

Report to the Ninth Congress of the Socialist Equality Party

An Assessment of the Decade of Socialist Revolution and the tasks of the Socialist Equality Party

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We are publishing here the opening report to the Ninth Congress of the Socialist Equality Party (US), given by David North, the national chairman of the SEP. The congress was held from August 2 to August 7, 2026. This report introduced the first resolution, “The SEP and the Struggle Against Imperialist War,” which was unanimously adopted.

A historical turning point

1. The Ninth Congress of the Socialist Equality Party convenes at a critical turning point in the political history of the United States and the world—the point of intersection of war, economic crisis, and rapidly growing social radicalization. The aura of American invincibility, built up over three and a half decades on the brutal strategy of “shock and awe” bombardments, has been shattered.

2. The ruling class placed Trump in power in the belief that the interests of the oligarchy would be well-cared for by an unscrupulous gangster. The Foreword to *Oligarchy: Trump and the Breakdown of American Democracy*—the most important contemporary book on American politics—poses the question:

What combination of social and economic processes brought such a man to power? What has sustained him through a decade of scandals and crimes, any one of which would have destroyed the career of any previous American politician? And most important of all, in whose interest does he rule?

The answer to the last question admits no ambiguity. Trump is the political instrument of the corporate-financial oligarchy that has come to rule the United States, a financial aristocracy that has amassed wealth on a scale unequaled in human history and that is, in its essential interests, irreconcilably hostile to democratic forms of rule.^[1]

3. In the struggle to defeat the slavocracy that threatened the destruction of the Union, the still young American bourgeoisie could find an Abraham Lincoln in the provincial prairie town of Springfield, Illinois, and placed him in the White House. In the 1930s, in the midst of the Great Depression, a still rising American imperialism could produce a politician of the caliber of Franklin Delano Roosevelt. But now, the degeneracy of

the American ruling class finds its most obscene expression in a president who resembles a character in a Scorsese movie.

4. But Trump’s experience in the underworld of New York real estate and Atlantic City casinos has not prepared him for the disastrous consequences of his criminal war against Iran. It is not only the Trump administration that is disoriented and discredited. This is a war that enjoyed bipartisan support. The Democratic Party welcomed the initial bombing and the decapitation of the Iranian government. The strategy that has directed the foreign policy of the United States for thirty-five years—summed up in the *Wall Street Journal*’s infamous phrase, “Force Works”—has been blown to pieces.

5. The Iran debacle will send shock waves through the entire American and international political system. The initial economic and political tremors are already being felt. Among its immediate consequences is the exposure of the rottenness of the existing social system based on capitalism—of its two-party system, corporate-controlled media, corrupted academy, bureaucratic labor organizations, identity-obsessed affluent pseudo-left and intellectually degraded culture.

6. The war is not an isolated event, unrelated to broader processes. The convergence of military defeat, social radicalization and political crisis is neither an accident nor a bolt from the blue. It is the outcome of the contradictions of American and world capitalism, foreseen and analyzed by the Trotskyist movement. The work of this congress must therefore begin with an examination of the perspective that has guided the work of the party.

I. The Decade of Socialist Revolution

7. On January 3, 2020, the *World Socialist Web Site* published its New Year’s statement, “The decade of socialist revolution begins.” In the six and a half years since its publication, the statement has attracted a certain genre of criticism, whose entire method consists of pointing at a calendar. No workers’ government has yet been established anywhere in the world; therefore, the headline stands refuted. The argument does not deal with a single sentence the document actually contains.

8. This genre has found its most elaborate academic expression in John Kelly’s *The Twilight of World Trotskyism*, a volume devoted to the thesis that the Trotskyist movement is a historical relic awaiting extinction, and one in which the 2020 Perspective is singled out for denunciation. Kelly writes:

Hermetically sealed in their doctrinairism, and inimical to genuine empirical inquiry or theoretical innovation, the organizations of Orthodox Trotskyism are condemned to repeat forever the slogans and policies of the first quarter of the twentieth century, convinced that these ideas, and these alone, hold the key to their imminent transformation into mass revolutionary parties that will lead Leninist-style assaults on capitalist power around the world.^[2]

9. This passage illustrates the intellectual and political bankruptcy of neo-Stalinism and the related forms of petty-bourgeois politics that flourish in the academy. Every element of the indictment inverts reality. What Kelly derides as “doctrinairism” is the defense of the historical continuity of Marxism, the theoretical foundation upon which alone a scientific prognosis is possible. The “empirical inquiry” he claims for himself produced a book proclaiming the twilight of Trotskyism on the very eve of the greatest crisis of world capitalism since 1945.

10. The “slogans and policies” derided by Kelly constitute the theoretical and programmatic foundations of the strategy of socialist revolution in the imperialist epoch. Let us cite several examples of the “doctrinairism” to which Kelly objects:

The present war is at bottom a revolt of the forces of production against the political form of nation and state...the real, objective significance of the War is the breakdown of the present national economic centers, and the substitution of a world economy in its stead. But the way the governments propose to solve the problem of imperialism is not through the intelligent, organized cooperation of all of humanity’s producers, but through the exploitation of the world’s economic system by the capitalist class of the victorious country... [Trotsky, *War and the International*, 1915]

The fact that imperialism is parasitic or decaying capitalism is manifested first of all in the tendency to decay, which is characteristic of every monopoly under the system of private ownership of the means of production. The difference between the democratic-republican and the reactionary-monarchist imperialist bourgeoisie is obliterated precisely because they are both rotting alive ... Political reaction *all along* the line is a characteristic feature of imperialism. [Lenin, *Imperialism and the Split in Socialism*, 1916]

11. Moving several years beyond the precise boundary of the first 25 years of the last century, I will cite a few more passages that exemplify the “doctrinairism” that, despite Kelly’s objections, remain the essential foundations of revolutionary strategy:

In our epoch, which is the epoch of imperialism, i.e., of world economy and world politics under the hegemony of finance capital, not a single communist party can establish its program by proceeding solely or mainly from conditions and tendencies of developments in its own country...

The international program must proceed directly from an analysis of the conditions and tendencies of world economy and of the world political system taken as a whole in all its connections and contradictions, that is, with the mutually antagonistic interdependence of its separate parts. In the present epoch, to a much larger extent than in the past, the national orientation of the proletariat must and can flow only from a world orientation and

not *vice versa*. Herein lies the basic and primary difference between communist internationalism and all varieties of national socialism. [Trotsky, *Critique of the Draft Program of the Communist International*, 1928]

In the period of crisis the hegemony of the United States will operate more completely, more openly, and more ruthlessly than in the period of boom. The United States will seek to overcome and extricate herself from her difficulties and maladies primarily at the expense of Europe, regardless of whether this occurs in Asia, Canada, South America, Australia, or Europe itself, or whether this takes place peacefully or through war. [Trotsky, *Critique of the Draft Program of the Communist International*, 1928]

The socialist revolution begins on the national arena, it unfolds on the international arena, and is completed on the world arena. Thus, the socialist revolution becomes a permanent revolution in a newer and broader sense of the word; it attains completion, only in the final victory of the new society on our entire planet. [Trotsky, “What Is the Permanent Revolution”, 1930]

