

Yanis Varoufakis: Iran War Could Trigger a Global Financial Crash

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CH: The longer the war with Iran continues, the more the global economy is thrown into crisis. The Iranians have bottled up the Strait of Hormuz, where 20% of the world's energy supply is transited. 40% of the oil China imports passes through the strait. Crude oil is now over \$100 per barrel, a 45% increase since the war began and climbing. Gasoline prices in the US have jumped by more than \$0.65 per gallon, jet fuel and diesel have surged by 25%. In parts of Asia, including Thailand, Pakistan and Bangladesh, there are already shortages and long lines at gas stations. Government offices in the Philippines have moved to a four-day work week. Myanmar's government has imposed alternating driving days. Japan, which depends on the Middle East for 90 % of its oil supply, is releasing a record 80 million barrels of oil about 45 days of supply. India, although permitted by the Trump administration to buy previously sanctioned Russian oil, will be especially hard hit. It is already suffering from a severe shortage of liquefied natural gas. About 84% of the crude oil and 83% of the liquefied natural gas that passes through the Strait goes to Asia. Nitrogen fertiliser, which cost between \$460 to \$480 per short tonne before the war began, has jumped to \$520 to \$620. This means massive increases in food prices. And once strategic reserves of stockpiles of oil are depleted, oil could easily jump to 200 to 300 hundred dollars a barrel, triggering a crippling inflation and a global depression. Global economies will at this point go into free fall, unleashing widespread civil unrest. Adding to this crisis is that two nuclear powers are prosecuting the war, the United States with some five thousand nuclear warheads and Israel with some 300 nuclear warheads. Israel for the first time in its history is suffering serious destruction from Iranian missiles and drones, the extent of which is not public because of heavy censorship. Israel, especially if the US decides to cut its losses and withdraw from the war, could see the government of Benjamin Netanyahu deploy a nuclear device and potentially a global conflagration. Joining me to discuss the consequences of the war on Iran economically,

politically, and militarily is Yanis Varoufakis, the Secretary General of the Democracy in Europe Movement 2025 and the former Minister of Finance for Greece.

I want to begin, Yanis, with the consequences of economic dislocation in terms of societal unrest, political unrest. I think back to my coverage of the war in the former Yugoslavia that was precipitated by an economic meltdown and hyperinflation which I believe contributed to the vomiting up of these Trump-like figures, Radovan Karadzic, etc. But this economic dislocation has always, throughout history, consequences that extend far beyond economic punishment. And I just wondered if you can talk about that.

YV: Sure, you're referring to the unintended consequences of a very stupid war into which Donald Trump has been trapped by Benjamin Netanyahu because, Chris, up until now, I think that Trump was winning everything. He won the trade war, the tariff war with the Europeans, he was very successful in weaponizing big tech and cryptocurrencies with a genius hand. From his perspective, he was winning, and this ridiculous campaign in which he has been sucked into for reasons which I don't think we will know until quite a few years pass, this is going to have long-standing effects, long term effects. Chris, I was reading in the Wall Street Journal and the Financial Times some wishful thinking articles, in which the comparison was being made between what's happening now in Iran and Liberation Day last year. Remember, when there was a spasm in the markets, the markets got panicky and jittery after the announcement of the huge tariffs that effectively suspended world trade for a week or so. And so the Financial Times' and the Wall Street Journal's wishful thinking goes along the lines of, well, it didn't turn out that bad. Within a month or two or three, markets were back. The economy shook off all concerns about recession. And well, maybe if this ends soon in the next few weeks, then we will, again, be able to proclaim in a couple of months that it was a silly thing that had happened, but world capitalism, US-based capitalism, dollarized capitalism, proved resilient. Well, I don't think that this is possible. Not only because this war is not going to end very quickly, I do not think, none of us has a crystal ball, but I think that Donald Trump has been well and truly caught in this trap that Netanyahu has set up for him, but the main point I want to make is that there is a world of difference between what happened last year with the tariffs and Liberation Day and now.

