

UK Prime Minister Sunak announces fossil fuel bonanza for corporations, with his own family to reap rewards

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UK Prime Minister Rishi Sunak has torn up any restrictions on the extraction of new fossil fuels by granting hundreds of new oil and gas licenses in the North Sea.

Speaking in Britain's oil capital of Aberdeen, Scotland on Monday—after stepping off the private jet he routinely uses to travel across Britain's tiny landmass—Sunak pledged to “max out” the UK's oil and gas reserves. Drilling will be approved at the UK's largest untapped reserves in the Rosebank field—bringing an estimated 300 to 500 million barrels of oil to the surface.

This ecological arson was justified with the flat out lie that allowing the extraction of every last drop of North Sea oil is “consistent with our ambitions” for the UK to achieve net-zero emissions by 2050.

In fact, the United Nations, the International Energy Agency and climate scientists around the world are clear that net-zero by 2050 means no new oil and gas infrastructure expansion anywhere on the planet. Only weeks before Sunak's announcement, the Climate Change Committee, Britain's official watchdog, warned that his government was already off track in meeting the target of net-zero emissions by 2050.

The world has warmed by 1.2 degrees Celsius from pre-industrial levels and a 2021 study published in *Nature*, “Unextractable fossil fuels in a 1.5 °C world”, explained that 60 percent of known oil and gas reserves must remain in the ground if there is to be any chance of limiting global warming to 1.5C above pre-industrial levels. By the most conservative plans, oil and gas production must peak immediately and fall by 3 percent each year to mid-century.

Handing out billions of pounds' worth of oil and gas contracts amid a climate catastrophe is literally fiddling while Rome burns. Sunak announced his plan in the same

week that the United Nations confirmed that July 2023 is set to be the hottest month in human history and the world had entered a phase of “global boiling”. Deadly heatwaves and wildfires have swept Southern Europe and North Africa, cutting predicted cereal production in Southern Europe by 60 percent on last year and—in Greece alone—burning through enough forest to release carbon equivalent to 5.5 percent of the country's annual total.

None of this matters to Sunak because he is perhaps the most unalloyed representative of the financial oligarchy to head a government anywhere in the world. It is not his class that will suffer the consequences.

Indeed, the policy announced by Sunak, under conditions in which the major oil companies are announcing vast profits, was worked out in their boardrooms. On Tuesday, BP celebrated the upcoming North Sea bonanza and reported profits of around £2 billion in the three months to the end of June.

Sunak is married to Akshata Murthy, heiress of her billionaire father NR Narayana Murthy, who founded the India-based IT conglomerate Infosys. By last year she held an estimated £690 million in shares. So rich are the pair that their joint wealth—then valued at £730 million—saw them enter last year's *Sunday Times* Rich List. Moreover, at this stage, Murthy only has a reported 0.93 percent stake in Infosys—still enough to garner her over £40 million in dividends since the start of 2020, according to an *Evening Standard* analysis.

Sunak, who held the post of Chancellor of the Exchequer in Boris Johnson's cabinet, was already a multimillionaire in his mid-twenties. He worked for Goldman Sachs bank and a hedge fund run by British billionaire Sir Chris Hohn before entering parliament in 2015.

Infosys recorded US\$19 billion in revenue in 2023, and

a growing portion of this comes from its connection with Sunak. It has been handed UK government contracts worth £172 million, the first handed over in 2015—the year Sunak became an MP.

The company has since won multi-million pound contracts with the Care Quality Commission, the Medicines and Healthcare Products Regulatory Agency, East Sussex County Council, Westminster Council, and the London Borough of Merton. The *Evening Standard* adds that, as of this April, “when the most recent contract was awarded, the firm was tasked with providing £1,760,500 worth of ‘consulting, software development, internet and support’ to Transport for London.”

Nowhere is the destructive impact of the multi-billioned oligarchy’s profiteering clearer than in the fossil fuel industry. And here too, the Sunak family is at the heart of it. On August 1, the *London Economic* online newspaper published, “Sunak’s family firm signed a billion-dollar deal with BP before PM opened new North Sea licences”.

The piece noted, “A firm founded by Rishi Sunak’s father-in-law signed a billion-dollar deal [\$1.5 billion] with BP two months before the prime minister opened hundreds of new licences for oil and gas extraction in the North Sea.

“In May, the *Times of India* reported that Infosys bagged a huge deal from the global energy company which is thought to be the second-largest in the history of the firm.”

The *London Economic* notes that “one of Infosys’ other major clients is Shell, whose CEO [Wael Sawan] joined Rishi Sunak’s new business council two weeks ago and promised a ‘candid collaboration’ with his government.”

This is not only a case of personal corruption. Sunak embodies the interests of the capitalist class and its intimate connections with supposedly democratic governments.

Timed to coincide with the prime minister’s North Sea announcement, the Global Witness organisation—which works “to hold companies and governments to account for their destruction of the environment, their disregard for the planet and their failure to protect human rights”—revealed: “Between January and March of this year, Prime Minister Rishi Sunak and climate and energy ministers met with fossil fuel companies 54 times, on average more than once every two days... This amounts to around 20 per cent of all lobbying meetings they held in that period.”

The oligarchy personified by Sunak and his wife is

accountable to no-one and flaunts that fact. The prime minister has insisted that his wife’s connections to Infosys and their enrichment from it is of “no legitimate public interest”. This was said even as it was revealed that, while he was in office as chancellor, Sunak’s wife, an Indian national, had non-domiciled status in the UK. This allowed her to avoid paying tax on her foreign earnings. It is estimated that this saved her around £20 million in taxes on dividends from her Infosys shares.

That this did not lead to Sunak being automatically excluded from ever holding public office again, let alone from taking up the post of prime minister soon afterwards, speaks to the domination of official politics by a criminal financial oligarchy. Sunak was appointed prime minister as one of their own, trusted to wage the necessary war on the working class which his predecessor Liz Truss was considered too incompetent to see through.

That war is being carried out on all fronts, against living standards and social services—to pay for the upkeep of the billionaires and the NATO war against Russia—and against the basic conditions of life on Earth, to satisfy super rich investors in the fossil fuel economy.

Sunak is correct in claiming his North Sea fossil fuel extractions will not make a difference to the government’s climate commitments—because everyone knows they are not worth the paper they are written on. What counts is profits and nothing else.

As Global Witness noted, “Over the next 10 years, fossil fuels companies are estimated to produce 2.3 billion barrels of oil and 253 billion cubic meters of gas from the North Sea... When burned, this could produce 1.4 billion tonnes of carbon, more than Germany, Italy, and France together produce each year.”

There can be no successful fight to stop the devastation of the planet outside of a frontal assault on the wealth and power of the capitalist oligarchy represented by the Sunaks. Only in this way can the fundamental restructuring of social and economic life in line with the sustainable and equitable fulfilment of human needs be achieved.



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