

Wife of UK chancellor richer than the Queen: Rishi Sunak and the rule of the oligarchy

Jean Shaoul

3 December 2020

The Chancellor of the Exchequer Rishi Sunak failed to declare his and his wife's wealth and any potential conflicts of interest on becoming a Minister of the Crown last year. He is in breach of all the rules supposedly designed to prevent conflicts of interest.

It was no secret in ruling circles that Sunak is the wealthiest man in the House of Commons, having become a multi-millionaire after working for just a few years for some of the big names in the City of London. That his wife, Akshata Murty, is the daughter of one of India's richest businessmen, Narayana Murthy, co-founder of giant technology corporation Infosys, is also well known. But the scale of her personal wealth is staggering.

Sunak's declaration of his financial and business interests in the official register of ministers' interests, one of the scantiest on record, was contradicted by a *Guardian* investigation based on publicly available information. It revealed that Murty's shares in Infosys—part of a family stakeholding worth £1.7 billion—are worth £430 million, from which she receives millions every year in dividend payments. This makes her one of the richest women in Britain and wealthier than the Queen, whom the *Sunday Times*' Rich List reports as having a net worth of £350 million.

Murty's Infosys shares form only part of her wealth. Sunak also failed to declare his wife's 5 percent stake in International Market Management (IMM). IMM channels investments via a "letterbox" company in Mauritius—a tax haven—into two Indian subsidiaries that operate restaurants in India, reducing its tax obligations. According to the *Guardian*, the use of such letterbox companies in Mauritius has cost India between \$10-15 billion over the past 20 years in capital gains tax, dividend tax, interest tax and loyalty payments.

Neither did Sunak declare that his wife holds direct shareholdings and directorships in several UK companies, including two that benefited from his furlough scheme. Instead, he simply declared his wife's ownership of a small UK-based venture capital investment company, Catamaran

Ventures UK Ltd. He and his wife set up the company as a vehicle for investing her wealth in start-up businesses. Sunak then transferred all his shares to Murty before he entered parliament in 2015.

Sunak also concealed his own wealth, simply declaring he had put his own wealth into a "blind trust" that supposedly ensures he has no knowledge or control over its investment decisions, thereby avoiding disclosure. Spotlight on Corruption, an anti-corruption NGO, has exposed such devices as a fraud, noting that the ostensible safeguards can be circumvented and that such trusts "function as a tool to encourage the public perception that steps have been taken to manage conflicts of interests without requiring politicians to divest of their financial interests."

Sunak only declared his ownership of property worth slightly more than £100,000, a sum that would barely buy a rundown tenement in Britain today. However, he and his wife own a £7 million five-bedroom home in Kensington, a £1.5 million 12-bedroom Georgian mansion set in a 12-acre estate in his constituency in the Yorkshire Dales, and property in the US.

Of issue is not just Mr. and Mrs. Sunak's obscene personal wealth, but that he occupies, after Prime Minister Boris Johnson himself, the most important position in UK politics in determining public policy choices to favour others such as himself who are part of the super-rich—at the expense of the vast majority.

On the most immediate and personal level, since 2015 Infosys, which employs 10,000 people in the UK, has won government contracts worth £22 million. It has worked for the Home Office, signing a framework agreement that means it can be awarded multi-million-pound contracts without competition.

Significantly, Sunak himself precipitated events leading up to the exposure of his fraudulent declaration, when he refused to disclose whether he will profit from the huge increase in the share price of the COVID-19 vaccine manufacturer Moderna, which has announced successful trials of its vaccine. Moderna was one of the biggest

investments held by the Theleme Partners hedge fund he co-founded before entering parliament. As a partner in the fund, he would own a stake in the management company and have money invested in its fund.

Johnson's government was fully aware of all of this. Yet the then head of propriety and ethics, Helen MacNamara, signed off Sunak's registration of financial interests, even though Murty's holdings in the family business was common knowledge. His fabulous wealth and specialist knowledge of how to protect it, both for himself and others, all but guarantees his continued elevation within government. Sunak, who became chancellor at the age of 39 within five years of entering parliament, is a man with no groundswell of popular support, or political experience. But he has been tipped as a future prime minister to replace the beleaguered Johnson.

Sunak is the living embodiment of government in the service of the financial oligarchy. He became Chancellor of the Exchequer in February as the pandemic was causing stock markets around the world to plummet. He joined a government that became the first in the world to publicly admit to pursuing a policy of "herd immunity"—allowing the virus to spread throughout the population with virtually no obstacles in its path. This murderous and fascistic policy was consciously pursued so as not to jeopardize the profits of Britain's banks and corporations. It is the grotesque expression of rule of, by and for the oligarchy.

Sunak used his first budget on March 11 to spearhead this policy, engineering a huge transfer of social wealth to the banks and major corporations that included £330 billion in loan guarantees for business—a sum equal to 15 percent of GDP—£12 billion support for business, reduced business rates or no liability at all for the 2020-21 tax year and a pledge to cover businesses' cost of providing statutory sick pay for up to 14 days for workers in firms with fewer than 250 employees, as well as £895 billion in quantitative easing (QE), subventions that far exceed those passed after the 2008 global financial crash.

Last week, this odious financial parasite announced an austerity offensive targeting working people to meet the cost of Britain's economic collapse, with the words, "Our economic emergency has only just begun."

The cost of the pandemic had already reached £280 billion, he declared, without explaining that the lion's share of these costs were the result of his subventions to business announced in March. With the economy expected to be between 3 percent and 6 percent smaller by 2025, government debt would reach nearly 100 percent of GDP by 2025 thanks to such handouts to the banks and corporations.

He also neglected to say that the wealth of just the 1,000 richest people in Britain would almost cover the

government's debt.

Such is the degraded state of British political life today that there have been no calls for him to resign by the Labour opposition, in line with leader Sir Keir Starmer's pledge of only "constructive opposition." All that was demanded by the backbench Labour MP Tonia Antoniazzi was that parliament's toothless committee on standards in public life look into whether Sunak's lack of disclosure breached the Ministerial Code and might "further erode public trust in politicians and bring parliament into disrepute."

Trust in parliament could hardly be lower. Millions of workers view the Johnson government as a bunch of political criminals. The pandemic has confirmed that working people have no political vehicle to express their opposition to its gangster-like policies. With the Labour Party functioning as the government's partner in crime and bodyguard, parliament has ceased to function in any genuinely democratic sense.

The working class and young people must now intervene independently and directly through class struggle methods, in unity with workers in Europe and around the world on a revolutionary socialist programme. There is no answer to the grave problems confronting millions of working people without the expropriation of the wealth of the super-rich corporate looters and placing it under democratic control. This would lay the basis for providing the food, education, health care, housing, internet access, and culture that are the fundamental social rights of everyone. The prerequisite for such an agenda is the building and expansion of the Socialist Equality Party and all sections of the International Committee of the Fourth International (ICFI), the world party of socialist revolution, to provide the essential worldwide strategy and leadership.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact