

Opinion

[Mark Gongloff](#)

Republicans Don't Appear to Understand Climate Change, Capitalism

Right-wing culture warriors interfere with capitalism when they try to stop responsible investing.



Anti-woke warrior Ron DeSantis. *Photographer: Joe Raedle/Getty Images North America*

By [Mark Gongloff](#)

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Today's Agenda

ESG is capitalism.

California can check out of, but never leave, gasoline.

Liz Truss has a Boris Johnson-shaped albatross.

Just how bad is your airline?

ESG Whiz

Many Americans spent their Labor Day holiday doing just what the Founding Fathers would have wanted: arguing on the internet about hobbits. The new “Lord of the Rings” TV series has become the latest battleground in the wars over “wokeness,” a term few understand but many are angry about.

Florida Governor Ron DeSantis styles himself as America’s foremost Anti-Woke Warrior, but he sometimes aims at more substantial targets than Middle-earth. His latest is what he calls “woke capital,” or investing that cares about environmental, social and governance factors. He wants to make it illegal for Florida pension-fund managers to even *think* about ESG. Other red states already have similar prohibitions on the books.



But this makes them not anti-woke but anti-capitalist, writes Bloomberg LP founder **Mike Bloomberg**. As you might have observed by leaving the house in recent years, the environment is no longer something mythical and intangible like Fangorn Forest but an active and significant financial risk companies and investors must manage. Frustrating that prevents them from turning a profit, as much as it prevents the rest of us from using financial pressure to fight global warming.

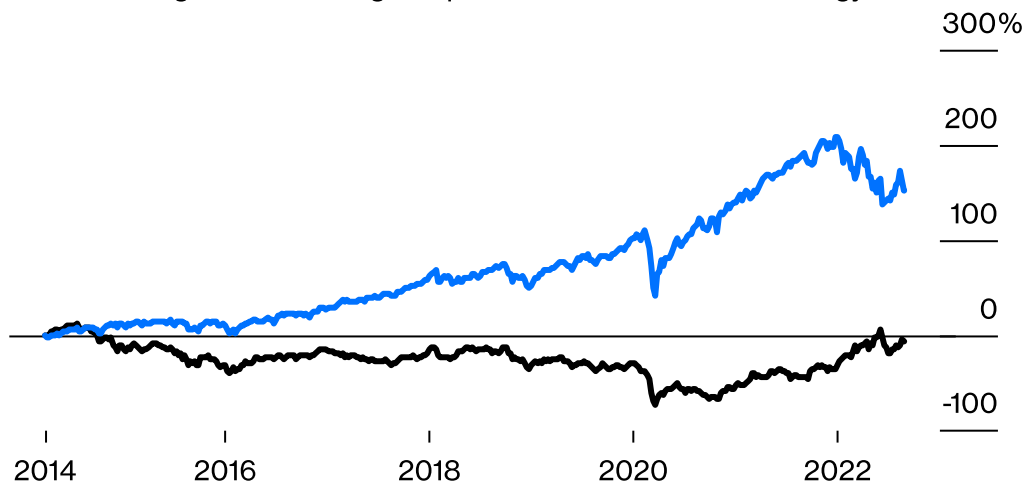
Even more directly, keeping pensioners and other people out of ESG funds could simply cost them money, writes **Matthew Winkler**, by depriving them of superior investment returns:

Proven Winner

Returns from ESG stocks have trounced those from fossil-fuel stocks since 2014

Bloomberg SASB US Large Cap ESG ETF

S&P 500 Energy Index



Source: Bloomberg

We can roll our eyes when wokeness-war casualties involve dragons and elves. But attacking ESG merely for virtue-signaling purposes could cause real-world damage.

No One Rides for Free

That is not to say efforts to avert environmental disaster are cost-free. California aims to end sales of gas-powered cars by 2035. This in theory should lead to a dramatic reduction in carbon emissions. But as **Liam Denning** notes, many gas-powered cars will still be on the road for years after that, only without the gasoline-refining capacity to serve them smoothly and/or cheaply.

Germany recently subsidized public transportation to help people deal with high energy prices. This would also seem like it could work to keep people from burning gas in cars. But **Andreas Kluth** writes it is

1. expensive;
2. requires healthier public-transit infrastructure to handle demand; and
3. means punishing people who still want to drive.

