelligence

monopoly. All of this is being threatened. So the United States is not going to simply give up this. It's almost as if Kagan is saying, you know, we've got to realize that we've failed. It's as if he's throwing down a challenge to Trump and saying, what are you going to do about it? You know, are you going to let it happen? Well, today the stock market is way up because Donald Trump said he's not going to fight and attack Iran—he promises not to—if Iran does not kill any American personnel.

Well, you already have seen what's been happening in the last two days. The United States is going to chip away, salami-style, at trying to block Iran's ability to control the Strait of Hormuz. It's already done it. It's told tankers, turn off your transponders, try to just sneak through. Iran has been blocking this. And the U.S. military knows that if Iran tries to say, who's trying to sneak through with a tanker, then they use radar. And if they use radar, then the Americans are going to zero in and say, aha, let's bomb where the radar is coming from to prevent Iran from doing that. I don't see any way of settling this whole conflict peacefully.

You can't do it by negotiation because Trump doesn't have anything to negotiate, and he doesn't control what the U.S. Congress would have to agree to, which is probably nothing. And he doesn't control what Israel would do, which is probably nothing. So this can only be settled on the battlefield in one way or another. And a number of guests that you've had have expected war. Two weeks ago, they expected war this weekend. They're expecting war next weekend. They can just see that the United States is continuing to probe in a way that is going to force some sort of Iranian response.

Well, China is trying to deter it from responding because it doesn't want Iran to respond by not only wiping out American military bases, but the Emirates and countries that are letting American airplanes use their airports, their airspace to attack Iran. All of this is probably going to end up happening as it might have happened earlier this year, it might have happened last year, in 2025, when Iran had Israel on the ropes and could have attacked. One way or another, I think that situation is going to build up again, because America literally has said, we do not feel secure unless we can prevent any other countries from getting oil. And that's exactly what Iran has achieved in its own power.

It says if the United States controls your oil supply by isolating Russia, us, seizing Venezuela's oil, then you're going to be at the mercy of American foreign policy. Well, we're going to preempt all of this. We're going to close off the oil supply to you. And unfortunately, this close-off is going to take years to rebuild. It is going to create a world depression. But our aim in closing off the supply of oil through Hormuz is going to be, we want to have all of you protect us and create a world of free trade in oil, where you can trade with us for oil, you can trade with Russia in oil, and maybe even free Venezuela for trade in oil. But so the question is, somebody is going to control the world oil supply. Is it going to be the United States or Iran? That's really what it all comes down to.

The United States is not going to go quietly, and that probably means there will be an interruption of oil trade — exactly what the United States has tried to achieve to threaten other countries. Iran is not doing this as a threat; it's doing it as self-protection of its own ability to trade in oil and rejoin

the group of oil-exporting countries in freedom. The United States is still going to try to block its tankers. It's seizing Iranian tankers, disabling them from anything. Of course, Iran is going to respond. It seems to have already attacked some ship — at least there are some reports of that. It will attack some American military bases where the attacks on it are coming from. There are going to be Americans killed, and so we're going to be right back where we were before.

#Michael

Let me add, there's another way of looking at this, which takes the point another way. In the United States, it has been common for many years to refer to the security of the United States as if it requires controlling the whole world. I mean, stop and take a step back with me. That is craziness. What kind of craziness is it? It's the craziness of somebody who thought that the world was under the control of the United States and the Soviet Union, and then the Soviet Union went away, and so now it's only controlled by the United States. This is childish. The world is never under the control of any empire. That's why the world is still here and all the empires are gone. That should have been a clue as to which is more profound.

Okay, in the American mentality, you have to control everywhere in the world because — and look what they're giving away — because every place in the world, no matter how far away, and I don't just mean in geography, but I mean in wealth, in military power, in global reach. No matter how distant, how unimportant, you could have developing there some kind of economic or political movement, and that would eventually threaten the United States. And so we go in and hit them in advance. What are you doing in Vietnam? What are you doing in Afghanistan? What are you doing with poor Mr. Maduro and his wife asleep? And what are you doing? Answer: we are taking the steps necessary for our security. Oh, you mean in the event that maybe one day Vietnam might be in a position to throw— yeah, yeah. We can't let North control South Vietnam. We can't let that happen. We can't let the Iranians be. They might one day have a nuclear weapon.

#Richard

By the way, that's another issue. What is that about?

