

Steve Marshall
Alabama Attorney General



For **press** inquiries only, contact:
Amanda Priest (334) 322-5694
Cameron Mixon (334) 242-7491

ICYMI: Attorney General Marshall's WSJ Opinion: ESG Defenders Pose as 'Free Market' Disciples

(Montgomery) – In case you missed it, Alabama Attorney General Steve Marshall's most recent opinion piece was published by the *Wall Street Journal*. Attorney General Marshall addresses his work defending our free market system from elitist global alliances who are determined to force their ESG policies on both American businesses and consumers.

Wall Street Journal

May 23, 2023

ESG Defenders Pose as 'Free Market' Disciples: Activists and bureaucrats seek to deny capital to companies and whole industries via blacklists

Proponents of ESG—environmental, social and governance—investing are posing as champions of the free market. Utah Attorney General Sean Reyes and I testified earlier this month before the House Oversight Committee regarding our continuing investigations into several global financial alliances that aim to impose ESG policies on American businesses and consumers in defiance of our free-market economy.

Minutes into the hearing, Rep. Jamie Raskin (D., Md.) claimed that my colleagues and I were “assaulting the free market” and attempting to “stop the market from responding to the climate crisis.” Rep. Katie Porter (D., Calif.) continued the gaslighting, noting that “capitalism delivers freedom,” which “happens when markets let people choose what they want.”

As Mr. Raskin and Ms. Porter surely know, the free market has resisted onerous ESG mandates. That's why sectorwide financial alliances have emerged to restrict the market's functioning and stymie consumer choice.

A company's affinity for ESG ideology is its prerogative. Likewise, it is the consumer's choice to reward a company's social messages with continued business. Such corporate stances are often nothing more than virtue signaling. This can often be a costly decision, as Anheuser-Busch is learning in the wake of Bud Light's partnership with transgender activist Dylan Mulvaney.

The more sinister ESG acolytes, however, aren't merely printing woke messages on six-packs. America's self-proclaimed “socially responsible” financial institutions, which



should be competing in the free market, are instead joining forces with one another and their global counterparts to decide which companies – and, in some cases, which industries – should be permitted to continue their market participation unimpeded.

Since 2017, a growing number of these financial alliances, including Climate Action 100+, the Net-Zero Banking Alliance and the Venture Climate Alliance, have plotted to pressure blacklisted companies into making a priority of decarbonization and other social goals at the behest of the United Nations, not American consumers. In other words, by controlling trillions of dollars in assets, these groups intend to corner the market through potentially illegal horizontal agreements and force preferred social and political objectives on American companies and consumers.

The Net Zero Asset Managers initiative boasts 301 signatories and \$59 trillion in assets under management. On its [website](#), the group writes: “Our industry’s ability to drive the transition to net zero is extremely powerful. Without our industry on board, the goals set out in the Paris Agreement will be difficult to meet.”

This statement doesn’t refer to a company making a business choice because of consumer demand or shareholder interest. Rather, it reveals a coalition of major financial-industry players that have come together to choke out certain disfavored companies and industries by limiting their access to capital and then pointing to this manufactured obstruction as evidence that these firms are a bad investment. The resulting harm to the working public – of little interest to global elites – is higher energy costs and fewer options across a variety of markets, including automobiles, appliances and food production.

My fellow attorneys general and I have launched investigations into various components of our financial system – banks, asset managers and insurers – to understand better how quickly and how tightly the walls are closing in on U.S. companies and consumers. If truly collusive and anticompetitive behavior exists within these alliances, we will take action to protect the free market. Our multifaceted investigations also carry a warning – and likely some welcome relief – for banks and investment firms facing increased pressure to join the ranks of the climate cabal.

Opposite us in these efforts is [Joe Biden](#), whose presidency has been an ESG crusade in the crudest form. Mr. Biden is attempting to create the federal government’s own version of Climate Action 100+ by imposing emissions disclosures and other ESG litmus tests on federal contractors without the approval of Congress. The president would then have his own blacklist, useful for strong-arming companies to go woke in defiance of market forces and the legislative branch. Republican attorneys general will continue to stand in his way.

Consumer choice and businesses’ access to funding are central to our free-market system. Because ESG dogma isn’t playing well in the open market, Mr. Biden and his

administration's favorite big banks and asset managers want to close off certain sectors of the market altogether. If they are successful, Americans will pay the price, be it with tax dollars spent to finance green subsidies or simply with unaffordable vehicles and power bills.

For all the bluster from House Democrats, our fight against anticompetitive ESG agreements is a fight for free markets and the consumers we have a duty to protect.

Mr. Marshall is attorney general of Alabama.