

Richard Wolff: U.S. Defeat in Iran & End of the U.S Empire

Prof. Richard Wolff discusses the significance of the U.S. defeat in Iran, which is intensifying the decline of the U.S. Empire. Follow Prof. Glenn Diesen: Substack: <https://glennDiesen.substack.com/> X /Twitter: https://x.com/Glenn_Diesen Patreon: <https://www.patreon.com/glenndiesen> Support the research by Prof. Glenn Diesen: PayPal: <https://www.paypal.com/paypalme/glenndiesen> Buy me a Coffee: buymeacoffee.com/gdieseng Go Fund Me: <https://gofund.me/09ea012f> Books by Prof. Glenn Diesen: <https://www.amazon.com/stores/author/B09FPQ4MDL>

#Glenn

Welcome back. We are joined again by Professor Richard Wolff to discuss the war on Iran, or more specifically, what is seemingly not a peace agreement but a memorandum of understanding. So, thank you for coming on. When we look at the war against Iran, it seems now with this deal that either the U.S. is, well, looking for de-escalation or peace. I guess one can come up with many explanations: it exhausted its military capabilities, it doesn't look good for the midterms, the global economy is being pushed off a cliff. So again, it's still unclear, I think, if this is a temporary pause or the U.S. is actually accepting a new and much less favorable status quo. But from where we stand today, how do you read the situation in terms of the economic consequences of the Iran war?

#Richard Wolff

Okay, let me tell you how it appears to me. Number one, in response to what you just said, as an American, I was born here, I've lived and worked here in the United States all my life. I wish I could believe even a little bit that this is the end of the story, that a lesson has been learned, a deal has been more or less worked out, and that the United States is afraid of getting anywhere near any of this again. I wish that that were true. I don't believe it, not even a little bit. For the people who run this country, this is a tactical retreat, beaten because they lost a war.

They misjudged the situation. They misjudged their own capacity. They did a classic overreach of an empire going down. I don't think they learned what that means, which therefore translates into they will overreach again. And it's only a question of the specific situation as to how that happens, exactly when it happens, the form it takes. Could it be the Middle East again or Western Asia? Absolutely. Is that issue done? Not at all. If Mr. Netanyahu stays there and continues the business in Lebanon, that would be an opportunity.

If Mr. Netanyahu loses his job and goes to jail and Mr. Bennett replaces him, he's already told us he is going to deal with Turkey as if it were the new Iran, to quote him. And therefore, Lord knows

where that's going to go in terms of Turkey, its relationship to NATO, its relationship to Russia, its relationship to the United States. This is as open an area of overreach as you could want. It screams for mistakes to be made by a group of people in charge in Washington who have now demonstrated that the magnitude of the mistaken evaluations they can make are literally earth-shattering. And so what do you expect from Mr. Trump or Mr. Hegseth or any of the others—Vance, Rubio? Look at them. You know, they either initiate bad decisions or accommodate them. But that's all.

They do not prevent them. They haven't the interest. They haven't the capability. Meanwhile, the American media, even though they will offer some criticism, I wish I could tell you that the criticism is pointing in what you and I might hope for, but it isn't. If the Democrats defeat the Republicans in November, which is not that far away, and if the Democrats who win are the official centrist, party-dominating Democrats, they will do more, not less, to support Israel. They will do more, not less, to support the Europeans around Ukraine. So what exactly is it that we should be looking forward to? Here's what—if you want my opinion—here's what is hopeful.

The fact is that Iran won. No matter what this memorandum does or doesn't say, and no matter where it goes, that's clear. That is even clear here in the United States, where there is an effort to hide that—that is impressive, but not successful. And so you will have the left wing, the right wing, for different reasons and with different objectives, all agreeing to make it clear that this is not good, what has just happened here—not at all. And you can even see it in the ambiguity of the stock market. On the one hand, it wants to build up the notion that gasoline and oil will be cheaper than they have been. On the other hand, it's not so clear. It's not so sure.

And it's not so clear how long it'll take to get them down, and how long they'll stay down even if you get them down, and what role will be played by refilling the reservoirs of strategic reserve that were used up over the last two, three months because of all of this, which in the United States is nearly the entire reserve that was created. China also used up much of its reserve. How's that going to all be worked out? If you put all this together, it's not just that we don't know, but that the lessons here are that we cannot imagine that we won't be victimized by an empire overreach, because the empire that's declining and that just overreached doesn't understand what I just said, doesn't see it that way, doesn't want to see it that way, will not accept the notion of that.

