**Headline:** How BlackRock Is on Track to Infiltrate a Biden Administration

By Max Moran

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**[Article Body:]**

The Democratic base, still scarred from the 2016 election, is frantic not to count its chickens before they hatch. But Wall Street and corporate America have no such qualms. As Joe Biden leads in national polls and swing states, the most powerful firms in the country are seeking assurances that his administration won’t crack down on their crimes.

For many, that means tapping the Obama-era alumni and other well-connected Democrats whom they’ve strategically hired to see who’s ready to take a trip through the revolving door. This is why prominent House progressives like Alexandria Ocasio-Cortez and Katie Porter have [called on Biden to ban corporate appointees](https://www.politico.com/news/2020/10/16/aoc-progressives-biden-cabinet-429736) from his administration.

The bellwether for corporate infiltration of a Democratic administration is BlackRock, the world’s largest asset manager in charge of $7.32 trillion across the global economy. Hillary Clinton’s campaign actively courted BlackRock CEO Larry Fink in 2016, and he quietly built out a full [Treasury Department-in-waiting](https://theintercept.com/2016/03/02/larry-fink-and-his-blackrock-team-poised-to-take-over-hillary-clintons-treasury-department/) of well-established Democrats ready to keep oversight of mischievous financiers light. In the years since, BlackRock has only gotten larger, which means it only has more to lose from a muscular Biden administration. So what does BlackRock care about from the next administration, and whom might they seed in a Biden administration to get it?

BlackRock is the world’s largest investor in fossil fuels, an industry (ironically) gasping for air during the pandemic. Yet BlackRock is currently trying to close a [massive new stake](https://www.reuters.com/article/us-saudi-aramco-blackrock-m-a/saudi-aramco-and-blackrock-others-discussing-deal-worth-over-10-billion-sources-idUSKBN26Y215) in Saudi Aramco, the mostly [state-owned oil company](https://www.investopedia.com/what-is-saudi-aramco-4682590) of Saudi Arabia. Saudi Arabia’s atrocities in Yemen and the brutal murder of Jamal Khashoggi did nothing to slow Fink’s business with the Kingdom—he [personally attended](https://www.axios.com/larry-fink-saudi-arabia-blackrock-khashoggi-ff2d4843-dbb4-42a5-a8a8-3222a548a178.html) a confab with the Saudi finance minister in Riyadh six months after Khashoggi’s death, and one day after Mohammed bin Salman’s government executed [37 people](https://www.washingtonpost.com/world/saudi-arabia-puts-to-death-37-people-in-largest-mass-execution-in-past-three-years/2019/04/23/43a063e0-65d7-11e9-a698-2a8f808c9cfb_story.html), including one via [crucifixion](https://www.bbc.com/news/world-middle-east-48028518).

Biden’s promises on environmental and foreign policy run counter to protecting a Saudi oil pipeline just because an American investment titan has a stake in it. Yet BlackRock Investment Institute [Chairman Tom Donilon](https://www.blackrock.com/corporate/biographies/thomas-donilon) is [reportedly](https://www.politico.com/news/2020/10/19/joe-biden-secretary-of-state-430089) in the running to be Biden’s secretary of state. Donilon was Obama’s national security adviser, and his brother Mike is a [longtime confidante of Biden’s](https://www.politico.com/news/magazine/2019/12/19/biden-2020-campaign-president-advisers-087410). Why might a top investment firm hire someone with no apparent prior money-management experience to run a major division? Perhaps it is the possibility of political influence.

Donilon isn’t the only prominent Democrat at BlackRock who is talking to the Biden campaign. It was reported in August that BlackRock’s [Brian Deese](https://www.blackrock.com/institutions/en-us/biographies/brian-deese) has [“been working with”](https://www.eenews.net/stories/1063693773) Biden’s campaign. Before he came to BlackRock, Deese helped negotiate the Paris climate accord for Obama. As global head of sustainable investing at BlackRock, Deese analyzes [“climate risk.”](https://finance.yahoo.com/news/blackrock-brian-deese-on-climate-policy-220707381.html) That company phrase doesn’t necessarily mean steering clients away from investments that destroy the planet. It means, in the words of the [New Republic’s John Patrick Leary](https://newrepublic.com/article/156536/wall-street-really-means-talks-climate-risk), “making sure that your investment portfolio earns the highest returns *despite* climate change or even *from* climate change.”

Then there’s [Mike Pyle](https://www.blackrock.com/institutions/en-us/biographies/mike-pyle), the chief investment strategist at the BlackRock Investment Institute and a former Obama economic aide. He [advised](https://prospect.org/power/writing-2020-candidates-policies/) Senator Kamala Harris during her primary run for the presidency, giving him an insider connection to the would-be vice president.

