

# Why Is Big Capital Ditching the “Social, Environment, Governance” ESG Agenda?

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*The environmental, social, and governance (ESG) agenda once had the staunch backing of billionaires, Western governments and the United Nations. Big Capital, however, is backtracking from the very Frankenstein it had created. What are the reasons behind this volte-face?*

In a June 10 Tweet, Elon Musk, the embodiment of the electric vehicle (EV) revolution, declared that “[ESG is the devil](#)”.

ESG stands for the “environmental, social and governance” principles which dictate that certain aspects of a company’s work must be taken into account when deciding whether to invest in it. An investment-worthy company must have a good score on things like climate change, sustainability, energy efficiency, diversity, equity and inclusion, as well as corruption and bribery prevention, among others.

Musk’s outburst was sparked by the shockingly [low ESG scores](#) assigned to Tesla by S&P Global, a ratings and market intelligence heavyweight. Tesla earned 37 points (out of a possible 100, where anything above 70 is considered “good” and anything below 50 is deemed “poor”) on its ESG scorecard while Philip Morris, the global tobacco giant, received a commendable score of 84. Similarly, as the [Washington Free Beacon](#) discovered, the London Stock Exchange gave British American Tobacco a score of 94.

Perhaps, lighting up [20.3 billion tobacco products daily](#) worldwide does wonders for the environment and sustainability.

The ESG turnabout wasn’t entirely unexpected. I had even published a recent [analysis](#) on how the World Economic Forum (WEF) and its factotums would ultimately take the fall for our crumbling liberal-globalist order. Musk is just one among a growing number of stalwarts to turn their backs on the global ESG train wreck. Insurance behemoth Lloyd’s of London recently announced that it was exiting from the [net-zero alliance](#) for insurers, and it was the

sixth such organisation to do so *within a week*. There are good reasons for this shift. For starters, hundreds of [ESG managers](#) were stung by the recent collapse of the Silicon Valley Bank which had prioritised [woke agendas](#) over the security of their depositors.

The ESG agenda effectively forces firms to sacrifice business logic in favour of liberal lunacies marked by gender dysphoria, pseudo-diversity and climate militancy. As banks promoting this mania get [bankrupted](#), one wonders how ESG initiatives are going to be funded down the line. Investment behemoths like [BlackRock](#), Vanguard and State Street (aka Big Capital) are leading the global ESG [rollback](#). The trio manage assets worth [\\$22 trillion](#) worldwide, amounting to a quarter of the global GDP, and they can no longer pander to socialist pies-in-the-sky. Big Capital thrives on trillion-dollar profits, not trillions of social media soundbites and hissy-fits.

Punitive threats, like the following prediction from [KPMG](#), will not faze Big Capital:

“By 2030, poor performers [will] have been weeded out and consistent non-compliance will be met with severe consequences including penalties, public naming, a prohibition to operate and even imprisonment. The C-Suite and Directors will now be personally liable for ESG breaches.”

Does anyone really believe that the [Big Four](#) (Deloitte, Ernst & Young, KPMG and PwC) will agitate for punitive actions against their sacred cows? Big Capital virtually owns them. Even the British government plans to drop its flagship £11.6bn climate pledge, prompting an infuriated [Guardian](#) to accuse Prime Minister Rishi Sunak of “betraying populations most vulnerable to global heating”. Just what exactly is “global heating”?

Incidentally, KPMG had provided Silicon Valley Bank and Signature Bank (another failed entity) with a [clean bill of health](#) just weeks before their collapse. Neither the professorial definition of [The Science](#)<sup>™</sup> nor the science of accounting added up in these cases. These champions of sustainability are also unable to sustain themselves as they have begun [firing thousands of employees](#).

Incidentally, Sri Lanka had a near-perfect ESG score of 98 before its economy collapsed.

I will now provide five big reasons why the ESG agenda is doomed.

## Renewable Chimeras

Renewable energy – a cornerstone of the ESG agenda – is not as clean, eco-friendly, efficient or as sustainable as advocates claim it to be.

