

# Richard Wolff: Europe Does Not Matter for a Declining United States

Prof. Richard Wolff discusses why Europe does not matter to a U.S. in decline. Buy merchandise: <https://diesen-shop.fourthwall.com/en-nok> Follow Prof. Glenn Diesen: Substack: <https://glennndiesen.substack.com/> X/Twitter: [https://x.com/Glenn\\_Diesen](https://x.com/Glenn_Diesen) Patreon: <https://www.patreon.com/glennndiesen> Support the research by Prof. Glenn Diesen: PayPal: <https://www.paypal.com/paypalme/glennndiesen> Buy me a Coffee: [buymeacoffee.com/gdieseng](https://buymeacoffee.com/gdieseng) Go Fund Me: <https://gofund.me/09ea012f> Books by Prof. Glenn Diesen: <https://www.amazon.com/stores/author/B09FPQ4MDL>

## #Glenn

Welcome back. Professor Richard Wolff joins us today to discuss the economic component of the proxy war between NATO and Russia. So thank you for coming back on the program. The effort to exhaust the other side is, as we know, not only seen in the military sphere of this conflict, which, by the way, has been building up for decades, but it also has a very strong economic component. That is, the NATO countries have not shied away from their objective of collapsing the Russian economy. And as we know, Russia today is the most sanctioned country in the world.

And the West has done everything, I would say, that is to cut Russia's access to its markets, banks, even stolen Russian sovereign funds. Yet it doesn't seem to work. I was wondering, how do you explain this? Because after all, we were told by our rulers that Russia is merely a gas station masquerading as a country. So how do you see Russia having adjusted to these sanctions? Because I think very few people in the West expected the Russians to adapt so well and indeed grow even as its European counterparts are in very big or deep trouble.

## #Richard Wolff

Well, I would like to give you an answer based exactly on what you just said at the very end of your opening here. The way I see this, I look at it through the lens of a class analysis. As I mentioned to you earlier, I admire and have learned a great deal from listening to your guest John Mearsheimer on many occasions, but on your program particularly. And I appreciate what he has to say. He analyzes the struggle among great powers in a very honest, direct, careful, analytical way. It is exemplary in the way he does that. But for me, it begs one huge question, which is, why do the particular global powers do what they do when they do it?

To answer that question as if it's all a chess maneuver among the players leaves out all of the social pressures that operate on any government, on each government, pushing it and pulling it this way or that way. And they are not free to engage in any strategy against other great powers because

some of those strategies are blocked off by their own domestic constraints and others are not. So a proper analysis has to ask the question, why is this happening? Why is one power threatening another? And to answer that only by relationship to what the others are doing leaves open the basic question, why are all of them doing what they are doing? And I would like to answer that question by focusing on Europe.

Because it is my judgment, looking at the history of capitalism in Europe, that the active player here is, above all, Europe. Secondarily also Russia, but secondarily. I am very mindful that Russia has been repeatedly invaded. Napoleon tried that. World War I tried that. Hitler and Operation Barbarossa tried it. They all tried it. They all were defeated by a Russia which reacted to the invasion by pushing back, basically, once attacked. So I would like to argue the following. I think, from everything I can tell, that the major European countries—and by that I mean France, Britain, Germany, Italy, maybe a couple more, but basically those—were all in the 18th century, some even earlier, all in the 19th century, huge colonial powers.

These were fundamentally small units of national capitalism built up in their own way in the 17th, 18th, early 19th century, varying with each country. And then they became colonial powers at one point or another, with populations overseas much larger than what they had at home. I mean, compare the Netherlands with Indonesia, or compare the British Isles with the British Empire, and on and on and on. Colonialism is what sustained their capitalist growth. They developed a massive hinterland. Once they had run out of as much as they could take from their own hinterland—France, Germany, Italy—they then went afield, as capitalism makes its profits and plows it back in as part of its competition.

Long story short, by 1914, they had run out of territory. For those who know their history, 1884, the Conference of Berlin—they literally sat around the table and carved up Africa, who gets what. But there was no more place to go. And over the years, between the Berlin Conference, 1884, and the outbreak of World War I, they built up a level of conflict and clashes and little mini-wars that we all now can see were the prelude to the Great World War. I'm going to now lump together the first and the second, because they only happened a few years apart, and they were the working out of what? The mutual destruction of all the colonizing countries, with one exception—the United States.