A “socialist” who preaches national defense is a petty-bourgeois reactionary at the service of decaying capitalism. Not to bind itself to the national state in time of war, to follow not the war map but the map of the class struggle, is possible only for that party that has already declared irreconcilable war on the national state in time of peace. Only by realizing fully the objectively reactionary role of the imperialist state can the proletarian vanguard become invulnerable to all types of social patriotism. This means that a real break with the ideology and policy of “national defense” is possible only from the standpoint of the *international proletarian revolution*. [Trotsky, *War and the Fourth International*, 1934]

12. These conceptions, from the first quarter and first third of the twentieth century, remain the foundation of Marxist strategy as we begin the critical second quarter of the twenty-first century. Kelly, whose own political lineage runs through the Stalinist movement that predicted the disappearance of Trotskyism for ninety years while liquidating first its cadre and then itself, writes the obituary of the very tendency whose perspective events have vindicated. But let us not condemn Mr. Kelly without considering with the care it deserves his alternative to the doctrinairism of Trotskyism. He informs us that

to collapse working class politics into the binary choice of reformist socialism vs revolutionary socialism ... omits an even more important, third strand, that of ‘social reform’, the search for improvements in the quality of life within the parameters of capitalism.^[3]

13. I suspect that Mr. Kelly has not carefully read the reply written by Rosa Luxemburg to Edward Bernstein in 1898, *Reform or Revolution*. In any event, quite remarkably, Kelly, whose volume was published in 2022, points to Latin America as proof of the viability of his vision of social reform. But has the history of the last five years, let alone of the past century, vindicated Kelly’s perspective, in Latin America, or for that matter in Europe, or anywhere else?

14. In the four years since Kelly consigned revolution to the archives, the “parameters of capitalism” within which improvements were to be peacefully sought have revealed their actual content: the parameters of austerity, dictatorship, and war. His dreamt of democratized Latin America, which so thrilled him just a few years ago, is presided over by a Fujimori in Lima, a Pinochetist in Santiago, a chainsaw-wielding admirer

of the junta in Buenos Aires—and, in Caracas, by an acting government installed after American commandos abducted a head of state and delivered the country's oil to Wall Street.

15. The social democratic parties he offered as models of “social reform” are rearming Europe and dismantling what remains of the welfare state whose directives and statutes he itemized as proof of capitalism's potential for reform. Kelly claims that Trotskyism futilely advances a program that can never be achieved.

16. We can reply, with considerably greater justification, that Kelly presents a perspective whose every premise—the durability of bourgeois democracy, the impossibility of world war, the exhaustion of the revolutionary epoch—has been refuted by events. The twilight, it turns out, has fallen not on the Fourth International, but on the illusions of those who wrote its obituary.

17. The opening sentence of the 2020 statement read: “The arrival of the New Year marks the beginning of a decade of intensifying class struggle and world socialist revolution.” The operative phrase is “marks the beginning.” The statement characterized the objective situation and its trajectory; it did not issue a schedule of insurrections. The course of the past five years has fully substantiated the Perspective with which we began the decade.

18. The resolutions before the Ninth Congress comprise a systematic evaluation of the world situation a year beyond the decade's midpoint. Every fundamental tendency identified in the resolutions—the eruption of imperialist militarism, the crisis of the world economy, the collapse of bourgeois democracy and the turn to authoritarian rule, the explosive contradiction between technological development and the profit system based on private ownership, the irrational levels of wealth concentration and social inequality and the international radicalization of the working class—has developed with a scope and velocity that have outrun the 2020 perspective's own formulations.

II. The Metastasis of the Third World War

19. The 2020 statement placed the danger of a third world war at the center of its analysis of the coming decade. It rooted this danger in the central contradiction of the world capitalist system, between the globally integrated character of the productive forces and the nation-state framework in which capitalism is historically rooted. Six and a half years later, the question is no longer whether such a war will erupt.

20. The world war is underway, developing in the manner of a metastatic process: it is spreading globally as a chronic and expanding condition, colonizing new regions, fusing previously separate conflicts, and progressively transforming the world economy and every national state in preparation for the general conflagration toward which it tends. Posed in this way, the familiar question, “Will there be a third world war?”, is revealed as misconceived.

21. As I stated on May Day 2026, “World War is not a future threat, but a presently unfolding reality.” It is an ongoing process to be analyzed, consisting of the multiplication of fronts, the interlocking of theaters, the subordination of economic life to military requirements, the reorganization of the state for dictatorship and the ideological preparation of the population.

22. This analysis is now being confirmed by the most sober organs of bourgeois opinion. On July 26 the *Financial Times* published a column by its chief foreign affairs commentator, Gideon Rachman, under the title “Ukraine, Iran and how regional wars go global.” Rachman assembles the essential facts: the bloodiest war in Europe since 1945; a Middle Eastern war that has drawn twelve states directly into the fighting; North Korea's

military buildup and its renunciation of peaceful reunification; China's rehearsals for severing Taiwan's supply lines; regional conflicts that “are beginning to overlap” across two continents while influencing wars in Africa; and the crystallization of what American strategists call an “axis of adversaries.”

23. He concedes that the current set of conflicts “already meets a few” of the defining criteria of the two world wars, and he cites Zelensky's description of the North Korean deployment as the “first step to a world war,” adding that with Ukraine now striking Iranian shipping, “it is arguable that a second step has been taken.” What the revolutionary movement advanced as a prognosis in January 2020, is seconded by a leading columnist of European finance capital.

24. The genocide in Gaza, the war against Iran, and the expanding conflict in Ukraine are interconnected fronts in a global war. What began as a proxy war in Ukraine, instigated by the imperialist powers, has now evolved, indisputably, into an undeclared but very real war by the NATO powers against Russia. The drone attacks on Russia are being directed, without any effort at concealment, by the US and its NATO partners. As the *Financial Times* reported on July 29, “intelligence provided by the US and France had helped map Russian air-defense deployments and identify routes that allowed drones to evade them and reach targets deep inside Russia.”

25. Quoting Robert Brovdi, commander of Ukraine's Unmanned Systems Forces, the FT reported that Russia's European territory was now being targeted. “Eighty million people—roughly two-thirds of Russia's population—live in the European part of the country, within the strike zone, which is no longer and will no longer be considered Russia's safe rear area.” The FT further reports that “US and French intelligence had also improved target selection ... helping Ukraine's deep-strike drone teams ‘learn where to hit’...”

26. The catastrophic implications of NATO's direction of attacks on Russia are obvious. The probability of a Russian counterattack on NATO countries is increasing by the day. Putin, the former Soviet police agent educated in the Stalinist school of “peaceful coexistence,” foresaw nothing when he launched his “special military operation” in full expectation that his “western partners” would come to terms with Russia. We are now witnessing the disastrous consequences, of which the Trotskyist movement warned, of the Stalinist liquidation of the Soviet Union.

27. The world war now spreading across five continents raises to the highest level the historic struggle of this epoch: between global imperialist war and the world revolution, between imperialism's drive to organize and subjugate the earth and the ever-more conscious effort of the international working class to overthrow the social order that produces the redivision by imperialism.

III. 1991 and the Genesis of the Present War

28. The present world conflict has been in development not since 2022, nor since 2014, but since 1990–91. The dissolution of the Soviet Union by the Stalinist bureaucracy, the terminal act of its counterrevolutionary evolution, was greeted by the ruling classes of the West as the final victory in the struggle that had begun in 1917. The proclamation of the “End of History” was not, at bottom, a thesis about liberal democracy. It was the declaration that the specter of socialism had at last been exorcised, that the challenge raised by the October Revolution had been definitively liquidated and that the twentieth century could now be annulled.