Even the most critical voices, people that I agree with and learn from and appreciate, and that appear, among other places, on your program, I don't think quite want to go there yet. There are relatively few who understand the concept of a declining empire with much care, and even fewer who link that to what's going on, even though, in my judgment, that's the key issue. The deterioration of the empire will shape how much overreach happens, where and when, and with what kind of devastating consequences.

#Glenn

How about the significance of the Strait of Hormuz falling under, let's say, Iranian administration? Because from what I understand in the Memorandum of Understanding—again, we haven't seen the text yet—but the Iranians will not take a toll, which is defined as merely money for passing through, but they do take a fee. So apparently the difference between a toll and a fee is that the fee includes the operation of the strait, providing navigation assistance for the different vessels, safety infrastructure, search and rescue, environmental issues. So it's supposed to cover all of this.

I guess it's not that strange in... well, it's not unprecedented, I think, because you see in the Bosphorus, for example, the Turks will take such a fee. But it didn't exist before, and it will exist now. And it also suggests that this very key maritime transportation corridor is not going to be under U.S. control. It's going to be at the mercy of Iran, if you will. So what is the economic and security significance of this outcome? I mean, people can complain until they're blue in the face, but, you know, if the U.S. could take it under their control, they would, but they can't. So at some point, you know, there has to be some recognition of this new reality, no matter, you know, how unjust one thinks it is.

#Richard Wolff

Well, I don't find it unjust myself, but let me respond to your question or your issue. I think you're absolutely right. I think that is one of the momentous consequences, and I would classify it as a staggering validation of the notion of a declining empire. There was a moment during the last few weeks when Trump was giving answers to reporters, and the issue that you just raised came up. And he waved his finger, as he likes to do, and said, well, the strait will be open and there'll be no fees or no charges, none at all. We'll be watching. And if anything, what is he saying? Before, the United States owned and operated that passage and made the determination to let it be free, given the allies that depended on it, given the way directly and indirectly the United States depended on passage there.

Let it be. Who cares? It's a free passage. Now the Iranians have shown, no, it isn't. We are going to take an interest in it, and we are going to supervise, and we are going to overshadow it with missiles that nobody can take from us. And if you don't behave in the way we have declared, we have shown you we will obliterate your military bases in the Gulf area. We will attack your allies. We will attack anybody you use as a base to interfere with us. I mean, that's it. An empire either runs the situation or it doesn't. What just happened was a change of management from the United States as the authority in fact to Iran as the authority in fact.

And of course, if you can solve your diplomatic absurdity by changing the word "toll" to the word "fee," and if this gives you a lot of satisfaction, go ahead. All the principals in the game know what we're doing here. I have worked in my life with countless corporations. I know how they keep the books, and they will move the item, the expenditure, or the receipt from one category to another to manage their tax bill, to manage their public relations image, to manage their annual stock report.

And they'll move them differently, and they'll get caught from time to time doing it, and that just means they have to be more careful about how they do it.

When you calculate a fee for the costs you have, does that include the missile batteries? That's a cost. You have to have a lot of missile batteries aimed so that you can get at a ship anywhere in that strait. They will do that, of course. They have to do it. All of those are costs that they can allocate to the running of this strait. The bottom line here is either the United States accepts that control of the Strait of Hormuz is now no longer the American prerogative—it belongs to Iran. Does that mean the United States cannot challenge it? Absolutely, it could. Mr. Trump can reimpose the blockade that he has now removed. If I understand the memorandum, it includes the removal of the blockades, etc., etc.

But he could reimpose the blockade, setting aside how effective it was or wasn't. But he could. He could bomb again. In fact, this morning, the headlines in this country—I don't know what you have in Europe—but in this country, the headlines were he said he might bomb again. I quote you: if the Iranians don't behave, I will bomb them again. Okay, put aside the crude language. We're used to it by now. But it is also correct. He's right. That's what we will do. And if the Democrats get in there, it's not at all clear that they won't do the same. It was Democratic Party operatives who did much of the work moving NATO closer and closer to the Soviet Union and then to Russia. It was Democrats who pushed all of that. It was Democrats who have embraced Israel's political objectives.

