

Pepe Escobar: Iranian Victory & Rise of Greater Eurasia

Pepe Escobar is a journalist, a political analyst, and author. Escobar discusses the complexities behind the US-Iranian Memorandum of Understanding (MoU), and the likely resumption of war. The role of Pakistan, China and Russia demonstrates that the war was a major defeat for US hegemonic ambitions, and it intensifies the advancement of Greater Eurasia as a multipolar alternative. Books by Prof. Glenn Diesen: <https://www.amazon.com/stores/author/B09FPQ4MDL> 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>

#Glenn

Welcome back. We are joined again by Pepe Escobar, a prolific author and journalist, to discuss the Memorandum of Understanding, which is supposed to be signed on Friday between the United States and Iran. So thank you for coming on.

#Pepe Escobar

Always a pleasure to be with you.

#Glenn

Well, thanks again. And, well, there's a lot to discuss here because, first of all, a good place to start would be all the secrecy around this memorandum of understanding. The Iranians have made some of the information available, while the Americans seem to be not showing their cards at this point. So why the secrecy? And what do we actually know about what's in this memorandum of understanding?

#Pepe Escobar

Well, Glenn, okay, I broke this before, but now I'm breaking it to you and your audience on your channel. Larry Johnson and I have direct access to the negotiating table via the Pakistani mediators, and this has been going on for a few weeks now. So, a few weeks—three weeks ago—Larry and I broke two stories back to back. The first one was a crucial phone call by Pesachkin to Shehbaz

Sharif, Prime Minister of Pakistan. Basically, it was a sort of ultimatum to the Americans: behave. And if you keep overstepping all the thresholds, and some of them you know very, very well, we're going to have to do a demonstration. And you can imagine what sort of demonstration that would be.

No more nuclear ambiguity. Well, the Americans read that and they were very, very angry. Three days later, we broke another story about the Islamabad Accord. It was practically, I wouldn't say signed, sealed, delivered—reminding us of Stevie Wonder—but it was about to be signed. One of our American sources confirmed to us that Trump had a similar deal in front of him, ready to be signed six times, and he always backed off. This one, this breaking news, we were explaining how the memorandum was being articulated, and this came from the Pakistanis who were at the table—negotiators. Three days later, our channel was erased from YouTube by a direct order of the US government, Glenn.

It was the kind of phone call that goes straight to Google—yank these people off. So now we are back with a very, very small channel, picking up what we managed to build in two or three weeks. It's called Transition Protocol. And the difference with the zillions of other channels on YouTube is that we have our intel directly from people who are actually manipulating the intel or bridging gaps with the intel. So it's not only the Pakistani mediators between Iran and the U.S., but this can be confirmed with sources in the U.S. and also with sources in Iran, Russia, and eventually China, or at least in China, people who have access to privileged information in China. So what we knew this weekend was essential.

And this is something that we were discussing earlier this week. Abbas Araghchi was in Islamabad throughout the weekend. So he flew from Tehran especially to Islamabad to discuss the finer points and also the final points of the MOU. Then there was the Israeli attack on Dahiyeh, the Shiite suburb south of Beirut. So the Iranians, via the Pakistanis—and they were actually in Islamabad together discussing—Araghchi told the Pakistanis, look, send a warning to the Americans now. If Israel doesn't stop doing what they're doing against Dahiyeh and against the rest of Lebanon, we have our fingers on the trigger, literally now, against Israel. So the response from the White House this time was practically immediate: okay, that's it, and we're going to sign the MOU. And obviously, the people who were there talking, they were not talking to Trump directly.

Somebody from the inner circle. We're going to tell the Israelis to back off. So this is what was happening on Sunday night. That's why there was this announcement on Trump's birthday, June 14th, the day of that absolutely ghastly series of cage matches on the White House lawn, which passes for a cultural exhibition in the minds of the Trumpists, right? That's why we had the announcement by the U.S. on June 14th about the MOU. And obviously, immediately afterwards, you can imagine—and you saw for yourself, and your audience saw for yourselves—the crossfire all across the Beltway, the despair by the Zionist International, by all the Neocon International, by the Military-Industrial Complex, everybody, about the MOU. But, of course, no details.

