

Wolff: Petrodollar DEAD as Iran War BURIES US Empire, Trump in DENIAL

Economist Richard Wolff joins the show to break down the petrodollar's collapse as US economic dominance finds its biggest challenge in Iran's successful retaliation and control over the Strait of Hormuz. Is economic catastrophe inevitable? Is it already here. Prof. Wolff says yes and explains why. Follow Richard Wolff: <https://www.youtube.com/@democracyatwrk/featured> <https://www.democracyatwork.info/> LIKE the video and Subscribe for more in-depth geopolitical analysis! Leave your thoughts in the comments below! Support the Channel: Patreon: <https://www.patreon.com/dannyhaiphong> SUBSCRIBE ON RUMBLE: Rumble: <https://rumble.com/c/DannyHaiphong> Follow Me on Social Media: Twitter: <https://twitter.com/DannyHaiphong> Telegram: <https://t.me/DannyHaiphong> Support the channel in other ways: <https://www.buymeacoffee.com/dannyhaiphong> Substack: [chroniclesofhaiphong.substack.com](https://www.chroniclesofhaiphong.substack.com) Cashapp: \$Dhaiphong Venmo: @dannyH2020 Paypal: <https://paypal.me/spiritho> #trump #iran #iranwar

#Danny

Welcome, everyone. Welcome back to the show. It's your host, Danny Haiphong. As you can see, I am joined by economist and professor Richard Wolff, friend of the show. Professor Wolff, good to see you again.

#Richard Wolff

Good to be here, Danny. Glad to talk with you.

#Danny

It is great to talk with you. Well, first of all, if everyone hits the like button, that helps boost the show. And I want to get started on the global economic front, because as you know, there's been a new jobs report that has injected optimism into the U.S. economy — 172,000 jobs created in the month of May, despite the headwinds of the Iran war. But there are those who are not so optimistic, especially economists, about the economic front globally. The OECD has said that there will be contraction globally in terms of economic growth coming up in the next year if this war persists.

Some economists have gone so far as to say that in the next couple of weeks, there could be major economic disruption, if not a recession, because of the oil shortages finally being felt once reserves have been depleted entirely, especially from the U.S. side. So, Professor Wolff, what is the actual

state of the petrodollar right now? The global economic front of this war? How is the U.S. empire right now whistling past the graveyard? Because the way that the mainstream media is framing this is that things are better than expected. But what is the reality?

#Richard Wolff

Okay. The reality is, I think, best captured if I tell you a little parable, a little story. And it goes like this: you are not feeling well, and so you and the people around you decide you need to visit a doctor. You visit a doctor, and the doctor takes your temperature and says, gee, your temperature is normal. Go home. Everything will be fine. If you are advised by people who not only like you and love you but actually care for you, you will be told that the proper response to this experience is to get a different doctor. Why? Because temperature is an index of your body's functioning, no question. But it is only one among many.

Therefore, to rely on it would be very strange. What you would normally do if you were a decent doctor would be to suggest, after a thorough conversation, that a certain battery—that's a collection of tests—be undertaken. They want to look at your blood. They want to look at your urine. They want to give you maybe an X-ray or a CAT scan. That's what the medical profession has accumulated over the years, a battery of tests to give them some insight into how you're feeling. It's exactly the same in economics. If you want to understand where an economy is, you look at a whole battery of tests, at a whole collection of indices.

Is temperature one of them? Yes. Is it the most important? No. What else might you look at? Well, I'm going to give you just a sample. Number one is investment, that is, money being spent to produce goods and services in the future. Is that going up? Is that going down? Here's another one: the distribution of income. Is more and more income flowing to fewer and fewer people so that the mass of people are squeezed more and more, or not? Same question about the distribution of wealth, which is different from the distribution of income. And then there is foreign trade. And then there are interest rates. And then there is inflation. And then I could go on.

I don't want to bore everybody, but that's the minimum brainpower you bring to this question if you're going to have a serious conversation. The kinds of articles that appear so often, and one of which you showed a moment ago, are wonderful examples of lousy economics. I mean, so lousy that it's even kind of awkward putting the word "economics" on it. If you take the profession seriously, this is like a doctor who tells you to go home after he's taken your temperature. So what about the United States right now? Well, here we go. This is the worst and most unequal distribution of income and of wealth probably in this country's history.

