

This Is Why We Should Fear George Soros, Not The Koch Brothers

Should we fear those who support the ideals that made America great?

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April 10, 2014

Judging from Senate Majority Leader Harry Reid's nearly daily diatribes on the floor of the U.S. Senate, George W. Bush has been retired as the most despised villain and the cause of all the evils that plague the world. Bush has been replaced by the Koch (a Dutch name, pronounced "Coke") brothers, who are often maligned by the left for their pecuniary influence in politics. Since those on the left are not equally malevolent toward George Soros, who does the same thing, it's clearly not the money in politics that bothers them — it's the ideology.

The Washington Post's Pulitzer Prize winning Fact Check granted a "Four Pinocchio" rating to Reid's latest round of attacks. The Post says Reid is "setting a high standard for deceptive speech," and concludes that Reid's party is "reaching blindly" for someone to cast the blame of their own failures on. The paper, critical of the falsity of Reid's claim, chides him with, "If you want to join a gun fight, don't fire blanks."

David and Charles Koch are brothers who run Koch Industries, an oil refinery business that is the second largest private firm in the country. The brothers are tied at number 6 on Forbes top billionaires list with personal net worth of about \$41 billion each. They've expanded and maintained their fortunes by successfully providing the refined product that keeps America moving – oil.

George Soros is chairman of Soros Fund Management, a hedge fund company. Soros is number 27 on Forbes list with a net worth of \$23 billion. He's made his fortune in large part by selling short against international currencies and collapsing financial institutions. In 1997, he was dubbed "the man who broke the Bank of England"; and he was blamed by the Malaysian Prime Minister for collapsing their currency during the Asian financial crisis. He was also convicted of illegal financial dealings in France. His big bet now is collapsing the U.S. dollar and the free enterprise system.

Economist Paul Krugman has been critical of Soros and others like him, "who not only move money in anticipation of a currency crisis, but actually do their best to trigger that crisis for fun

and profit. These new actors on the scene do not yet have a standard name; my proposed term is ‘Soroi’.”

The Koch brothers and Soros spend lavishly in politics. They support individual candidates, contribute to political party campaign funds, lobby politicians, bankroll political action committees, and have established foundations and think tanks to influence politics.

The Kochs spend by far the most, but the bulk of it goes to lobbying. The Open Society Institute is one of George Soros’ organizations, and they provide part of the funding of OpenSecrets.org; so even realizing that their data may be skewed toward a more pejorative coverage of the Kochs, I’m going to rely on their data. According to Open Secrets, the Koch brothers have spent (or as liberals typically describe it, “invested”) over \$50 million in lobbying from 1998-2010. During that same time, Soros and his primary Lobbying organization, the Open Society Policy Center, spent about \$13 million.

Donations to federal candidates, parties, and political action committees give a smaller advantage to the Kochs. They invested \$2.58 million vs. Soros’ \$1.74 million from 1989 to 2010. When extended to include the past four years, the Koch brothers have contributed \$18 million in political donations. This sounds like a great number, until we look at the 58 organizations ahead of them, including 18 different unions, according to Open Secrets. Those unions’ political contributions total over \$638 million, almost all of whose funds go to liberal candidates, and is more than 35 times what the Kochs donate. Among those are the American Federation of State, County, & Municipal Employees (\$60,667,379), the National Education Association (\$53,594,488), the United Auto Workers (\$41,667,858), and the Service Employees International Union (\$38,395,690.)

But from here, the money for political influence gets a little more shady. From 2001 to 2010, the Koch brothers invested \$1.5 million in other political groups, called 527 organizations, compared to Soros’ whopping \$32.5 million.

The proliferation and expanded influence of 527s was made possible by the problematic McCain-Feingold Campaign Finance Reform of 2002, so named because of the tax code, Section 527, that they fall under. As described by Benjamin Dangl, the groups “operate as shadow political campaigns working indirectly for or against a particular candidate.” Once contributed funds get to these groups, they can go anywhere; and the audit trail is virtually non-existent. Some are run totally above board and are very straightforward in their objectives. Many others are not. As Dangl says, “Prominent think tanks and campaign finance reform lobbyists say 527s are ‘illegal loopholes’ that enable the privatization of political campaigns.”

The groups that these men contribute to tell an even more significant tale than the sheer dollar volume they pump into our dysfunctional crony-capitalist, or corporatist, political system. Since the Koch brothers are ideological libertarians, they’re driven by the classical-liberal Jeffersonian philosophy that America was founded on. Perhaps nothing defines this self-defined mission for the brothers better than the mission statement on the Cato Institute website, which states, “The mission of the Cato Institute is to originate, disseminate, and increase understanding of public

policies based on the principles of individual liberty, limited government, free markets, and peace.”

The Cato Institute, the Koch’s crown jewel, was established 40 years ago with seed money from Charles Koch, and his brother David still serves on the Board of the organization. Cato is recognized as the sixth most influential think tank in the nation, and number 14 internationally, with its scholarly and empirically documented research.

They also have contributed significantly to the Reason Foundation, publisher of Reason Magazine, applying reason and logic to economic and personal liberty issues. Nobel laureate Milton Friedman strongly supported the Foundation. And with a grant of \$30 million, the Koch brothers were instrumental in the establishment of the Mercatus Center at George Mason University, with similar objectives.

George Soros runs the Open Society Institute and the Soros.org website; and he contributes heavily to many organizations that ideologically are aligned with leftist causes, including Moveon.org. He is reviled abroad for his shady efforts to foment revolution and collapse currencies. His foundations have been accused of shielding spies and breaking currency laws, and he’s invested over \$400 million in institutions of higher education to promulgate and teach his extremist ideology.

In short, the Kochs and Soros are heavily invested in politics and are, by all standards, prototypical “one percenters” in income, net worth, and political influence. And it would appear, at least ostensibly, that all three are playing the influence-for-money game according to the rules established by Congress. There is near universal contempt for the crony capitalism and corrupt corporatism that has tainted our political institutions and politicians (and adulterated our free-market system). But Congress has created the rules these players play by. Blaming the Kochs and Soros for using their resources to buy influence is like blaming collegiate athletes for the rules established by the NCAA.

Since most of the Koch’s political money goes into lobbying, their funds are well documented, as required by congressional accounting rules. With most of Soros’ political “investments” going into 527s, the funds are less traceable and has earned Soros the dubious honor of being dubbed the “Godfather to the left.”

The classical-liberal principles of individual freedom and free markets that are so fully embraced and advanced by Charles and David Koch are the very principles the nation was founded upon. They are the principles that made America great. The progressive socialistic agenda advanced by Soros is antithetical to America’s founding precepts; and it is heavily invested in the failure of not only the U.S. dollar, but the collapse of the U.S. economic system.

As distasteful as the pay-for-influence system is, the ideological objectives and uses of that influence should be of even greater concern. Should we fear those who support the ideals that made America great, or the one who seeks to destroy and fundamentally transform the country?