Even the fact, according to them, that Trump and Vance already electronically signed the MOU. We have not seen evidence of that anywhere. On the Iranian side, Glenn, it's a much more complex process and much more sophisticated. It's not Ayatollah Mostafa Khamenei, the leader, who's giving the green light for the MOU. He delegated the final decision to the Supreme National Security Council, 13 members, two of them only so-called reformists, including President Pezeshkian, and the others much more hardcore.

So basically, Mostafa instructed them, if you reach a solid majority among yourselves, the 13, if you have, let's say, 9, 10, 11, etc., you are authorized to sign the MOU. And that's why we don't have, so far—today is Wednesday—an official confirmation from Tehran that Tehran has already signed the MOU. So probably it's going to be left to the last minute in Geneva on Friday, and probably Ghalibaf himself signing on Friday. So this is where we are at the moment. As you can see, the back and forth is absolutely frantic, but the Iranians are keeping their cool like they did prior to these past two weeks. Let's put it this way: they made it clear to the Americans that they are not in a hurry. They exasperated Trump to a point where he was, you know, completely out of himself. And when they saw that there was a possibility of signing, that they were ready to sign, which was Sunday, there was the Israeli incident.

And then once again, they sent the message: it's up to you, because Lebanon is part of the MOU, and you know it. We have been negotiating about it for weeks. If Israel interferes with it, we're going after Israel ourselves now. So this was, let's say, the last straw that convinced the barbarian camel to actually play the game. But, Glenn, we don't know what this is going to lead to from now on. This is nothing. This is just a promise to start talking.

#Glenn

That's a great point. Often it's portrayed as a deal, as if it will bring peace, but it will usher in two months of negotiations. But I'm curious—one of the main things that could derail this whole thing is that it's very difficult in the U.S. for Trump to sell to his people. Even the start of the ceasefire was based on the premise that at least it would have this point of departure to start from the 10-point plan of the Iranians. But as soon as the ceasefire was in place, Trump just walked that one back because there was no way for him to essentially show this to his own people, because it was a defeat. But how about this: I mean, the peace that Trump is speaking of, which sounds like a victory, is very different from reality.

So at some point, the actual text of this memorandum of understanding will have to come out. And it's going to be very hard for Trump to be the strong man, the one who can still mock Obama for the, you know, for the JCPOA, when this, you know, by every metric, is a huge setback for the U.S. All is good. None of his objectives have been achieved. And the Iranians will definitely come out on top here, in a big way. So how can, you know, Trump go to his hawks, all of his people, and essentially say that the war was a massive failure? We bled out our inventory. We're in a much

weaker position now than we were before, and the Iranians will be significantly strengthened. I mean, he's been describing this war as a big success ever since day one.

#Pepe Escobar

Well, he does that, Glenn, by twisting narratives, by inventing narratives, by forgetting previous narratives, by even forgetting what he said before he changed the narrative. That's his modus operandi. So there are three stages for him to declare this a victory, and this is where we are at the moment. He's basically saying that the oil will start to flow again through the Strait of Hormuz this Friday, which was the situation three months before he started the war on February 28th. So he's selling this as a victory: now we have no problems with the oil anymore, so the oil markets are satisfied, the bond markets are satisfied, thanks to me. And he said that yesterday again in Evian, not far from where I am.

I didn't even bother to go there because it's an absolute waste of time. He actually said that yesterday: "I ended ten wars yesterday." No, no, no, it's not a joke, Glenn. He actually said that in front of everybody, including the guests. It's absolutely fascinating that there are four BRICS at the G7 as guests—India, Brazil, Egypt, and the UAE. So the G7 are desperate. They need to invite the BRICS to their summit, otherwise to be a little less irrelevant than they already are. Anyway, he also said, "I am the boss." And it was no irony. He entered the room, everybody was in the room looking at him, and he said, "I am the boss." And they laughed like this, nervously, because they know he is the boss.