It was Democrats who have been pursuing the pro-Palestinians, as they call them, who are really not pro-Palestinian in this country. They are anti-Israel, genocidal. But, you know, the Democrats are right in there doing whatever they think needs to be done and being very hostile to the progressive Democrats. We have some of those, like Bernie Sanders and others, who are trying to push the other way, but they are very much secondary. This is, you know, it's a little bit like hoping that Mr. Netanyahu leaves without understanding Israeli politics, to indicate, no, no, no, that's not going to solve the problem, because you have in Israel a clear majority who want to do what they are doing. So, bottom line, this is a momentous event.

It is a step, a milestone in the decline of the American empire, no question about it. The damage to an American ally, in this case Israel, is obvious. The turmoil in Israel, as a result, fairly obvious. The self-confidence of the Iranians, and the fact that the other Gulf countries are busily reorganizing their relationships with Iran because they understand that they're right in the firing line of this game. For them, the decline of the American empire is an existential threat. That was their protection. And by the way, and I know you discussed this on your program, for me, that's the same issue as Ukraine and Europe. The Europeans have had to learn that having made a decision for the last 75 years to completely rely on the United States left them open to what Mr. Trump is now doing, which is cutting them off.

They bet on the wrong horse, and now the reality that that horse is limping has settled in, and the leadership in Europe, political leadership, hangs on to a desperate Russophobia because they don't

know what else to do, since they're otherwise going to be left with a population that says, you, the leaders, have been in bed with the Americans for the last 75 years, and look what it has done to us. We're deindustrializing. We're falling behind. The world is the oyster of the United States and China, and Europe is an afterthought, mainly interesting for tourism. This is not what we wanted. And you did it because you allied with the United States.

How do you protect against that? Answer: you come up with a worse enemy. You can distract and deflect your people by focusing on an urgent danger that you have to hype all the time, so that people like you and me and many others looking at this are wondering, where does this hysteria come from? The hysteria, like any psychologist would tell you, is a clue that there's something important going on here. It doesn't have to be what they say, but something important. And the answer is, it's an existential threat to an entire political class that has made its bed in a place that turned out to be deeply insecure. And by the way, it's even worse for the employer class, because the European employer class, the capitalists, they are finding themselves squeezed between the United States and China.

They're desperate, and they're turning to their political leaders, and they're saying, you have to help us. You have to subsidize us. You have to give us cheap money. You have to compensate for the energy costs that have gone crazy. And we know that you can't do that while you maintain the welfare state that you built up in the 20th century. That has to go. You have to kill that welfare state and give us the money in military Keynesianism, etc., to get us through this bad period. We don't care how you do it. You must do it. The political class in Europe, how do they do it? Russophobia. Look at Germany. You can justify building up your defense establishment by making Russia the great bugaboo.

Good for your politicians. You know, there's a joke in the American lexicon of Western movies, cowboy movies. The joke, repeated endlessly in movies, goes like this: a group of robbers ride into town and they rob the local bank. The population is outraged their bank has been robbed. They start to be angry at the sheriff because it's the job of the sheriff to prevent that occurrence. And the sheriff, with a big grin on his face, orders his deputies, "Go out there and round up the usual suspects." In other words, rather than deal with the criticism of his community that he has failed, he comes up with someone they can vent their rage on — the usual suspects.

Well, the usual suspect for you in European politics is Russia, is the Soviet Union, is the whole history basically since 1917 — the Bolshevik menace, and on and on. So with little imagination, they have gone to work pacifying both their political anxieties and the urgent demand for government support that the business community imposes on them. And for me, this is all grist for the mill. This is the United States, who for its own reasons has to drop its European allies, drop Canada and Mexico, now misjudge Iran, drop Israel. Look at it — it's an empire in decline, and it is throwing up disasters as it crashes downward in its historical trajectory.

#Glenn

You mentioned a memorandum of understanding and Trump making threats of using force again. He also said that if he doesn't like the memorandum of understanding, he will go back to bombing the Iranians. You know, he said something like, "smack them in the middle of their head." But it is interesting because in the memorandum of understanding, supposedly it says that during these times of negotiations, there should be no use of force or threat of use of force. So, you know, it's not worth much because he's not planning to abide by it. I think it's like over the past 30-plus years, all international deals are meant to constrain the other side, not the hegemon. So I think there's some getting used to this new world, even after being defeated.