All the rest, Japan now included, blew each other out of the water, bombed each other to smithereens, destroyed their economies, killed huge numbers of their people—Russia included—and on and on and on. Only the United States, because of its distance, because air power and air war were not yet developed in the way they are now, was able to emerge. As people, in case they don't know, Russia lost 25 million people in World War II, and the United States lost 400,000. You could not have a starker contrast. The war is now over. Here comes the argument.

The war is over, and the United States expands. It has not only seen its economy decline—not at all, the opposite. The war brought the United States out of the Great Depression the way nothing else had. The United States was in better shape at the end of the war economically than it had been ever

since 1929, when it crashed—totally, the worst it's ever seen. And so the United States emerges, as we all now know, as the hegemon, the inheritor of the empires—not running them the way the Europeans did by actual colonies, but letting them all be independent. We knew how to do that. We'd been doing it with Latin America for many, many years. Let them be independent.

We will create economic chains as powerful or stronger than the political control that the Europeans had once been able to operate. So the United States moves in, takes over. The dollar replaces the pound. The American military cut that famous deal with Europe, saying to them, here's a division of labor. You're going to take care of fighting your own communist and socialist movements, which were dangerous after World War II because they had been the heroes of the resistance and had a popularity that nothing like that happened in the United States—a very important difference. So you Europeans are going to fight there. You're going to be our allies as a bulwark against the evil Soviet Union, and we're going to be your defense umbrella.

You don't have to spend money. You can let your army and navy go to pot, which they did. I will take care of you. Fine with us, because it allows us to perpetrate a Keynesian, a military Keynesianism at home we could not have gotten away with, absent the great global crusade against the evil empire. Very nice division of labor. Europe is subordinated. Europe is told you can now spend money on social welfare. That's how you're going to defeat the communists and the socialists. You can have your social welfare program. We will fund it because we'll take the defense expenditure away from you. That's now a crisis for Europe because the reverse has happened. Trump has pulled away the military umbrella. You're going to have to spend European money.

And where is it going to come from? You're going to have to take it from social welfare, maybe borrow some money. That will make you even more subordinate. That's very dangerous. So now here comes the biggest punch of all. I would argue that—and here I take a clue from Zbigniew Brzezinski, a person from whom I could not be further removed in my analysis—here's what I think happened. The Europeans have never recovered from the loss of their empires, and they know it. They hooked themselves up to the United States because otherwise, between their own socialists and communists and Russia next door, and the Americans with a who-knows-what mentality, it was too risky. So they went with the United States, the lesser evil for them. But that didn't solve their problem.

It postponed it for a while. They could focus on recovery for the first 10 or 20 years. Then, when the Soviet Union collapsed, they could focus on—here we go now—the recapture of an empire a little bit by absorbing Eastern Europe, by moving investments into Poland and Romania. But they're doing all of that. But the great hope, and I would argue the only hope that the Europeans ever had to recapture their place in history, the dominant place they had in the 16th, 17th, 18th, 19th, even the 20th century—the only way. They weren't going to compete with China. That's over. They weren't going to compete with the United States too hard.

One outlet: they could recapture a great European empire if they could destroy and dismember Russia, carve it up into half a dozen or a dozen little countries, make it all lots of Latvias and Estonias and all of that, and then divide them up. The French can get these four, and the Germans can get those six, and, you know, the Japanese in the Far East could get maybe a little bit too. And these players, effectively marginalized as the world becomes U.S. versus China and Europe becomes an ever more distant, me-too, subordinate junior partner—the only hope to evade all that that implies for Europe is this war with Russia.

And it is a war. Zbigniew Brzezinski wrote this in the 1990s. The grand strategy would be, and has to be, to destroy Russia. Destroy Russia. Not because it's communist. It had nothing to do with that. Communism was just a convenience made possible by the Soviet Revolution of 1917. As soon as it's gone, we're closer to war now than we arguably ever were during the Cold War. Why? Because this is the issue that's at play here. The Europeans are desperate. Their demonization of Russia is quasi-hysterical. I mean, I'm an American. I sit here on the other side of the ocean. But as you know, my roots are European.