And allow me to make the point about why it was that Liberation Day tariffs proved to be transient in terms of their effects and why this one is not going to be transient for more or less the same reasons. So last year when Trump came in with his gigantic tariffs, especially against the Chinese and so on, firstly it was clear within a few weeks that demand in the United States for foreign exports was elastic enough so that much of the burden did not fall on American consumers, but it fell on importers. The second and very important, crucial reason why in the end Trump didn't suffer from Liberation Day is because at the same time as there was a recessionary wave, there was another wave in the opposite direction, a gigantic investment spree by Big Tech on AI. And that lifted the markets in a way that satisfied the Donald. The third reason is that tariffs actually worked from his perspective. Those tariffs managed to crowd into the United States substantial capital inflows. So I know lots of German companies that relocated to the United States like BASF and Mercedes-Benz and so

on, Japanese companies investing, Taiwanese companies investing, and the fourth important reason why Liberation Day did not have long lasting effects was that the central banks around the world, not just the Fed, were in the process of cutting interest rates, of loosening monetary policy. Now compare and contrast with what's going on now. Firstly, demand in the United States is not elastic to increases in gas prices. The vast majority of the very people, the blue-collar workers that voted Trump in, are suffering exorbitant increases in their transport costs. Let's not forget that the average MAGA supporter, voter travels 100 miles a day in very thirsty SUVs, cars, and that goes straight into, the increase in the gas price goes straight in to their family budget. The second, remember, the AI investment spree that saved Donald's bacon last year. Well, AI is extremely energy intense. It's very hungry for electricity. So the investment speed that we witnessed over the last 12 months is probably going to peter out because already there were qualms about the logic of that investment that was going so heavily into AI, but now that AI is becoming so expensive to run and train and all that, well, that is going to reduce very substantially the countervailing effects of more investment in AI. And beyond that, central banks. Central banks are already, because yields in ten-year bonds are rising, central banks either are going to increase now interest rates, or they're not going to reduce them according to the timeline that they had set out for themselves and which financial markets had already factored in. And lastly, last year at this time unemployment was not increasing. In the last two or three months unemployment both in the United States and in the United Kingdom and I very much fear also in the European Union are on the way up. So if you take all these factors together you'll see why I'm coming to the conclusion that this war, this inane war, by Donald Trump is even within the United States, not looking at Bangladesh or Japan as you were very accurately portraying those economies as being in dire straits, the United States economy itself, which is what really matters to Donald Trump, the European economy, the British economy, the West in general is entering a serious vortex of pain.

CH: Yeah, the Iranians have made it clear, and they're well aware of their ability to inflict this kind of pain, but they have made it clear that this conflict is not going to end for some time until that pain is felt. And I think it's important to note that the Iranian's have realised that this is an existential struggle, both last June and now when Israel and the United States attacked Iran, they were in the midst of negotiations. So the Iranians can hardly trust another negotiating team. As the weeks progress, we've already seen, especially in the Global South or in countries, some of the countries I mentioned, even Japan, that this is already a crisis. Paint for us a picture a few weeks from now, a few months from now how dire this can become and what the consequences are.

YV: Without wanting to cause panic amongst our viewers, this is really serious. Because, as you mentioned, Japan takes 90% of its energy, or of its oil and natural gas from Qatar, from Saudi Arabia, from the Gulf. The Japanese economy is a significant cog in the international Western machine. And when you look at what's happening, particularly in Bangladesh, already in Bangladesh, the textile industry is on a go slow, simply because they are fearful that their gas supply and therefore their electricity production is going to come crashing to a halt as a result of the total dependence of Bangladeshi electricity generation on the Gulf. So the snowballing effect is really what matters. It's not so much the primary effects, it's the

