



## Rand Paul's Difficult Romance with Kochworld

By David Weigel

January 28, 2015

This morning, Politico's Ken Vogel and Tarini Parti reported that Kentucky Senator Rand Paul had underperformed at the past week's Koch brothers showcase. (More officially, it was a gathering of the donors who supported the Koch network of pressure groups, and who finally saw returns in 2014.) Many, including Bloomberg Politics' Michael Bender and Julie Bykowicz, had reported that Florida Senator Marco Rubio did himself the most good. Vogel and Parti reported on a "straw poll" that determined the extent of Paul's problem, conducted by Frank Luntz in a breakout session.

"Kentucky Sen. Rand Paul—who received the least enthusiastic response from donors during a Sunday night forum of prospective candidates that also featured Rubio and Texas Senator Ted Cruz—finished last in Luntz's poll," they reported.

That was how a source recalled it, but Luntz disagreed.

"It wasn't a poll," wrote Luntz over e-mail. "It was a random question. It doesn't deserve any attention. It was only to a few people."

Luntz just asked some donors who showed up to his session who'd impressed them most. Yet the "few" apparently amounted to more than 100 people; in the wake of the event, not many people are following Luntz's distinction between an actual focus group and a quick read of the room. It doesn't change the basic truth that Paul did not blow away the donors, despite a steady campaign to portray himself as the natural choice of libertarians.

Should he be? Like Paul, the Kochs are forever surprising political observers who don't know how to classify libertarians. "Anybody who thinks they're loyal, faithful Republicans have not talked to them for more than three minutes," said Joe Scarborough of the Kochs after speaking at the conference. "They have no use for these people who want to go out and have these bloody battles on social issues...they don't want the federal government in your pocketbook. They also don't want them in your bedroom. I think they're like most Americans."

That's exactly the way Paul presents himself. If he failed to impress the Koch summit, there are two reasons. One is that he didn't chew into the questions the way that Rubio or Cruz did. On foreign policy, Paul made a defense of free trade, saying that "opening up China made us less likely to go to war," and that opening up Cuba worked because "we tried isolationism for 50 years." He got into a long dialogue about taxes that was unlikely to excite anybody. He made a pitch for his idea of blocking big government contractors from lobbying, which, according to people like Scarborough, sounded like a hit against the "crony capitalism" the Kochs opposed.

Nothing offensive in there, but nothing calculated to get the audience cheering. That leads into the second problem: Paul libertarianism is not Koch libertarianism. Rand Paul has actually spent a lot of time finding common ground between the Koch movements and the "liberty movement," which found an icon in his father Ron Paul.

The person who's avoided libertarian kremlinology—leading an unexamined life, if you ask me—might not understand why the Kochs and the Pauls would disagree. It's really a grassroots thing. After his 1980 campaign for vice president, as a libertarian, David Koch poured his political money into think tanks. Charles Koch was doing the same. The most famous result of this was the Cato Institute. Ron Paul, at this time, was closer to Murray Rothbard and a more pugnacious and minarchist form of libertarianism. Cato built its beachhead in Washington; the Rothbardians built theirs in Auburn, Ala., at the Mises Institute.

The Cato wing of the libertarian movement was slow to embrace Ron Paul. In 2007, when I worked for the partially Koch-funded *Reason* magazine, the worry was that Paul's brand of populist, Federal Reserve-bashing libertarianism was not the best way to sell the philosophy. Obviously, it wasn't as hooky as the laissez faire, culturally plugged-in Cato/*Reason* style.

This proved spectacularly wrong. Paul became a historic figure, a man whose 30-minute speeches about the Fed could bring crowds of 1,000-odd college students into campus gyms. He went on the *Tonight Show* and Bill Maher's show, sometimes accompanied backstage by close aide and Mises scholar Lew Rockwell. Two years later, his son expanded the movement and won a Senate race. Paul fans who mocked the "Kochtopus" and the "Orange Line Mafia" as accommodating, unsuccessful advocates declared victory.

And since then, Rand Paul has engaged in new causes while bringing even more juice to some of Ron Paul's causes. Take "audit the Fed," a bill Ron Paul devoted much of his post-2008 congressional career to passing. In 2009 and 2010, even as it gained sponsors, it was a marginal concept.

Flash forward to 2015. "Audit the Fed" is so popular that Ted Cruz has been citing it in his "10 conservative goals" for the new Congress. Today, when Paul re-introduced the audit bill, the New York Times wrote it up as breaking news. Rand Paul has brilliantly built on the old "liberty movement" while winning allies in the Koch movement that's spent millions of dollars on newer groups like Generation Opportunity and the LIBRE Initiative, trying once more to make libertarianism popular.

Rand Paul is not Ron Paul. But the donors who know best—the sort of people who show up to Koch donor conferences—are aware that the liberty movement grew up without them and may

take on causes without their input. Paul, unique among 2016 candidates, comes to the field with an army behind him. That's good for almost everything he wants to do. It doesn't necessarily excite donors, who want to maximize their influence with the next president.