And I see just, you know, a kind of craziness in Western Europe and a much more measured Mr. Putin. I have nothing for him. I don't support him or anything like that. It's pretty obvious who's overshooting the mark, who's going up the escalation ladder, to quote John Mearsheimer. And the Russians then retaliate a little bit like the Chinese with the American tariffs and so on. But I think that that's what we're watching. We are watching the desperate—and I want to underscore that word—the desperate effort of the European leaders: Starmer, O'Burnham, Merz, Macron, the others. This is their only way, not just to salvage their personal careers.

They're really in trouble there. They hooked their wagon personally to the United States, and Mr. Trump has thrown them under the bus. So they have to turn to their people and say, we're the great leaders who teamed up with the United States, which has now disrespected you on 27 levels. They can't do that. They have to come up with something else to hold on to this support. They have to support their capitalists because they're not going to get the support they used to get, and they can do it through a defense program and the demonization of Russia, with its utopian goal of recreating the empire they lost in the 20th century and have found no substitute for since.

## **#Glenn**

That's an interesting perspective. Well, obviously, Europe destroyed itself in these two world wars. But what happened after World War II is kind of interesting. That is, it got an extension of life through the partnership with the United States. Because, well, in all fairness, by the United States essentially providing for the security of the Europeans, also offering quite generous trade deals to make sure the capitalist, well, frontline states would be more prosperous than the communist ones.

The Western Europeans did, well, surprisingly well, given what had happened in two world wars. I know afterwards we created all these narratives that, well, we discovered peace and cooperation, that's better than war. But, you know, this didn't come out of nowhere.

But then after the Cold War, yes, something obviously began to change, because after World War II, the main argument in the West was that the European project was about seeking security with each other and not against non-members. Well, it didn't really fit within the Cold War format. But anyway, after the Cold War, one began to again look at who we would seek security against. And furthermore, this whole idea that Eastern Europe would gravitate towards Western Europe was also quite interesting. And even in the military aspect, I know Soros—he wrote this article, George Soros, in the 90s—was making the point that, you know, we can begin to fight again. And, well, we saw what NATO became. And he was arguing that NATO could be successful if it partnered with some Eastern European countries because the Eastern Europeans could absorb a lot of deaths.

And, you know, the Western Europeans cared less about high casualties and, you know, a lot of their men coming home in body bags. So this was essentially what they were looking for — find some Eastern European country that could provide the meat. I thought that was, you know, quite fitting to where we are today. Anyway, what I was going... my point was, there's no more economic model, though, with, as you said, the U.S. pulling the rug from beneath the feet of the Europeans. Well, what are they supposed to do? I know Kaja Kallas, the EU foreign policy chief, she made a comment similar to what you did — that is, you know, how much better and easier would it be if Russia was just divided into many smaller states? How much easier would it be to manage?

And, of course, she didn't mention how resource-rich these weaker regions would be. But do you think this is part of the problem — why the Europeans are so desperate now to break Russia? Because, you know, Ukraine is now completely captured by the U.S. and the Europeans. I mean, they give all this aid to Zelensky, but that just means that his corrupt government can stay in power and that he will continue to send the men to their deaths. But the project Ukraine, it hasn't really paid off a return on investment yet. That return on investment implies that they first defeat Russia. But you see, this is the main problem then for the Europeans — that is, the lack of an economic model. Besides, well, they don't have the technology. They don't have the industries. Is this at the heart of the problem?

## **#Richard Wolff**

I think so. Let me tell you what I pick up. Because I went to all the elite universities in this country, I know a good number of the people that— I mean, I disagree with them. I come from the left wing, as I'm sure you know. But I know what the policies are and who's making them. There is a deep perception in the United States, and the Europeans, I'm sure, know this. It's not just Mr. Trump. The Europeans have to understand there has been almost no basic disagreement with Mr. Trump's

rejection of the Europeans. Yes, there might be a few voices here that wouldn't go quite so far, and they wouldn't say the things he says. He's out of control. His mouth runs anyway. But there's no support here to go back to the way things were.