#Michael

Everyone knows Israel has nuclear weapons. Therefore, why shouldn't Iran have them? What is this? The United States has decided that an ally, Israel, can and should have nuclear weapons, but Iran shouldn't. That's the behavior of a global empire — that kind of determination. Let me make it clear to everybody watching: the day Iran wants a nuclear weapon, it will turn to Russia and China, who have them, and ask, or to North Korea, and get them. And that will be a decision made over there, not here. Why not? Because that's the way it now is. The empire can't do it. But the initial craziness is that little move that allows the logic, which in the popular lingo goes like this.

It's better we fight them over there rather than fighting them over here. Oh, the whole world then becomes a logical place to attack and fight anywhere and everywhere. Any conceivable line of development might eventually lead to something. No, this is not the way the world works 99% of the time. And the reason is simple, and it's relevant now. There is another way. You admit you can't control the whole world. You never could. That's why you fight so many wars at such cost of life and treasure and lost opportunities. In economics, we have a concept, very simple-minded, as most economic concepts are. It's called opportunity cost.

That the cost of any use of any resource is all the other things you could do if you use it in this particular way. That's the opportunity cost. What was the opportunity cost of the military that we have maintained? We don't dare ask those questions. They're taboo because you're trying to control everything. The alternative is you understand that the world is a process of negotiated compromise. You don't control it. You're working to reach an agreement so you don't destroy each other. What you are doing is choosing, Mr. Kagan. You are choosing the path of trying, and you're upset that you made a mistake. No, sweetie pie, a mistake is the least of your problems.

You're trying to hold on to something that's disappearing underneath you. Israel is a desperate country which has just now been confronted with the fact that its desperation has just gotten much, much worse. Why? Because, like the United States, it chose military security—meaning controlling every Arab country around it, every Muslim country around it. But of course, that's a hopeless, endless task. It can't be done. Now it can't be done even with military force. Now it can't be done even with the Israeli military backstopped by the American military, which is what they have. Now the American military can't do it. They've run out. They'll either come to terms with their neighbors, or they will disappear—and somewhere they know it.

And their crazed behaviors in Gaza and now in Lebanon don't solve the problem at all. But it is a lack of recognition that there is an alternative here. And that is the kind of diplomacy trying to develop—if not a League of Nations, if not a United Nations, then some other mechanism to prevent this from happening. And the United States is not going to do that. No longer able to rule the world, making America first by means of a rules-based international order, they throw away the rules, and now they're going to do it directly. Same mistake. The problem isn't how. The problem is misunderstanding the situation you're actually in.

#Richard

No. Richard's made a number of points that I'd like to discuss in sequence. He's correctly said American policy is based on control. He's just called it crazy. Well, preparing, just reading the news today, I invented a new word based on sociopathology, and I call it geopathology. Geopathology is like sociopathology, which is not only a lack of empathy, but a lack of empathy with other countries, other people, that leads you to be abusive. And geopathology is an attempt to structure a world in

an abusive way. That's what the doctrine of control is. We're dealing with what will be, in retrospect, a pathological relationship between the West and the other countries that goes back a few hundred years.

The means of control for many years was, by Britain, free trade imperialism. That's what it was called. If you can have free trade and convince other countries to depend on Britain as the workshop of the world, and they'll provide our food and raw materials in an unequal exchange, they'll run deeper and deeper trade deficits with us. They'll have to finance them by borrowing from us. And their trade dependency will be turned into financial dependency, debt dependency. And if they try to respond, well, we've already established military dependency by having the British Navy and the military bases all throughout the world. Well, that's what British colonialism in the 18th century was all about.

It's what Britain's free trade theory and free trade imperialism was in the 19th century. And it's the way in which the United States restructured the world economy after World War II, subject to a free trade and creditor-based international financial system based on the U.S. dollar. And you've essentially turned this into an overall detailed means of controlling the world by trade—controlling trade in essentials, including oil and raw materials, by the way, under U.S. investments and investors that control the raw materials producers of many Global South and other countries. Just the opposite of what was advocated previously by industrial capitalism early on, you've had a pathological relationship that other countries somehow have to respond to if they're going to save themselves.

One of the ways in which this control is used is to control the way in which you think about international relations and you think about economics. The myth is that all countries have been gaining by a U.S.-centered trade system that America calls free trade, but whose rules America is immune from. It's really a U.S.-centered trade and a U.S.-centered financial system. It's the opposite of multipolarity and mutual aid. And so, in back of geopolitology, you have ecopathology—a pathological economic idea of how an economy develops. And the whole U.S. neoliberal strategy and concept of how economies work that underlie this foreign policy of control goes way back to Friedrich Hayek, Margaret Thatcher, and Milton Friedman in the 1980s.