So what is the boss selling? Number one: I liberated the free flow of oil in the Strait of Hormuz, which is something that we all had before the war. Number two: the oil markets are going back to normal, the bond markets are going back to normal. So it's mission accomplished, even without going on top of an aircraft carrier like W. And number three: he's playing for time. That's the most important part. He's playing for time. Nobody knows, okay, for what? Essentially to rearm the U.S., because the war can be resumed any time after the midterms. There won't be a resumption of war before the midterms. He wants to basically do damage control of his political capital in the run-up towards the midterms.

So he can sell these as a victory. And of course, the real nitty-gritty is not now. The real nitty-gritty will start in the second stage after the MOU. The first stage is these first 30 days. Then the negotiations start at a period that has been established as 60 days and maybe expanded. So this will be around August 20th, late July, early August. Then we're going to have August, September, these discussions going all over the place. And it's going to be very acrimonious, of course. But he can always sell that: look, we want peace, and Iran doesn't want peace. They don't want to sign anything and all that.

And he's absolutely convinced he can sell that to domestic public opinion as a victory. And then, you know, cut some of his losses in the midterms. This is what it is. But the big, big picture, Glenn,

which is something that you and I and many others study — the big war in Eurasia or against Eurasia — it's not going to change. It's going to be slowed down a little bit, because obviously this is a massive strategic defeat of the U.S.-Israel alliance against Iran. You cannot disguise that. You only sell this as a victory to absolute imbeciles. But he's going to try very, very hard. And a lot of people, even inside the U.S., won't be convinced.

And especially the neocons and the industrial-military complex, they are already, you know, in total fury against it. But playing for time in the next two, three, four months suits him very, very well. The Iranians have no illusions about it. And everybody from Ghalibaf to the IRGC commanders are saying, look, we're paying attention to every move. And if they try anything, we have our finger on the trigger, which is absolutely correct. They haven't changed their position. If in between, like in the first 30 days of the MOU and probably in the first part of the 60 days of negotiation, they get some sanctions relief.

They actually get the \$12 billion, which is supposed to be paid in the next few days, out of a total of \$24 billion. They get some extra money from the UAE. They already got \$2 billion from the UAE. That famous Emirati flight that landed in Tehran was carrying \$2 billion in cash. And this was, once again, organized by the Pakistanis. The Pakistanis were the middlemen between Abu Dhabi and Tehran. If they can get this, and of course, the end of the American blockade of Hormuz, and they continue to sell, especially to their Asian clients — for Iran, in the short term, excellent. Much better than it was until today. But they have no illusions long term, and no illusions about the negotiations.

#Glenn

So, well, this is a problem for the United States. Well, again, if it's buying for time, a strategic pause to, well, prepare itself back for war. The problem is, even after a pause, they can replenish and regroup. They still don't have a viable war plan, though, on how to defeat the Iranians. Again, they couldn't do it the first time around. But I find it interesting that the Iranians demanded this buy-in. That is, if they can restart the war later, at least, you know, they have to first kick in this money now in the beginning to essentially buy themselves two months. But even this memorandum of understanding, these two months of peace, which, you know, might drag on forever — how would the Israelis respond to this, though?

Because as you said, the Iranians are very clear that they consider Lebanon to be part of this. That is, they're not going to have a peace deal which essentially allows Israel and the United States to finish off Lebanon and then return to a war with Iran later on. They don't like this. They know the sequencing they would ideally have. So how will Trump control the Israelis here? Because I'm following some of the Israeli media, and neither the political leadership nor the media seem very happy about the idea that they have to walk back from Lebanon. And some are suggesting, well, perhaps we'll bomb Beirut less, but under no circumstance will they depart Lebanon. But how exactly is this going to work?

#Pepe Escobar

Well, I love your diplomatic touch, Glenn. I prefer to go AC/DC, "Highway to Hell," you know, really hardcore. Anyway, if you look at the message that the Iranians delivered to the Americans on Sunday, this is how they're going to react. Essentially, they're telling the Americans, look, Lebanon, Hezbollah, everything is part of the MOU. You know it. We know it. If Israel breaks it, and if you don't help Israel—which you should not do, because they are breaking something that you agreed about, which is Lebanon as an integral part of the MOU—we are going to deal with them directly. So the answer is inbuilt in this attitude. The Iranians know, and the mediators know. We heard this from the Pakistanis at the table.