There's a very clear understanding here that the United States is itself a declining empire, and that it has to spend all of its time, energy, and focus on holding back its decline. My guess is, if you ask me, that the most powerful lesson on that score is having been defeated by the Iranians, the humiliation of that. I mean, the first war had to end after 12 days because of the miscalculations, and then these two clowns did it again. That's why there's a falling out between the United States and Israel right now, and no one knows quite how that's going to work out. But that's a falling out among the two who completely messed everything up in terms of both long- and short-term strategies for the Middle East.

The perception here is that Europe is done. I can't tell you how often I hear that. We should not worry about it. It doesn't matter when Trump says, you know, I'm not sure what we'll do if the Russians attack you. They mean that literally. I think the Europeans have convinced themselves that they don't really mean that. Oh, yes, they do. Yes, they do. For them, their number one priority is to fix this decline, slowly reverse it if possible. Their number two priority: reverse or slow China. Number three, if that doesn't work, number two, sit down with China and work something out. Europe isn't in the conversation. Europe is irrelevant.

Europe is out of the picture. Europe is a divided mess, and they will go their own way. And if, on the other hand, the Europeans could have a big war and destroy Russia, then the United States would be interested. So would China. What is that now? It's almost as though that would reverse Putin, and Russia would no longer be shifting to be an Asian country, but would now bring all of that Asia into a European focus. But you know what that is? That's the recapturing of the lost empire. Only it's not in Asia, Africa, or Latin America. It's in Eastern Europe and the landmass into Asia — that which the Americans do not think the Europeans are capable of, not at all.

But if that were by some magic to happen, then Europe—and I think somewhere the European leaders are aware of that. But here's a disagreement with Mr. Mearsheimer, with Professor Mearsheimer. I think these class issues—how does capitalism in Western Europe, where modern capitalism was born, after all, in Holland and England and all that—how do the capitalists there recover their ability to make the kind of profits that they can then use to do the research and development to catch up to the Americans and the Chinese, who get further and further ahead of them literally every day? And where are they going to get those profits from?

I mean, what we're watching are headlines about Volkswagen laying off 100,000 workers. Varoufakis and his friends teach us correctly that the German economy is an automobile-focused phenomenon. Varoufakis says their industry is not just shrinking; he says the auto industry will disappear. And I understand the argument because here in the United States, it's disappearing. Our auto industry now is a shadow. Our auto industry used to be Detroit. In 1970–80, Detroit had 2 million people.

Today it has 600,000. For a modern city in a capitalist country, what you're seeing there is a level of collapse that is very stark and very profound.

It's tearing this country apart politically, and it's doing that in Europe too. All of those things are kind of not in Professor Mearsheimer's story. He's got the great powers maneuvering, and he handles that beautifully. We learn a lot from him. This is not in any way disrespectful of the scholarship and the intellect he brings, but there's an absence of a conversation about how the domestic economic realities shape what these strategies are that the different powers try to pursue as they then bump up against each other. But you've got to explain that, otherwise the bumping becomes a chess game rather than the urgent economic survival struggle that it actually is.

## **#Glenn**

Yeah, no, that's fascinating. Because in political realism, states are perceived to behave more or less the same. It all depends on the international distribution. It creates systemic incentives for how states should act. But of course, how they pursue their power is interesting because, as you said, Europe has always had a bit of a colonial model. And even after World War II and after the Cold War, this kind of continues. You see this with the, you know, whatever benign rhetoric there is, the human rights arguments, you know, whenever you have new institutions coming up, like the ICC, it's always, you know, one side being the civilizational teacher, the rest of the world being the student.

And this always translates into this sovereign inequality where, you know, sovereignty for us, but not for you. We don't say that countries aren't civilized anymore, that, you know, you're not civilized, you don't qualify for sovereignty because you don't have the liberal democratic credentials. And that's why I don't say that you don't qualify for sovereignty. But I want to get back to what you said, though, about the Europeans' relevance to the United States, because I agree. And I heard many comments from European leaders where they almost, well, they sometimes say that we have to make ourselves relevant to the United States.