secondary and tertiary effects. And those are going to continue even if, as I said before, the Strait of Hormuz opens tomorrow, because it takes a long time for these supply chains, as we found out during the pandemic, to be kick-started again. And if you take into consideration that already we are in a macroeconomic recessionary kind of trajectory, then in conjunction with the fact that, as you said, the Iranians are not about to agree with Donald Trump, even if Donald Trump wants an agreement with them, even if he wants to end the bombing now, simply because they've been taken to the cleaners a number of times, and it's not just recent. You'll recall that in 2015 there was an agreement with the White House back then, with Barack Obama. I remember when I visited the White House in April 2015, and I had a meeting with him, I was only interested in talking about Greece, as you can imagine at the time, because we were in the doldrums, and he didn't want to talk about Greece. He didn't talk about Europe. He said the only thing he wanted to talk about was Iran and how he was keen to see Iran being reintegrated into the world financial circuits. And he did go through with that agreement. The Iranians were very happy, the Europeans were very happy and then Donald Trump gets elected and tears up that agreement. So the Iranians have had a good ten, eleven years to contemplate what it is that they can get out of a peace deal, an agreement, a deal, any kind of deal with the United States; and the answer to that is not much. The West is simply not reliable. They are not reliable during negotiations – don't forget that the bombing of Iran now started while negotiations were taking place with Oman playing the role of go-between, and they can't trust the West, they can't trust especially Washington, even after a deal has been concluded. So they are not going to do any favours to Japan, to Canada, to Australia, to Britain, to Germany, to France, let alone to the United States. That is all those powers which despite their declarations of wanting to become autonomous and sovereign from the United States, nevertheless, they make their military bases available to the United State's bombers, which from there bomb the smithereens out of Iran, kill school children in their territory. So, let's brace ourselves for a major tsunami that's going to hit us. It's already been hitting us without any prospect that it will subside any time soon.

CH: Well, of course, the worst effects will be felt in the Global South, in countries such as Japan that don't produce oil themselves, it's a huge benefit to Russia, of course; Trump couldn't lift the sanctions fast enough because of all of the problems that are already occurring within the supply chain in India and Europe. Europe is going to pay for this. And I find the attempt by the Trump administration to get European allies to provide ships on a kind of suicide run up and down the street after essentially dismissing and even insulting these allies, just another example of the crumbling edifice of the American empire. The United States, I think it's an oil exporter, it actually will probably suffer less direct pain, or at least in the short term, although as the global economy, you know far more than I do, so I'll let you talk about this, but as the global economy unravels, then there will be a kind of secondary blowback pain on the US economy. But let's talk about the different tiers that will be affected starting with the Global South looking at Europe and then maybe the United States.

YV: Well, let me start with the United States, if I may, because I was struck by what Trump said. He said quite correctly that the United States is a net exporter of energy after the fracking revolution. And therefore he said, well, when the price of energy goes up, of oil goes

up, of gas goes up, we Americans make more money. Now that just goes to show a complete lack of understanding, which of course Trump shares it with most of the traditional, the legacy press, of the fact that there's no such thing as the United States. There are many United States', you know, there are the working-class Americans, there are the middle-class Americans, there are the financiers, there are the realtors... Now there's no doubt that if the United States were a communist country and every American citizen was a shareholder in the USA then of course Trump's argument would hold, but they're not. It is the oil companies that are making, as last time I looked, they've already made some like 80 billion from the increase in the price of oil. But if you are a MAGA blue-collar worker who has to drive to a bullshit job in a car that guzzles gas, then you're done, you can't make ends meet. So you don't have to go to Bangladesh to see who's going to suffer. The working class of the United States is going to suffer. Because let's not forget that these wars, these trade wars, these actual wars, lethal wars, they're all class wars in the end. So it's not who is going to benefit; the United States or Germany or Japan or Russia. The working classes are going to lose out everywhere and maybe the working-class in Missouri and Mississippi is going to lose even more than the working class in Bangladesh because let's not forget that countries like Bangladesh have very strong social networks. They have family units and they have village units and they look after each other. There's a degree of solidarity. They have not suffered the dislocation of the working class, of the nomadic working class of your country, Chris.