Not only the Pakistanis at the table, but also other players they were talking to, especially Qatar and Saudi Arabia, and most importantly, apart from the UAE. They know that Israel can break this thing anytime they see fit, which is always. And they're ready for it, and they have no illusions. But the Iranians already told the Americans how they're going to react: okay, if they break it, we're going to bomb Israel really, really hard, and there's nothing you can do about it. And if you intervene, then this means you break the MOU. If you break the MOU, we will also break the MOU. So that's the basic difference between now and the recent past in U.S.-Iran relations. If commitments are broken, now it's not unilateral anymore.

It's bilateral. And the Iranians have been sending this message to the Americans virtually every day. Glenn, I don't know if anybody in that ultra-mediocre circle around Trump actually understands what that means. I don't think they understand it yet. So they're going to have to see it live. If the bombing of Dahyeh especially continues, and the Israeli plan for Dahyeh is Gaza 2.0, make no mistake about it. They want to occupy southern Lebanon permanently and turn Dahyeh into a new Gaza. If that continues, the Iranians already said no way. So how is the Trump administration going to react to that? Is Trump willing to bomb his own MOU, which he is selling as a victory as we speak?

#Glenn

Yeah, well, I do want to ask about another aspect of this whole war, which is the role of Pakistan. I remember I was interviewed by some Indian TV networks when Pakistan began to take on this role as mediator because they were asking essentially, why not India? Well, a variety of reasons, but putting that aside... how do you see this diplomatic role of Pakistan? Because this is, you know, it's quite an important diplomatic status in the region. And given that it's also a key player in this region, which is undergoing so much change, how do you see this shifting the dynamics?

#Pepe Escobar

They played it very well, Glenn. Very, very well. In fact, none of us were expecting that they would pull it off. And, of course, many of us independent analysts, we have deep reservations vis-à-vis the current government in Pakistan. It's another story. But if you look at the realpolitik and if you look at

the facts on the ground and the facts that they managed to establish as mediators, it's immensely impressive. We heard that the whole top level of the Pakistani government is involved in the mediation — literally everybody that matters. So it's not only the Prime Minister, General Asim Munir, and the Foreign Minister Dar — everybody. Why did they manage to do that? For several reasons. Very good relations with Iran.

Very good relations, even more important with China, because China was backing what Pakistan was doing all the way. Remember the first meeting of the four Sunnis in Islamabad — Pakistan, Saudi Arabia, Turkey, and Egypt. The next morning, Dar hopped on a plane and went to Beijing to talk to Wang Yi and explain what they did to Wang Yi. And Wang Yi gave new directives: "Guys, you have to try harder. You're not going anywhere." So China was always behind them. Even further behind, but in coordination with China, was Russia. Because everybody said, "Okay, let's work all of us together for a deal, because none of us want this war here, because we know that the war is against all of us. It's a war against Eurasian integration by definition and against one full BRICS and SCO member."

So this member has to be defended by other BRICS and SCO members. More than obvious. Why not India? Key question, which the people who interview could never formulate, because they know the answer. Two days before the February 28th decapitation attack against Ayatollah Khamenei and the leadership, Modi and Netanyahu were exchanging kisses. An unbreakable relationship. Mother and father and all that crap. So that's not good. From the beginning, India was aligned with Israel. So they could never be a mediator between Iran and... even though they need Iran for their version of the New Silk Roads. The International North-South Transportation Corridor, once again, three BRICS: Russia, Iran, and India.

And India needs it badly because this is their New Silk Road towards Afghanistan and Central Asia, using the port of Chabahar. So they betrayed themselves once again, which the Indians are specialists in doing, right? Meanwhile, with the backing of China, with the full backing of China, Pakistan was very busy organizing this alignment between Iran, Pakistan, and China — not only geopolitical and diplomatic, but also geoeconomic alignment. And that's where the New Silk Roads and Eurasian integration come into the picture once again. It's our favorite theme in your line of work and my line of work for almost two decades. The shortest way over land between Iran and China to trade is not via Central Asia.