29. The response of imperialism to the dissolution of the USSR was nothing less than an attempt to recreate the world as it would have been

had the October Revolution never occurred: to restore the unmediated domination of capital over every territory, resource and population that the revolution and its aftershocks had removed from, or shielded against, the imperialist system, and to complete, seventy-five years late, the prospect with which the United States had entered the First World War, the organization of the entire planet under what President George Herbert Walker Bush described as the “New World Order,” that is, the organization of the planet under the hegemony of American imperialism.

30. From this there followed the two defining strategic motivations of post-Soviet imperialist policy. The first was the redivision of the former Soviet space itself. The end of the USSR directly posed the possibility of dismembering the vast territorial, industrial and resource inheritance held within the framework of the workers’ state, the largest unclaimed prize in the history of imperialism. From that moment, the redivision of the world was bound up, in practice, with placing the entire expanse of the former Soviet state under imperialist control: its land, its energy, its minerals, its labor, its strategic position astride Eurasia.

31. This aim has stood at the center of American and European policy for thirty-five years. It was codified as early as the 1992 Defense Planning Guidance, which defined the prevention of any new rival on the Eurasian landmass as the first objective of American strategy, and it was theorized openly in the geopolitical literature that identified control of the post-Soviet periphery, above all Ukraine, as the key to world primacy. It was executed in the eastward march of NATO through five expansions to the borders of Russia^[4]; in the military destruction and partition of Yugoslavia, the first war in Europe since 1945, which supplied the template for “humanitarian” imperialist intervention; and in the serial orchestration of “color revolutions” across the former Soviet republics, culminating in the 2014 coup in Kiev, which converted Ukraine into the forward base of the drive to the east.

32. The war that erupted in 2022, despite the reactionary character of the Putin regime’s response to NATO’s provocation, is the culmination of this entire trajectory. Its object, now stated with increasing frankness in Western strategic discourse in the language of “strategic defeat” and “decolonization,” is the breakup of the Russian Federation.

33. The second strategic motivation followed from the removal of the Soviet counterweight in the rest of the world. Soviet Stalinist policy in the colonial and less developed countries was never of a genuinely anti-imperialist character. The Kremlin supported national movements for self-determination in the “Third World” as a means of weakening imperialist pressure on the USSR. The Kremlin never supported, let alone encouraged, socialist revolution beyond the borders of the Soviet Union.

34. Nevertheless, however cynically the Kremlin utilized and manipulated them in the interests of Stalinist foreign policy, the existence of the USSR had provided a degree of security, diplomatic, military and economic, for a whole stratum of bourgeois nationalist regimes in the former colonial world whose room for maneuver depended on the ability to balance between the imperialist and Stalinist blocs. The disappearance of the USSR removed every restraint on direct imperialist violence against them.

35. The Gulf War of 1990–91, launched amidst the unfolding dissolution of the Soviet Union, opened the era of “forever wars.” In a report to a Special Congress of the Workers League (predecessor of the Socialist Equality Party) in August 1990, summoned in response to the imminent invasion of Iraq by the United States and a coalition of imperialist powers, I stated:

This international gang-up against Iraq is an expression of the historical essence of the Persian Gulf crisis. *It marks the beginning of a new imperialist division of the world.* The end of the postwar era means the end of the post-colonial era. As it proclaims the

“failure of socialism,” the imperialist bourgeoisie, in deeds if not yet in words, proclaims the failure of independence. The deepening crisis confronting all the major imperialist powers compels them to secure control over strategic resources and markets. Former colonies, which had achieved a degree of independence, must be resubjugated. In its brutal assault against Iraq, imperialism is giving notice that it intends to restore the type of unrestrained domination of the backward countries that existed prior to World War II.^[5]

36. All subsequent events have substantiated this analysis. Iraq was subjected to permanent blockade and bombardment throughout the 1990s and destroyed by invasion in 2003. Somalia and Yugoslavia were attacked; Afghanistan was occupied for twenty years; Libya was reduced to rubble in 2011; Syria was consumed by a decade of proxy war; Yemen was starved; Sudan was dismembered; and now, in 2026, Iran is subjected to open and unlimited war. These three and a half decades of uninterrupted warfare, extending across the arc from the Balkans to the Hindu Kush^[6], constitute a single protracted campaign: the systematic liquidation, state by state, of every obstacle erected by the revolutionary and anti-colonial upheavals of the twentieth century against the unmediated rule of imperialism in the world’s decisive energy-producing regions.

37. The war against Iran is the culmination of this entire 35-year trajectory. It is also its historical reckoning. Nemesis is now overtaking hubris. Planned as the crowning operation of the post-1991 project, the assault of February 28, launched in the midst of negotiations and initiated with the assassination of a head of state and his family, was to demonstrate, once and for all, that no state could withstand the concentrated application of American military power.

38. Five months later, the outcome is a major strategic setback. Iran has not capitulated. The Strait of Hormuz, through which one-fifth of the world’s petroleum passes, remains a contested war zone. American munitions stockpiles are depleted; the regional base structure has come under sustained fire. And Washington’s own strategic analysts now concede that the United States has arrived at a “strategic dead end,” incapable of achieving its objectives. This assessment should not be taken to mean that the Trump administration will not attempt to find a way out of the present impasse through further escalation, including an invasion of Iran. But such a monumentally reckless action would only increase the scale of the disaster.

39. The significance of this debacle, even without an invasion, extends far beyond the Persian Gulf. The conviction that has guided American policy since 1991—that a Pax Americana could be imposed upon the world through the unrestrained exercise of military power—stands exposed as a delusion. The earlier victims of the forever wars were isolated, impoverished and militarily prostrate states; and even against these, three and a half decades of warfare produced not a new world order but ruins. Against Iran, a nation of ninety million, the formula has broken down entirely. But the delusion was an ideological reflex of a ruling class that has sought, through military means, to reverse the protracted decline of its economic position. Precisely for this reason, the strategic setback in the Gulf will produce not retreat but further and more desperate escalation, directed against Russia and China—that is, the extension of the very world war whose front this report surveys.

40. The United States led the new imperialist crusade. But it has never been an exclusively American enterprise. As the 1990 report observed,

the imperialist strategists of the “Old World” welcome the opportunity Bush has provided to restore colonial style

domination. The American intervention is perceived as the beginning of a new repartitioning of the globe. That is why every imperialist state is so anxious to participate in the modern-day crusade against the Iraqi infidel. Even the flabbiest old scoundrels are pulling in their potbellies and attempting to suit up in imperial uniforms, which circumstances had obliged them to consign to the storage closet for decades.^[7]

41. Thirty-five years later, the escalating conflict with China belongs to the same historical complex. China has become a powerful economic competitor of the United States, and this cannot be tolerated by Washington. But the tension is exacerbated by the fact that China's massive economic growth cannot be separated from its revolutionary history. The 1949 Revolution, itself a product of the epoch opened by October, ended a century of imperialist dismemberment, expelled foreign capital, unified the country and created, despite the subsequent evolution under Maoism and the capitalist restoration begun in 1978, a state whose origins lie in the anti-imperialist revolution inspired by October. Its developmental capacity is the direct inheritance of that revolution.