Certainly, in the last century, this is the worst. Just to give you an idea, the top 10% of American wealth holders—and I'm thinking here particularly of that form of wealth that most people hold most of the wealth in in this country, and that is stocks and mutual funds that are collections of stocks. Well, here's something to think about. Ten percent of our people, the richest ten percent, currently

have, according to the Federal Reserve, about 87 percent of that wealth. The top 10 percent have 87. The other 90 percent of us fight over the remaining 13 percent of the wealth that we have. You'd have to go back to ancient Egypt and the pharaohs to get this, and we know this.

It's not a secret. People like Bezos and Musk parade it around. They send rocket ships to the moon. They invent new products that they can monopolize for a bunch of years. This is the most unequal economy imaginable. At the end of World War II, 75 years ago, we were less unequal in these distributions than Europeans. We not only caught up with them, we're way ahead. Now, is that a sign of economic health? No. You know what that's a sign of? Well, you don't need signs, because, in fact, they're all around you. That's why every medium-sized city in America is full of empty malls, empty shopping areas, empty storefronts. I mean, who's kidding whom here, right?

That's why our president is not an executive from a company that makes anything. He's a billionaire from what? From real estate. Did he do anything to make the land that he owns more valuable? No. It became more valuable because people collected in populations at big cities like New York. So he's a billionaire thanks to where people move. What is his contribution to that? Zero, nothing. But he's a billionaire who enjoys his golden toilets. This is grotesque. And here's one more. There are many, but here's one more. The United States fancies itself a competitive capitalist economy. Most Americans think of themselves as the number one capitalist economy. And they think that that means we are an engine of growth.

And they look at Silicon Valley and high tech and ChatGPT and all of that. See, we're dominant. Here's the reality. I'm sorry to be the bearer of the message, but that's all wrong. For the last 30 years, without exception, the People's Republic of China has outgrown the United States measured by GDP, gross domestic product. That's what all economists use to have a sense of the size and growth of an economy. The GDP of China over the last 30 years has grown between 5% and 9% per year. Over that same time, the GDP of the United States has grown between 2% and 3%. You notice something? China is growing two to three times faster than the United States.

And guess what? If you can do that over 30 years, you win. You become the other big, powerful global economy, which the Chinese now are. And Americans kind of know it, even though they don't seem to want to understand just exactly how that was accomplished. And let me conclude just on that point. Seventy-five years ago, when I was a graduate student in economics here in the United States, and I was making the decision that all graduate economics students made in those days—what subfield do you specialize in? Could be public finance, could be international trade, but the most popular one, which I went to also, was called economic development.

It was all the things an economist should learn and then bring to bear to, here we go, help the majority of the people of the world—the vast majority—who lived in unspeakably poor conditions in places like Asia, Africa, Latin America, and so on. We were learning how to help them economically develop so they wouldn't be poor, so they would have an education system, they would have a proper health system, they could live what we in the West—in North America, Western Europe, and

Japan—took to be acceptable middle-class existences. That's all they wanted. And they set out in the 1950s and 60s and 70s to do that. And people like me, products of the American education system, fanned out all over the world to help them.

Why am I telling you this story? Well, there were two places we were never sent to: Russia and China. Everybody knows why. They were communist countries. They had a Communist Party that sat at the top of that society, and that was the great enemy. So we didn't go there. They weren't going to get help from the West. They didn't get foreign aid. They didn't get specialists trained like I was. None of it. Now, the irony, for all of you to understand: the competition, the race to develop your economy, is now 75 years old—three quarters of a century. I can announce the winner. No one else is close. It's called the People's Republic of China. It has outgrown everybody.

In the last 35 years, it exploded onto the world by developing its economy roughly equivalent to what it took three to four centuries to do in Europe. They've done it, and they've done it faster than anyone else. Now, part of every analysis of an economy is to compare it to others. You know, if you're like, what's the value of a house? Well, you compare it to others that are similar in that neighborhood. Well, the only other country in the neighborhood of the United States at this point is the People's Republic of China. By one measure, it's already larger than the United States. But there is more than one measure around, and by others it'll take another three to four years.

