

Book Summary: *Why the West Can't Win*

In his provocative 2023 work, *Why the West Can't Win: From Bretton Woods to a Multipolar World*,<sup>1</sup> Fadi Lama identifies neoliberal financial policies as the root cause of the structural vulnerabilities undermining Western global dominance. Serving as an international adviser for the European Bank of Reconstruction and Development (EBRD), Lama argues that mechanisms often dismissed as fringe "conspiracy theories" are, in fact, institutional policies within a geopolitical struggle. This conflict is framed as pitting "colonial powers wishing to preserve the Bretton Woods system that facilitates siphoning the wealth of nations" against "sovereign nations striving for independence" (p.xviii).

The Architecture of Neo-Colonialism

Lama initiates his argument by outlining how the original Bretton Woods (BW) agreement established the post-WWII financial architecture. He contends this marked a shift for the *money powers* as direct military control (colonial plunder) was replaced by neo-colonialism achieved primarily through the BW system and the imposition of politically weak constitutions and independent central banks (p.3).

Lama critiques common economic metrics, asserting that GDP data is a fallacious measure of economic performance for nations issuing reserve currencies, as they can print money without facing significant inflation or currency devaluation risk (p.9). He points to a concerning decline in manufacturing coupled with a disproportionate rise in the Finance, Insurance, and Real Estate

(F.I.R.E.) sector, claiming this shift ended the "American Dream" era for most Americans in the late 1970s, leading to the current period of unsustainable deficits.

### The Ascendancy of the Money Power

The geopolitical focus has shifted to controlling energy reserves and routes as China dominates global manufacturing. Lama posits that the West's consumption is sustained not by true economic growth, but by the continued supremacy of BW's financial structures. The author asserts that the 1971 Bretton Woods II conference, where the U.S. ended dollar convertibility to gold, replaced gold with oil as the de facto backing for the US dollar.

Lama defines four pillars of power in societies—political, ideological, military, and money power (p.37). While money powers are influential in capitalist systems, they become truly dominant in neoliberal economies. He traces the ideological basis for this dominance back to European principles inherited from Rome, where the "sanctity of debt" prioritizes creditor claims and the transfer of property from defaulting debtors, thus outpacing concern for social well-being.

The author argues that the dominance of money power in Europe was institutionalized through a series of historical events including religious wars, democratization, and private central banks. Religious Wars limited the power of the papacy and removed ethical constraints previously imposed by Christianity and Islam on financial activities. Democratization shifted power from monarchs to parliaments, which conveniently placed state debt directly on the populace and made states more amenable to creditors (p.39). The development of private central

banks was a crucial step. Beginning with the Bank of Venice (1582), the establishment of privately owned central banks (e.g., Bank of England, US Federal Reserve, Bank for International Settlements), Lama claims these institutions were created to cancel dominant ideologies, replace centralized political power with controllable parliaments, and establish financial oligarchical control (p.40).

### Neoliberalism, Debt, and Corporate Control

Lama interprets President Donald Trump's 2017 actions, such as withdrawing from the Paris Climate Accord and canceling the TPP/TTIP talks, as instances of conflict with the established money powers. Lama argues that the end of dollar convertibility in 1971 granted "free rein to the money powers," laying the foundation for globalization and the neoliberal economy (p.59). This change enabled economic virtual reality, where up to 97% of new money is created electronically ("out of thin air"), with interest then charged on it.

The neoliberal shift, championed by figures like Margaret Thatcher and Ronald Reagan in the 1980s, effectively ended the capitalist decades. Lama contrasts healthy capitalism, where industry thrives, with the neoliberal economy, where the financial sector "grows by picking the cadavers of crisis victims" (p.66). The result is a political establishment dominated by money powers, creating conflict between society and government.

Lama highlights some key negative consequences of neoliberalism as weakened labor due to the migration of industry which lowered wages and weakened unions; greater degree of wealth concentration with benefits that flow primarily to and from the financial sector; and escalating

debt, with Lama citing the U.S. national debt growing from under \$0.5 billion in 1970 to \$5 trillion in 1996, and approaching \$40 trillion at the time of writing, asserting that financial institutions benefiting from the interest payments. He points to media influence, where ratings agencies and the mass media are characterized as "manufacturers of economic virtual reality" (p.77). Additionally, Lama asserts that global control is achieved through massive financial funds (specifically naming BlackRock, Vanguard, State Street, and T. Rowe Price) which exert controlling influence over the U.S. and global economy (p.229). Lama extensively covers how this system utilizes debt traps, with "Economic Hit Men"<sup>2</sup> fabricating high infrastructure estimates to push massive IMF loans, to strip developing nations of their sovereignty through forced neoliberal reforms when they default.

### Geopolitical Resistance and Forecast

Lama introduces a controversial chapter by contrasting the economic policies of the West with those of Nazi Germany, claiming their socialist monetary policy demonstrated how an economy can flourish when the "parasitic financial sector is stifled" (p.120). He argues that National Socialism is demonized for committing a crime against the money powers, not against humanity. He applies Brzezinski's chess analogy, arguing that sovereign states and vassals are merely *pieces* for the higher money powers; not the actual *players*.

Lama further details the destructive impact of the BW system, citing the Latin American debt crisis (1980s), the Japanese banking crisis (1990s), and the Asian financial crisis (late 1990s). He notes the extensive history of U.S. military interventions (over 500 since 1776, with over a third since 2000) and how the U.S. uses a progression of tactics: direct military intervention (Plan A),

proxies (Plan B, e.g., the Arab Spring), and "global economic war" (Plan C) (p.215). The author celebrates Russia regaining control of its energy resources after the Soviet collapse as a key resistance move. He defines the "resistance economy" as one that is popular, knowledge-based, focused on social justice, and internally developed to withstand sanctions.

Lama concludes that Western decline, driven by neoliberalism, is irreversible and accelerating, while the BRICS countries are on an ascendant trajectory. He advocates for a future based on intrinsic value rather than speculative investments, proposing that sovereign governments should own key financial institutions to prevent exploitation by a "parasitic minority." Lama forecasts that the West faces a difficult struggle to regain its freedom from the money powers that usurped its civilizations via the "central banking and the electoral democracy mirage" (p.245).

Works Cited

1. Lama, Fadi. *Why the West Can't Win: From Bretton Woods to a Multipolar World*. SCB Distributors, 1 May 2023. <https://www.amazon.com/dp/1949762742>.
2. Perkins, John. *Confessions of an Economic Hit Man, 3rd Edition*. Berrett-Koehler Publishers, 28 Feb. 2023.