

Britain's New PM Sunak Is as Wealthy as the King — and as Distant From the People



Rishi Sunak is greeted by supporters as he arrives at the

Conservative Party Campaign Headquarters after being announced the winner of Conservative Party leadership contest in London, on October 24, 2022. WIKTOR SZYMANOWICZ / ANADOLU AGENCY VIA GETTY IMAGES

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As so often in recent times, the Tory Party has a new leader, and therefore Britain a new prime minister. In the last leadership contest, Rishi Sunak managed to lose to the inept ideologue Liz Truss, who then, only weeks later when challenged by a tabloid newspaper to outlast a lettuce, lost to the vegetable.

How did the political script twist into this farce? How could former Prime Minister Boris Johnson — a figure so disgraced that he should be auditioning for pantomime villain roles in the run-up to Christmas — countenance a comeback and why did he fall short? Why is Sunak so despised in the Tory Party and how did he nonetheless carry the day? What does his government represent and how will the Labour Party respond?

The trigger came when Truss's government attempted a Reagan-style borrowing binge.

Truss was not the choice of her fellow Tory MPs. Since 2001, a voice in some Tory leadership contests has been granted to party members. Their demographic is distinctive: small in number, overwhelmingly old, white, male, bigoted, middle-class residents of Southern England. In a word, out of touch. Their idol, Truss, promised Reaganite tax cuts for the wealthy plus Johnson-style [cake-ist populism](#). (When it comes to cake, "he is pro having it and pro eating it too.") All this, in a period of stagflation when central banks were raising interest rates.

The sums didn't add up. Truss lost the support of capital, in the shape most immediately of currency and gilts traders. Sterling slumped to a record low against the dollar and the price of government debt soared.

The fracture between capital and the 'party of capital' under Truss had begun earlier, in the slipstream of the 2008 Great Recession. The 2010s were years of despair and polarisation. The rich were greatly enriched, thanks to [quantitative easing](#). Everyone else was subjected to austerity. Wages flatlined or declined, and have still not recovered.

In response, both major parties undertook a 'populist' turn. Under Jeremy Corbyn's leadership, Labour populism was all about opposing austerity. For the

Tories, it was opposition to the European Union and immigration. As the Tory Party signed up to the Brexit cause, it abandoned its traditional role as the party of big business. The corporate sector, with two major exceptions to which we'll come below, opposed Johnson's 'hard Brexit.' It would snaggle Europe-bound exports in far too much red tape.

The timing of Britain's last general election, 2019, saw the fortunes of these two populisms intersect in a way that artificially inflated the Tory triumph—and Johnson's already oversized ego.

Corbyn, like Truss, was defenestrated by establishment forces. In his case, party members had been permitted in 2015 to choose the leader but the bulk of MPs opposed their decision. Whereas Truss was swiftly deposed by 'the markets,' Corbyn was slashed, day after day, by a thousand knives wielded by the Labour machine and their media friends (led by [the Guardian and the BBC](#)). Labour officials and most MPs declared open war on Corbyn from the get-go. This made the party unelectable. They preferred to lose to the [Tories](#) than see a socialist win.

The same election, 2019, saw Tory populism reach its acme. It succeeded in parlaying Brexit support into conservative electoral gains, even in areas blighted by Thatcher-era deindustrialisation.

Johnson was the frontman in the populist turn—a British Trump. The [comparisons with Trump](#) can be overegged: Johnson doesn't regularly consort with fascists, nor is he quite so gratuitously vulgar. Yet, like Trump, he is a lawbreaker, and is prone to [smear](#) opponents with inflammatory falsehoods. Like Trump, he is a bully in clown's costume. He kicks down—but in an ever-so-British manner: through wit. His [upbeat humour](#), cast-iron confidence, [nostalgic racism](#), casual nastiness toward oppressed communities and the ability to breezily say unsayable things, formed a package that tapped [a cruel streak](#) among many voters who, in insecure times, shore up brittle selves by championing the 'right' to denigrate others.

Being [mocking and facetious](#), Johnson's 'banter' unsettles the sense of tradition that Tories hold dear. Likewise his iconoclasm and unpredictability. At one moment he'll blurt out: "[Fuck business](#)." The next, he's [cordially reminding](#) his financial friends that, following the Great Recession, he "stuck up for the bankers" when everyone else "wanted to hang them from the nearest lamppost."

No wonder many Tory MPs gaze at "Boris" in mesmerised ambivalence. They share his bigotry and admire his ability to win support among the plebs. Yet they shudder at the corrosion of traditional conservative values.

Then there is Johnson's lying, in pathological profusion: to the public (frequently), to the EU negotiators when signing the Northern Ireland Protocol of the Brexit

withdrawal agreement, and even [to the Queen](#) for goodness sake. His serial mendacity has brought an investigation by Parliament's Privileges Committee into whether he misled MPs over his numerous Covid rule breaches. If found guilty, he would face suspension as an MP. This looming case swayed many Tory MPs against nominating him to replace Truss as party leader. It's sobering to note that, but for this coincidence of timing, Johnson would likely have regained the premiership.

Prior to politics, Johnson's career was in the press. It's one of very few economic sectors that largely backed a "hard Brexit." The other was [finance](#), with hedge funds to the fore. It was here that Rishi Sunak won his spurs, and he sings to the hedge-fund hymnsheet: slash regulations and give the markets free rein.