It's via Pakistan. Very, very simple. Pakistan is part of the New Silk Road — the China-Pakistan Economic Corridor. Kashgar, Islamabad, across Balochistan, Gwadar Port. Iran is part of the International North-South Transportation Corridor, using Chabahar once again as the key port going to India. But Chinese tankers, as I saw myself last year when I went to Chabahar, also do their trade stopping in Chabahar, not only in Bandar Abbas. And now, which is something that none of us could even imagine three months ago, the port of Chabahar and the port of Gwadar are now sister ports. There's only 80 kilometers between them.

Chabahar in Balochistan, Gwadar in the Arabian Sea, in Pakistan, in Balochistan. When the American blockade started, Iran began to use Gwadar as an Iranian port, sister to Chabahar. And sooner or later, depending on how things evolve, the Chinese are already looking at Chabahar and saying, ah, maybe we can get another Iranian port for us. And then the Indians will once again be sidelined because they did not bet on the right horse once again. So when the Pakistanis announced a few weeks ago that six border crossings between Iran and Pakistan were free for trade anytime, 24/7, this was also a Chinese suggestion.

Look, you have all this border trade with Iran. They are being more or less suffocated by the maritime blockade. So give them overland passes. That's exactly what happened. And also, of course, the very important railway from Xinjiang across Central Asia, crossing from Turkmenistan to Iran, which was, by the way, built and paid for by the Chinese — another corridor of the New Silk Roads. So everything is interconnected. And everything explains why Pakistan, between Iran and China, would have to be the mediator from the Iranian side, plus the very good relations between Pakistan and the GCC, especially with Qatar and in the case of Saudi Arabia.

Even more because they have a military pact. And of course, the fact that you have a field marshal picking up the phone and Donald Trump on the other side immediately answers — very few people can do that. So they had goodwill from all the players, all the major players. Okay, it's a very long story on what they're going to do with their new geopolitical position, etc. Are they going to lean this way or that? That's another story. In terms of facilitating a measure of dialogue between Washington and Tehran, they managed to pull it off. And this is an outstanding achievement. But never forget, they could do this because they had China in the back overseeing everything.

#Glenn

I remember a decade ago I wrote a book on this. You did? Yeah, *Russia's Geoeconomic Strategy for Greater Eurasia.* And I was pointing out how this dynamic was working because the Chinese were connecting not just with Pakistan but also towards Iran. And also this was complemented by what the Russians were doing in that region as well. But even back then, I hadn't expected Pakistan to play such an active role. I thought it would be more shaped by its external environment rather than taking this more autonomous, independent role. So this surprised me as well.

#Pepe Escobar

We were all stunned, Glenn. We were all absolutely stunned. So, okay, we have to give them credit for it. And, of course, they have their own reasons. They want to sort of pacify Balochistan, which is very complicated with the Balochistan Liberation Movement, separatists and all that, bordering Iran. They want more. They want energy from Iran — very, very important. And this leads to a story that many of us were following yesterday. Fifteen years ago, at least, the Iran-Pakistan gas pipeline, which the Americans never allowed to proceed.

Now the coast is clear to finally... The Iranian part of the pipeline is already built. The Iranians offered a few years ago to pay for the Pakistani stretch. So now this is inevitable. So we're going to have the IPI pipeline finally. Finally. This is one of those pipeline-stunned soap operas that never end. This time we're going to have a happy ending. So they need Iran for it. And, of course, this geoeconomic integration of West Asia and South Asia favors Pakistan as well, with the backing of China and interlocking with the New Silk Road.

#Glenn

Well, if you take a step back, what does this mean for how the United States has to adjust to this? I mean, they're not going to like it. They probably will fight tooth and nail, of course. But at some point, ignoring reality comes at a high cost. And we're currently seeing the U.S. draw down its forces in Europe and also, I guess, to a lesser extent in the Middle East now. Some of it forced, of course, by its bases being bombed out in the Gulf states. But also some of the fronts they were building up against Iran, they're seemingly drawing down now, which is some reason for optimism that this might hold, at least if the reports are correct.