In other words, by the end of the decade that we're living in—and that is more than half over now—by the end of this decade, the number one economic power in the world will be China. China alone has four times the population of the United States. The alliance it has built, the BRICS, is an overwhelming majority of the world. The United States, by contrast, if you add up the American population—roughly 335 million people—and you take a percentage, what percentage of the world's people is that? The answer is about four and a half percent. Russia, China, India—over half the world. United States, four and a half percent. When you watch Mr. Trump roar, he deserves the title: the mouse that roared.

#Danny

Yeah, well, Professor Wolff, given that backdrop, perhaps you can help us understand then how all of this will affect and is affecting the global economy amid the Iran war and the Iran situation, because today it was announced that now it's verifiable that Iran is now charging its fees in the Strait of Hormuz and has actually threatened to close the Strait of Hormuz fully if the United States continues striking Iran, which has been happening every few days or so over the last couple of weeks.

So maybe you can help us understand how that's going to impact things, especially when it comes to, you know, a lot of people look at something like the petrodollar in a vacuum, and they look at the strength of the dollar in a vacuum. But I think your beginning there helped us understand the larger global economic reality. So how does that impact now the petrodollar and the Iran war situation,

given that there are some major contradictions in how some economists, mainstream economists, are viewing this situation today? Some are saying it's a little bit rosier than maybe in weeks prior, the outlook, and others are saying, no, the situation is actually getting very dire very quickly.

#Richard Wolff

Okay. In my judgment, I try to take a step back in all of these immediate events, whether it's the war in Ukraine or whether it's the war on Iran that the United States and Israel initiated three months ago. I try to take a step back to help the people I speak with get a larger sense of what's going on. So let me try to do that briefly here. Over the last 40 years, the United States, while China is growing its economy, focusing overwhelmingly on developing its own economic situation—its jobs, its railroads, its harbors, its military, you name it—something very, very different is going on in the West. And by the West, I mean the United States, North America, Western Europe, and Japan.

Those countries are going through a radically different experience, different focus, different ideas, different developments. How would I characterize it? I would characterize it by using the words that the people then in charge enjoyed using. Why not? They called it globalization, or they called it neoliberalism. It doesn't really matter. Here's what it meant. In those countries, capitalist enterprises—and those are the dominant kind—an enterprise in which a small group of people are the shareholders, the major shareholders, not your Uncle Harry who has 11 shares left to him by his wife when she died. Not that. There are people like that. To the larger economic situation, they don't matter. Who matters?

The people who have big chunks of shares—the banks, the insurance companies, and the super wealthy individuals like Musk and Bezos and Gates and Buffett and those folks—okay, they want profits. They want their wealth, which is already stupendous. They can't possibly spend it all, but they do want it to grow. And they hire specialists, economists like me included, to help them find the investments that will make their wealth grow. They enter into competitions with one another, which can become quite intense, to make it grow. Well, the capitalists in the West decided that the way to grow their wealth, to profit the most, was by moving production away from where the wages they had to pay workers were high.

Guess what that meant? North America, Western Europe, and Japan would relocate their factories to places where the wages were low. And what did that mean? China, India, Brazil—those places. And so we had, over those 35 to 40 years, a globalization, a literal movement, very important, a movement of production from where it had grown up—Western Europe, North America, and Japan—to a whole new part of the world. New in the sense that while there had been production there before, it had never been the concentrated production of the world. Automobiles in 1970 came out of Detroit.

Not anymore. General Motors and Ford produce more cars in China for the Chinese market than they do in the United States. Why? Because when you move production to China and you give all those

factory jobs to the tens of millions of Chinese who wanted and needed them, they have a good income working in those factories. So now they can buy. And guess what? Over the last 25 years, China was the most profitable place to go to produce with low wages, and likewise the most profitable place to go because you have the most rapidly growing market in the world. And if you learn anything in business school, you'll learn that if you want to succeed, then take your business to where the wages are low and the market is growing.

