

Funding the Future

Article URL

Published: January 12, 2026, 5:57 pm

As [Open Democracy](#) has revealed:

The Labour Party's largest-ever donation came from a Cayman Islands-registered hedge fund with shares worth hundreds of millions of pounds in fossil fuels, private health firms, arms manufacturers and asset managers.

While the £4m donation by Quadrature Capital is the sixth-largest in British political history, it is noteworthy not just for its size, but also its timing.

I was questioned about this last week by the BBC, but nothing seemed to come out of the story. I am pleased Open Democracy have picked this up.

As I made clear to the BBC, even if UK tax is paid on the UK operations of this fund, no one sets up a Cayman Islands cooperation without wanting to take advantage of the lighter regulation, lower taxes, and greater opacity there. And no doubt they have done so. In that case, the messaging from Labour in accepting this is that they do not mind people undermining the rule of law in the UK by choosing to make use of other jurisdictions instead.

But there is something much more significant than even that. That is the obvious conflict of interest here. As Open Democracy has noted:

Last year, the Guardian reported that despite donating to environmental charities through its climate foundation, Quadrature had holdings in fossil fuel companies worth more than \$170m. The paper highlighted three holdings in particular with major polluters: ConocoPhillips, Cheniere Energy and Cenovus Energy.

They added:

Quadrature also maintains significant holdings in the arms manufacturers Northrop Grumman (\$31m) and Lockheed Martin (\$6m); US private healthcare companies such as UnitedHealth (\$31m) and HCA Healthcare (\$16m); some of the largest asset management companies like Blackstone (\$22m) and KKR (\$7m), who potentially stand to benefit significantly from Labour's plans to utilise private investment for infrastructure; and tech firms, including Palantir (\$71m) and Oracle (\$8m).

Quadrature has claimed that this £4 million was not a political donation. They say it was to support a social agenda. I do not believe them. I think this was all about supporting the interests of their hedge fund.

So, keep international stress high so that the arms industry has to do well.

And keep the opportunities for healthcare privatisation open.

And a Green New Deal? Maybe one day, but not yet; thank you.

Excuse my cynicism but this feels as tacky and blatant as anything the Tories have ever done to me, with the benefits to the donor being all too readily surmised, even if they are denied. Both would have been better off avoiding this, but yet again sound judgement did not prevail. That will be the recurring theme of this government.