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March 7, 2023

The Honorable Mitch McConnell
Senate Minority Leader
United States Senate
Washington, D.C.

The Honorable Charles Schumer
Senate Majority Leader
United States Senate
Washington, D.C.

The Honorable Kevin McCarthy
Speaker of the House
United States House of Representatives
Washington, D.C.

The Honorable Hakeem Jeffries
House Minority Leader
United States House of Representatives
Washington, D.C.

Dear Leader McConnell, Speaker McCarthy, Leader Schumer, and Leader Jeffries:

In our nation's relatively short history, we've been no stranger to threats, both military and ideological, to our unique way of life. From our revolutionary founding to the decades-long struggle against Soviet communism, we have faced enemies that sought to extinguish this nation's prosperity and freedom.

We write today to raise the alarm about the encroachment of another existential threat to our liberty: the so-called investment strategy Environmental Social and Governance, or ESG. Intentionally designed to be opaque yet seem benign, ESG represents a grave menace to America. ESG is the weaponization of America's investments against its own citizenry. Against their freedoms. Against their jobs. Against their retirements. Against their pocketbooks. Against their national security. It undercuts democratic rule. It aids communist dictators and petty tyrants alike. It concentrates power into the hands of a tiny group of Wall Street managers who were not elected, lack any accountability to the people, and routinely make it clear they resent any restriction on their power to set policy.

In 2021, we launched an ongoing multi-million-dollar campaign to educate consumers about the ways ESG and its major purveyors, such as BlackRock, are undermining their interests. BlackRock and other massive financial firms have contributed to higher costs for consumers, slower economic growth, and reduced returns through their ESG agenda, all while helping China build up the very same industries that ESG punishes here in America. We weren't going to let them get away with it just because no one knew who they were or what they were up to.

Similarly, we hope to continue the process of combatting the ESG threat by educating Congress and the American people on the inner workings of the ESG machine through the attached report. [“Defeating the ESG Attack on the American Free Enterprise System: An Overview of the Corporate Proxy System for Oversight & Litigation Efforts”](#) is a detailed guide on how ESG grifters are perverting our markets using our own investment dollars. It describes the major players in the proxy system by which asset managers and others exert influence over corporate America using their clients' funds. It outlines the many ways by which these players coordinate

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their activities in ways that give rise to significant concerns about anti-competitive behavior. It provides a list of questions those engaging in ESG practices should have to answer.

There is much work to be done by Congress and state legislatures to restore democratic principles and prevent our nation's largest companies from becoming blatant political entities that force policy on the public through ESG. We commend the ever-increasing number of elected representatives who are on record opposing the corruption of our democratic system and the undermining of our economy. We hope that this report can serve as a basis for beginning that vital work.

Sincerely,

Will Hild

Will Hild
Executive Director
Consumers' Research

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