In the area of battery technologies, science policy analyst [David Wojick](#) had deduced that the “grid scale storage” required to replace fossil fuels with wind and solar power in a “net zero” United States would cost \$23 trillion – matching the nation’s annual GDP for 2021.

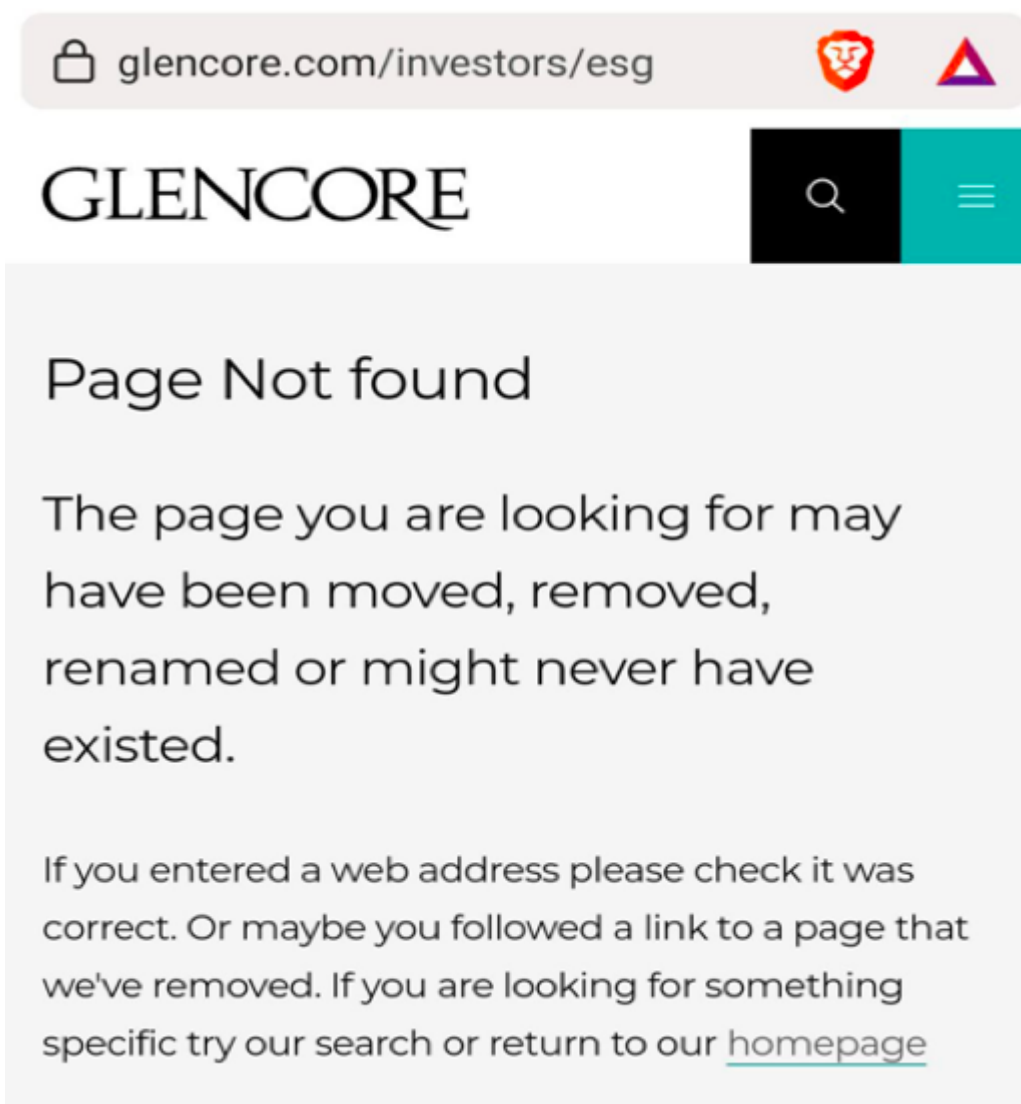
Apart from its unsustainable costs, the renewables ecosystem is also harmful to the environment. Solar panels contain a [toxic mix](#) of gallium, tellurium, silver, crystalline silicon, lead and cadmium, among others. It costs an estimated \$20 to \$30 to [recycle one panel](#) while only \$1 to \$2 is needed to consign the same panel to a landfill. It is a similar story with millions of tons of decommissioned wind turbine blades which themselves contain toxic materials that are leaching into the environment. Ironically, wind power is heavily

dependent on [oil and its byproducts](#) throughout its production-to-operation lifecycle.