Otherwise, no notes! Similarly, Europe plans to give people money to get them through a potential energy crisis this winter. But **Javier Blas** warns it will also have to clamp down on consumption, or end up with even worse supply problems in the future.

Bonus Unintended-Consequences Reading: A California bill to let bureaucrats set fast-food wages is a terrible idea. – **Bloomberg's editorial board**

Truss and Bother

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Profitability Was the Next Shoe to Drop at Banks Like PacWest

Nobody Trusts the Banks Now

AI's 'Godfather' Should Have Spoken Up Sooner

The UK has a new prime minister, Liz Truss, who will always be looking over her shoulder at the old one. Not only does she have to deal with the mess Boris Johnson left behind, **Therese Raphael** writes, but she must also constantly worry about Johnson undermining her to set the stage for a comeback. He seems to think he is owed one, and he has the rank-and-file support to make his ambitions just non-delusional enough to be dangerous.

The Tories are starting to look a bit like America's Republicans: increasingly tied to a charismatic ex-leader driving them to distraction and potential defeat, Bloomberg Opinion writers say in a Twitter Spaces conversation.

Further UK Newslettering: Get the latest on UK politics in your inbox with The Readout from Allegra Stratton.

Bonus Former-Guy Reading: Israelis these days fear the corrosive influence of Benjamin Netanyahu more than Iran. – **Zev Chafets**

Telltale Charts

Greater transparency on service could be a better way to force airlines to make travel less awful without inflicting fines and other costs they would simply pass on to you, the consumer, writes **Thomas Black**. For instance, did you know JetBlue is really bad at making the planes fly on time?

Consumer Choice

Airline data the DOT's dashboard could provide to help consumers

	Flights	% on-time
Hawaiian	35,458	82.1%
Delta	433,347	81.0
Horizon	47,804	80.9
Envoy	128,930	80.7
Endeavor	122,380	80.6
Skywest	375,607	80.5
United	296,499	77.4
Alaska	109,123	77.3
Mesa	62,411	77.2
American	419,339	75.3
PSA	116,733	75.2
Southwest	614,081	73.9
Republic	171,165	73.2
Spirit	109,816	69.3
Frontier	73,382	64.5
JetBlue	133,926	62.1
Allegiant	61,071	61.6

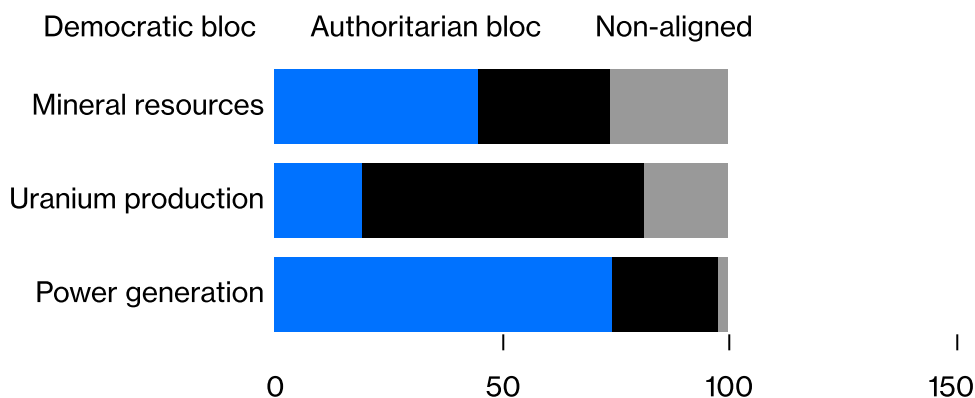
Source: US Department of Transportation

Note: Data for Jan.-June 2022

The world is turning again to nuclear power, but **David Fickling** writes that leaves us dependent on uranium supplies – which, it will not shock you to learn, are not so easy to find these days.

Power Play

Authoritarian nations dominate the world's uranium production



Source: World Nuclear Association

Note: "Democratic bloc" consists of Europe, North America, and developed Asia. "Authoritarian bloc" consists of China, the former Soviet Union, Iran and Pakistan.

