

The NPF Programme goes beyond Neo-liberalism*

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For the French elections which Emmanuel Macron has called in the wake of the impressive showing by the Far-Right in the European parliamentary polls, four parties on the Left, the Communists, the Socialists, the Greens, and France Unbowed (of Jean-Luc Melenchon), have come together to form a New Popular Front to take on the fascist challenge of Marine Le Pen. This development is of historic significance: the New Popular Front is reminiscent of the Popular Front of the 1930s in France that had been formed against the backdrop of the rise of fascism in Europe, especially of the Nazi take-over of Germany. And while Macron is a straightforward neo-liberal whose poll ratings are very poor at the moment, and the Far-Right, true to character, is vague on economics and half-heartedly backing big business (before it openly aligns itself with monopoly capital at the “right moment”), the NPF has come out with a clear economic programme. Though the NPF has had to toe the American line on the Ukraine war in order to accommodate the Socialists, and has even made compromises, with regard to Melenchon’s known views, in the position it has taken on the genocide in Gaza, the economic programme it has adopted is clearly opposed to neo-liberalism.

This programme seeks to increase the monthly minimum wage; to impose price ceilings on essential foods, electricity, gas and petrol; to repeal Macron’s decision to [raise the retirement age to 64](#) which would raise the pension commitments of the state; and to make large investments in the green transition and in public services. The NPF has made careful calculations of the cost of implementing this programme and proposes to finance it, without raising the fiscal deficit beyond the limits permitted by the European Community, by taxing the super-profits of companies, by reintroducing the wealth tax which Macron had abolished, by plugging various tax loopholes, and by ensuring that there is a ceiling to the amount that can be inherited, with the excess being taken over by the state.

All this is diametrically opposed to what neo-liberalism has been preaching all these years and all that has been propagated as the truth by the mainstream media, not just in France but over much of the world including India. When a suggestion was made that countries should reach agreement on a minimum 25 percent corporate tax rate, so that capital does not move from one country to another to take advantage of differential tax rates, most governments, under thralldom to globalized finance, demurred; the agreement finally reached was for a 15 percent tax rate which was lower than the prevailing corporate tax rate in most countries; in this context the proposal in the NPF’s programme for taxing super-profits acquires special significance.

Likewise, there has been a general tendency to abolish the wealth tax on the grounds that it is difficult to implement and that the revenue obtained from it is less than the cost associated with instituting it. Even in India the wealth tax that had been in place earlier was sought to be abolished on this argument; the wealth tax is implemented lackadaisically to start with and the meagre revenue obtained from it as a consequence is then used as the pretext for abolishing it. The NPF’s programme calls this bluff and seeks to reintroduce the wealth tax.

Of course, other political formations too have suggested a revival of the wealth tax as a significant revenue source in recent years. In the last U.S. Presidential elections, two contenders from the Democratic Party, Bernie Sanders and Elizabeth Warren, had come out with proposals for a graded wealth tax; but the American political establishment prevented either from being nominated to take on Donald Trump, so that their proposals remained only at a preliminary stage. Very recently, the team around Thomas Piketty, the French economist associated with the World Inequality Database, has come out with a proposal for India to re-introduce a wealth tax on the super-rich in the backdrop of the massive increase in wealth inequality in the country, a proposal that echoes what the Left in the country has been demanding for long.

Likewise a revamping of the inheritance tax proposed by the NPF is a must in any democratic society; in fact such a tax is perfectly compatible with the philosophy of capitalism that justifies profit as a reward for some special qualities possessed by capitalists, and not as an inheritance handed down from parent to children. Besides, while an inheritance tax can stand on its own, it also constitutes a necessary complement to the wealth tax. And yet when an inheritance tax was suggested recently by a prominent member of the Indian National Congress (the Left has been mooting the idea for a very long time), the entire Indian media not to mention Prime Minister Narendra Modi came down on him like a ton of bricks. The Prime Minister even gave the proposal an utterly diabolical communal-fascist twist by claiming that the Congress was going to snatch ornaments from Hindu women to hand them over to Muslims! The NPF's suggestion in fact is not just for an inheritance tax, but for a ceiling on inheritance, which becomes particularly significant in this context.

The same is true of the proposal to increase expenditures on public services. We have seen the deleterious effect of privatizing services like education and healthcare in our own country, which is in conformity with the demands of neo-liberal capitalism and which has made them exorbitantly expensive. In fact one of the major causes for farmers getting into debt which they cannot then repay and often take their own lives because of their inability to repay, is the sudden incurring of healthcare expenditure, the need for which arises out of the blue.

Likewise, the proposal to have price ceilings as the means to insulate people from the impact of inflation, breaks completely from capitalist orthodoxy that exclusively uses the instruments of monetary and fiscal policy. These policy instruments necessarily reduce the level of activity in the economy and hence employment; in fact the only antidote to inflation under capitalism is the creation of larger unemployment. Price control rather than greater unemployment as the means of combating inflation, though mooted by the Left in India in the past, has now found a place in the programme of a major political formation in a metropolitan economy.

After decades of the rubbish being doled out by the spokesmen of globalized capital, and the claim that there is no alternative to this rubbish (the so-called TINA factor), the programme of the NPF comes as a breath of fresh air. Not surprisingly, the French bourgeois press and a range of politicians, from the adherents of neo-liberalism to the Far-Right, have come down heavily on the economic programme of the NPF, scaring people with stories that the French economy would be doomed if this programme gets implemented. And yet the NPF, up to now at any rate, is doing well in opinion polls. Against 31 percent support reported for the Far-Right, in the opinion polls, the NPF's

share comes to anywhere between 26 and 28 percent, with Macron's party trailing with less than 20 percent.

The very fact that the French Left has managed to put aside its differences to come together to defeat fascism is a welcome sign. The Social Democratic leader Glucksman has set aside his long-standing animosity towards Jean-Luc Melenchon to promise support to the NPF; and Melenchon in turn has promised to stand aside from the Prime Minister's post if the alliance partners object to him, in the event of an NPF victory. The setting aside of personal ambitions and even ideological differences within the NPF for keeping the Far-Right out of power, is quite remarkable.

Even more remarkable from our point of view is the adoption of a common economic programme, defended by all constituents, that is opposed to neo-liberalism and that charts an altogether new and exciting course. Whatever the outcome of the elections, this portends a new beginning in the realm of ideas, especially as it is happening in a metropolitan economy.

* This article was originally published in the [Peoples Democracy](#) on July 7, 2024.