42. American policy initially welcomed the restoration of capitalism in China as the incorporation of a boundless reservoir of cheap labor. It assumed that integration would proceed to subordination and, finally—through a combination of imperialist economic pressure and the incitement of linguistic, ethnic and national conflicts—to the breakup of China.

43. The entire strategic orientation of the past fifteen years—the “pivot,” the trade war, the technology blockade, the lattice of alliances from the Quad to AUKUS—has been driven by the discovery that this assumption has failed. The Chinese capitalist state has refused the subordinate role assigned to it, and its economic rise therefore confronts Washington not as a market opportunity but as a rival capitalist challenge to the US drive for global hegemony that followed the dissolution of the USSR.

44. This does not alter the fact that the political trajectory of the Chinese Communist Party (CCP), steeped in nationalism, is fundamentally reactionary. “Socialism with Chinese characteristics” is a contradiction in terms. However powerful its economic development, the fate of China will be determined by the outcome of the international class struggle, in which the struggles of the Chinese working class against the ruling capitalist regime will play an immense role. Without a social revolution that ends the rule of the capitalist oligarchy and establishes a genuine workers' state in China itself, the economic development of China leads inexorably to a catastrophic war with the United States.

45. Perhaps the most striking feature of the present situation is that the leaders of the major imperialist powers no longer make any secret of their conviction that war against China and Russia is inevitable, and that the task of statesmanship is to prepare for it. At the height of the Cold War, whatever the reality of their preparations, the heads of the major powers spoke publicly of preventing war. President Kennedy told his audience at American University in June 1963 that “total war makes no sense” in the nuclear age and proclaimed peace “the necessary rational end of rational men.”

46. Kennedy's famous speech was delivered less than a year after his own policies led to the Cuban missile crisis and just five months before his assassination. Having been brought to the brink of thermonuclear war in October 1962, perhaps he was sincere in his declaration that such an outcome “makes no sense.” But the basic flaw in Kennedy's conclusion was that it assumed that imperialism was governed by a morally constrained rationality that prioritized survival. If the present-day rulers appear to act as madmen, it is because their decisions are determined by the essentially irrational interests of a corporate-financial oligarchy fixated on the necessarily violent struggle for the redivision of the world, markets,

raw materials and spheres of investment, whatever the consequences.

47. Today the operative phrase in every imperialist capital is “preparing for war.” Chancellor Merz has told the German public, “We are not at war, but we are no longer at peace either,” words spoken as his government enacts a package of war measures to render the state, the economy and society “crisis-proof,” and as his defense minister names 2029 as the year by which Germany must be *kriegstüchtig*, fit for war. Merz, the former chairman of the supervisory board of BlackRock Germany, does not strut like Kaiser Wilhelm or rant like Adolf Hitler. But his preparations for war with Russia are in historical continuity with German imperialist foreign policy objectives that span more than a century.

48. Ex-Prime Minister Keir Starmer announced in June 2025 that Britain is “moving to war-fighting readiness as the central purpose of our armed forces,” and pledged to innovate “at a wartime pace.” President Macron, announcing the doubling of the French military budget, declared that “since 1945, freedom has never been so threatened,” instructed his citizens that “to be free in this world, you have to be feared; to be feared, you have to be powerful.”

49. He reported to the armed forces in his New Year address this January that “we are ready,” and that the decade of French rearmament had “borne fruit.” By July, Macron was proclaiming France's readiness to fight “even at the cost of our blood.” When one reads these words, one asks oneself “where is this insanity coming from? Do they even believe their own words?” These are not the private calculations of general staffs, leaked to the press or reconstructed by historians in the aftermath of a military catastrophe. They are the public speech of heads of government, addressed to their own populations, and its purpose is to accustom those populations to the war that is being waged over their heads and against their will.

50. Nor is the war fever confined to the old imperialist centers. The sharpening of the world conflict draws the regional powers ever more deeply into its vortex, and none more aggressively than Türkiye. Commanding the largest land army in European NATO and a rapidly expanding armaments industry, the Erdoğan government has intervened militarily in Syria, Libya and the South Caucasus, extended its economic and military reach into Africa, and now advances itself as an indispensable arbiter of the world crisis—maintaining channels between Moscow and Kiev, proffering its services as mediator in the war against Iran even as the NATO installations at İncirlik, Konya and Kürecik serve as staging and intelligence centers of the US-Israeli assault, and hosting this July's NATO summit in Ankara, from which Erdoğan proclaimed Türkiye “not just a host country, but a pivotal ally.”

51. This escalating intervention into global politics expresses not strength but the impossibility of neutrality: the metastatic spread of the war compels the bourgeoisie of every regional power to scramble for a place in the redivision of the world lest it become an object of that redivision. And, as everywhere, the outward projection of military power is welded to inward reaction—the jailing of opposition leaders, the decades-long oppression of the Kurdish population and the systematic persecution of anti-war and socialist opposition.

52. As we meet in the summer of 2026, wars are being fought on five continents: in Europe, in Asia, in Africa and, through the Venezuelan operation, its extension toward Cuba and the accompanying militarization of the Caribbean, in North and South America. Though not yet engaged in military conflict, Mexico, Canada, the United States and Greenland are witnessing a massive escalation of economic and political conflict that threatens to escalate into war.

53. Therefore, the third world war is not a hypothesis about the future. It is a description of the present. The 2020 statement's warning that the fight against war would stand at the center of the coming decade has been confirmed. The war is not an aberration imposed upon a healthy US

economy. It is a political consequence of the economy's own contradictions. The 2020 statement identified the objective indices of breakdown. Six and a half years later, every index has worsened by an order of magnitude.

IV. The Economic Base

54. At the end of 2020, gross federal debt stood at approximately \$27.7 trillion. As of January 7, 2026, it had reached \$38.43 trillion—\$10.73 trillion higher than five years earlier—growing over the preceding year at an average rate of \$8.03 billion per day, \$334 million per hour, or roughly \$93,000 per second. By June 2026 the total stood at \$39.5 trillion, and fiscal year 2026 is on track to close near \$40 trillion. The debt has thus grown by roughly \$12 trillion, or more than 40 percent, in five and a half years, with a new trillion dollars now added approximately every five months. The Committee for a Responsible Federal Budget projects the debt will surpass \$53 trillion, or 120 percent of GDP, by 2035.

55. In fiscal year 2020, net interest outlays were roughly \$345 billion, with the average interest rate on marketable debt around 1.5 percent. Net interest has since nearly tripled. The average rate on marketable debt now stands at 3.36 percent, and the Congressional Budget Office forecasts that net interest will consume 13.85 percent of all federal outlays in FY2026, rising to 14.52 percent by FY2028. One reads these figures and one wonders why the French Finance Minister Necker was so disturbed by the French debt in 1788. Compared to this, that was an example of extreme frugality. Annual interest payments, which reached nearly \$1 trillion in 2025, are projected to hit \$1.8 trillion by 2035. Interest on the debt now exceeds the military budget—a classic symptom of imperial fiscal decay.