But now I'm going to do as I'm told and I'm gonna talk about Japan and the European Union and the Global South. Now, there are two kinds of Global South countries, the ones that have been blessed with a great deal of investment from China. And here I'm talking about countries like Ghana, like Kenya, where already in the last two years, three years, Chinese solar panels and Chinese very high quality batteries have already given communities across Africa, and in some Asian countries as well, autonomy from the fossil fuel industry. So in countries like Kenya and Zambia and Ghana, in the same way that those countries never developed sufficiently their standard telephony – standard telephones with wires going through your home and so on – and leapfrogged communications revolution by going straight to mobile telephony. Similarly you find a number of countries in the Global South which no longer require fossil fuels because they've had in the last few years, very few years a substantial increase in their autonomous green energy production and storage. Those countries are going to be less affected and their reliance on Chinese manufacturing, particularly solar panels and batteries is going to get much greater. Then you have other countries which didn't have that blessing of autonomous energy systems and they are going to suffer more. Oh, Europe is in an awful situation, Chris, awful situation. And it is not simply a tide that's going out, sinking our boats into the mud of recession uniformly across Europe. I was looking at electricity prices today across Europe, and I saw that in Spain, a kilowatt hour was worth 35 euros, something like 40 bucks, in Germany it was 98 and in my god-forsaken country Greece it was 144 euros. So it is not just that a wave has hit us in Europe from this tsunami or this recessionary tsunami it has hit us asymmetrically and the asymmetries are due to the relative power of the local oligarchies. So the reason why a kilowatt hour in Greece is 144, whereas in Spain it is only 35, it's because we have different regimes. In Greece we have a totally oligarchy regime, which is totally in the pocket of Donald Trump, totally in the

pocket of Donald Trump and Israel; Greece has become a satellite of Israel and NATO and the United States. In Spain you have Sánchez with whom I have many differences of opinion, but at least when it comes to Palestine when it's comes to the United States, Israel, Gaza, Iran, and also electricity manufacturing and distribution, electricity generation and distribution, I should say, his government, the Sánchez government, has gone contrary to the interests of cartels, of oligopolistic cartels. So you see that it's not just that Europe, which was already deindustrializing after 20 years of austerity has just been hit by another wave that is recessionary and therefore detrimental to the interests of the working classes, but not to the interest of the cartels that are profiting it through the nose, as we speak, what we also have in Europe is fragmentation. Europe's problem was always that we had a divide. It used to be a north-south divide. Now we also have an east-west divide. You can already see that the governments and the officials from the Baltic States, from even places that used to be civilised like Finland and Sweden, are now very much pushing for more war, for more military spending, for greater support for a war in Ukraine that is not going anywhere for the Ukrainians, only in order to create greater tensions with Russia, you have Spain, Ireland, to a lesser extent, Portugal, countries that are moving in a completely different direction, so the fragmentation of the European Union, which is the reason why the European union is not really a union, it's a disunion, and why nobody is taking it seriously, least of all Donald Trump, that fragmentation is deepening and will become even worse as a result of the war in Iran.

CH: What about regionally, how much does this implode the hegemony of the United States with Iran attacking Gulf states that have US bases, of course, but that have really places like Dubai built their economies around international finance and this kind stuff?

YV: Well, the Gulf has been playing, in the last ten-15 years, a very substantial role in propping up the financial sector that is linked to the American dollar, that is linked to Big Tech, data centres have been mushrooming across the Gulf, investment in microchips, Nvidia made a mint out of the Gulf, and all of a sudden, with this Israeli-led attack on Iran, which Donald Trump allowed himself to become trapped within, essentially the business model of the Gulf has collapsed, has utterly collapsed. Look at all these airlines. The best airlines in the world come from the Gulf; Qatar Airways, Emirates, Etihad, and so on. And they're all stationary. You can see wherever you go around the world, those aeroplanes, wonderful, beautiful, gleaming new planes are sitting on the ground accumulating billions of dollars of debt every day of costs and losses. So essentially what I'm saying is that with that ridiculous war that Donald Trump allowed himself to be sucked into a substantial part of the financial and technological circuit that binds the Western dollarized economy, the political economy together has been sacrificed, it has gone down the toilet.