But you said something interesting about the Gulf states. They have to recognize reality, too. That is, they can't bet everything on a losing horse. And, well, if you take a step back, the Strait of Malacca, Iran — you know, it has a very central role not just in the U.S. economy, but the world economy. Again, from '71, when the U.S. went off the gold standard, it kind of replaced it with the petrodollar in '73 by having the Gulf states sell their oil in U.S. dollars. In modern terms, this does everything. It finances American artificial intelligence in the rivalry against China. So, you know, what could be the ripple effects here, or the ramifications? Because this goes well beyond the U.S.-Iranian dispute. This can, I guess, shake the entire global economy and the U.S. empire, for that sake.

#Richard Wolff

Yes, it can. But let me be, you know, let me be an economist for a moment with you. All of this, what we might call **Sturm und Drang**, the old German term, phraseology. China, as far as I can see, is a bemused spectator. China is busy growing its economy, and in the long run, that has brought China every benefit imaginable. It is not being bombed. It is not wasting resources on bombing anybody. It is building up its military. It would be crazy if it didn't, and it has the resources to do so, and it continues to grow. I want to remind people Iran is a member of the BRICS. Iran just won a war, a war that was not just against Iran, as everybody knows, any more than Ukraine is just about Ukraine.

It's a war between Russia and the West. And in many ways, Iran is a struggle between the BRICS — that is, China and its allies on one hand, and the United States and its allies on the other. You even have it, if you didn't see it before, we have the fact that the G7 are meeting outside of Geneva, Switzerland, as we talk, over the last few days, and are limping around trying to figure out which way to go. The countries announced their quote-unquote support for the United States. I find that stunning. You don't know what's in the document, and you are only going to support it. That's the behavior of somebody who is a servant. That's a servant mentality.

They still believe that they should hold on to their old position as an ally of the United States, no matter how the United States treats them. You're giving a lesson even to the Democrats here that there is no need to work something out with the Europeans. Very little has to be given to them. A

good bit can be taken from them. I mean, if you understand the logic, one of the reasons you have Russophobia in the way we witness it is because you can generate a kind of weird support in the United States for this sort of hostility. And that is what holds on to a little bit of support here in the United States, because the United States is afraid not so much of Russia, but of the Russia-China connection. And the Europeans are a little bit useful in deflecting some of that.

But other than that, this is a display of BRICS emerging. I think you're going to see Gulf states, Asian states that had hesitated about linking up with the BRICS — they will now hesitate less. They will understand that you can say over and over again, as they do, that the BRICS is just an economic association. It's not a military one. You can't draw those lines. Iran benefited not just from the obvious support it got from Russia and from China, but because it was part of the BRICS. There are all kinds of benefits, direct and indirect, that Iran was able to count on. Had it not been part of the BRICS, it probably would have gotten less support that way. Who are we to say, without knowing better, how important all of that was? And it's a risk no government could take. You want that support — as much of it as you can possibly get.

So yeah, I think it changes the balance between the BRICS as an alliance on the one hand and the G7 on the other. The G7 strikes me as weaker and weaker and weaker, and the BRICS are becoming stronger and stronger. And this event with Iran is yet another indication. Iran, Turkey, and Saudi Arabia are now the big countries. And, you know, Saudi Arabia and Iran are already in the BRICS. Turkey isn't yet, but my guess is it will be soon. And how they handle that, you know — will they stay in NATO? Will they quit NATO? The ambiguity of the Muslim-Turkey conflict in relation to Christian Europe, and all of that, you know, lurks in the background to make all of this even more complicated. And if the United States detaches from Israel — and let me make a point about that — I have lived, as I said, all my life in the United States.

And during that time, the support for Israel was enormously majoritarian support. It had to do with a longstanding problem of anti-Semitism inside the United States, which remains, and which has created, how shall I put it, a backlash over a century of people who feel it's important not to do that, not to go in that direction. Then there's empathy and sympathy for what happened in the Holocaust, in Nazi Germany, and all of that. So you had a kind of sense of Israel as a courageous effort of victims of a genocide recollecting themselves. And phrases like, a people without land finally get a land that has no people, blah, blah. Looking not too closely at that, so you could believe it, even though it was never true, but you could believe it. And I have watched to this day, the majority opinion in the United States is now not in favor.