And, of course, I think it was a Polish president who made the point that if Russia wins, then the U.S. will prefer to work with the Russians instead of us. But again, if they could defeat the Russians, that would be very different. Now, however, if there's a failure to do so, if there's a failure to defeat the Russians, what is the utility of Europe for a declining U.S.? Will it just cannibalize the industries? Will it try to set it off as an exclusive economic zone that is cut off from the Chinese and our rivals? Or will it just demand the Europeans militarize and use them, I guess, as another Ukraine? What is the purpose of Europe in the future now?

## **#Richard Wolff**

Well, my guess is that they're going to—I think the presumption here is, maybe wrong, but the presumption of the leadership here is that the Europeans cannot defeat the Russians, that that's not available unless we're talking 10 or 20 years from now after an immense military buildup across

Europe and paid for by austerity politics. And even as they start talking, they are fully aware that between the right-wing opposition to that kind of thing and the left-wing opposition, this is unlikely to be achieved in any reasonable time frame. And their suspicion is that we're going to see what is, for them, dangerous—we're going to see either a right-wing emergence, new governments of the far right, Le Pen or the Alternative für Deutschland or whatever, or a left-wing version.

Everyone here knows who Jean-Luc Mélenchon is, and they know that the left is the dominant faction in the Assemblée Nationale in France. Things could get very bad in that country. The blame of the... My family's French. The blame of the French family for the Macron government not having prepared them for the heat wave—it's very serious, very serious stuff. And it wouldn't be if you had a normal situation, but you don't. You have the country splitting more and more. Macron has no support at all. I mean, nobody likes Mr. Macron. I mean, how he's going to survive—a mystery to me. Maybe he'll do it, but it's a mystery to me. So, my answer to your question is, the presumption is that all Europe can do is help the United States navigate and, if possible, offset, slow, or reverse its own decline.

Look, when von der Leyen agreed with Trump that in exchange for lower tariffs there would be a purchase of six or seven hundred billion dollars' worth of liquefied natural gas, plus an investment of an equal amount of European money in the United States over the next ten years—granted, it's just words—but what are you saying? You are becoming a tributary. Your job is to deliver value to the United States. It will continue, maybe, to provide you with some military support—okay, whatever exactly that means. It will berate you for not providing them with the support. Look what they're using that for now in terms of what didn't happen in the Gulf. I don't think they have much planned for you.

I think they assume Europe is going to fade away. And if I were in a mean mood, I would say to you there are even fairly strong rumors that Europe might be the way that the United States and China could learn to live with a carved-up world. The United States gets the Western Hemisphere, and China gets Europe. I know that this is frightening to Europeans, at least a few that I've told it to, but if you want to know where people's thoughts are going, the assumption is that Europe is over. I know how you do it on your program, so I know you know, but for those who follow—yes, it is wonderful for the Ukrainians that they can shoot missiles and drones into the heart of Russia. I get it.

It's wonderful public relations. It allows the narrative that was in deep trouble. But, you know, they just took another couple of Donbass cities. There aren't many left. We all kind of really know what's happening there. And if the Europeans keep escalating, then the Russians will escalate. And then where will we be? Mr. Trump cannot go to war against Russia. He can't do it. I don't think so. I think he knows it. They all know it. They can't do it. So if the Europeans push it and the Russians respond, even if it's not nuclear—I understand that, conventional—but they go after the places in the Baltics or in Germany or wherever else they are that are providing the material to Ukraine.

Ukraine is over. There won't be much of Ukraine left. That's a whole other issue. The initial plan was just to take the four oblasts on the eastern end. Those are now ancient history. They keep moving. They need what the Europeans used to call a cordon sanitaire, and it keeps moving west. So I think there's not much of a role for Europe, which somewhere the Europeans, I think, have a glimmer of. They get it, and that's why they're desperate. If Russia wins, the war in Ukraine comes to an end, and Russia takes a quarter of it, or whatever the amount there is, and Ukraine is rendered much poorer, much weaker, in debt forever.