And the answer to that question was China, China, China, and some other countries. Here comes now the punchline. If you relocate your economic core as far away as you can, going across the globe—and moving it from the United States to China is about as far as you can go in either direction—you'll get to China. Okay, but now you've got a peculiar problem. You're still dealing with the market here in the United States. We are a rich country, and rich people are here and in, yep, Western Europe, yep, Japan. So the market remains to a big extent. It's growing in China, no question, but it has to grow a while to catch up to where it has been growing for three or four centuries, which is Western Europe, North America, and Japan.

So then the goods produced in China, India, Brazil have to find their way to North America, Western Europe, and Japan. In short, we suddenly have—but it wasn't sudden—the extension of supply chains globally. For this economy to work, you need freedom of the ocean, you need rail transport, you need all the mechanisms involved when you have maximized the distance between where goods get produced and where they get sold and consumed. And the problem for the United States is it gave up its dominance of the production side by moving—which, by the way, no one forced them to do. American capitalists voluntarily, in the interest of profiteering, moved their factories to China.

But they don't want to deal with the consequences. They want the United States government to make sure that the oceans are clear and the passages are all open. And guess what? The United States can't do that. You'd have to be in charge of the globe in a way the United States never has been. You're going to police all seven of the oceans all the time, at every point? The Strait of Hormuz is just one of a dozen places—the Strait of Malacca, the Suez Canal, the Panama Canal. I could go on. The political and economic conditions of all of these, quote-unquote, pinch points are changing all the time. The business community wants the United States to control it all.

That's the issue. The outrage of the Iranians up until this war was just the possibility that they might exercise control. They hadn't done it. The Strait of Hormuz had never been closed. The Iranians had never closed it. They had said, if the United States attacks with Israel, then one of the things they will do to push back is they will close the Strait of Hormuz. And that will demonstrate to the world—and that's what's happening as you and I speak, Danny—it will demonstrate to the world that everything now is different.

The United States is on a quest it cannot achieve—namely, to be the permanent police force in every corner of the globe that either is already or might become a pinch point, like the Strait of Hormuz. We're getting a lesson. We have enemies we think of as Russia and China. They didn't do anything.

They didn't narrow the Strait of Hormuz. China seems to be busy working on the Iranians to open it again. And Russia has other fish to fry. What's being taught to us is that little, poor countries, much smaller than the U.S., infinitely poorer than the U.S., can take us to task. We have become elephants, and we can't move quickly. I'm being unfair, I suspect, to elephants—but you get my point.

Iran has been a perpetual thorn in the side of the United States ever since the United States overthrew their elected government in 1953 and installed a dictator, the Shah, who ran the country for the next generation until the late '70s, when the Ayatollahs and the religious community overthrew the Shah, who retired to a comfortable exile in the United States, which protected him all that time. Are there grievances in Iran against the United States? How could there not be? And since we have attacked them ever since—since Israel and the United States bombed them a year ago, a 12-day war—we cannot be surprised, even though our leaders put on a theater of surprise about them taking over the Strait of Hormuz, which they said they would do.

And the reason they said it is because they wanted it to be a threat to counter the threats of the United States—to attack, to bomb—which it has already done. Exactly how many times did Iran bomb the United States? Answer: zero. How many times did China or Russia bomb the United States? Answer: zero. Those are threats that they might do it, but they haven't. Whereas the United States has not only threatened, it has done it. This is a situation we must become aware of and deal with in a radically different way. Otherwise, Mr. Trump's promise—no more wars—will never be achieved. And we will have one president after another who promises no more wars and then outdoes his predecessors in the sheer number of wars he undertakes. And now we're being told Cuba will be next.

#Danny

Well, all of this, Professor Wolf, is quite expensive. You know, the United States is set to spend another \$1.5 trillion that we know of on the U.S. military. And the Trump administration has taken a very keen interest in these, what you call pinch points—others call them choke points—and has moved on them accordingly. And the Strait of Hormuz is just one part of this, it seems. But you know, there are warnings about a potential recession coming very soon. It seems like oil has been a huge point of focus of late. Now there are talks of, well, oil prices have cooled.