CH: Inflation has already begun. As this continues, how likely is hyperinflation? I've lived through a couple, Argentina, Nicaragua, Yugoslavia. All credibility in any government implodes when you have hyperinflations. How likely are we to get to that point and what are the consequences?

YV: I'm not worried about hyperinflation in the United States or in Europe. And the reason why I'm not worried is because I'm worrying about something worse. I'm worried about stagflation. The central banks of the Western world, the Fed, the European Central Bank, the Bank of Japan, they are not controlled by our congresses, our parliaments, they're not at all interested in the welfare of the little people who are struggling to make ends meet to buy groceries, to buy eggs, to buy whatever it is that they need to buy in order to survive. They will not allow inflation to go above a certain level, even if that means hiking interest rates in the same way that Paul Volcker did in the early 1980s to 20, 21, 22 %. By the way, since you mentioned Yugoslavia, and you've had this experience, Paul Volcker was a man who actually destroyed Yugoslavia, not directly, but indirectly by pushing up interest rates. You will recall that in the early 70s, the Yugoslav economy was a very successful economy based on cooperatives. It was an interesting example, experiment in self-managed socialist enterprises and it was so successful that American bankers were falling over each other in 1971, 72, 73 to lend money to Yugoslav enterprises. And Yugoslav enterprises made a huge mistake by taking that money. The result was that, when they borrowed at 3%, 3.5%, and then when Paul Volcker pushed interest rates to 22%, of course they went bust. And the rest is history. So they will do the same thing. The Federal Reserve, the ECB, if need be, in order to protect the assets of the ruling classes, they are going to hike interest rates. But that is going to give rise to gigantic deflationary effects and to effects that are going to double trouble unemployment. So we're going to have inflation, not hyperinflation, combined with unemployment. Therefore stagflation beckons.

CH: Explain why. Why does that happen? And explain the effects of stagflation as opposed to hyperinflation.

YV: Once upon a time, before the 1970s, economists, I'm speaking as one of that awful tribe, used to think that there are two monsters that we should fear. But at least we don't have to worry about both of them at the same time. One monster was inflation, that is, prices going up and up and up, the other monster was unemployment. And the conviction of my profession was up until the 1970's that you can't have both. Either prices are going to be going through the roof because the economy is overheating or if the economy's underheating, it's getting cold, cool, then you will have unemployment but not inflation. And lo and behold, of course, in the 1970s we had both. It's a very interesting question as to why we had it both, we can go into it if you wish, but now, the point I'm making is that we have another bout of that simultaneous facing up to the two monsters at the same time. In the 1970s, the reason why I had both was because the global economic system, the global political economy, went through a major transformation. The first two decades after the Second World War, where a period during in which the United States was a surplus country, the United States immediately after the Second World War was the only creditor country, the only country with net exports, if you exclude Switzerland, which is a pipsqueak of a country, it doesn't really count in the grand scheme of things. And the United States, the new dealers in power, Roosevelt initially and then Truman, were very worried about how to maintain that hegemony that came out of being a surplus country. So it was a very simple idea, and that was what the Bretton Woods system was between the late 1940s and August 15th of 1971.