This is a terrible outcome. Not only have they not gotten their great new colonial power or territory, but what they had is diminished. And now you're going to see in the rest of Eastern Europe a rethinking of who their allies are, the way you're seeing it in the Gulf states, who are realizing that an American military base is not a protection—it makes you a target, and a target of an Iran that can hit you. And everybody's rethinking. Look at Saudi Arabia. I mean, it's amazing, the shifting that's going on.

## **#Glenn**

Yeah, this is a fascinating thing in Europe, though, that they're doubling down on this gamble. That is, I see Mark Rutte, the NATO Secretary General, he keeps telling the Americans, listen, in efforts to elevate the relevance of Europe to the Americans, he's making the point that, oh, we're doing this military Keynesianism. That is, we're becoming a force amplifier, a valuable partner. And also, we're buying your weapons, so it's good for your economy. We employ Americans in order to be a militaristic partner for the U.S. But this only digs a deeper grave for the European economies. And then, of course, they all say, listen, we cut ourselves off from Russian energy, we're going to show our loyalty to the U.S., we're buying American energy, which is many times more expensive.

And they hope that this will also win the affection of the United States, to show that they are an important partner. As you said before, the EU's von der Leyen, she signs these trade deals with the Americans, which everyone says openly is a horrible deal. But again, it shows that, well, as you said, we're paying tribute to the United States. Why would you leave a continent that is willing to sacrifice its own economic interests to please the U.S.? But again, all of these things, all these tributes to the U.S., only make the Europeans weaker and weaker. And it's not sustainable, I think. And I think it also draws some contempt, to be honest, not just from Trump, but in Washington in general. This kind of subservience, it's not going to be sustainable.

## **#Richard Wolff**

Let me go even, take it a little bit further. It's well understood here that over the last eight or nine years before the Russians invaded, there was a tremendous program to build up the Ukrainian military. So at the time that the Russians invaded, the Ukrainians had a bigger army than most of the countries of Europe had, and they couldn't do it against the Russians. So now, add the

Europeans, and you don't add very much, and it's not enough. It's just not enough. And Americans are very aware now, in a way they weren't as little as five years ago, that behind Russia is China now. And China has a bigger manufacturing base to produce missiles and drones than the rest of Europe combined. So the Russians have no... The Iranians, thanks to the Caspian Sea, can get everything they need from the Russians, who, because they have a long border with China, can get everything they need from the Chinese.

What are you undertaking if you challenge China? What they have now produced. Are you aware—I only learned about it a few weeks ago—that the Volkswagen management had meetings in Washington earlier this year, discussing with the Trump administration moving the headquarters of Volkswagen to the United States? What greater—you know, that's not just a statement to the Americans, but that's a statement to all of Europe. And now they follow up. That deal fell through. That's not going to happen, at least for the moment. Instead, they're going to lay off 100,000. I mean, this is the deindustrialization. You're going to make Europe a tourist mecca that produces wine and cheese, you know, and that's fine, but everything else will come from somewhere else. I was in Paris the last time a few months ago.

I stepped into a taxi cab, and I noticed it was a BYD. I speak French, so I talked with the cab driver, and he told me why he's driving a BYD—because it's the cheapest, best car. That's why. It wasn't complicated. He would have preferred to get a Peugeot, but a BYD is what he has to do. He told me all the other cab drivers are putting pressure on the Macron government to let in more of the BYDs because they want to buy fleets of them. It's over. It's over. And the only reason we don't have BYD here—if you come to New York, you can have a cab, but it can't be BYD—is because there's a 100% tariff against BYD. And by the way, the tariff was originally put in by Biden and then raised by Trump. But if the Democrats win the elections in November, none of this that we're discussing will change.

## **#Glenn**

Let me ask a last question on the Russian economy. How do you see this being different from the other Europeans? Because it's holding up against all of these sanctions. It's even growing. It's diversifying. What is it? Do you see it? I mean, the Russians also had their empire. Do you see the Russians being less dependent on empire than the Europeans, or not? What is it about the Russian economy that is capable of thriving, even as the Europeans are seemingly dying off, while their economies are dying off?

