



Friday, August 6, 2021

Week in Review, August 6, 2021

## Week in Review 08-06-2021

SRI Wealth Management Group

**Special Focus: Corporate power, Infrastructure**

Markets wavered this week as investors tried to balance developing news about the delta variant of COVID-19 with strong corporate earnings results and mixed economic data ([WSJ](#)). The trade deficit widened this week and jobless claims fell slightly. The Labor Department reports 943,000 jobs were added in July, adding continued progress toward recovering the jobs lost since February 2020. ([NY Times](#)) While we reported last week that U.S. GDP is back above pre-pandemic levels, there are still 5.7 million jobs missing. ([AP](#), [NY Times](#)) A Federal Reserve Governor indicated that he felt the Federal Reserve could begin tapering their \$120 billion monthly bond buying program as early as October ([CNBC](#)). Markets ended the week up with the DJIA up 0.8%, the S&P 500 up 0.9% and the NASDAQ up 1.1%.

Data for Progress published an article highlighting the results from a July survey about corporate influence in politics. After reading damning quotes by a lobbyist employed by a major oil and gas company, 63% of all likely voters surveyed and 48% of Republican voters surveyed said they think oil and gas companies have too much power. Further, after leaked tapes ([NYT](#)) proved that lobbyists from a major oil and gas company had actively worked to undercut climate science and had talked with a West Virginia Senator on a weekly basis, the survey also uncovered a bipartisan perspective that this frequency is not acceptable ([Data for Progress](#)). These findings are consistent with polling conducted by the University of Maryland School of Public Policy and Voice of the People in May 2018, which found that 75 percent of Americans—including 66 percent of Republicans, 85 percent of Democrats, and 70 percent of Independents—back a constitutional amendment that limits Big Money in politics by allowing Congress and the states to regulate campaign finance ([Full poll here](#)).

Speaking of money in politics, another industry often thought to wield too much political power is facing a new challenge in the courts: families of a

2019 mass shooting in Dayton, OH are suing the manufacturer of the 100-round ammunition magazine used in the massacre ([ABC](#)). Hopefully the courts can help create some accountability since gun control legislation eludes our perpetually partisan legislature.

A group of descendants of FDR's cabinet are pushing the Biden Administration to embrace a more progressive agenda ([Politico](#)). Their nearest term focus is the infrastructure bill, where they hope to see more large-scale investment in equitable clean energy initiatives. The Senate is trying to wrap up negotiations on a bipartisan bill over the coming days ([Reuters](#)). Watch more here: [You Tube](#).

Meanwhile, President Biden signed an executive order targeting 50% electric vehicle sales in the U.S. by 2030 and the EPA proposed new rules requiring auto manufacturers to achieve fleet wide fuel efficiency of 52 miles per gallon by 2026. Neither of these targets are progressive enough to harken back to the FDR-era New Deal and environmental advocates feel they don't go far enough. The new emission targets represent only 67% of the Obama era targets, despite clear advances in technology since the Obama targets were set in 2012 ([WSJ](#)).

As a reminder, the California gubernatorial recall election is scheduled for September 14<sup>th</sup>, 2021. Every California voter should receive a mail in ballot in August and September. As the day gets closer, we encourage everyone to make sure you are on the lookout for your mail in ballot and participate in this important election. The SF Chronicle reported this week that Jane Fonda explored running ([SF Chronicle](#)). Hopefully, this process will empower Governor Newsom to enhance his climate agenda and make California net zero by 2035 rather than 2045. We believe this will put California back in the leadership position on addressing climate change and reaping the economic growth of the sustainability revolution.

Our condolences to the family of Richard Trumka, the President of the AFL-CIO, who died this Thursday at the age of 72 ([AP News](#)).

In brighter news, our congratulations to Simon Biles who was able to win a Bronze medal for her balance beam performance after having to step back from a number of events during the games. Congratulations are due on the medal, but also on having the courage to follow her heart and her mind, stepping back where needed and stepping up when ready. We hope everyone enjoys watching the remaining few days of the Olympic games! ([Sports Illustrated](#))

As always, reach out to us with any questions or commentary. Thanks!

## **Weekend Reads**

RBC [Global Insight Weekly August 5, 2021](#)

RBC [Global Insight Monthly July 2021](#)

CNBC [Fauci says things will get worse](#)

WSJ [SEC to ramp up oversight of cryptocurrencies](#)

Reuters [RBC adds former indigenous charity head to board](#)

NYT [We're Ben and Jerry. Men of Ice Cream, Men of Principle.](#)

WSJ [Major O&G company considers net zero pledge by 2050](#)

*Written by Thomas Van Dyck, Catherine Chen, and Michelle Schiro*

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