

THE RISING STAR IN A TANGLE

Relevant for: null | Topic: Important Places & Personalities (World & India)

Rishi

In the 2015 general election in the U.K., when political newbie Rishi Sunak secured a win from Richmond (Yorks), taking the seat from the former Foreign Secretary William Hague, he had said: "I have impossible boots to fill."

The Indian-origin Conservative MP did step into the boots and was fairly quick, galloping on a political journey that involved serving as the Parliament Under-Secretary in former Prime Minister Theresa May's second term, being appointed as the Treasury Chief Secretary when Boris Johnson took charge in 2019, and finally, taking over the country's second most important government position, Chancellor of the Exchequer, in 2020.

Mr. Sunak's rise made itself evident when poll ratings and political pundits in Britain pegged him as more popular than his boss Mr. Johnson. The 41-year-old Finance Minister was seen as one of the frontrunners to become the U.K.'s next Prime Minister.

This started to change last month when the Chancellor faced criticism for his handling of Britain's worst cost of living crisis since 1972.

This was followed by the news that his wife Akshaya Murthy, the daughter of N.R. Narayana Murthy, the co-founder of Infosys, claims a non-domiciled tax status in the U.K.. Ms. Murthy holds a 0.93% or a \$900 million (£690 million) stake in Infosys, receiving an annual dividend benefit of £11.5 million on her holdings. The non-dom status attracted Opposition fury as it meant that the Finance Minister's wife does not have to pay British taxes on foreign dividends at a time when citizens face the highest levels of taxation since the 1940s.

Ms. Murthy eventually announced that she would be paying all her taxes in the U.K. to avoid the matter becoming a "distraction" for her husband's political career. It was also revealed recently that until October 2021, Mr. Sunak held a U.S. green card and filed American tax returns as a non-resident of the country. This also attracted questions from opponents if he received any tax advantages due to the card.

In the wake of the ongoing row, the Chancellor offered himself for an independent review of his family's tax arrangements by one of the Prime Minister's independent advisers. The final straw for the embattled Minister came on April 12, when he, along with Mr. Johnson, was fined for a controversy dubbed 'partygate', for reportedly breaching COVID-19 restrictions by attending the Prime Minister's birthday gathering in June 2020.

Banking to politics

The Southampton-born son of Indian-origin parents, Mr. Sunak studied in the exclusive Winchester private boarding school. He received a degree in Philosophy, Politics and Economics from Oxford. His first job was at the American investment banking firm Goldman Sachs, from 2001 to 2004, after which he pursued an MBA at Stanford. He then dabbled in hedge fund management.

The year 2015 marked the start of his political career when he was elected to Parliament. He has also found himself in the news for being one of the wealthiest MPs in the U.K., owning

luxury cars, four properties and a blind trust fund earning him substantial income from his investments.

As Mr. Sunak rose to become the U.K.'s new Chancellor of the Exchequer in 2020, his affable and direct social media content on economic affairs, and public appearances earned him the title "Disly Rishi" in British lifestyle magazines and tabloids.

His policy trajectory, however, took its biggest hit this year as the country's households grapple with a trying cost of living crisis, with soaring power bills and inflation at 7%. Mr. Sunak's mini-budget or Spring Statement in March was expected to reduce some of this burden but instead faced criticism for failing to help the U.K.'s poorest families. Multiple think tanks and economists said that while hiking taxes to record high levels, the Statement would push 1.3 million people in the country below the poverty line next year.

In the aftermath of his family's tax row and dissatisfaction over recent economic policy moves, the politician's once-soaring favourability ratings turned negative for the first time on April 13, dropping 26 points in a month to minus 20. The 'Disly Rishi' is now accused by political rivals of being "out of touch" with the everyday struggles of Britons.

[Our code of editorial values](#)

END

Downloaded from crackIAS.com

© **Zuccess App** by crackIAS.com

CrackIAS