But what hasn't cooled has been the inflation from the rising cost of oil. Americans, ordinary people in the United States, are suffering, and the world is suffering. There is now major unrest all across, for example, South Asia because of the rising costs and even rationing that's going on in many parts of the world around energy prices. Now, China and Russia don't have these particular problems, and it appears that what the U.S. is doing in terms of the petrodollar realm is causing a grave crisis already, and it's bubbling. How do you see this in the grand scheme of the broader economic realities facing the global working class?

#Richard Wolff

Well, for me, it's an irony that the United States went to work to capture a pinch point in the economy, if you like, a choke point. What was it? Oil. Just like the Strait of Hormuz is a pinch point in large part because it can control trade in one way, having the most important source of energy that works our factories and so on—petroleum—be dominated by the United States has been the equivalent. The United States has operated the equivalent on the world using oil that Iran operates on the world now using the Strait of Hormuz. And just like the Iranians, the United States makes money off of that.

When Kissinger and Nixon, and when they all arranged with Saudi Arabia back in the 1970s to have all oil deals in the world—and remember, at that time, Saudi Arabia was the overwhelmingly dominant source of oil in the world—make it always traded in dollars. In other words, if Malaysia buys oil from Nigeria, the payment is in dollars. Malaysia, therefore, in their banks, has to accumulate and sit on dollars. And the oil countries in the Middle East, who can produce oil like Saudi Arabia, accumulate huge amounts of revenue in dollars. And then Mr. Nixon and Mr. Kissinger explained to those people, now, of course, you could hold it in dollars, but a dollar is a green piece of paper.

You don't earn anything on a dollar. You have it, but you don't earn anything. Here's what we suggest: you lend it to the United States government, and we will pay you interest while we hold it and then give it back to you when it comes due. So give it to us for three years, we'll hold it, pay you interest each year, and then we pay you at the end of the third year, or if it's a 10-year Treasury, at the end of 10 years, and so on. "Oh, great," said those countries, because taking that money and giving it to the United States as a loan generated an income for them. We're talking tens of billions of dollars a year. These are very small countries.

This is enormous wealth, which, if you visit these countries, you'll see the dozens of families that have this enormous wealth. Here's what it did for the United States. It delivered to the United States what economists call an extraordinary privilege. What was that? Well, think with me for a minute, Danny. The United States government regularly runs deficits. In other words, it has government spending way more than it raises in taxes every year. These days, the deficit is in the trillions of dollars. You mentioned the planned increase in our defense budget from \$900 billion to \$1.5 trillion, and you're right. That's an enormous increase in government spending. Where is the rising income to the government to pay for it?

Answer: don't waste your time. There isn't any. What are they counting on? To be able to borrow it. And why is it that they're able to borrow those sums? And before you think about the answer, let me remind you: we are already, the United States, the largest single debtor country in the world. You might imagine that folks would be a little leery about continuing to lend to a country that is already

over-borrowing. And indeed, that moment is coming, but we're not there yet. Meanwhile, all the oil countries in the world, those who buy it and those who sell it, are busy accumulating dollars, which they lend to the United States for whatever it does.

If you want to see how deep this irony runs, the second largest owner of U.S. debt is the People's Republic of China, which means they are lending dollars to the United States, which the United States uses to fight wars around the world that are hostile to the Chinese who are funding it. Whoa. That's an incredibly crazy system. But it's the one we live in, and it's going to continue unless and until—and that's what's happening now—other countries say, wait a minute, we would like the extraordinary privilege of the United States. It's had it for 75 years. That's enough. And now, how does that work?

It means you've got to get the oil out of the hands of the United States. None of this, everybody pays dollars. No, no, no. Let's have trade in which a country uses euros or Chinese yuan or fill in the blank. The more you disperse it, the more you weaken the dollar. Ah, now we begin to see the decline of the dollar as part of the decline of the American empire. The world is already living that decline. Large parts of the world see it. The inability to prevent the Russians from moving ever more westward in Ukraine, or to prevent the United States from bombing, how did he put it, Iran back into the Stone Age.

