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Submitter Information

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General Comment

Hi, hope you're well.

You are creating a rule to make it harder for pension funds to invest in firms that can be identified as supporting ESG.

These firms have performed, on average, better than firms who would not meet this identification.

This has been documented numerous times, and not by "hippy liberal" organizations.

1) Morningstar: https://www.morningstar.com/articles/972475/sustainable-equity-funds-are-outperforming-in-bear-market

2) Wall Street Journal: https://www.wsj.com/articles/esg-investing-shines-in-market-turmoil-with-help-from-big-tech-11589275801

3) Harvard Business Review: https://hbr.org/2019/05/the-investor-revolution

These findings are academically validated as well:

1) Management Science: https://pubsonline.informs.org/doi/10.1287/mnsc.2014.1984

2) Accounting Review: https://meridian.allenpress.com/accounting-review/article-abstract/91/6/1697/99330/Corporate-Sustainability-First-Evidence-on?redirectedFrom=fulltext

Again, "The Journal of Accounting Review" is not exactly some liberal bastion of propaganda. The above links are not "cherry picked". They represent the majority of published literature on the topic. I am certain you can find counter-examples as science is complicated and you can find counter-examples to the concept that the speed of light is constant, but those counter-examples go against the majority scientific and financial consensus that indexes that include ESG generally outperform indexes that do not include ESG.

You are trying to pass a rule that will make it harder for pension fund managers to return money to retirees. What are you doing??!

Best,
Brenden