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BlackRock CEO Larry Fink attends a session at the World Economic Forum annual meeting in Davos on Jan. 23, 2020. (Fabrice Coffrini/AFP via Getty Images)

PREMIUM US NEWS

Texas Joins 18 States to Oppose Blackrock's Woke Agenda

By [Darlene McCormick Sanchez](#) | August 10, 2022 Updated: August 10, 2022

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Texas joined a group of Republican-led states accusing [BlackRock](#) Inc. of putting woke investment criteria above shareholder profits in state pension funds.

In a letter to BlackRock CEO Larry Fink, 19 attorneys general, mainly from conservative states, challenged his company's reliance on environmental, social, and governance criteria at the expense of investor returns.

Texas Attorney General Ken Paxton said in an Aug. 8 news release that [ESG](#) climate goals harm Texas's oil and gas economy and state pension fund performance. The release said that BlackRock's actions might also violate state and federal law.

BlackRock, the world's largest asset manager, recently sent a letter to several states, claiming it has joined climate organizations merely for "dialogue" and is focused solely on its fiduciary duty.



Attorney General Ken Paxton speaks at the Conservative Political Action Conference in Dallas at the Hilton Anatole on August 5, 2022. (Bobby Sanchez for The Epoch Times)

Arizona Attorney General Mark Brnovich led the charge in responding to the investment firm by pointing out inconsistencies and conflicts between BlackRock's letter ([pdf](#)) and its public statements and commitments.

According to a news release from Brnovich's office, BlackRock's focus goes beyond "dialogue." The descriptions on the company's website include ensuring the world's largest greenhouse gas emitters take necessary action on climate change and support the Paris Agreement.

Anyone purchasing a BlackRock fund is forced to support ESG, whether they like it or not, Brnovich alleged.

Brnovich's Aug. 4 letter said BlackRock's actions raise anti-trust concerns and appear to intentionally restrain and harm the energy markets' competitiveness.

"Our states will not idly stand for our pensioners' retirements to be sacrificed for BlackRock's climate agenda. The time has come for BlackRock to come clean on whether it actually values our states' most valuable stakeholders, our current and future retirees, or risk losses even more significant than those caused by BlackRock's quixotic climate agenda," the letter states.

Attorney General Patrick Morrisey, representing the coal-producing state of West Virginia, accused the company of coercion.

"Again, this is an example of a company pushing their climate agenda, using investments to force companies and people to abide by their ideology," Morrisey said in a statement.

BlackRock has denied wrongdoing, saying it offers a wide range of products and strategies.

Across the country, conservative and fossil-fuel-producing states have taken aim at financial firms for what is perceived as an attack on U.S. energy.

Texas Comptroller Glenn Hegar sent letters to 19 major financial companies that may be boycotting the fossil fuel industry. He is seeking to clarify their fossil fuel investment policies to satisfy a Texas law that prohibits state agencies from investing in financial companies that boycott energy companies.

Likewise, West Virginia State Treasurer Riley Moore recently announced that BlackRock Inc., Goldman Sachs Group Inc., JPMorgan Chase & Co., Morgan Stanley, and Wells Fargo & Co. are ineligible for state banking contracts.

While states are starting to fight back, it may prove to be an uphill battle against some of the most influential firms in the world pushing ESG.

Critics of ESG say corporations have allied with socialists to weaken capitalist countries such as the United States. The critics argue that woke corporations are attacking the West's fossil fuel use and traditional values while ignoring pollution and human rights abuses in [China](#) and other countries.

El Paso oil refinery operates near a neighborhood of homes in East-Central El Paso, Texas, on Dec. 10, 2021. (Patrick T. Fallon/AFP via Getty Images)

Some critics believe that by promoting green energy, progressive companies make the world more reliant on communist China, which dominates the production of solar panels and electric vehicle batteries.

[Vivek Ramaswamy](#), the author of *Woke Inc.*, told an audience at the Conservative Political Action Conference in Dallas last week that he launched an Ohio-based financial firm called Strive as an alternative to woke investment firms.

Ramaswamy told the audience that ESG is also called stakeholder capitalism, which produces less profit for its shareholders. But worse than that, the rise of ESG “drains the lifeblood” out of our democracy, he said.

Vivek Ramaswamy, the author of Woke Inc., speaks at the Conservative Political Action Conference in Dallas at the Hilton Anatole on August 5, 2022. (Bobby Sanchez for The Epoch Times)

“What this represents is a new vehicle for the party in power to do through the backdoor what the government couldn’t get done through the front door under the Constitution,” Ramaswamy said.

The advent of ESG credit suggests that controversial issues such as climate change and “systemic racism” have moved from the political arena into the corporate boardroom.

The three largest asset managers in the world—BlackRock, State Street, and Vanguard—control \$22 trillion, which is more than the Gross Domestic Product of the United States. He said they are using investor dollars to advocate for political and social agendas in corporate America that most investors disagree with.

“It is the defining scam of the 21st century,” Ramaswamy said, adding it represents a breach of corporate fiduciary duty.

He said that stakeholder capitalism started around the 2008 financial crisis, right around the beginning of the progressive movement. While large corporations couldn't get on board with the Occupy Wall Street movement that wanted economic equality, they could get on board with social justice.

Ramaswamy proposes that progressives gave corporate America a way to keep their power by taking on social causes. In exchange, progressives looked the other way and didn't press the companies to change their corporate structure.

"Together, they birthed woke capitalism," Ramaswamy said.