And do you see the United States, I guess, pulling back from Europe and the Middle East? I would assume that in the wider, in my ideal scenario for the United States—ideal being defined as how it would optimally adjust to the new international distribution of power—it can't be everywhere. I would assume that the ideal for the U.S. is to prioritize the Western Hemisphere and East Asia. This is where China is. I mean, when I say optimal, not in the normative sense, but in the international distribution of power, where it wants to focus its power. In other words, it would have to draw down in the Middle East and Europe. It didn't seem like it wanted to do this at first, but now it seems it's being forced to do so. Or do you read the situation a bit differently?

#Pepe Escobar

They are being forced to do that because they are being slowly, and now not so slowly but surely, expelled from Eurasia. Period. This is the key point. It's a strategic defeat against Iran. So this is a huge step towards expelling the U.S. from Eurasia. And it's no wonder that the national security strategy privileges the Western Hemisphere. So we can expect a lot of trouble for Latin America from now on. That's out of the question. Starting with the elections in Brazil later this year, which will be heavily interfered with. No question at all. Did you see that Trump didn't even shake hands with Lula at the G7? So the situation is very, very tense.

And, of course, the strategic threat number one, according to the plutocracy that rules the U.S., is China. So it is East Asia. Absolutely. It is Taiwan and the South China Sea. No question. Everything. So, obviously, compared to these two fronts, West Asia is not so essential. But how they are going to digest this massive strategic geopolitical defeat, that's another story. This is going to enrage the people at the top, the elites in the back, the plutocrats, all of them, of course, and there will be revenge. There will be blood. It's a vengeful nation. The logic of revenge always predominates. So

maybe they will back off for a while, regroup, but they will go after Iran again. There's no question about that. Maybe not this year, but starting next year.

#Glenn

I think it's hard to avoid that. I just have a hard time imagining the U.S. calling it a day. I mean, I remember all the talking heads in the United States, on all the TV networks, they had the same slogan when things started to go poorly in the war against Iran. They were all saying in unison, this is short-term pain for long-term gain. This was the talking point. But it's turning out to be a very short-term pain for, yeah, long-term strategic defeat. I mean, this is looking quite terrible. But again, no one wants to take political ownership of this, and nobody wants to adjust to this new diminished role in the world, especially given, you know, with Israel there as well, it becomes very politically sensitive. They can't accept this defeat, but on the other hand, there's not much they can do.

So it does make the question what they're going to do. But meanwhile, let's say they wait a whole year before they restart this war. The world will look like a very different place a year from now. I mean, by 20—not even a whole year, but even by 2027. Which kind of takes me to my last question, which is about the Gulf states. How are they going to look after this? Because if the Americans are telling them to sit idly by, we might try to do this over again a year from now. I mean, they will have to adjust to realities if they want to survive. I mean, they don't have to like Iran. They can hate it with all their heart. But at some point, you have to bet on the winning horse. You have to adjust to the reality that Iran is now administering the Strait of Hormuz, and the U.S. probably won't be able to defeat them. Absolutely.

#Pepe Escobar

And that's where Pakistan comes in again, because they are already working on it, because they have very good channels of communication with all the GCC patron monarchies. And because they are proving to them, look, we worked hard on your concerns, your recommendations, your suggestions to get the MOU and to get the negotiations going. We were listening not only to Iran, but to all of you at the same time and all that. And obviously they understand that. Qatar understands this very well. MBS understands this very well, and the relationship between MBS and Islamabad is very, very close. The military pact, etc. Apparently, there are already 8,000 Pakistani soldiers in Prince Sultan Air Base in Saudi Arabia, with lots of fighter jets.

So, Pakistan is working to convince, especially the Saudis, but some other GCC players, look, there's going to be a new protective umbrella here. And we offer our services to be your umbrella. And we're going to have a very, very special guest in the background supporting everything we're doing — China. Can you imagine the GCC saying no to this arrangement? Not going to happen. And obviously, they saw, they experienced for themselves that their petrodollar alliance with the U.S. is

worth nothing. When push came to shove, the U.S. was defending their aircraft carrier in West Asia, not the GCC petromonarchies. So they learned their lesson. At least we assume they learned their lesson — some more than others, of course.