The Bretton Woods system was predicated on the notion that the United States would maintain its surpluses, its net exports, by dollarizing Europe and Japan. Effectively, you know, Europe and Japan after the Second World War were burned down. We didn't have a monetary system. We didn't have the money to buy American exports. So the Americans dollarized Europe and Japan, sent us money to buy the net exports of the United States and then as long as the United States had a surplus with Europe and Japan with every Boeing aeroplane or Westinghouse refrigerator that was sold to the Europeans a chunk of dollars that they had sent to Europe was coming back to the United States and that was the recycling mechanism on which the first two decades after the Second World War were predicated. But by the end of the 60s the United States no longer had a surplus, it had a deficit. Therefore, that system could not work because it was simply pumping more dollars out and sending them to Europe and to Japan, creating lakes of dollars, which eventually undermined the value of the dollar. And Nixon blew it up. And the Nixon shock of the 15th of August 1971, which had very significant people behind it, not Richard Nixon, who was also a madman in authority like Donald Trump, but had somebody like Paul Volcker designing the whole thing and Henry Kissinger in his team. The idea of those men, which actually worked, was that, okay, well, now we have a deficit. What we're going to do is we're not going to go German and tighten our belts and impose austerity upon ourselves because that would simply mean falling in investment, the hegemony of the United States would disappear, no, what we're gonna do now to have a deficit, we are going to increase the deficit. Make it even bigger and we're going to make the capitalists of Germany, France, Italy and Japan and later China much later pay for it. So the American trade deficit became the vacuum cleaner that was sucking into the territory of the United States. The net exports of Germany, Japan, later China, these were paid for by IOUs called US dollars. And of course, what did the Japanese, German and the Chinese do with the dollars? Well, they send it back to the United States through Wall Street and that money bought American government debt, treasuries. In other words, the trade deficit of the United States was subsidised in the American government, the American military. Another chunk went to real estate. That's why people like Donald Trump became rich. And then a third chunk went into purchasing some equities, that is stocks in the New York Stock Exchange. Now, that was the model.

Now, for that to happen, there was a need for a significant devaluation of the American dollar, so Nixon devalued the American dollar by 30 %. He sent John Connally, remember the Treasury Secretary of Richard Nixon, he went to Europe and he said, folks, the dollar is our currency and from today it is your problem. So he devalued and that devaluation meant inflation. And it also meant in order to reduce the wage costs in the United States, effectively suppressing trade unions, Ronald Reagan completed that later on, suppressing real wages, that meant a combination of falling demand because workers had less money to buy stuff, that created an investment fall, that meant unemployment with inflation together. So the price that the American working class and the working classes of Europe and the rest of the world had to pay for America transforming itself from a surplus country to a deficit country and maintaining for the first time in human history – you know, America was the first empire that managed to get more hegemonic by going more into the red, that has never happened before. The Nixon shock is a remarkable transformation. That meant stagflation. We have another

such case now. It started last year with the tariffs. It started with the GENIUS act, the Trump administration, people like Scott Bessent and Stephen Miran, that gang. Their idea, I'm sure that this was not the Donald's idea because I don't think he can contain a couple of ideas in his head without exploding, but his team were not idiots, they just wanted to emulate the Nixon shock. So they privatised the dollar through the GENIUS act with cryptocurrencies, not cryptocurrencies so much, but stable coins like Tether, they are using Big Tech and the investment in artificial intelligence for the purposes of sucking into the territory of the United States the net capital flows of the rest of the world. The American trade deficit hasn't been reduced that much. So that element, the vacuum cleaner, still works, the vacuum cleaner that the Richard Nixon administration invented, still continues. They went straight for the same playbook of reducing the value of the American dollar by 20-30 %, as Nixon did. So we had all the elements of the stagflationary moment of the 1970s coming back and now the war in Iran is making it worse because stagflation, remember, as we said before, it's an increase in inflation and an increase in unemployment at the same time, well, that's what's happening now. In the United States, you pay more for gas to drive to your job, so inflation is there and at the time, demand for goods and services and therefore for labour is also falling, so unemployment is going up. So, Donald Trump could have escaped the stagflationary moment. The second stagnationary moment, had AI investment managed to maintain itself without cost-pushed inflation from energy, but he fell into the trap that Netanyahu set up for him.