## **#Richard Wolff**

I think the Russians have come to terms with the fact that they are going to be, and the truth of it is, junior partners of the Chinese. I mean, you remember, the Chinese economy is four to five times larger than the Russian. So we are not talking about equals. They aren't, and they haven't been, and they become less so with each passing year because the rate of growth of Russia, which is

impressive, especially during a war, is nonetheless significantly less than the Chinese. So the reality is, I think the Russians are going to work out a deal with the Chinese to colonize Russia—Russian Asia. Maybe a little bit they'll continue in the Asian republics that were below Kazakhstan, Uzbekistan, all of that.

They'll keep working to try to make those allies, but they're going to do what the Europeans covet. They want to develop the immensity of Asian Russia—its resources, its cities, its forests, its land. They don't have... Here in the United States, we have this as follows: a place like New York is a problem because Manhattan is an island, and you can't grow, so you have to grow up. Well, the Russians, they can grow this way. They can grow horizontally. They have an outlet for their need to grow. They have some of the same pressures that the Western Europeans do, but they also have a partner who is very eager to be in good shape with them because they have the military that China needs still some years to catch up with.

And one last point that you made. If I understand the German deal, they're going to spend \$800 billion over the next 10 years on the military. Well, the American budget, just to give people a sense of the size, is currently \$900 billion per year—not over 10 years, per year—and it is scheduled in the next year, 2027, to go from \$900 billion to \$1.5 trillion. That's in a dictionary. Europe cannot catch up. You can't do that. Those are numbers that are so disproportional that unless Europe comes up with some mammoth new source of funding across all the countries, even then they can't keep up. But at the current point, and if a good part of that is borrowing from America, well, then it's just a joke. They'll never catch up.

## **#Glenn**

So in short, the Europeans' efforts to make themselves relevant to the U.S. and thus have a place in this multipolar world are, well, not looking good.

## **#Richard Wolff**

And I tell you, Glenn, it frightens me because it suggests to me that the hysteria, the demonization of Russia and Putin and all this childish stuff is driven by a historically accumulated sense of having no other option. They're not prepared to talk about changing their society to come to terms with it. I live in the United States, where people like me—and we're not very many—are trying to get the country to realize the empire we have is declining, and we'd be better off working out deals with China and so on than this aggressive, slow-you-down, punish-you. It's no longer working.

It's bouncing back here. You know, the strongest voices for opening up relations with China in this country now are the leading American technology companies that have to sell to China. Otherwise, the Chinese will win. In other words, they'll win unless we open up, which will help them win. But if

we don't help them win, then they'll win. And this gets people very depressed as they figure out that's what it means if your empire is declining. And that's what it means for them that theirs isn't. And that makes a very dangerous situation.

## **#Glenn**

That's an interesting view because I always make the point that the Europeans could have a future if they changed the model completely. That is, if we wouldn't have a divided continent, if we would recognize that the largest country in Europe, that is Russia, is also part of the continent, we could become less dependent on external security providers. We would have more prosperity. Europe could have a pretty good future, but it's not even on the menu. They can't live next to Russia as an equal. This is the problem. There is no inclusive security architecture, no deals. It's either sovereign inequality or they will go down with the ship, it seems.

## **#Richard Wolff**

And boy, are they going down. Terrible, terrible mistake.

## **#Glenn**

Terrible mistake.

## **#Richard Wolff**

They also ought to ask the old, if you allow me, the old Marxist question: what about the organization of your enterprises—the capitalist and the worker, the employer, the employee? That's a driver. To maximize profit is to maximize the revenue stream of a very small number of people. Maybe you ought to think of running an enterprise not to maximize the profit—that's for a small number of people—but to maximize the wages and salaries, because that's the majority. A democratic enterprise cannot run the way capitalism is organized, and you wouldn't have the profit drive that leads to so much of this trouble. And I don't say that as an ideologue. I say that because Marx's insight here is becoming urgent, because it might offer a way out of the dead end that otherwise confronts us.

## **#Glenn**

Well, thank you, as always. Very much appreciate this. And yeah, it's worth looking into what kind or type of actor it is as well, besides just looking at the distribution of power, I guess. So thanks again.

## **#Richard Wolff**

My pleasure, Glenn Diesen. And thanks for your programs, which I've learned from and appreciate very much.