Imagine if they had gone back in history and started the beginning of civilization saying, well, you know, let's base civilization on these free market principles instead of mutual aid, instead of the kind of mutual support and fairness and equity that you have with a concern for other people. Then civilization never would have taken off. Well, we've reached a point today where the international economy cannot take off without escaping from this pathological behavior that is indeed crazy. And that requires a critical mass, a size that countries never had the alternative before, and right now they're having the basis for such an alternative in the emergence of China, Russia, and now Iran.

And I think Iran's policy is forcing other countries to consider this alternative and say, of course, there are always going to be countries dependent on certain raw materials, on credit, on technology, but this does not have to be exploitative. If it's exploitative internationally, then the solution is self-

sufficiency—to become sovereign and in control of your own fate. I think that's where probably civilization is moving toward, and that is what makes this fight that's going on in Iran a civilizational question, as Kagan and the neocons have said all along in their fight against civilization.

#Michael

You know, Nima, let's be real clear about what Michael has just said. It might be much more efficient, in terms of the relationship between the output you get and the inputs that go into it, to have a world divided. But our inability to work that out because of the dominant position of the United States is turning the United States and every place else toward a self-sufficiency that is enormously inefficient. And the reason is not because human beings can't understand the difference between efficient and inefficient—they can—but they can't work out a non-imperialistic way of doing it. That's their problem. And so they're going to forego all kinds of wealth and resources.

And that's going to hang on to the inequality between the center and the periphery that we have been talking about for generations now. Instead of overcoming it, we're cementing it by this turning inward to self-sufficiency. That's the kind of absurd irony we have now. And let me give a concrete example, even if it ruffles some feathers. Michael and I were both part of a generation of economists who went to graduate school and studied the field at a time when the most exciting subfield of economics that attracted most of the students, myself included, was called economic development. We're talking about the period after World War II was over.

When the exciting thing is, look at all those poor countries in Asia, Africa, Latin America. They need to become not poor. They're desperate to become modern, middle-income, able to give their people a proper health system, a proper school system, a proper life like we already have. And we're going to help. We're going to help them. So people like me were trained to help them. Many of my fellow students ended up working in the United Nations or all over the world helping them. Here's the problem: we didn't help them. We ended up, without understanding it, cementing them in a subordinate position. How do we know that? Because that's where they are now. They haven't developed.

They remain very poor, and the gap between them and the rich countries, if anything, is worse. With one big exception: China. Why is it important? None of us went to China. Nobody did. China was a taboo place. In those years, the United States didn't recognize China—from 1949, when Mao wins, until the 1970s, when Nixon and Kissinger go there—they are not recognized. Nobody does anything with them. They don't get the benefits of all of us trained economic development specialists. End result: they did much better. All the people we helped didn't do as well as the Chinese, who went and did it on their own.

You know, that's a problem. If you understand that, you have to ask the question: what in the world went on here? If you ask people like Mr. Kagan, he'll tell you there were some mistakes made. Again, this is trivial and silly. We can't help them because we're busy maintaining and running an

empire. That's what most American businesses are busy doing, and that completely outweighs what you tell people like us in the university. So, of course, we could not succeed. The governments that brought us in could not succeed.

The government that was a pariah, that was kept out of the system, that was hampered in every conceivable way, including by military bases and all the rest, outperformed us and does so year in and year out, as if to mock the very system. Sooner or later—here's the final punchline—all of the countries, all of them, in Asia, Africa, and Latin America, are going to understand what I just said. And they're going to realize they need to switch over from the dying empire that never gave them a chance to the new one where hopefully they will have one. That's the problem of the United States. If it doesn't understand that, it will be making one mistake after another, year in and year out.

#Richard

I'm glad that Richard mentioned so many people of our generation who studied economics focused on development. I worked for the United Nations for three years in the 1970s with the United Nations Institute for Training and Research. And what I found very quickly was that there was one group of these development economists that said, how do we prevent development from occurring in a way that does not favor the United States? Well, the World Bank was the leader in fighting against development. They published a report called **Partners in Development** that I reviewed, and I included that in my book **Superimperialism**, called **Partners in Backwardness**. The World Bank made sure that there would be no loans for any country that was using its agriculture to produce its own food and thereby compete with American agriculture.

I wrote my master's dissertation and had a whole chapter in **Superimperialism** on how every economic country review by the World Bank said you have to have essentially what the United States did under Franklin Roosevelt with the Agricultural Adjustment Act. You have to protect family farming. You have to develop public marketing services, public agricultural extension services to provide seed. You have to develop trade relations and support food independence. Every actual behavior of the World Bank was to prevent exactly this because it would not reflect American national security. That's why the heads of the World Bank were heads of the military, starting with John J. McCloy as the first president and peaking with Robert McNamara, Secretary of Defense.