These are more signs that the United States cannot control so that others see our decline. Only we, only we deny it, live in this, as you put it nicely before, Danny, live in this bubble of self-delusion. Even Ms. Sheinbaum in Mexico and Mr. Carney in Canada are emboldened to push back because they too feel and sense the shifting of history. Every time the United States seeks to punish one or another misbehaving third world country, the prime minister of that country picks up his or her telephone and calls Beijing, asks if they have a substitute bid for what they can't get from the United States, and the answer from China nine times out of ten is, you bet.

#Danny

Yeah, and now Donald Trump is saying that his administration—some of my viewers are saying his regime—is threatening to, or promising that there will be no, in any Iran deal, in any deal with Iran to end the war, there will be no unfreezing of assets and no relief of sanctions whatsoever. Which means that this war will go on and on and on, because that's what Iran is demanding as just part of a comprehensive agreement to end the war. Now, Professor Wolff, then my question goes to this: with the future of this war looking long, is the U.S. empire then digging its grave even harder now, given its general decline, since there are many facets to this, even outside of the economy, the military situation?

And otherwise, but just economically, this is a very long-term stress that I'm not so sure the U.S. empire can handle in the near, medium, or long-term future of it. But your thoughts, because it seems like we're in for the long haul here. And the global numbers are really bad. The Eurozone is in

economic contraction. Canada is saying, don't worry, we're in economic contraction, but don't worry about it. But the U.S. seems to think it is exceptional in the sense that it doesn't have to worry about how others are doing because of its behavior.

#Richard Wolff

Well, the United States, like many countries, has a long history in which it pretends it does not have dangerous collapses. I want to remind people of a few basic facts about capitalist economies, including the American version. They are very, very unstable. The National Bureau of Economic Research, which is a quasi-governmental research outfit here in the United States, performs a valuable function. It keeps track, among other things, of the ups and downs of capitalist economies. When does a recession happen? How many months or years does it last? When does the economy come out of it? And when does it go back?

And if you look at the research, as I've done, and many economists use the NBER work, you will know that the average number of years between a crash, one and then the next one, the average is four to seven years. Notice, wherever capitalism settles in and becomes the dominant economy, starting in England back in the 17th century, spreading from there to Europe and eventually all over the world, wherever it settles, on average, every four to seven years. Now, sometimes these are short and shallow. They don't affect that many people and they don't last that long. Other times, they're long and deep. By far, the worst one was one that kind of got going here in the United States, October of 1929. In other words, just a little over a century ago.

It lasted from 1929 to about 1940–41. Everything was tried to put people back to work. How many people lost their jobs? Answer: 25% of American workers, one out of four, lost their jobs, some of them for many years. If you ever want to get a sense of what happened when American capitalism fell off the wagon, then read the novels of Theodore Dreiser, John Steinbeck, and many others who wrote great literature about the trauma for the American people of having that lost decade of what came to be called the Great Depression. But in case you think it's over, not at all. Let's just take our century now. The 21st century starts 26 years ago.

We had a crash in the spring of the year 2000. We had another one in the summer of 2008, and we had another one in 2019–2020 with COVID. About 25 years, about three. That's about one every seven or eight years. That's pretty close to exactly what it has always been. And if the last one was in 2019 and 2020, guess what, my fellow Americans? We're due for one now. Any time now, something could take us over the edge. You know what the something could be? Yeah, the war with Iran. Or if you'd like another one, the bubble around artificial intelligence, where huge amounts of money have been spent on buying the software and developing the data centers and the power grids to enable them to function. Do we know that that's all going to pay off?

#Danny

No. And Trump is also trying to bail them out as we speak, I believe, through some kind of share-purchasing arrangement.

#Richard Wolff

Getting ready to bail them out with your money and my money? I wouldn't bet on the United States at this point. It's a losing proposition. It's not ahead in global technology. The Chinese match us now step by step. They're ahead of us in a number of areas, and that looks to grow. So what is it? Standard of living? That's already higher in a number of places than it is here. And for the majority of Americans, it's not good here at all, nor is there any prospect. Surveys among recent graduates of both college and graduate school show they're busy looking for jobs driving Lyft cars. It's not a good time to be a graduate. It's not a good time to find a job, not at all. One of the reasons unemployment these days isn't higher is when you ask questions of people with jobs, they say, we want to hold on to what we have. They're very fearful. They will accept an employer telling them, you have to come in a half hour earlier. They're not going to say, oh, no, no, no, I'm going to go look for another job.