The net energy return on investments (EROI) from “renewable” sources remains abysmal. If and when proper recycling protocols are mandated worldwide, the renewable energy sector will collapse overnight. The growing affordability of EVs has less to do with government subsidies and more to do with the fact that only [five percent](#) of their batteries are recycled. And batteries constitute just one component of a highly-unsustainable renewables ecosystem.

## Human Rights Abuses, Poverty and Food Insecurity

The [EV boom](#) is significantly fueled by underpaid, underfed and underaged cobalt miners. Cobalt is an [essential component](#) of lithium-ion batteries and nearly 70% of global supplies are mined in the Democratic Republic of Congo. As Amnesty International reports, nearly [40,000 children](#) slave away in these mines under the most [appalling conditions](#). Perhaps they were energised by Greta Thunberg’s warning in 2018 that the world would end in 2023 unless fossil fuels were banned *in toto*? The embarrassing [Tweet](#) has since been deleted but the world did end for “hundreds, [if not thousands](#)” of Congolese children. Likewise, Glencore, a major player in the Congo cobalt sector, has deleted all contents from its dedicated [ESG webpage](#) (snapshot taken in mid-June).



One wonders whose [childhoods are being stolen](#) in a hypocritical and unmistakably racist

global ESG regime? Third-world children will also reel from ESG-dictated reductions in Western farm outputs. [Ireland](#) and the [Netherlands](#), among others, are planning to cull millions of livestock in order to “meet emissions targets” and “save the planet”. The science behind this madness was conjured up by the usual suspects such as KPMG.

A reduction in meat supply will create seismic imbalances throughout the global food ecosystem. The demand for plant alternatives such as [pulses](#) will skyrocket, tearing ever bigger holes in the pockets of vegans and meat-eaters alike. Meats sold at taxed mark-ups will be infused with [mRNA vaccines](#). In the meantime, the WEF has a solution: [worms, maggots and insects](#) as a dietary option for the poor.

## Freeloader Anarchists

With the ESG gravy train trundling to a halt, freeloading activists may escalate their direct actions.

A group called [Just Stop Oil](#) and affiliate eco-anarchists are now vandalising fuel pumps when they are not gluing themselves onto roads and disrupting football matches, the Wimbledon and weddings. They have even vandalised the wax effigy of Britain’s climate monarch, Charles III, at Madame Tussauds museum in London. Coincidentally, Charles III – echoing Thunberg’s dire predictions in 2018 – has just launched a “[climate clock](#)” which gives humanity only six years before a climate armageddon. But here is the irony of ironies: Just Stop Oil is [funded](#) by the Climate Emergency Fund (CEF) which in turn received donations from Aileen Getty, the granddaughter of oil tycoon Jean Paul Getty.

Once the bottom of the ESG pork barrel is scraped threadbare, the ensuing anarchy will be off the charts. Anarchists may even turn on each other. A recent “pride parade” in London was railroaded by Just Stop Oil activists. It was [Woke vs Woke!](#)

As far as Big Capital is concerned, these anarchists have reached the limits of their usefulness. Social upheavals and lockdowns worldwide have enabled Big Capital to gobble up small and medium businesses at rock bottom prices. But if the current bedlam in France serves as a precautionary lesson, pre-emptive measures will be sought against the “[savage hordes of vermin](#)” who were once lionised as social justice warriors.