The whole perversion of development theory to dovetail into U.S. national security and control sort of perverted the whole idea of development to saying development means you let American corporations come in and buy control of your oil, mining, forests, and other raw materials. And you have to privatize your public utilities and public infrastructure. And that's how you develop. You let American financial companies and firms come in and develop. The whole idea of development economics was hijacked. And at the United Nations, when I made these points, the bankers who were funding the Club of Rome—Agnelli, I think, and some others—insisted that they would pull out all funding for UNITAR if they didn't fire me.

So, I mean, this was quite explicit at the time. The whole idea of the Club of Rome was that there's too much population of non-white people in the world, of less developed countries. That is inefficient. That's not how development works—you have to have population control. And the irony is that it was the Catholic Church that popularized most of my criticism of the World Bank in what became liberation theology. And my first books were published by the Catholic Church on this, precisely because of attacking this population theory that was part of the distortion of the whole development economics that essentially led to that subject no longer being of much interest to today's economics students.

#Nima

Richard, do you think that with what we've said so far, Donald Trump would finally understand that this is the end? He has to do something about it—withdraw from the war in Ukraine, withdraw from the war in the Middle East—or maybe, because there are people arguing that the off-ramp for Donald Trump would be a new conflict, a new war against Cuba. This is a recipe, in my opinion, for disaster if they go that way, you know, if they bring the war to Cuba instead of, you know, saying, oh, we won against Iran, we're going to get a new victory in Latin America.

The government—we're going to topple the government. We're going to put someone there who is in our favor, the same as they did in Venezuela. Do you think he's going to understand the limits of the U.S. empire, or is he going to expand this conflict without putting an end to it? He didn't put an end to the war in Ukraine. He started a new war in the Middle East. Right now, instead of getting out of these two, he's opening up a new front for the United States. What is your understanding of that?

#Michael

I would love to see in him or his government any recognition of the kinds of things we've been talking about on this program. I don't see it. I try, I look, but I don't see it. In my judgment, the reason they did what they did with Maduro in Venezuela is because they could not do more. Venezuela is too late. There's too much of an opposition inside Venezuela. If you take over and install a literal colonial regime, which many in his government would like to do, you are going to be fighting a guerrilla war in that country forever. And it's going to have lots of sympathizers in all of the countries around Venezuela where they can hide, where they can recoup. This is very dangerous. And the same problem attaches to Cuba, except they're an island, so you don't have that problem. And that's a big plus for the United States.

But a big minus is you have half a century of a different way of thinking, a half a century in which the United States has been portrayed as precisely the evil external force that an attack on them now would prove, would verify. You are therefore going to have an enormous problem with the people of Cuba for years into the future. What are you going to do? And I'm not even talking about a mass of refugees, which is another problem. Where will they go? Who are they? Are they the old pro-Castro

Cubans? Do you really want a million of them in Mexico now or in Central America? You have enormous problems. Now, you can wave all that away and have a nice moment where you win something and you defeat somebody and you bomb Havana or you bomb Caracas. But for the whole world, this is again, what? A superpower fighting a war against a small, poor country. That's the truth, and that's exactly how it will be seen.

This is not going to help you. And if it looks like you're doing it, whether you are or not, whether it looks like you're doing it to compensate for losing in Ukraine and losing in Iran, it only makes it worse. You've got, again, I don't mean to harp on it, but it is the situation. Either you come to a different way of being in the world, or you're going to have one after another of these situations. After all, let's do a little history. Cuba and Venezuela became left-wing in reaction to American colonialism. That's why they... You know, Castro overthrew Batista. Batista was the agent of the United States, converting Cuba into a place where you grew sugar and you had gambling and prostitution close to Florida because Florida didn't allow it.

And in Venezuela, you had, you know, an exploitative system for 100 years. The revolutions in those countries that brought Castro to power or Hugo Chávez to power, they already represent something that has gotten much stronger since then. You're going to fight them forever? You think you're not going to provoke another revolution? Think again. And if you can't manage two wars, really? You want to start a third or a fourth one? Yes, it's in your own neighborhood, but the world isn't separated the way it once was. The Chinese are busy all over Latin America, in every major port, in every major country. The Chinese have become an important player in the Brazilian economy for over 10 years, which is well known if you study Brazil.