#Danny

No, uh-uh.

#Richard Wolff

They are very aware that that's not a smart move at this point. No, I would say that Mr. Trump, and I know everybody's sort of interested in what he represents, I think he represents an economy that's on the edge. He got elected because when he said, I'm going to make America great again, and when Mrs. Clinton, fighting him, said, remember on the stage in the debate, what do you mean, we're already great? Well, she was wrong, you see, and he was right. He spoke to the people who felt in their gut that they didn't have that job in that union, in that factory. They were now greeters at Walmart, and you can't live on that, which is why so many greeters at Walmart have to be supplemented by food stamps, which Walmart helps them to get because it subsidizes their wage costs.

We're in a country like that. We're not in a country that flexes its arms. The reason you don't get that, besides the obvious political purpose of it all, is because the top 10% are still doing well. They're the ones who own 87% of the stock market. You want to know why Mr. Trump or that strange blonde woman who speaks for him, why they keep talking to the stock market? Well, that's that cherry-picking of the data again. Yeah, the stock market is doing real great. Why? Because the government pumps money into the economy. That money can't go to produce goods and services anymore, because the American people can't afford it. So where does the money go? Answer: stock market.

Because there you can buy something. And then another person who gets that government money will buy it from you in three months at a higher price. And then you will sell it. We do have a terrible inflation, but it's in the stock market, you poor folks who don't understand. We have a terrible inflation, but we have it where we love it—among the assets, among the pieces of paper that represent the economy, that people are buying because there's nowhere else to put their money where it can grow. And so that's what they're doing. And Mr. Trump is the election of all of that—the faker who tells you, I'll do it all, I'll win, we're going to win. The one who says what you really would like to believe.

Did he accomplish that in his first term? Not remotely. Did he accomplish it so far in his second? Not remotely. It's theater. It's the theater that first has a focus group, figures out what people would most like to hear, and then says that, and then sits back with a self-satisfied grin while it goes about paying off the rich people that funded my campaign. Other than that, Mr. Trump is not in a—he can't do much—but whatever he could do, he isn't doing that himself. He's making sure his family gets richer, and he's helping the people around him that give him money. He's their friend, they're his friend, and the rest of us are assigned the job of spectator to all of that.

#Danny

Yeah, and, you know, there's a really—the Wall Street Journal published in the last week a very damning data point amid all of the job additions, which, to be honest, 170,000 or so jobs is really not that much. During Biden, his first—I believe his first months in office—there was a lot of criticism of him, you know, and there's many reasons to criticize the Biden administration, but for only adding 190,000 jobs. So there's obviously an economic reality that's being obfuscated here. But nonetheless, one of that is that in April, there was a survey of working-age men, and one of three working-age men said they were neither employed nor looking for a job at that point. That's a large percentage of what once was a very productive part of the U.S. economy.

So that alone, with the Iran war shock on top of it, if this furthers, these kinds of realities tend to have a way of snowballing into a major crisis. So in the last five minutes, Professor Wolf, maybe you can outline—and I also want to show what you were talking about with China's advancements. I mean, you had somebody on America's Got Talent from China, from Sichuan, where Chongqing and Chengdu and all these cities that so many foreigners are now interested in, come and dance with robots from a robotics company, which you don't see in the United States happening so much because the U.S. is actually pretty well behind in this area. But your thoughts on the overall situation as we look ahead toward the midterm election period, a long summer that's already started in the world and in the United States, which means energy is going to be critical. So your thoughts on where we are.

#Richard Wolff

I see, and I say this with no great satisfaction, but what I see is a growing desperation, which should not surprise anyone. A declining empire, as it becomes clearer to people that that's what's going on, once they get over the hump of denying, then the next stage is to feel desperate. What's going to happen? What's going to happen to me, to my family, to my job, to my whatever? And I see it again historically. Every empire is born, evolves over time, and then passes away. And during the time, which is years of passing away, it creates people who are in various ways desperate, who don't know kind of what to do or where to look. Let me show you, in conclusion, where some of that desperation arises now. It's in that war in Iran. That's an unwinnable war that Iranians have demonstrated to the whole world.

