

ESG Hurts – Here’s How – Heritage Foundation.



JULY 10, 2022 12:00 AM Washington Examiner

https://www.washingtonexaminer.com/restoring-america/faith-freedom-self-reliance/bidens-woke-attack-on-energy?mkt_tok=ODI0LU11VC0zMDQAAAGFpd7HOjiXF2qF9ECOWACN8GPWVI9vUZKoVP_sUCe74LhtABrtAzScyil6ld0nife3mhMrZ0-UPLyHV9KeGpnoEbHmPOnttVPqIrmXO5LHiNitE8

Preface: [Emphases ours, the LINKS here are worth your time]

Last May Saule Omarova, Joe Biden’s pick to regulate the banking industry through the OCC, *said the quiet part out loud!* She declared “the way we basically get rid of those carbon financiers is we starve them out of their sources of capital.”

This statement wasn’t merely hypothetical, but rather a practical strategy that the left is employing. An alliance of “green activists, big business, and woke culture warriors” has formed to pursue ESG (environmental, social, and governance), a social movement designed at leveraging investments to force companies into woke business practices.

ESG Hurts - Here's How [Globalism Anyone?]

ESG employs a scoring system that rates companies based on woke policy preferences like being anti-oil or supporting critical race theory. The more a company virtue signals, the “better” their ESG score.

JESSICA ANDERSON Executive Director, Heritage Action for Freedom

Saule Omarova, whom President [Joe Biden](#) picked to regulate the banking industry, opened a new front in the relentless campaign of **woke capital** last May. Speaking about oil and gas companies, [she stated](#) [stunning article, "end banking as we know it."] that "the way we basically get rid of those carbon financiers is we **starve them of their sources of capital.**"

Omarova's threat to weaponize banking **rules against traditional energy** companies wasn't just talk. It was the most public admission yet of a behind-the-scenes strategy growing in power on the Left. **An alliance of green activists, big business, and woke culture warriors have begun** pushing for environmental, social, and governance regulations, with the ultimate goal of using state power to crush and defund companies and individuals that don't bend the knee to the current regime's political will.

These unholy allies know their policies are bad for voters and customers alike and can never win in a free market or at the ballot box. So they are turning to the long arm of the state to implement far-left, corporatist policies under the guise of ESG. If their campaign succeeds, it could wreak havoc on the rest of the economy and American culture — that's why it's fast becoming a top concern at the federal, regulatory, and state levels for both grassroots activists and elected leaders.

For proof of the damage the ESG agenda is already doing, just look at the current **gas crisis**. Perhaps this is the one promise Biden kept from his campaign — to destroy the fossil fuel industry no matter the consequence. People have watched as this administration **has shuttered pipelines, denied permits, and [cut off development bank financing for oil and gas](#)** — all in line with the so-called ESG agenda.

Woke corporations are joining in as well. Traditional fuel companies are finding it [more and more difficult to secure capital](#) [See ND SB2291 push back "**ESG movement represents "the greatest challenge to the North Dakota economy since the Great Depression.**"], loans, insurance, and other private backing as they face prejudice and discrimination by progressive elites who advocate investing based on ESG scores with no regard for their workers and customers. Between the regulatory and access assault from Biden and the funding assault from Wall Street, **we have all no doubt felt the financial impact at the pump.**

Biden's ESG-influenced actions **don't stop with energy**. Biden's foot soldier in this effort is Gary Gensler, head of the Securities and Exchange Commission, who is trying to **force companies to "disclose" ESG** information to investors. Not only is this an overstep of the SEC's authority, but it also **allows partisans and unelected bureaucrats** to penalize political opponents and weaponize businesses against the people.

Take Tesla. Following **Elon Musk's** public stance on free speech and efforts to purchase Twitter, his "electric cars, solar, and clean energy" company was **excluded from the ESG index**. With some hedge **funds now selectively investing billions into ESG-friendly, i.e. woke, companies**, the ramifications of these ESG reports are massive.

With ESG, **demonizing** and penalizing the fossil fuel industry and those who do business with it takes **precedence** [Who is handling YOUR investments?] over fiduciary responsibility. But these activists aren't just using private citizens' 401(k)s; they're using taxpayer dollars and state pensions to **bankroll [Woke ideology has captured public pension funds, even in red states. How did it happen, and who is fighting back?]** their radical agenda. That's why more and more states are starting to fight back against the destructive, unprofitable ESG cartel.

State legislatures and **treasurers** are right to stand up to this brazen and hostile movement that threatens their citizens, jobs, and the economies of their states. Just last month, **Tennessee** and **Oklahoma** joined states such as Texas, North Dakota, Idaho, West Virginia, and Alaska that have passed legislation prohibiting or restricting state contracts and investments with anti-energy financial institutions and companies.

Traditional energy sources remain the most reliable, affordable, and abundant energy sources and are **vital** to our nation's and many states' economies. **Millions** of people work in the industry, and everyone relies on the energy produced with fossil fuels. Nonetheless, the aggressive anti-American energy agenda pushed by the **Biden administration and woke elites** **willfully ignores** both the benefits of these natural resources and the steps energy companies take to be good stewards of the environment.

Billions of taxpayer dollars are entrusted to banks and financial institutions. States are right to refuse to subsidize an anti-American and anti-free market political movement.

As the Biden administration presses ahead with its woke war on energy and investors, it's **up to the states to fight back against woke capital** and its allies in the administration. Tennessee and Oklahoma join Texas, Kentucky, and West Virginia as states leading the way to block the all-out assault on energy. The fight continues to stop ESG in its tracks wherever it seeks a foothold. It's time for states across the nation to join them.

Jessica Anderson is the executive director of Heritage Action for America.