

# BlackRock boss Merz applies to head Germany's ruling CDU

By Peter Schwarz  
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Influential business, political and media circles are using the political crisis following the Grand Coalition government's election disaster in Bavaria and Hesse to bring about a sharp shift to the right in German politics. This is the background to Friedrich Merz's candidature to be party chairman of the Christian Democratic Union (CDU) and the media hype being organised around him.

After Chancellor Angela Merkel's announcement that she would resign as party leader at the CDU party conference on December 8, the *Bild*, *Handelsblatt* and *Welt* newspapers announced on Monday that Merz would apply for CDU chairmanship. On Tuesday, Merz announced his candidacy himself. On Wednesday, he held a press conference in Berlin.

Since then, leading media outlets have feverishly promoted him. Merz is being celebrated as a "saviour" who "electrifies" the party. Flash polls predict he will have high approval ratings. Regional conferences and even a vote inside the party are also under discussion in order to elect Merz as the new CDU chairman. It is an open secret that his real goal is not the CDU headquarters, but the chancellery.

The intensity of the hype around Merz stands in stark contrast to the actual extent of his support. Hardly any other German politician so openly and nakedly embodies the interests of capital and combines this with an arch-conservative policy that would also qualify him as the leader of the far-right Alternative for Germany (AfD) party.

Merz withdrew from active politics starting in 2004, after having been ousted two years earlier by Angela Merkel as CDU parliamentary party leader. Since then, he has mainly been active as a lobbyist; in the last two and a half years, he served as chairman of the supervisory board of BlackRock's German branch.

The US asset-managing corporation BlackRock controls \$6.4 trillion, making it the largest asset manager in the world. In order to increase the wealth of its customers, the company invests in innumerable firms and maintains a worldwide network of political contacts. In Germany, for example, it holds substantial stakes in all 30 DAX companies and is by far the largest single shareholder of Deutsche Börse.

Merz's job at BlackRock is to maintain these networks. His role goes far beyond "the usual range of tasks," the *Süddeutsche Zeitung* wrote. BlackRock, it added, values "his address book, his contacts in politics and in the executive offices of German companies. Merz's role is to act as a door opener for one of the most powerful financial groups that has ever existed. They are happy in those circles today."

Even before joining BlackRock, Merz served on the supervisory boards of numerous corporations and banks. For nine years he has also been Chairman of the Atlantic Bridge, a European-American network of some 500 influential personalities from the banking, finance, business, politics, media and tech sectors, as well as a member of the Trilateral Commission.

Even when he was an active politician, Merz stood at the extreme right wing of the CDU. In economic policy, he advocated a strictly free-market course: he supported the Hartz IV welfare cuts imposed by the Social Democrat (SPD)-Green government, but called for a significantly lower standard payment. He called for "limiting the welfare state," the complete abolition of protection against sackings, an increase in the retirement age and full taxation of pensions.

He took an ultra-reactionary position on social issues. Long before the AfD existed, Merz called for a "German guiding culture" and demanded that Muslims "accept our customs, traditions and habits."

The CDU Economic Council and the Parliamentary Group for Small and Medium-Sized Enterprises, the largest group in the Union faction, welcomed his candidacy.

The Free Democratic Party (FDP) and its leader Christian Lindner hold similar positions in economic policy to those of Merz. AfD chief Alexander Gauland has praised Merz as a “clever man.”

Merz’s candidacy for party chairmanship is a step towards AfD participation in government.

Merz will compete against several other candidates at the party conference, including CDU Secretary General Annegret Kramp-Karrenbauer, who is Merkel’s favourite, and Health Minister Jens Spahn, who holds positions similar to those of Merz. But even if he loses the election, the axis of government policy will move further to the right.

The right-wing policy of the Christian Democratic-Social Democratic Grand Coalition has created conditions for a right-wing representative of parasitic financial interests like Merz, who would otherwise only reap contempt, to launch a serious bid for the chancellorship. The SPD and its political fig leaf, the Left Party, bear principal responsibility for this. Since the Hartz laws, they have played a leading role dismantling social rights, building a police state, and remilitarizing German foreign policy.

The stronger the resistance to this, the more official politics takes the form of a conspiracy. After massive losses in the 2017 Bundestag elections, the CDU, CSU and SPD spent months negotiating a new government program behind the scenes that would adopt the AfD’s course in refugee policy, police-state repression at home and imperialist war abroad.

In the Bavarian and Hessian state elections, they reaped the consequences. The massive losses suffered by the CDU, the SPD and the Bavarian Christian Social Union (CSU) were primarily the result of opposition from the left. But this opposition finds no expression inside the existing party system.

There is broad opposition against growing poverty, rising rents, the demonization of refugees, the massive military armament and AfD intimidation since the far-right march in Chemnitz. Before and during the elections, tens of thousands took to the streets in numerous cities; in Berlin alone, 250,000 marched in a demonstration against the right on October 13.

Official policy is reacting to this with another shift to the right. If the Grand Coalition remains in office, the political process of putrefaction, which is pushing right-wing figures like Merz upwards, will continue to accelerate.

This is shown by experience in numerous other countries. The rise of fascist Jair Bolsonaro to the Brazilian presidency is the result of the right-wing, anti-worker politics of the former ruling Workers Party (PT). And far-right Italian Lega leader Matteo Salvini owes his success to the Italian Democratic Party’s years-long policy of social cuts. Around the world, the ruling class is responding to the crisis of capitalism by turning to dictatorial forms of rule and war. Germany is no exception.

The SPD is determined to keep the Grand Coalition in office despite the election defeats in Bavaria and Hesse, and has rejected any call for new elections. Even SPD youth leader Kevin Kühnert, who led the campaign against the continuation of the Grand Coalition, currently rejects an end to the Grand Coalition government.

The dangerous shift towards the right in Germany can only be stopped by an independent political intervention of the working class based on a socialist and internationalist program. This requires the building of the Socialist Equality Party—the only party to represent such a programme.

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