You can bomb them till you're blue in the face. They're not leaving, they're not capitulating, and they have the means to block you from succeeding. Mr. Trump can't face that. He's the great winner, after all, and he's losing. That makes people desperate. And I get scared when I think to myself what a desperate president can do. Here's another measure: a young man, a plumber by trade, is running as basically an independent inside the Democratic Party—yes, but not of them. His name is Graham Plattner. It's in the state of Maine. The level of effort by the Republicans and the mainstream Democrats to undermine, sandbag, block him—he already is a likely, well, he's a Democratic candidate, he's a likely winner—but the effort to destroy him by manufactured rumor and all the rest is extraordinarily desperate in the quality that it bespeaks.

The need for Mr. Trump to placate his MAGA base by trying to take taxpayer money to give it away to the people who committed all manner of crimes during the inauguration a while back, when Mr. Trump didn't win the election that he didn't win. Well, I think you have there a kind of desperation on display as well. I don't think what you're watching is the man in charge. I think it's the man losing charge. And if he is, on top of it, physically impaired or mentally impaired, you know, you're just ratcheting up the level of desperation that could be functioning here. Let me close with one you might not have picked up. You know, every year there's a celebration of the invasion of the United States in Normandy.

On D-Day, it's called, you know, part of World War II. And, you know, the few veterans that are still alive on the various sides get together to memorialize the people that suffered. So the American Secretary of War, what used to be the Secretary of Defense, a man who used to be a naive and kind of mediocre TV announcer, gives a speech in which he attacks all of Europe, not just the French, which is where this takes place, because D-Day is on the French coast—all of Europe—for inadequately sharing sacrifices. Now, I got to tell you, there's a level of tone-deaf stupidity here that is so extreme, I have to tell you the story. Shared sacrifice. He seems to be meaning immigrants.

He refers to immigrants in Europe as an invasion that they have not adequately repulsed, and they haven't adequately shared sacrifice with the American military. Okay, I'm going to conclude by telling you now how many people died in World War II—how many Russians in the Soviet Union, how many Germans on the other side, and how many Americans died during and because of World War

II. Russians, Soviet Union, ready? 24 million. Germany, ready? 8 million. The United States, ready? 400,000. How in the world could an American official not only clearly not know what he's talking about, but do it in the most offensive—wow! This is not a country in charge of the world the way it would like to be. That's not a behavior that goes with running the world. That's a behavior of monumental incapacity and incompetence.

#Danny

Professor Wolff, I think that's a great place to end. As I make sure people know where you can be found, they can find you at Democracy at Work. That is in the YouTube description below, as well as the YouTube channel for Democracy at Work. And I hear in America's Got Talent, this was this month or within the last month, a Chinese dancer was dancing with Unitree robots. I actually visited that company. These robots are very, very advanced and can do things like this. So that's kind of the changing world we are in. A lot of these advancements are coming from the East, coming from China. And I think you outlined that a lot of Americans are pretty freaked out by that, but truthfully, these robots are almost entirely for very benign ends nonetheless. Professor Wolff, anything you want to say before I hit the exit button? I just want to be sure to tell people your YouTube channel.

#Richard Wolff

Yeah, you can get our website at democracyatwork.info. And we also have a Democracy at Work Substack program. So get all our work at one or the other or both of those places.

#Danny

Sure. Yeah. And I'll put the Substack in there after we depart here. Everyone, hit the like button before you go. That boosts the show. I want to thank this super sticker—it's very generous. Thank you so much, Right Side of History. Tomorrow, I'll be back on at 1 p.m. Eastern with Elijah Magnier. There seem to be some really big tensions brewing because of Israel predictably bombing Lebanon, bombing Beirut today. So it seems like things are going to heat up there. Everybody, see you tomorrow, 1 p.m. Eastern, June 8th. Until then, give your thanks to Professor Wolff by hitting the like button and going to the video description. Just check out his and Democracy at Work's broader work. All right, everybody, take care. See you then.