

WOKE FINANCE IS HURTING MICHIGANDERS

Financial institutions are targeting key Michigan industries, including agriculture and auto manufacturing.

- The world's largest money managers are targeting specific sectors—including agriculture and auto manufacturing—to force them to comply with the aspirational climate goals of the Paris Agreement.
- Members of initiatives like [NZAM](#) and [CA100+](#)—including [BlackRock](#), [State Street](#), and [PIMCO](#)—manage large amounts of retirement savings, including [over \\$18 billion for the State of Michigan Retirement System](#).
- These money managers push their [decarbonization goals](#) by pressuring companies to make farmers [electrify their farm vehicles](#), change their [fertilizer use](#), and switch to “[lower-carbon alternatives to meat and dairy](#).”
- Moreover, climate groups say the U.S. needs to cut its per capita ruminant [meat consumption](#) in half by 2050.
- These policies will hurt Michigan's [\\$104 billion](#) food & agriculture industry.
- Climate activists are also [pushing auto companies](#) to align with the [IEA's Net Zero by 2050 scenario](#) by eliminating [sales of new internal combustion engine cars by 2035](#). These policies are expected to result in a “[net loss of 14 million jobs](#),” likely including jobs at two of Michigan's [largest employers](#), [GM](#) and [Ford](#).

Money managers are also imposing ESG mandates on utilities like DTE Energy and Consumers Energy. This makes the Wolverine State's electricity supply dependent on China.

- Money managers are pressuring power companies to “[align future capital expenditures with . . . limiting global warming to 1.5° C](#),” which means ramping up solar and wind energy to [nearly 70%](#) of electricity generation.
- This increases dependence on China, which controls [more than 80%](#) of all manufacturing stages of solar panels, [60–80%](#) of wind energy components, and [up to 90%](#) of the processing of critical minerals, like rare earths.
- At the same time, these asset managers [pressure electric utilities to phase out gas and coal power by 2040](#), but coal and natural gas provided [over 63%](#) of Michigan's net electricity generation as of November 2023.
- BlackRock specifically targets Michigan energy providers [DTE Energy](#), [CMS Energy \(Consumers Energy\)](#), and [American Electric Power Company \(Indiana Michigan Power\)](#) for “engagement” on climate issues.

Major banks are using their lending practices to pressure energy companies.

- [JPMorgan Chase](#) and [Bank of America](#) joined the [Net-Zero Banking Alliance](#), committing to slash their financed emissions in the power sector by 69%–70% carbon intensity by 2030, and by 41%–44% for auto manufacturing.
- These policies are sure to harm Michiganders, as Michigan is [the nation's leading auto producer](#).

How Michigan can push back: Legislative Solutions

- **Protect Workers' and Families' Savings:** Michigan can protect its pensioners by enacting a law that clarifies that the fiduciary duty of those managing Michigan's pension funds is to consider only financial factors and financial purposes.
- **Protect Michigan's Farmers:** Michigan can empower the Director of the Michigan Department of Agriculture and Rural Development to investigate and take action when banks restrict services to farmers based on environmental policies.
- **Protect Michigan's Economic Interests:** Michigan can enact a law prohibiting state contracts with companies that boycott or penalize other companies for engaging in industries disfavored by ESG activists, or for not meeting ESG criteria not required by law.

More Information on Woke Finance Organizations

United Nations-inspired climate initiatives push the Paris Agreement on U.S. companies.

In the past few years, numerous financial initiatives have arisen to coordinate asset managers, banks, and other financial institutions to comply with the aspirational climate goals of the Paris Agreement—even though the Paris Agreement is not legally binding on U.S. companies.

Some of the most notable groups are the [Glasgow Financial Alliance for Net Zero](#) (GFANZ), which is [grounded in the UN-backed Race to Zero campaign](#), and [Climate Action 100+](#), which is [partially led by](#) the UN-affiliated Principles for Responsible Investment.

GFANZ and Climate Action 100+ have enormous sway, controlling trillions of dollars.

GFANZ [boasts](#) that its members represent “over \$130 trillion of private capital” that is “committed to transforming the economy for net zero.” Its [Net-Zero Banking Alliance](#) represents [over 40%](#) of global banking assets, [including](#) JPMorgan Chase, Bank of America, Wells Fargo, Citi, Goldman Sachs, and Morgan Stanley. Overseen by the UN, these members [commit](#) to align their financed emissions with net zero by 2050 or sooner. Similarly, members of GFANZ’s [Net Zero Asset Managers initiative](#) (NZAM), [including](#) Blackrock and State Street, [commit](#) to “play [their] part to help deliver the goals of the Paris Agreement” by managing assets in line with net zero greenhouse gas emissions by 2050 or sooner and by [phasing out fossil fuels](#).

Climate Action 100+ (CA100+) members collectively managed [\\$68 trillion in assets](#) in 2023. CA100+ members target certain companies and pressure them to commit to “[\[t\]ake action to reduce greenhouse gas emissions across the value chain . . . consistent with the Paris Agreement’s goal](#).” Their [sector strategies](#) target power companies, agriculture (food & beverage), aviation, steel, and [mining](#).

These groups are using Michiganders’ hard-earned savings to advance their own radical goals.

Asset managers influence company behavior by “engaging” with them one-on-one and voting at annual meetings on shareholder proposals and board directors, using shares paid for with funds from the State of Michigan Retirement System. In recent years, this has looked like:

- BlackRock asking companies to “[set](#) short-, medium-, and long-term targets for greenhouse gas reductions” and “[explain](#) how their business model will be compatible with . . . net zero.”
- [BlackRock](#) and [State Street](#) voting for dissident board candidates at ExxonMobil as part of a campaign to get ExxonMobil to invest more heavily in “[net-zero emissions energy sources](#)” and “[align \[its\] business with a net zero economy](#).”
- BlackRock and State Street voting in favor of insurers [Chubb](#) and [Travelers Companies](#) disclosing plans to “reduce the GHG emissions associated with [their] underwriting, insuring, and investment activities, in alignment with . . . net zero.”
- BlackRock and State Street voting in favor of [Charter Communications](#) publishing a “diversity, equity, and inclusion” (DEI) report with “quantitative data on workforce composition, and recruitment, retention, and promotion rates of employees by gender, race, and ethnicity.”