

# [***STEPHEN MOORE: Don't Let America's Biggest Money Managers Play Politics With Your Pension***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:6C2V-XS11-JBFB-H0NJ-00000-00&context=1516831)

The Daily Caller

May 20, 2024 Monday 10:00 PM EST

Copyright 2024 The Daily Caller, Inc. All Rights Reserved

**Section:** BIG-TENT-IDEAS; daily-caller-news-foundation; daily-caller-news-foundation

**Length:** 740 words

**Byline:** Stephen Moore, Contributor, [*StephenMoore@DC.com*](mailto:StephenMoore@DC.com)

**Body**

[*Link to Image*](https://cdn01.dailycaller.com/wp-content/uploads/2024/05/2016-10-18T000000Z_2081880739_D1BEUHOVBHAB_RTRMADP_3_BLACKROCK-RESULTS-scaled-e1716242272289.jpg)

Are you paying attention to what the money managers who you've entrusted with your lifetime savings are actually doing with your money?

Are they investing to get the best possible return they can - so that you will be able to retire comfortably and perhaps buy a vacation home or leave an estate for your children and grandkids?  Or are they injecting their own political biases into the way your money is invested? [***(RELATED: DAVID BLACKMON: Biden Treasury Could End Up Vaporizing Billions Of Dollars With Activist-Driven Rule)***](https://dailycaller.com/2024/05/08/opinion-bidens-treasury-could-end-up-vaporizing-billions-with-activist-driven-rule-david-blackmon/)

Too often of late, they are doing the latter. They are playing ***politics*** with your pension. And that's a violation of their fiduciary duty to act in the interests of you, their client. This may be costing you tens of thousands of dollars of retirement income. Or more.

I'm referring to the latest insidious fad on Wall Street called “ESG investing.” Environmental, social and governance (ESG) investing is an invention of the left to secretly direct Americans' personal savings (without our knowledge or explicit approval) into investments that are “green,” or otherwise “socially conscious.”

The scheme works like this: Leftwing activists invade corporate shareholder meetings at companies like Walmart or Exxon and demand votes on hostile shareholder resolutions like requiring racial quotas in hiring or advancing radical climate change priorities, such as divesting in oil and gas companies (even though these have been some of the top performing Fortune 100 companies).

Many studies have shown that adopting these ESG mandates reduces a company's returns to its shareholders - i.e., you and me and the 125 million other Americans who have pension money invested in the stock market.

Our [*new study*](https://www.pensionpolitics.com/report/putting-politics-over-pensions-putting-politics-over-pensions-the-2024-committee-to-unleash-prosperity-report-card-on-investment-fund-managers-and-proxy-voting-behavior/) at the Committee to Unleash Prosperity has [*just graded*](https://www.pensionpolitics.com/scorecard/2024-report/) more than 100 of the largest money management funds-from Fidelity to Blackrock to Morgan Stanley. In some ways these money managers run Wall Street and the world economy. They have tens of trillions of dollars under management.

We analyzed how firms voted on the most extreme ESG-oriented resolutions in the 2023 proxy voting season. These resolutions, which are in conflict with the fiduciary duty of the firms, included, for example, requiring them to divest from oil and gas companies, adopting racial/ethnic and gender quotas in hiring, and pursuing internal “racial equity” audits.

Here are the firms that rank worst and got an F grade: Guggenheim Funds; Mutual of America Funds; Morgan Stanley Funds; BNP Paribas Asset.

Our report found these firms and many more may be violating their fiduciary duty to advance the interests of their stockholders. As [*Milton Friedman put it*](https://www.nytimes.com/1970/09/13/archives/a-friedman-doctrine-the-social-responsibility-of-business-is-to.html): “[T]here is only one social responsibility of business-to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game, which his to say, engages in open and free competition without deception or fraud.” Money managers do not do this by voting for radical leftist resolutions. One way to protect yourself from this corporate malfeasance is to move your money elsewhere.

There is some good news on the ESG front: the CTUP study finds that in the last year or so ESG investing is on the decline. That's because conservatives are beginning to withdraw their money from firms that are secretly harvesting their votes in favor of policies that are out of step with their own values or diminish the performance of the funds holding their savings.

If investors want to invest in advertised ESG funds, they have every right to do so. It's their money after all. But if enough Americans vote with their dollars and tell their brokers to cease and desist, this shareholder revolt can end the scourge of ESG once and for all.

Stephen Moore is a co-founder of the Committee to Unleash Prosperity and a visiting senior fellow at the Heritage Foundation.

The views and opinions expressed in this commentary are those of the author and do not reflect the official position of the Daily Caller News Foundation.

All content created by the Daily Caller News Foundation, an independent and nonpartisan newswire service, is available without charge to any legitimate news publisher that can provide a large audience. All republished articles must include our logo, our reporter's byline and their DCNF affiliation. For any questions about our guidelines or partnering with us, please contact [*licensing@dailycallernewsfoundation.org*](mailto:licensing@dailycallernewsfoundation.org).

**Graphic**

The BlackRock logo is seen outside of its offices in New York City, U.S., October 17, 2016. REUTERS/Brendan McDermid

**Load-Date:** May 20, 2024

**End of Document**