The UAE is still... The Pakistani negotiators, they told Larry and me something about a month ago which stuck. They said, look, wait, wait a while. Wait like three months. The UAE, they will see which way the wind is blowing and they will want to have an accommodation with Iran as well. So I kept this in the back of my mind all the time because it's already happening, sort of. You know, they are not as antagonistic towards Iran as they were a month ago. And, of course, they're going to have to live with Iran as the number one power in that part of West Asia. They cannot escape that. Otherwise, it's very simple. The Iranians said to their masters, look, we already destroyed the Dubai business model. For us to destroy the Abu Dhabi energy model is very, very easy.

Just a few strikes. That's it. We can do it anytime we want. So... negotiating table again, now between the GCC and Iran, with Pakistan in the middle, you know, as the go-betweens. Perfect. And once again, coming back to what you were expressing, your concerns — will the U.S. admit that these are the new rules of the game regionally? They will never admit it. But what can they do? Can they seduce the GCC petromonarchies back? No, they cannot. Can they bribe them? No, they cannot. Can they promise that they're going to deal with Iran? They cannot. Can they promise that they're going to give them as much relevance as they give to Israel? They cannot.

There you go. So the Pakistanis and the Chinese are once again looking long-term. So this protective umbrella will change, of course. And Iran is looking at it, and because China is involved, they can feel relatively comfortable with that because they can think that this will not turn against them in the long run. So the role of China in the back of it all is absolutely essential. But this is a very complicated case, Glenn. We, as foreigners, cannot have an in-depth conversation in China about these matters because they consider it a matter of national security for China, and they will never discuss this with foreigners.

So I expect the next time I go there, I can talk to some of my, let's say, former military connections, for that matter, and they will have a few nuggets because they still know people inside the machinery of government, right? But this is going to take a little while. But once again, they are absolute masters of applying Sun Tzu. They don't have to raise a finger or fire a shot at anything. And in the end, they get what they want with their connections and, of course, playing Go. They were playing Go in West Asia with the Americans. They were encircling the Americans in a way the Americans didn't even see coming.

#Glenn

Well, that's the thing, though. When they went to war against Iran, the Americans, expecting this quick victory, I think not many people realized that they were also gambling on the entire Gulf States alliance because, well, not just their U.S. bases being bombed out, but of course, the security

guarantee seeming much less convincing. And if the Gulf States alliance begins to crumble, that means the petrodollar system begins to crumble. If this goes away, the AI bubble can't sustain itself, which means that the entire system—AI war and economic war with China—takes a very dark turn for the Americans. There's a massive potential unraveling here that looks more and more likely. Again, I don't want to make any predictions because this is a horrible time for predictions. Too many things are happening too fast, with none of the variables remaining constant here. It's not a great time to make predictions. But you do see this coming apart at the seams. This isn't going to go very well, I think. Any final words?

#Pepe Escobar

Well, we are all very curious to see if there are going to be actual solid negotiations, even in this first 30-day phase of the memorandum of understanding. So this is where we are at the moment. I think after a few days, all of us will have a clear idea if the Americans are serious about discussing all the 14 points, or if this is just a crude play for time. I think this is, in terms of predictions, Glenn, as far as we can go at the moment.

#Glenn

Yeah, I know. Well, I kind of thought myself that I almost took for granted that this defeat would be too much for the Americans to swallow, that they would essentially seek some kind of negotiation to buy time and regroup and then have another go at it. But again, this isn't your average defeat. This is going to be very painful. So I think I could be wrong. It could be that Trump's willing to, you know, he recognizes that they bit off more than they can chew, and he just wants to get away from this. So, yeah, I'm very cautious about making predictions these days.

#Pepe Escobar

Absolutely correct, all of us. To be very Chinese about it, we're just watching at the margins as the body floats by the river. That's where we are at the moment.

#Glenn

Well, Pepe, thank you so much for taking the time.

#Pepe Escobar

Always a pleasure, Glenn.

#Glenn

Let's catch up again soon.

#Pepe Escobar

Absolutely. Cheers. Thank you. Bye-bye.