56. The 2020 goods and services deficit was \$678.7 billion. For 2025 it was \$901.5 billion—comprising a goods deficit of \$1.24 trillion, partially offset by a services surplus of \$339.5 billion. The significance lies not merely in the level, roughly one-third higher than 2020, but in the demonstrated failure of the tariff offensive: despite the Trump administration's aggressive tariff regime, the 2025 deficit declined by only 0.2 percent, or \$2.1 billion, from 2024. Notably, the largest goods deficit is now with the European Union (\$218.8 billion), exceeding those with China (\$202.1 billion) and Mexico (\$196.9 billion)—a datum directly relevant to the intensification of US–EU trade conflict.

57. The FY2020 deficit of \$3.1 trillion was extraordinary—a product of the pandemic emergency measures. But deficits of \$1.7–1.9 trillion have since become the permanent peacetime norm. The deficit is projected to rise from \$1.7 trillion in 2025 to \$2.6 trillion in 2035, with cumulative deficits of \$22.7 trillion over the coming decade. The Congressional Budget Office (CBO)'s long-term projections show deficits averaging 7.2 percent of GDP over the next three decades, with publicly held debt swelling from 100 percent of GDP in 2026 to 175 percent by 2056. Clearly this is unsustainable.

58. Gold averaged roughly \$1,770 per ounce in 2020, closing the year near \$1,895. As of July 30, 2026, it trades at approximately \$4,080 per ounce—up 24 percent over the past year alone—and has repeatedly set record highs, rising more than 25 percent since early 2025. The price of gold has thus more than doubled since 2020: an unambiguous verdict by the world market on the dollar and on paper assets generally. The World Gold Council reported record global gold demand in 2025, driven above all by central bank purchases—the material expression of de-dollarization.

59. The dollar fell roughly 10 percent against major currencies over the past year, with a further 1.2 percent decline in January 2026 alone. Its share of global foreign exchange reserves, roughly 59 percent in 2020, fell to 56.9 percent in the third quarter of 2025—the lowest level since 1995,

and far below its 2001 peak of 72 percent. The 2022 freezing of \$300 billion in Russian central bank assets proved a watershed, fundamentally altering the risk calculus of reserve managers worldwide and accelerating diversification into gold and non-dollar assets, while China's Cross-Border Interbank Payment System (CIPS) now connects participants across 117 countries.

60. The economic decay of American capitalism is inseparable from the staggering enrichment of the financial oligarchy that presides over it. According to Federal Reserve data published in January, the share of national wealth held by the richest 1 percent of Americans reached 31.7 percent in the third quarter of 2025—the highest level ever recorded—while the top 10 percent hold more than 68 percent and the bottom half of the population barely 2.5 percent. Globally, billionaire wealth grew in 2025 at three times the average rate of the preceding five years, reaching a record \$18.3 trillion—an increase of 81 percent since the publication of the 2020 statement. The number of billionaires now exceeds 3,000, and their combined fortunes are equivalent to 14 percent of world GDP, as against 2.5 percent in 1990. The wealth of the oligarchy has grown in step with the thirty-five-year eruption of imperialist war, of which it is both the driving force and the beneficiary.

61. Taken together, the figures describe not a cyclical difficulty but a structural condition: a state adding a trillion dollars of debt roughly every five months; debt service devouring one-seventh of the federal budget; a trade deficit impervious to protectionist measures; a currency losing both exchange value and reserve status; gold—the ultimate measure of value—registering a vote of no confidence in the entire dollar-denominated credit structure; and, presiding over the whole, a financial oligarchy whose share of the national wealth has reached the highest level ever recorded.

62. These figures record not merely a distribution of wealth but a form of rule. The contemporary American state is oligarchic in its essential character. Oxfam's January 2026 report, aptly titled "Resisting the Rule of the Rich," documents that billionaires are 4,000 times more likely to hold political office than other citizens; that one of every six dollars spent in the 2024 US election came from just 100 billionaire families; that the Trump cabinet, with a combined wealth exceeding \$7 billion, is the richest in American history; and that the president has used his office to enlarge his personal fortune by more than \$1 billion in a single year. More than half of the world's largest media companies, and eight of the ten leading AI firms, are billionaire-controlled.^[8]

63. Marx's characterization of the state as a committee for managing the common affairs of the bourgeoisie has acquired an almost literal exactitude. The government of the United States functions as the direct instrument of a corporate-financial aristocracy, and the destruction of democratic forms, the drive toward dictatorship and the resort to war are the political methods required for the defense of its wealth against the working class. Now, in the future, as these figures are looked upon and recorded and studied, it will appear so obvious to historians that a revolution was inevitable. They will all write, "how could this not have been seen?" But of course, the historians don't see it, nor does the vast and overwhelming majority of the political commentariat.

64. Another critical element of the economic crisis arising from the vast expansion of credit and debt is the growth of fictitious capital, which is now concentrated in the speculative mania surrounding what the ruling class calls "artificial intelligence." The WSWS rejects this term in favor of *augmented* intelligence. The technology is neither an artificial nor an alien intelligence. It is the objectification of accumulated human intellectual labor, and the prevailing terminology, like the commodity fetish analyzed by Marx, presents humanity's own social product as an autonomous power standing over it.

65. But the significance of this technology extends far beyond the fortunes of the speculators. As was developed in the lectures delivered last

autumn in Berlin and London, augmented intelligence, by expelling living labor—the sole source of surplus value—from the productive process on an unprecedented scale, objectively undermines the entire value system upon which capitalism is based. It drives the organic composition of capital to unheard-of heights, accelerates the tendency of the rate of profit to fall, and presses toward the condition foreseen by Marx in the *Grundrisse*, in which production founded on exchange value breaks down. That extended analysis cannot be reviewed here; but it defines the objective framework within which the speculative mania must be situated.

66. Under capitalist ownership, a technology of immense liberating potential has become the vehicle of a speculative bubble. The entire American financial edifice now rests on an extraordinarily narrow foundation: a handful of technology monopolies. Three decades of recurring bubbles, each rescued by an expansion of credit, have resulted in speculation conducted under conditions in which the traditional remedies, fiscal expansion and monetary easing, are constrained by the mountain of debt and by the fragility of the dollar itself. Under these conditions, the ruling class turns to war as its answer to the economic crisis. War is the classical capitalist resolution of the crisis of overproduction and overaccumulation: the physical destruction of capital, the seizure of resources and markets, of which Venezuelan oil is the most recent example, and the disciplining of the working class under conditions of national emergency.

67. The transition to a war-based economy is now most advanced in Europe. At the Hague summit of 2025, NATO replaced its 2 percent target with a 5 percent target, 3.5 percent for the military core and a further 1.5 percent for war-related infrastructure, and at the Ankara summit this July the member states presented their compliance plans. The Baltic states and Poland already spend between 4 and 5 percent.

68. Germany has enacted the largest rearmament budget in the history of the Federal Republic. It has suspended its constitutional debt brake for military expenditure, committed itself to reaching the 3.5 percent core target six years ahead of the alliance schedule, set course toward war-related spending in excess of 200 billion euros a year, and openly proclaimed the goal of fielding the strongest conventional army in Europe.

69. Since January, every German eighteen-year-old has received a questionnaire on military suitability. From July 2027, medical examination becomes compulsory for the first male cohort, with a statutory trigger for full conscription should voluntary recruitment fall short. In the United States, the automatic registration of all males aged eighteen to twenty-six, scheduled to take effect in December, prepares the same instrument.