They now operate the biggest port on the Pacific coast of Latin America. That's the underlying reality which Michael and I, as economists, keep having to face. China's economic importance grows bigger and faster than the United States every year for the last 35 years, this year being no exception. It becomes stronger and stronger relative to the United States, which is as blind to the implications of this as it has always been. Even now, it claims we need to pivot to China. No, no, you should have understood what China was accomplishing 5, 10, 15, 20, 25, 30 years ago and asked yourself, what might that mean?

#Michael

Then you might have taken the steps to work something out. Instead, you just try to hamper the Chinese, teaching them they'd better be careful. Why do you think China has much larger strategic oil reserves in their country than we do in ours?

#Richard

Why do you think that happened?

#Michael

By the way, it's protecting them now against the high prices. It's protecting them now against the Strait of Hormuz being closed. They have taken all the steps, just like Iran did, to be prepared for what they are now doing. It's not a mistake of the United States; it's a willful refusal to see the end of the empire.

#Richard

Well, what Richard is opposing is, how do we get from here to there? How do we get to an alternative future? Well, I've said before that this war in Iran is in many ways like World War III, and I didn't mean that all the countries are going to be fighting militarily, but in its consequences. The consequence of World War I was to transform the whole political order. It got rid of kingship. At least the kings of Europe were removed—from the Tsar to the Kaiser—and other kings were reduced to a purely ceremonial order. The aristocracies were reduced. Political transformation occurred, economic transformation.

Well, today, I think the results of this fight—between what the character of the world oil trade will be, whether it will be weaponized in the hands of the United States to create chaos in other countries, or whether it will be the kind of real open trade where Iran is able to trade with other countries, Russia is able to export oil to other countries, and maybe Venezuela can be rescued and get control of the revenues from its oil exports away from Miami and Donald Trump into Caracas—these are the questions that really are there. And all of this requires what's truly possible: a new international economic order. And that phrase was used in the 1970s.

Everyone was talking about the new international economic order, but it couldn't take off because the United States still had a stranglehold on the economy. It had veto power in every international organization that it joined as a condition for its joining. Well, this is the first time that countries are saying, well, if we maintain the United Nations with American veto power, then it will never have any means of enforcement. If we maintain the IMF and the World Bank as operational philosophies of neoliberal American dominance and essentially imperialism, then we need a new IMF and World Bank. We need a new monetary system.

That was one of the results of World War I and World War II. It entrenched the dollar and creditor-oriented rules on the world economy. Well, the new international economic order today means we've got to alleviate the debt overhead of Global South countries, as we've talked about, as they're facing. What are they going to do to pay the higher prices for their oil and fertilizer if they also have to pay their foreign debts? All of this is going to require a whole international restructuring of the economic order. And that's what I think we've been trying. Your site with us is one of the few that's been discussing how this is going to be developing over the next few years.

#Nima

Richard, do you want to add something before we wrap up?

#Michael

No, I think my points that I wanted to make were occasioned by that very interesting clip you chose of Kagan. People, if I'm not mistaken, his wife is Victoria Nuland, who is famous for having taken major steps to produce the catastrophe in Ukraine, which she now leads the charge with him and the others to blame on Russia, in order that it be understood that everything they did was beautiful and vanilla and was destroyed by the evil other. That way of thinking, that childish, petulant meanness of the dying empire, should be understood and recognized for what it is.

#Richard

All under Obama, and this is not just Trump and Republicans, this is Obama, Hillary, and the Democratic Party as well. I wouldn't want us to miss the bipartisan character of all of this.

#Michael

Absolutely. Let me underscore that by reminding everyone that it wasn't so long ago, in our last presidential election, less than two years ago, that all three candidates—Trump, Biden, and then Kamala Harris—none of them at any moment had anything to say about a declining empire or what it might mean that we react to that and think about that and develop a strategy for that. Oh no. Instead, we do the same lame cheerleading that substitutes for facing our problems: "We are the greatest country in the world." Remember Mrs. Clinton? Couldn't understand Mr. Trump's "Make America Great Again." Why, she said, "We are already great." There you have it—the right-winger going backwards, who at least touches the theme "we're not as great as we once were," and the Democrat coming back and saying, "Oh yes, we are." This is beyond stupid. It's right up there with "the war is a mistake." Oh yes, oh yes. That's when you can't explain anything—then it's a mistake.

#Richard

Well, sociopathology is not self-curing, and neither is ecopathology or geopatology. It has to be isolated.

#Nima

Yeah. Thank you, thank you. Thank you so much for being with us today, Richard and Michael. See you next week.

#Michael

Bye-bye. Bye-bye.