Pyle was an [adviser to Peter Orszag](https://home.dartmouth.edu/events/event?event=38257#.Vs9Wf1YycpE), a prominent [austerity advocate](https://nymag.com/news/business/wallstreet/peter-orszag-2011-4/) of the early Obama years. BlackRock’s CEO is big on balancing the budget; Fink was on the [billionaire-backed](https://nymag.com/intelligencer/2012/11/how-fix-the-debt-won-over-wall-street.html) Campaign to Fix the Debt [from day one](https://www.crfb.org/blogs/launch-campaign-fix-debt), and while he seems to have accepted deficit spending to deal with the immediate pandemic, “in the next 10-15 years, it [deficit spending] could be a problem,” he [said in September](https://www.barrons.com/articles/rising-deficits-inflation-and-u-s-dollar-are-risks-to-come-blackrocks-fink-says-51600358486). Those of us who recognize [massive public investment is indispensable](https://www.motherjones.com/politics/2019/12/kevin-drum-climate-change-reseach/) to [preventing irreversible climate change over the next 10 years](https://www.un.org/press/en/2019/ga12131.doc.htm) will be sad to hear that, in BlackRock’s eyes, we just can’t afford to stop a climate apocalypse.

But it isn’t just the Orszag connection that could make Pyle valuable to BlackRock—he was also a [senior adviser](https://theintercept.com/2016/03/02/larry-fink-and-his-blackrock-team-poised-to-take-over-hillary-clintons-treasury-department/#search:~:text=Michael%20Pyle%2C%20who%20was%20a%20senior%20adviser%20to%20Lael%20Brainard) in Obama’s Treasury Department [to Lael Brainard](https://home.dartmouth.edu/events/event?event=38257#.Vs9Wf1YycpE), who’s now [the likeliest candidate for Treasury Secretary](https://prospect.org/economy/liberalish-complex-odyssey-of-lael-brainard-biden-treasury-secretary/). Among other duties, the treasury secretary chairs the board of regulators who designate firms “[systemically important](https://www.investopedia.com/terms/t/too-big-to-fail.asp),” aka too big to fail. BlackRock waged a [multiyear lobbying war](https://www.wsj.com/articles/one-firm-getting-what-it-wants-in-washington-blackrock-1461162812) under Obama to avoid that designation, despite managing more than twice the total assets of [JPMorgan Chase](https://www.macrotrends.net/stocks/charts/JPM/jpmorgan-chase/total-assets). These days, people are paying more attention to what happens at obscure (but important) regulatory meetings, but insider figures like Pyle could help BlackRock maintain that lack of accountability under Biden.

BlackRock has also done plenty of business with the federal government itself during the pandemic. The Federal Reserve has [pushed billions of dollars out the door](https://www.wsj.com/articles/federal-reserve-announces-major-expansion-of-market-supports-11584964844) to prop up corporate stocks, and it hired BlackRock to help do it. In fact, the Fed has been [buying up BlackRock’s own investment products](https://www.wsj.com/articles/fed-hires-blackrock-to-help-calm-markets-its-etf-business-wins-big-11600450267) in its effort to save American big business—unsurprisingly, this has been very good for BlackRock’s bottom line. Expect plenty of backroom lobbying from BlackRock over any potential appointees who would ask questions about the conflicts of interest baked into this business model.

Some might say that Donilon, Deese, and Pyle are merely giving advice to Biden and Harris on a handful of policy issues. But advice isn’t often offered out of the kindness of one’s heart in Washington or on Wall Street.

And for a presidential front-runner, Biden’s campaign has remained remarkably obscure on any number of policy issues, making it hard for those outside of the back rooms to tell what the candidate actually wants to do besides win. Take, for example, campaign adviser Jake Sullivan telling [Bloomberg](https://www.bloomberg.com/news/articles/2020-08-03/joe-biden-envisions-trillions-of-dollars-in-u-s-spending?sref=6OyUvLUJ) that Biden will retain a “laser focus on the long-term fiscal health of the United States” in August, and then telling [Politico](https://www.politico.com/news/2020/09/14/biden-economics-obama-stimulus-414869) that “we are going to need a significant magnitude of investment” in September. Is Biden a deficit hawk or a big spender? The answer seems to shift with the wind.

All of this means it’s even more important for Biden to lock the revolving door and commit to public-minded appointees across his executive-branch-to-be. Every nominee will be a signal of where the candidate ultimately stands, which is perhaps why his personnel deliberations have attracted unusually high attention from the press for a campaign that hasn’t even won yet. BlackRock is among those likely to be closely watching those deliberations, which means the enemies of BlackRock’s regressive policy preferences need to keep their eyes peeled on personnel.