70. A world situation cannot be judged from its objective facts alone; one must also examine the consciousness of the classes acting within it. The July–August issue of *Foreign Affairs*, the organ of the Council on Foreign Relations, asks on its cover: “Who Will Win the Next War?” The central theoretical organ of American imperialism has organized an entire issue not around whether a great-power war will occur, still less how it might be prevented, but around who will win it. The permitted debate runs from those who would fight the next war sooner to those who would fight it better prepared; the position that it should not be fought is unrepresented. The ruling class has internalized the third world war as its working assumption.

V. The Radicalization of the Working Class and the Crisis of Leadership

71. The central lesson of the epoch of 1914–1945 bears directly on the

present. World war and social revolution are interconnected phases of a single crisis. The First World War produced, within three years, the greatest revolutionary wave in history. The Second World War produced the upheavals of 1943–1948, which were contained only by the combined exertions of imperialism and Stalinism. And of course, the great anti-colonial movements that persisted through the 1950s, ’60s and into the ’70s, were itself the aftershocks of the Second World War and the revolutionary wave.

72. Total war requires the total mobilization of the working class, setting into motion a process of social and political radicalization, as occurred in 1917 and during the final years and aftermath of World War II. The rulers of the present period know this history. It is embedded in the institutional memory of every capitalist state. The ruling class is haunted by the revolutionary consequences of the imperialist war that began in 1914. As rightwing historian Sean McMeekin wrote on the centenary of the October Revolution: “Like the nuclear weapons born of the ideological age inaugurated in 1917, the sad fact about Leninism is that, once invented, it cannot be uninvented.”^[9]

73. The metastatic spread of the imperialist war finds its dialectical antipode in the global expansion of the class struggle. Its growth proceeds, in the term Trotsky applied to the maturation of revolutionary consciousness, molecularly, beneath the surface of official politics, in millions of individual experiences of exploitation, war and state violence that accumulate silently until they find collective expression with a force that takes every government by surprise. Where the war divides the world into fronts, the class struggle unites it.

74. The international unification of the working class was foreseen in the opening report to the thirteenth national congress of the Workers League on August 30, 1988:

We anticipate that the next stage of the proletarian struggles will develop inexorably, beneath the combined pressure of objective economic tendencies and the subjective influence of Marxists, along an internationalist trajectory. The proletariat will tend more and more to define itself in practice as an international class; and the Marxian internationalists, whose policies are the expression of this organic process, will cultivate this process and give it conscious form.^[10]

75. In 1988 the global integration of production was, compared to its present-day scale, in its infancy. The transnational corporation was only beginning to supersede the older multi-national form of organization. In the four decades since, that process has been carried to its conclusion. The multinational corporation of the older type was, in essence, a national firm with foreign operations—an American, German or Japanese company that planted subsidiaries abroad while its products remained identifiably national in character. That world no longer exists. Production has been reorganized as a single, globally integrated process, and in the course of this reorganization the commodity itself has been stripped of national identity.

76. There is today no such thing as an American car, a German machine tool, a Korean phone or a Chinese computer. The vehicle assembled in Michigan contains semiconductors fabricated in Taiwan on Japanese wafers produced by Dutch lithography machines, wiring harnesses from Ciudad Juárez and Honduras, rare earths refined in China, software written in Bangalore and Seattle, and aluminum smelted from Guinean bauxite. The label of origin, which once designated the national source of a product, has become an economic fiction. What it conceals is the essential fact: every significant commodity is now the product of a world productive process consisting of complex production networks,

embodying the combined labor of workers on every continent.

77. What predominates today is the organization of production itself across borders—a continuous, interdependent process in which no national segment is self-sufficient or even coherent on its own. The factory has, in effect, been stretched across the planet. The worker in Guangdong, the worker in Stuttgart, the worker in São Paulo and the worker in Detroit do not merely produce similar things in parallel; they labor at different stations of one and the same process, upon one and the same product.

78. The bourgeoisie has drawn from this transformation its own conclusions: that the resources, markets and supply routes of the entire world are vital national interests, to be secured by force. But the working class is being driven by the same transformation toward the opposite conclusion.

79. The global supply chains, communications systems and integrated production networks are the arteries through which the workers of every continent discover that they confront the same banks, the same corporations, and the same governments.

80. The human foundation of this confluence is the historically unprecedented scale of the international working class. By the reckoning of the international labor organizations, the global labor force now numbers some three and a half billion human beings, the largest social force ever assembled in history, and a majority of humanity now lives in cities, a threshold crossed for the first time in the present century.

81. The industrial working class of Asia alone is many times larger than the entire world proletariat of 1917. China's working class, on the order of three-quarters of a billion, is the largest in the history of the world. The general strikes in India have repeatedly mobilized upward of 200 million workers in a single day, the largest collective actions ever undertaken by human beings. In *The Holy Family*, in a passage to which the ICFI has repeatedly returned, Marx and Engels established the law that governs the relation between this mass and its historical task: "Together with the thoroughness of the historical action, the size of the mass whose action it is will therefore increase."^[11] In terms of politics, this insight is as important as Einstein's formula $E = mc^2$.

82. The proposition also reads in reverse, and it is in the reverse reading that its full significance for our epoch emerges. The size of the mass now being drawn into action is itself the measure of the thoroughness of the historical action that impends. A social force of three and a half billion, concentrated in the cities, bound together by the most integrated productive apparatus ever created, and confronted simultaneously with world war, dictatorship and social immiseration, is not being assembled by history for a protest. It is being assembled for the most thorough social transformation ever undertaken: the world socialist revolution.

83. The radicalization of the working class that the 2020 Perspective identified as the decisive tendency of the decade is clearly underway. The statement took as its point of departure the global upsurge of 2018–2019—the yellow vests, the mass uprisings from Chile to Sudan, the resumption of strike activity in the United States. The subsequent six and a half years have confirmed the trajectory on an expanding scale.

84. The pandemic, which has claimed more than thirty million lives through the deliberate policy of mass infection, exposed in the cruelest form the subordination of life itself to profit and triggered strike waves on every continent. The French pension struggles, the British strike waves, the American auto, logistics and healthcare strikes, general strikes across southern Europe and South Asia, more than two years of demonstrations against the Gaza genocide, and the three "No Kings" protests—the largest single-day demonstrations in American history—form a single ascending curve. After an eighty-year taboo, socialism is reemerging in the United States itself, albeit in a distorted form, channeled by the Democratic Socialists of America back toward the Democratic Party, but expressing a shift in consciousness no apparatus can permanently contain.

85. In North America, the class pronounced dead as a social force has re-

entered struggle in every sector—the rebellions at Amazon and UPS, the Matamoros wildcats that announced the entry of a continentally integrated working class as one force. Within the unions, contract rejections above 90 percent and the response to the Will Lehman campaign for the UAW presidency register a revolt against the bureaucracy itself. This awakening is unfolding at the very center of world imperialism, within the working class whose acquiescence American hegemony presupposes, and it is fusing the economic and political struggle into a single stream.

86. In Africa, the youngest and fastest-growing working class on earth is emerging as a revolutionary factor of world-historical dimensions. The general strikes in Nigeria, the Kenyan youth uprising that stormed parliament and the strike movements of the South African working class are the first actions of a class that will stand at the center of the world revolution of the twenty-first century.