Sunak has become PM against hostility from the populist right. He symbolises the "cosmopolitan globalism" they abhor. They may forgive him his U.S. [green card](#), his Santa Monica beach penthouse and his vast fortune, but not his marriage to an Indian woman, his skin color, or his recent fiscal policies. As chancellor under Johnson he hiked Britain's tax burden to its highest level in 70 years, to fund the lockdown furlough scheme. Later, he applied the final shove when Tory MPs removed Johnson from office. Johnson's Secretary of State for Culture, Nadine Dorries, went so far as to [share a montage](#) of Rishi stabbing Boris in the back. For all the talk of party unity, these scars run deep.

Temperamentally, Sunak is Johnson's antipode: dapper, teetotal, and pragmatic. As such, he suits the Tory project going forward. Messaging to the markets will need to be slick.

Sunak's government faces a global headwind in the shape of stagflation, but also two home-made poisoned chalices: his and Johnson's previous flops.

Of their most vaunted successes, both have flattered to deceive. The first, in 2016, was the Brexit referendum. Winning 17 million votes, around a third of the electorate, represented the biggest democratic vote in British history. Yet the Tory Brexit aim was to inaugurate a new economic growth model, with new trade deals assisted by deregulation. That has not gone to plan, as a recent report by the [House of Commons public accounts committee](#) makes clear. Britain's per capita GDP has risen less since 2016 than most of Europe and much less than the USA. Brexit, far from healing intra-Tory schisms, has deepened and multiplied them, including between the austere ['Extreme Centre'](#) (Sunak, and the current chancellor Jeremy Hunt) and the populist right (Johnson and Truss).

Johnson and Sunak's other sham success was the response to COVID. They crow of having quickly purchased vaccines. Overall, however, the 'let-the-virus-rip' instincts that [they both shared](#), compounded by glaring errors (such as the nepotistic appointment of a hapless horse-racing entrepreneur to head Covid Test and Trace) led to an abysmal record. The life expectancy of British people,

especially in deprived neighbourhoods, slumped. Britain's COVID-caused excess mortality exceeds almost all nations of Western Europe and all the G7 countries apart from the USA. Long Covid continues to afflict around 2 million people, causing labour shortages and burdening the health system.

Sunak has defeated Johnson, thanks to a rule change stipulating that any prospective leader must secure at least one hundred nominations from MPs. Johnson was barely able to secure half that figure. Where does this leave Sunak's government?

The bleak fact is that Britain, experiencing eye-watering levels of poverty and chronic ill health, and now wracked by a cost of living crisis, will re-commence austerity mode. Its new leader is possibly the richest MP in history and certainly the only prime minister whose wealth exceeds that of the monarch. As a former hedge fund partner, he represents the most parasitic and destabilising form of finance. His wife belongs to the 'non-dom' class, i.e. the multi-millionaires who are permitted to avoid paying tax on the vast bulk of their wealth and earnings. According to tax experts, Sunak "has not been transparent with his finances and his hedge fund background raises questions about his commitment to fighting tax avoidance." As chancellor he oversaw what is by some measures Britain's biggest ever rise in inequality. Hated by many in his party and lacking Johnson's charisma, he is set to oversee a final brief spell of Tory rule. At time of writing we don't yet

know his cabinet team but we can predict that he will be flanked by Hunt, notorious for his role as useful idiot for [Rupert Murdoch](#) and for having inflicted “[ruin](#)” upon the National Health Service.

In short, although Sunak inherits a substantial parliamentary majority, the Tory party is fractious and a substantial segment of MPs and members loathe him.

Their majority is likely to disappear as soon as it’s subjected to an electoral test.

(And Sunak will receive little or no boost from ethnic minorities. That Britain’s PM is non white is historic, but this is no ‘Obama moment.’)

The main beneficiary of the Tory omnishambles will be Labour. But here’s the rub.

Labour post-Corbyn has gravitated to the extreme center. Their leader, Keir

Starmer, wishes to repeat the trick of three decades ago. On ‘[Black Wednesday](#)’

of 1992 the then Tory government lost confidence of the markets and sterling

slumped. With the Tories branded financially incontinent, Labour restyled itself

‘New Labour,’ the party of sound finances, fiscal responsibility and centrist

neoliberalism. Having ruthlessly purged his party of left-wing spirit—with the

sustained application of deceit, corruption and lawbreaking, a [major email](#)

[leak](#) has recently revealed—Starmer’s Labour can offer little but platitudes and

‘market discipline.’ The aim is to manage the nation’s finances in inclement times

such that a little space for infrastructure spending can be found, which will

rekindle upward circles of GDP growth. It’s a bloodless pitch that stands a

prospect of electoral success only through the opponent's ineptitude. The fundamental crises, of social inequality and democratic decline, from which the turbulence of Britain's politics stems would remain unaddressed. The very policies laid down under the last Labour government—including the empowerment of the Bank of England and the financial markets—are co-authors of the economic polarisation, social fragmentation and seething anger that lie behind the recent scenes of chaos at Nr 10. Whether a Sunak premiership survives longer than a Truss, a Johnson, or a lettuce, the turbulence is set to continue.