Further Reading

A judge appointed by Donald Trump just flouted case law to, get this, help Donald Trump. – **Noah Feldman**

The Trump SPAC doesn't seem to have the votes to get its deal done. – **Matt Levine**

A strong dollar is good for inflation but bad for the global economy. – **Mohamed El-Erian**

Bankers just have to get used to complex regulations as a way of life. – **Paul Davies**

NASA's Artemis moonshot is an expensive failure. Private companies are doing space far better and cheaper. – **Adam Minter**

The future of personal computing is a contact lens that augments reality. – **Parmy Olson**

Women, new employees and people of color can't afford to do the bare minimum at work. – **Kami Rieck**

ICYMI

The Russian economy is in worse shape than expected.

Elizabeth Holmes asked for a new trial.

Wall Street is pushing employees back to the office.

Kickers

The Perseverance rover is producing oxygen on Mars.

Dogs poop in alignment with Earth's magnetic field.

Area seal chases ball with area dog.

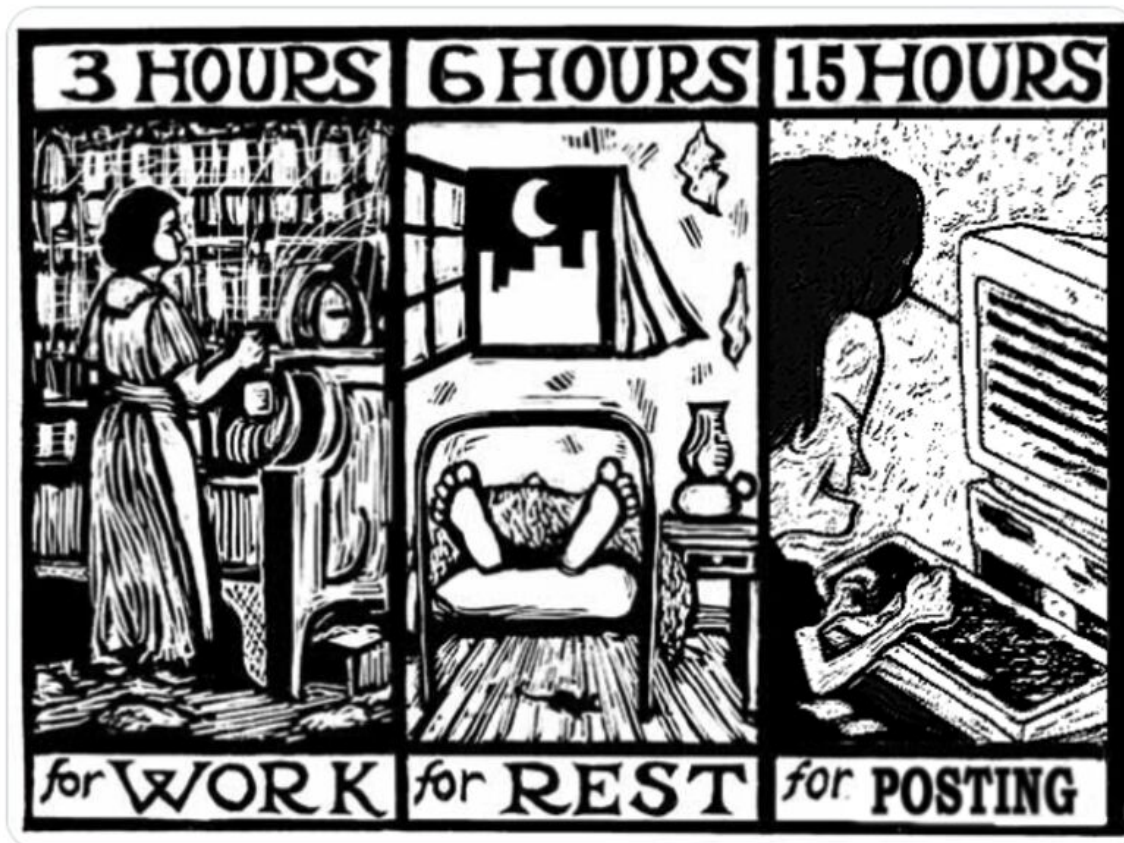
Killing invasive species is America's true fifth sport.



timothy faust
@crulge

...

happy labor day. remember what they fought for



4:41 PM · Sep 5, 2022 · Twitter Web App

Notes: Please send invasive species and feedback to Mark Gongloff at mgongloff1@bloomberg.net.

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To contact the author of this story:

Mark Gongloff at mgongloff1@bloomberg.net

To contact the editor responsible for this story:

Brooke Sample at bsample1@bloomberg.net