87. In Russia and China, imperialist encirclement and provocations are reawakening the historical memory on whose suppression both oligarchies rest. In Russia, workers fill the casualty lists of a war fought to defend plundered Soviet assets; the regime denounces Lenin because it fears the conclusion workers will draw from 1917. In China, a state whose internal security budget rivals its military spending attests to where the CCP locates its principal enemy. The coming movements in both countries will not be color revolutions organized from Washington. They will be directed against imperialism and the national oligarchies alike and will find their answers in the heritage defended by the Fourth International against Stalinism.

88. What stands between this movement and its political expression is the crisis of revolutionary leadership. The ICFI has never held that the problem of leadership resolves itself automatically. The mass movements remain politically captive. The No Kings protests have been channeled back into the Democratic Party, the party of war. The trade union bureaucracies function ever more openly as the industrial police of the war economy.

89. The AFL-CIO, with its millions of members, has issued no statement on the Iran war. The president of the UAW invokes the old imperialist myth of the "Arsenal of Democracy" of the Second World War as his model. The apparatus he heads sabotages strike votes, forces through contracts rejected by memberships voting against them by margins above 90 percent, and answers rank-and-file opposition, as the experience of the Will Lehman campaign and its legal battles has documented in detail, with censorship, rigged elections and intimidation, precisely because the bureaucracy's alliance with the state and the employers can no longer be defended before the membership by argument.

90. The International Workers Alliance of Rank-and-File Committees was founded in 2021 on the perspective of transferring power from the bureaucracies to the workers themselves.

VI. Conclusion

91. The 2020 statement evaluated the tendencies of development of the new decade: the eruption of imperialist militarism toward a third world war; the breakdown of the capitalist world economy; the collapse of bourgeois democracy and the drive toward authoritarian rule; and the international radicalization of the working class, confronting a crisis of revolutionary leadership. At the decade's midpoint, every one of these tendencies has asserted itself with a force exceeding the statement's own formulations.

92. The present conflict, in historical terms, is the third act of a drama that opened in 1914. American imperialism entered the European war in April 1917 in order to reorganize the planet under its hegemony, and for

seven decades that project was disrupted by the October Revolution and its world-historical consequences. The dissolution of the USSR in 1991 was received as the removal of the obstruction and the license to complete the project, to recreate the world as if October had never occurred.

93. If the war is, in its essence, the continuation of the century-long struggle of imperialism against the socialist revolution, then the fight against the war is, and can only be, the resumption of that revolution. It cannot take the form of the defense of any national state, nor of the restoration of a “rules-based order” that was itself an instrument of the counterrevolutionary project, nor of the pressure politics of the pseudo-left. It requires the independent political mobilization of the working class internationally on a program of socialist revolution.

94. A perspective is an instrument of struggle. Its publication, its verification and its defense are themselves moments in the resolution of the crisis of leadership, which is resolved not by objective processes alone but by the conscious building of the revolutionary party within these processes. The contradictions analyzed in this review are assuming an ever more explosive character and that imparts to the fight for revolutionary leadership its critical and unpostponable character.

95. The metastasis of the imperialist war and the confluence of the world class struggle are not two processes but one: the same crisis, viewed from the standpoints of the two contending classes, whose conflict will determine which of the epoch’s two possible outcomes prevails. Nearly ninety years ago, on the eve of the second imperialist war, Trotsky defined the essence of the epoch in the founding document of the Fourth International: the historical crisis of mankind is reduced to the crisis of the revolutionary leadership.

96. The Fourth International is a party of history. From the standpoint of Marxism, this means that the perspective and practice of the party is rooted in and defined by a conception of the nature of the historical epoch. The tasks of the party can be correctly determined only to the extent that it consciously locates events within the context of the entire historical epoch. The fundamental theoretical and political challenge that confronts the revolutionary movement is to correctly locate the development of the class struggle in the historical trajectory of the epoch of war and revolution.

97. The Perspective posted on January 3, 2020, was not the product of a sudden insight. At the international summer school of the Socialist Equality Party held in August 2019, we conducted an extensive review of the history of the International Committee. In the course of this review, we identified five phases in the history of the Trotskyist movement.

98. The first phase encompassed a period of 15 years, from the founding of the Left Opposition under the leadership of Trotsky in 1923 to the founding congress of the Fourth International in 1938. The second phase spanned the period from the founding congress to the historic split in the Fourth International—the break with the Pabloite revisionists—in November 1953. The third phase extended from the founding of the International Committee to the split with the Workers Revolutionary Party in 1985-86. It was defined by the protracted struggle against the malignant influence of Pabloite theory and politics upon and within the Fourth International. The fourth phase extended from the completion of the split with the WRP in February 1986 to the summer school in 2019. This phase was concentrated on reestablishing and building upon the heritage of the Trotskyist movement and the lessons drawn from the antecedent experience in the epoch of world socialist revolution.

99. The school identified 2019 as the beginning of the fifth phase in the history of the Trotskyist movement. Of course, this starting point had something of an approximate character. It was not identified with a single critical event, as was the case in 1923, 1938, 1953 and 1985-86. However, the identification of a new phase in the history of the Trotskyist movement was not of an arbitrary character. By the summer of 2019, it had become sufficiently clear that a new stage of global crisis had been reached; and

that this would profoundly affect the role of the International Committee in the struggles of the working class.

100. The opening report to the 2019 SEP school stated that the new fifth phase in the history of the Trotskyist movement

will witness a vast growth of the ICFI as the World Party of Socialist Revolution. The objective processes of economic globalization, identified by the International Committee more than thirty years ago, have undergone a further colossal development. Combined with the emergence of new technologies that have revolutionized communications, these processes have internationalized the class struggle to a degree that would have been hard to imagine even twenty-five years ago. The International Committee of the Fourth International will be built as the conscious political leadership of this objective socioeconomic process. It will counterpose to the capitalist politics of imperialist war the class-based strategy of world socialist revolution. This is the new phase in the history of the Fourth International.^[12]

101. The challenge that confronts this congress is to advance the alignment of the party’s practice in accordance with its interconnected conceptions of the fifth phase of the Fourth International and that of the resurgence of revolutionary class struggle.

102. What does this alignment mean in practice? It means, above all, the building of the party in the working class. The analysis presented in this report is not a commentary upon events but a guide to intervention in them. The radicalization of the working class, proceeding on every continent, poses the question of leadership; and the question of leadership is resolved in only one way—through the construction of the revolutionary party within the struggles of the working class itself.

103. Central to this task is the expansion of the work of the International Workers Alliance of Rank-and-File Committees. The rank-and-file committees must be built, first, as instruments of class struggle: organs through which workers formulate their demands, coordinate their actions across workplaces, industries and national borders, and break through the isolation imposed upon every struggle by the official apparatus. They must be built, second, as the organizing centers of an anti-bureaucratic insurgency—the means through which the rank and file wrests power from the corporatist bureaucracies and takes the conduct of its struggles into its own hands. And they must be built, third, as something more than defensive organizations: they must be anticipatory forms of genuine workers’ democracy and workers’ power. In creating them, the working class does not merely resist the existing order; it begins to constitute itself as the future ruling class, developing in embryo the organs through which it will reorganize social, economic and political life.

104. The building of the party in the working class is inseparable from the expansion of the International Youth and Students for Social Equality. About 38–39% of the US population is under the age of 30—roughly 128–130 million people out of about 340 million. This includes approximately 22 percent under age 18 and another 16–17 percent in the 18–29 bracket. The process of social radicalization is concentrated with particular intensity among young people.