Israel lost the majority of the American people. It really did. And that, despite the closeness of the two countries politically, the closeness militarily, the fact that probably, if not the largest, one of the five most important political and financial lobbying powerhouses in this country — AIPAC — is involved in almost every election, not just at the federal level but often at the state level, trying to control the politics so that it remains friendly to... All of that is weaker today than it has been in my lifetime. And that means that the Israeli problem is not only the disaster of what happened with

Iran, which is crucial, but it is happening at the same time that inside the United States, the opinion — it's gone.

I don't think—I mean, who knows—but I don't think that's coming back. I think the direction of change is not going to be reversed anytime soon. I'll give you one example. I'm talking to you from New York City, where I live and where I am right now, and we just elected last November a new mayor, a nice young man named Zohran Mamdani, who is a Muslim, who is a socialist—self-definition—and who, in answer to a reporter's question, "What will you do if Benjamin Netanyahu comes to New York?" His answer was, "I will have him arrested." All right? This is the largest Jewish community in the United States, right here in New York City. The majority of them voted for him.

And that wasn't about him. That was about not wanting to be part of the old Republican and Democratic establishments. And that is the reality of this country. And it would be a mistake—and I tell this to my colleagues in the field of international relations, people I admire and respect, John Mearsheimer, people you know and that you deal with as well—that I understand the logic of great power politics, but it is a mistake not to always ask why the great powers do what they do. And it isn't because of the uniqueness of the great power relationship. It's also, and often in the main, a reflection of what's underneath that has to be evaluated and taken into account.

Capitalism in this country is in trouble. The decline of this empire is also pulling down the economic system of which the empire, after all, was an expression. That shouldn't surprise anyone. And the questioning of capitalism is greater now than at any time in my lifetime. And it's a big difference already, and becomes more so, as the city of New York elects a socialist who has to then be placated, for example, by Jamie Dimon, the head of our largest bank, JPMorgan Chase Bank, who has to placate our new mayor because he's a little worried about where that might go, as he should be.

#Glenn

Where do you think this is all going, Glenn Diesen? I mean, is this the unraveling of the empire, the unraveling of the republic? Because a lot of things are impacted by this. We see, as you mentioned, the fragmentation of the transatlantic relationship. I mean, I know that the European leaders are willing to bend over backwards in order to, you know, appease or bow to Trump and to try to keep the partnership alive. But by ignoring their basic national interests, they're just building up a lot of resentment and a powerful opposition ready to reverse everything. So it's not sustainable. We see their relationship with Israel under tension. The Arab states, they will also have to adjust to new realities. In East Asia, they also have to make some conclusions based on the decline of the U.S. within America.

We see Trump will be humiliated. This is going to be very difficult for his government to survive. And whoever comes after Trump, every U.S. president seems to run on the idea that the president will restore greatness. But if being a successful president requires you to adjust to new realities, that is,

a multipolar world, it's going to be—I mean, this will shake the foundation of the U.S. as well. How does this play into the whole, I guess, political-economic situation in the world? Because it's not just America standing alone. I mean, for the past 30-plus years, the entire world order has been organized around the U.S. empire. What happens? I guess it's a very, very big question, but what happens next?

#Richard Wolff

Well, all I can offer—I mean, you're right, it's a big question. It's the great question they ask. I think what we're going to see, and that the major player in it—not the only player, but the major player in it—will likely be China. Yeah. They're going to have to decide, the Chinese, together with the rest of the world, whether the next phase of our history as a planet will be—and I'm going to be brutally brief here, but to get the idea across—are we going to move to a Chinese empire? Is that what's going to happen, that we're going to watch, whatever forms the decline of the American empire is going to take? Who else is in a position to replace that? And the answer is no European country. That's ridiculous. And really, who else? Russia can't do that. It's much too small economically.