BlackRock has already assigned extra [security measures](#) for CEO Larry Fink and President Robert Kapito “over growing concerns for their safety.” They know what lies ahead.

## Anal Science

Eco-anarchists who regularly invoke “The Science” somehow miss the low hanging fruits. One such ripe picking is in the area of toilet paper production and usage. A staggering [15% of deforestation](#) in the United States alone is attributed to tissues that allegedly aggravate the global climate crisis with “[every flush](#)”. Despite this data, one has yet to hear of a single toilet paper stand being targeted by eco-anarchists anywhere. Timeless artworks by Vincent Van Gogh and [Monet](#), on the other hand, are deemed offensive.

Eco-anarchists are just not interested in practical solutions. Bidets, for example, can drastically minimise toilet paper demand and deforestation. Furthermore, the bidet is no longer a resource-dictated compromise in the Third World. It is prevalent in technological powerhouses such as Japan and South Korea where the bowls are replete with hi-tech features such as volume, speed, temperature control, air-dryers and sometimes even music.

Italy and France have a long bidet tradition as well.

But the [science of bidet](#) is too passive and workable for the anal anarchist. Agitprop professionals can only make a living through public theatrics; not by quietly switching habits in their private spheres. Emotionally damaged and/or cerebrally challenged children grow up into destructive adults. That is the wellspring from which anarchists emerge. Therefore, do not expect Thunberg and her ilk to call for sustainable hygiene habits – even as countless monies are flushed down the toilet on drag queen shows and gender dysphoria curriculums in schools. I just can't see Greta yanking out toilet rolls from Swedish schools because they are stealing her childhood.

In any case, she is too busy [promoting](#) Ukraine's eco-friendly war arsenal these days. As for the child slave miners of Congo, "let them eat cake" as Marie Antoinette once allegedly said.

## BRICS Multipolar Order

There is a geopolitical dimension to Big Capital's U-turn on ESG. The resource-rich sub-Saharan Africa is tilting towards the BRICS bloc, in particular China, even as the West implodes from within. A new generation of African leaders are ganging up to free their nations from the shackles of the West, IMF, World Bank and even the [United Nations](#).

An alignment with the BRICS bloc will have to be accompanied by military, intelligence and economic support as the West will not go down without a fight. The choice between either bloc should be a no-brainer for Africa. Western priorities are on pseudo-existential crises such as [LGBT rights](#) while the East wants to capitalise on Africa's critical infrastructure, education and agriculture needs in return for a more equitable resource extraction.

Shrewder African leaders can even play up intra-BRICS rivalries, particularly between China and India, in order to get a better deal over priority projects. Big Capital, which owes no allegiance to any nation in particular, may likely join the bandwagon by tempering criticisms and sanctions from Western capitals. This is Africa's opportunity to lose.

## Policy Traps for the Emerging World

While Big Capital dials down its social justice commitments, much of the emerging world will be stuck with ESG-dictated policy commitments and grant allocations that will rapidly lose relevance in a [VUCA](#) (volatility, uncertainty, complexity and ambiguity) world. The Southeast Asia region, arguably sans Vietnam and Myanmar, may likely be the [biggest losers](#) in the global ESG sweepstakes.

The ESG agenda may have started off with good intentions but like similar initiatives, it has been thoroughly hijacked by vested interests. Leaders and "technocrats" in much of the emerging world were likely swooned by the promises of a bold new ESG-fueled global economy. According to one estimate compiled by [Bloomberg](#) in 2021, global "ESG assets are on track to exceed \$53 trillion by 2025, representing more than a third of the \$140.5 trillion in projected total assets under management".

Those mammoth assets, where they exist, may be appropriated to rebuild smouldering Western cities *after* this decade is over. But then, who knows? \$53 trillion can also be channelled to create a digitised [global medical gulag](#) for our "collective safety". ESG scores for corporations may be replaced by social credit scores for every individual. In that case, the previous 30 months may have served as a trial run...

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*Featured image: Protestors at venue of Glasgow summit on climate change (Source: Indian Punchline)*

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