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Secretive Republican Donors Are Planning Ahead

By **KATE ZERNIKE**

A secretive network of Republican donors is heading to the Palm Springs area for a long weekend in January, but it will not be to relax after a hard-fought election — it will be to plan for the next one.

Koch Industries, the longtime underwriter of libertarian causes from the [Cato Institute](#) in Washington to the ballot initiative that would suspend California’s landmark law capping greenhouse gases, is planning a confidential meeting at the Rancho Las Palmas Resort and Spa to, as an invitation says, “develop strategies to counter the most severe threats facing our free society and outline a vision of how we can foster a renewal of American free enterprise and prosperity.”

The invitation, sent to potential new participants, offers a rare peek at the Koch network of the ultrawealthy and the politically well-connected, its far-reaching agenda to enlist ordinary Americans to its cause, and its desire for the utmost secrecy.

Koch Industries, a Wichita-based energy and manufacturing conglomerate run by the billionaire brothers Charles and David Koch, operates a foundation that finances political advocacy groups, but tax law protects those groups from having to disclose much about what they do and who contributes.

With a personalized letter signed by [Charles Koch](#), the invitation to the four-day Rancho Mirage meeting opens with a grand call to action: “If not us, who? If not now, when?”

The Koch network meets twice a year to plan and expand its efforts — as the letter says, “to review strategies for combating the multitude of public policies that threaten to destroy America as we know it.”

Those efforts, the letter makes clear, include countering “[climate change](#) alarmism and the move to socialized health care,” as well as “the regulatory assault on energy,” and making donations to higher education and philanthropic organizations to advance the Koch agenda.

The Kochs also seek to cultivate Americans’ growing concern about the growth of government: at the most recent meeting, in Aspen, Colo., in June, some of the wealthiest people in America

listened to a presentation on “a vision of how we can retain the moral high ground and make the new case for liberty and smaller government that appeals to all Americans, rich and poor.”

The goals for the twice-yearly meetings, the brochure says, include attracting more investors to the cause, but also building institutions “to identify, educate and mobilize citizens” and “fashioning the message and building the education channels to re-establish widespread belief in the benefits of a free and prosperous society.”

Charles Koch, whose wealth Forbes magazine calculates at about \$21.5 billion, argues in his letter that “prosperity is under attack by the current administration and many of our elected officials.” He repeatedly warns about the “internal assault” and “unrelenting attacks” on freedom and prosperity. A brochure with the invitation underscores that to the Koch network, “freedom” means freedom from taxes and government regulation. Mr. Koch warns of policies that “threaten to erode our economic freedom and transfer vast sums of money to the state.”

The Kochs insist on strict confidentiality surrounding the California meetings, which are entitled “Understanding and Addressing Threats to American Free Enterprise and Prosperity.” The letter advises participants that it is closed to the public, including the news media, and admonishes them not to post updates or information about the meeting on the Web, blogs, social media or traditional media, and to “be mindful of the security and confidentiality of your meeting notes and materials.”

Invited participants are told they must wear nametags for all meeting functions. And, ensuring that no one tries to gain access by posing as a participant, the invitation says that reservations will be handled through Koch Industries’ office in Washington: “Please do not contact the Rancho Las Palmas directly to place a reservation.”

To give prospective participants a sense of what to expect, Mr. Koch’s letter enclosed a brochure from the group’s meeting at the St. Regis Resort in Aspen, including a list of the roughly 200 participants — a confab of hedge fund executives, Republican donors, free-market evangelists and prominent members of the New York social circuit.

They listened to a presentations on “microtargeting” to identify like-minded voters, as well as a discussion about voter mobilization featuring Tim Phillips of Americans for Prosperity, the political action group founded by the Kochs in 2004, which campaigned against the health care legislation passed in March and is helping [Tea Party](#) groups set up get-out-the-vote operations.

Other sessions discussed the opportunities in the presidential election of 2012 to address threats to free enterprise and “how supporters of economic freedom might start planning today.”

Impressed by the Koch efforts for the midterms, the invitation cover letter says, Aspen participants “committed to an unprecedented level of support.”

“However,” it adds, “even if these efforts succeed, other serious threats demand action.”

The participants in Aspen dined under the stars at the top of the gondola run on Aspen Mountain, and listened to [Glenn Beck](#) of Fox News in a session titled, “Is America on the Road to Serfdom?” (The title refers to a classic of Austrian economic thought that informs libertarian ideology, popularized by Mr. Beck on his show.) The participants included some of the nation’s wealthiest families and biggest names in finance: private equity and hedge fund executives like John Childs, Cliff Asness, Steve Schwarzman and Ken Griffin; Phil Anschutz, the entertainment and media mogul ranked by Forbes as the 34th-richest person in the country; Rich DeVos, the co-founder of Amway; Steve Bechtel of the giant construction firm; and Kenneth Langone of Home Depot.

The group also included longtime Republican donors and officials, including Foster Friess, Fred Malek and former Attorney General Edwin Meese III.

Participants listened to presentations from the U.S. Chamber of Commerce, as well as people who played leading roles in [John McCain’s](#) presidential campaign in 2008, like Nancy Pfotenhauer and Annie Dickerson, who also runs a foundation for Paul Singer, a hedge fund executive who like the Kochs is active in promoting libertarian causes.

To encourage new participants, Mr. Koch offers to waive the \$1,500 registration fee. And he notes that previous guests have included Justices [Antonin Scalia](#) and [Clarence Thomas](#) of the [Supreme Court](#), Gov. [Haley Barbour](#) and Gov. [Bobby Jindal](#), Senators [Jim DeMint](#) and [Tom Coburn](#), and Representatives Mike Pence, Tom Price and Paul D. Ryan.

Mr. Koch also notes the beautiful setting. But he advises against thinking of this as a vacation.

“Our ultimate goal is not ‘fun in the sun,’ ” he concludes. “This is a gathering of doers who are willing to engage in the hard work necessary to advance our shared principles. Success in this endeavor will require all the help we can muster.”