China, it's China. Or as an alternative, moving in which the Chinese empire step by step displaces and then replaces the Americans. And if you want to see how that works, look at Asia and look at Africa. Look at Latin America. I mean, country after country, whether it's the port or the railroad system or the school system or the health system, in come the Chinese specialists who are doing those things, building the ports, building the railroads. It's one after another. And it includes countries that are BRICS countries, friendly, but also countries that are not. They are going to Washington, and they're being given a deal, and then they go to Beijing, and they get a better deal, and they go with the better deal. This is not anywhere near as complicated as you might imagine.

Or are the Chinese smart enough, having been an empire before, so it's kind of in their history, that this is not what their strategy ought to be? That if you do that, you are setting yourself up to have happen to you what you are now doing to the last empire. It's as if the United States could have learned from being a part of the British Empire—do you really want to be in the role of the dominating country against which you just made a revolution? Is that really where you want to go? Americans never asked themselves that question. They just went and did it. Now they have to answer. The Chinese maybe, maybe will be a society in the position of creating, supporting, encouraging genuine multilateral, multinational... I mean, part of me—and I admit my utopian longings, everybody has them, I have them too—after World War I, we tried the League of Nations.

After World War II, we tried the United Nations. Okay, maybe we don't have to have World War III before we make another effort to try in a serious way to work something out other than the empire. Otherwise, we live in that world forever—the great power conflict in which we're grateful for a great power, no matter how oppressive, because they keep a lid on everything. They make peace because

they want to control. And so the minute they reach their end, we're back in the terrible time you and I are talking about, when it's in flux and everybody's fighting. Maybe you can see all of that, grasp its repetitiousness in our history, and go for something else.

If you ask me, is that going to happen? Of course, I don't know. Will the Chinese see all this? I don't know. Is there a lot of evidence one way or the other? If there is, I don't see it. The Chinese say it, I'll give them that. Xi Jinping talks like that occasionally. But whether that is, you know, holiday rhetoric or whether that is serious, I don't know. I wish I did, but I don't. I think more and more people will be asking this question—the one you posed, the one I'm trying to deal with. We're going to have people weighing in on which way it looks to be going and which way would be better for it to go, with that utopian, if you like, image in their mind.

We need to have domestic economic arrangements that support and facilitate that kind of working things out. Otherwise, if we set it up the way capitalism did as a historical phase—competing nation-states—this is a recipe, you know. Each nation-state is capitalist. The capitalists have to reinvest their profits to grow. Their growth is a condition of their survival. They can't all grow at the same rate; they have to work that out. And that means a mechanism to work things out, and that's often war. And then we're back to square one, and whether that lesson will be learned, we will have to ask the question.

Just think with me for a moment that we ought to interrogate the organization of our economic systems at home in terms of their proclivity toward a nation-state great power warfare resolution of their conflicts, or whether there ought to be a wholly different way of organizing. You know, the discussion between capitalists and socialists, or capitalists and communists, or Marxists and non-Marxists could have been conducted on that basis, but usually hasn't been—as if somehow they could focus on macroeconomics within the nation-state and leave the rest to be, what, worked out? Well, we're living through the working out of that, and it's not a successful arrangement.

#Glenn

I would look at, well, again, when one looks at the decline of the U.S. empire, many people are struck with some concern, and there should be some concern. We don't know what comes next, but it could be full of opportunities as well, in terms of the United States having a more sustainable role in the international system if it's one among many powers, that it's more balanced. And also, as Zbigniew Brzezinski said, or wrote, when he wrote the book, the Bible for unipolarity in the 1990s, it was going to be very difficult for the U.S. to be an empire abroad and a democracy at home.

So it would seem as if this time moving forward, it doesn't have to be one of problems. It could be one of the U.S. essentially restoring its economic and financial discipline and stabilizing, improving its domestic governance. I mean, there's... And also, it seems to me that China can't really take over the position of the U.S. because the role the U.S. had, this global empire, this was a very unique period of history. That is, through history over the past centuries, you had fewer and fewer actors.

And then, of course, throughout the Cold War, you had two major actors, and then the Soviet Union ceased to be, and you had one global superpower.

I think this is the last time we're going to see in history, or in the foreseeable future at least, only one superpower. I mean, even if China aspires now for global primacy, even its closest allies, be it Russia, would then begin to distance themselves. The Indians would then give up their autonomy to take a more fierce balancing approach. I think an equilibrium would restore itself if the Chinese went this way. So, I just don't see – I don't think the Chinese are blind. I think they realize that a lot of the support they have in the world is because they're not pushing this hegemonic approach. But, yeah, do you have any final thoughts?