CH: Do you think that as the weeks go on and this crisis becomes more acute, this buttresses the authoritarian tendencies of governments from India to Germany, to the United States; does authoritarianism benefit from this?

YV: Always, always, you know, from the mid-war period, what was fascism? It was what happens to capitalism when it can't deal with the crisis of its own making. When the capitalist class loses control, they pull the levers and it doesn't work anymore. Like hapless pilots who are in the cockpit and suddenly the levers don't respond to pulling and pushing. Fascism is the go-to ideology and the go-to practices which allow them to remain in power. The fascists have always been particularly useful to the ruling class, every time the ruling class made a mess of it and could not contain the crisis of its own making.

CH: I mean, civil liberties are being eviscerated by the hour in the United States. The Department of Justice is just a vengeance machine for the Trump administration. Court orders are ignored. I think there were 96 issued in January in Minneapolis against ICE, all of which had no effect. We're already, how does this crisis further consolidate that power and what do things begin to look like?

YV: What you saw in Minneapolis, the murder of American citizens, what you saw with ICE turning into the storm troopers of Donald Trump from the day he moved into the White House for the second time, that was happening while he was winning. So imagine what was going to happen when he was losing. We saw what happened in 2020. We saw what happened when he lost the election and he refused to acknowledge it. I don't want to even begin to imagine what's going to happen in the midterms, in November, when he sees his

numbers coming down. Are there going to be elections? Will he try to stop them? Could very well be that he does, or that after the event he challenges the outcome. Look, it's happening all over. Here in Europe, there is a colleague of yours, a German citizen, a journalist who can't even buy groceries. He can't pay his rent. He's a non-person. And he can't even take his government to court, because his government has not turned him into a non-person. His name is Hüseyin Dođru. He's a German citizen. And his crime was to write fiery articles about Palestine and actually very good reports on Palestine in Germany. And the European Union establishment discovered a way of preventing him from being a citizen of his own land. And also at the same time preventing him from taking them to court. Why? How did they do that? Well, they learned the lesson from me because when they banned me from entering Germany a couple of years ago I took them to court and I think I'm going to win. So in the case of Hüseyin Dođru, you know what they did? The European Union, the commission in Brussels banned him from the European Union. A European Union citizen, they turned him into a non-person, as an asset of Putin, just because they could. They could simply declare him a Russian asset. And the result is that if I or you send him some money or even give him some money, if we go to Berlin and we give him a few notes in order to buy food, we will also be arrested for aiding in a better Russian asset. Now, this is happening in civilised Europe. This is not in Donald Trump's America. This is happening supposedly in a rules-based order called the European Union.

CH: Well, they've gone after you, they've gone after Francesca, you have a court case in December.

YV: Yeah, but at least I can go to court. I mentioned Hüseyin Dođru because he can't go to court. Because you see they built up a fantastic Catch-22. It is the European Commission that has rendered him a non person. They banned him from travelling outside the borders of Germany, and remember, this is the EU where we are supposed to have an almost God given right to free movement within the European Union. So he's not allowed to go to Brussels where he needs to go in order to contest in court the European Union order against him. Now, they have not done that against Francesca or me. This is elevating fascism to a higher plane.

CH: And the left, those of us on the left, how do we respond to what's happening?

YV: Oh, organise, organise and organise some more and do that which we did when we were walking together in Genova. Look, there's no alternative than the hard work of political organising to topple our governments. This is good old-fashioned politics. None of us can solve any of these problems atomistically, individually, through fiery speeches or wonderful articles. These are all important in order to organise people so that we can actually take over the levers of power. It sounds like a very tall order. Well, it is. But then again, as Hannah Arendt said: Every revolution looked impossible before it happened and inevitable after it happened.

CH: Great. Thanks Yanis. I thank Victor, Sophia, Max, and Thomas who produced the show. You can find me at chrishedges.substack.com.

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