105. Poll after poll confirms that it is among the youth that sentiment for socialism finds its broadest expression—within a generation that has known nothing but war, economic crisis, pandemic and the relentless growth of social inequality, and which associates capitalism not with prosperity and democracy but with catastrophe. College education has become a mass phenomenon, but millions of young people leave the campuses saddled with crippling levels of debt, mortgaging their futures for the right to be exploited. The strategists of the bourgeoisie are acutely conscious of this

development. As the party has noted in previous statements, the think tanks and editorial boards of the ruling class follow the leftward movement of the youth with unconcealed anxiety, recognizing in it a mortal threat to the stability of the existing order.

106. Moreover, it is the youth who will be drawn into the vortex of war. As the imperialist conflagration metastasizes, conscription will inevitably be placed on the agenda. The ruling class, which in “normal” times offers young people nothing but debt and precarity, will demand of them their lives in war. The struggle against imperialist militarism will therefore assume critical importance in the work of the IYSSE. In this life and death struggle, young people must turn to the working class, the only social force capable of stopping war, and base themselves on the strategy of international socialist revolution.

107. Trotsky, in the Transitional Program, invoked the “fresh enthusiasm and aggressive spirit” of the youth as an indispensable element in the revitalization of the revolutionary movement. But the party does not simply rely upon this enthusiasm, however precious it may be. Enthusiasm that is not educated is dissipated or misdirected. The task of the IYSSE is to transform the instinctive radicalism of the younger generation into conscious revolutionary conviction: to educate students and young workers theoretically and politically, to arm them with a knowledge of the history of the Marxist movement and the strategic experiences of the international working class and to train them as cadre of the Fourth International. Branches of the IYSSE must be built on campuses throughout the country. Nor can the IYSSE neglect its work among high school youth, whose radicalization is driven by the social conditions that they have witnessed from the earliest years of their young lives, and who must not be abandoned to the influence of the pseudo-left or to the recruiting sergeants of the military.

108. The growth of the party is not merely quantitative. Recruitment must be accompanied by—and is, in fact, inseparable from—the systematic education of the cadre. The workers and youth radicalized by war, dictatorship and social inequality will be transformed into a revolutionary force only insofar as they assimilate the strategic experience of the international workers movement, concentrated in the history of the Fourth International. Marxist theory is not an ornament of the party’s practice. It is its foundation. Without revolutionary theory there can be no revolutionary movement.

109. This assumes particular importance under conditions in which the growth of socialist sentiments finds an initial and distorted expression in the expansion of the Democratic Socialists of America. The objective significance of this growth must be acknowledged: it registers a leftward movement of masses of workers and young people and the collapse of the decades-long anti-socialist taboo. But acknowledgment is not adaptation. The DSA is a petty-bourgeois organization bound programmatically and organizationally to the Democratic Party. Its function is to contain the radicalization of the working class and youth and to subordinate it to American imperialism. The Socialist Equality Party will not adapt itself to this tendency and other petty-bourgeois deflections from revolutionary socialism. In any case, none of these parties, the DSA least of all, have a future. They are not equipped or prepared for the storms which are developing. The SEP will fight to win to Trotskyism newly radicalized workers and youth through the patient explanation of the historical and class issues and the intransigent criticism of the politics of the pseudo-left and all the agencies of imperialism, including all that remains of Stalinism and its still malignant influence in the international working class movement.

110. The SEP has not forgotten the warning issued by the Socialist Labour League in Britain, nearly 60 years ago when it was still a Trotskyist movement and leading the fight against Pabloite opportunism. Opposing the drift of the OCI—at that time the French section of the International Committee—toward centrism and opportunism, the SLL

warned:

There is *always* a danger at such a stage of development [i.e., early stages of working-class radicalization] that a revolutionary party responds to the situation in the working class not in a revolutionary way, but by adaptation to the level of struggle to which the workers are restricted by their own experience under the old leaderships, i.e. to the inevitable initial confusion.^[13]

111. These warnings were vindicated, not only by the subsequent betrayals of the OCI but also by those of the SLL itself. It is precisely in this context that the history of the party acquires such critical importance. The struggle waged by the International Committee against Pabloite revisionism was, in its essence, the struggle against the liquidation of the political independence of the working class into petty-bourgeois tendencies of exactly this type. The five phases of the history of the Trotskyist movement reviewed by the 2019 school are not an academic periodization; they constitute the accumulated strategic capital of the world socialist revolution.

112. The next congress of the SEP in 2028 will coincide with the centenary of the founding of the International Left Opposition in 1928, in which James P. Cannon played so critical a role. The preparation for this historic anniversary must be the focus of attention for the education of a new generation in this history. This is the indispensable precondition for the resolution of the crisis of working class leadership. Socialism AI, which was launched by the WWS in December 2025, will play a critical role in the education of the party cadre and the working class as a whole.

113. The Ninth Congress convenes, as this report has sought to demonstrate, at the point where the perspective of the party and the objective movement of history visibly converge. The task it confronts is to prepare the party—politically, theoretically and organizationally—for the revolutionary struggles that this convergence makes inevitable.

Mehring Books, 2026, p. x

John Kelly, *The Twilight of World Trotskyism* (New York, Routledge, 2023), p. 97

Kelly, p. 78

First stage (1999): Poland, Hungary, and the Czech Republic — the first former Warsaw Pact states admitted, under the Clinton administration, in direct violation of the assurances given to Gorbachev in 1990 that NATO would not move “one inch eastward” beyond a reunified Germany.

Second stage (2004): The largest single round — Estonia, Latvia, Lithuania, Slovakia, Slovenia, Romania, and Bulgaria. This brought NATO onto former Soviet territory itself for the first time, with the three Baltic republics placing the alliance directly on Russia’s northwestern border.

Third stage (2009): Albania and Croatia, extending the alliance through the Western Balkans following the dismemberment of Yugoslavia, in which NATO’s 1999 bombing campaign had played the decisive role.

Fourth stage (2017 and 2020): Montenegro (2017) and North Macedonia (2020), completing the absorption of most of the former Yugoslav space and consolidating NATO’s position on the Adriatic and in the southern Balkans.

Fifth stage (2023–2024): Finland (April 2023) and Sweden (March 2024), abandoning decades of formal neutrality in direct response to the war in Ukraine. Finland’s accession alone more than doubled the length of NATO’s land border with Russia.

David North, *A Quarter Century of War: The U.S. Drive for Global Hegemony 1990-2016* (Oak Park: Mehring, 2016), p. 6

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Pakistan, with its western reaches trailing off toward the Iranian border and its eastern end merging into the Karakoram and, beyond that, the Pamir and Himalayan systems

A Quarter Century of War, p. 6

Resisting the Rule of the Rich: Protecting freedom from billionaire power, accessed at <https://oi-files-d8-prod.s3.eu-west-2.amazonaws.com/s3fs-public/2026-01/EN%20-%20Resisting%20the%20Rule%20of%20the%20Rich.pdf>

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David North, *Fourth International*, July-December 1988, p. 39

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Trotskyism versus Revisionism, (London: New Park, 1975) Vol. 5, pp. 113-14

Mehring Books, 2026, p. x

[2] John Kelly, *The Twilight of World Trotskyism* (New York, Routledge, 2023), p. 97

[3] Kelly, p. 78

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[7] *A Quarter Century of War*, p. 6

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