#Richard Wolff

Yes. I wish – I hope you're right. I wish that the Chinese would have learned, or will learn, or do learn the lesson that you just summarized nicely. But I know that here in the United States, they haven't learned anything. They didn't learn anything from the British Empire and its collapse, in which they played a role. They went on ahead and tried very hard to be the global hegemon. And under Mr. Brzezinski and Henry Kissinger, they literally went about doing that, administering that, and feeling very good and proud and not worrying about the future at all. Let me give you, as a final thought, how I understand this – and you know where I come from, so it won't surprise you. You made an interesting quotation, I forget from whom: you can't be an empire abroad and a democracy at home.

Well, let me give you a parallel statement. I think it's from Supreme Court Justice Felix Frankfurter a century ago. And he said, you can't have great concentrations of wealth and have a democracy. Those two things cannot coexist. So he's a Supreme Court justice. He writes this down. And I would guess that most of the people sitting in an audience where someone says that would nod in agreement. And the reality of America is it made absolutely no difference at all. It is a rhetorical flourish that has not grasped the roots of the people who have to believe it if it's ever going to come true. So what do we have? We have the greatest concentration of wealth in American history. It's worse now than it was in the 19th century.

It's as if the entire 20th century, when inequality was reduced in the United States, above all by the Great Depression of the 1930s, which compressed it like an accordion — all of that has been undone. We have returned to and surpassed the levels of inequality. Are they consistent with democracy? Of course not. This last week, we celebrated — and I mean that word carefully — in this country, the arrival of Mr. Elon Musk as the world's first trillionaire. In other words, over the last few weeks, the man who was already the richest man in the world, credited with a personal wealth in the hundreds of billions of dollars, saw that grow so he's now a trillionaire. That's how capitalism works. It makes the rich richer. It always has, until people have revolted or the system has convulsed.

Then we have a period of decompression until that's overcome, and then we resume what the basic tendency is. Well, I'm afraid the same thing operates here. Yeah, you're right. It isn't compatible. Wealth corrupts our democracy, and we have as corrupt a democracy as you could imagine. Our government is bought and paid for. It's stunning. You can't understand Israel without that. Israel figured that out and figured out how to use it. It gets to the point of absurdity. The United States government funds Israel. Israel funds AIPAC. AIPAC buys the government that funds Israel. You have to have a sense of humor. Otherwise, this will drive you crazy.

So what's the conclusion? That's what I was hinting at before. You've got to deal with capitalism. Capitalism has its own dynamic. It's just as important as the great power conflicts that people like to talk about these days, which I understand. The great power has fallen apart, and so everybody's focused on great power maneuvers and countermoves and all of that. I understand. Is there a logic to it? Yes. Is there a world in which these great powers exist? Yes. But it is not unique and separate from the world of capitalism, its growth impetus, and all that that implies. If you leave that structure intact, you're going to get the results.

And one of them is the building of an empire, and another one is the decline of an empire, and then the next one is, what does the emerging economy—China—how is it going to be different? Well, my argument, I think it'll depend on how they manage their internal economic system. They are a very strange economy, half private capitalist, half state enterprise, with a government and a Communist Party coordinating all of this, offsetting the weaknesses of the one by using the other in a hybrid, clever, unique, very successful—should be a lesson to everybody, isn't it? But it still leaves to them, is that an adequate way to manage your accession to the dominant role you're going to have? Or will it plunge you into the same evolutionary dead end that happened with the United States?

#Glenn

Well, it remains to be seen. At least there will be interesting times ahead. Well, thank you very much for taking time out of your morning.

#Richard Wolff

Let me take a moment because I'm not sure your other guests will do it. Your program is getting better and better. I look at it as often as I can get a moment to see it. Your questions are great. Your guests are great. Some of your recent shows on what's going on in Iran, the European catastrophe, have been wonderfully instructive. And it's a service you're performing that I want you to know many of us see it, appreciate it, and are telling everybody we know, "Go take a look at this. You will learn a lot."

#Glenn

Thank you very much. I appreciate it. That's a great compliment coming from you. Thank you.

