

We can't have both democracy and concentrated wealth

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In an oft-quoted two sentences, former Supreme Court Justice Louis Brandeis declared, "We must make our choice. We may have democracy, or we may have wealth concentrated in the hands of a few, but we can't have both."

Support for these few words of wisdom can be found in the recently published book by the very successful author and columnist Jane Mayer. "Dark Money: The Hidden History of the Billionaires Behind the Rise of the Radical Right" is a collection of studies of several of the most wealthy people in American history.

The one thing they have in common is a fervent and relentless passion to reduce the size and functions of our federal government to only two duties — protecting us from external assault and protecting the property of all citizens. If these minimal government enthusiasts were permitted to have their way, almost all of the regulatory agencies would be cut down and the public protection from filth and fraud would be gone.

Due to the number of these biographies, it is necessary to shorten the events to two stories — the Koch family and John M. Olin, a multimillionaire industrialist. All of those involved had an overwhelming and relentless thirst for money and the means to frustrate a regulatory state. Some saw this as a noble mission; others saw it as a psychiatric fixation.

We can introduce the Koch family by reporting a conference the brothers were sponsoring in January 2009 at the Renaissance Esmeralda Resort and Spa — a very select aggregate of dedicated conservative leaders of the sacred cause of a more free marketplace and lower taxes.

The organizer was Charles Koch, the oldest of four sons who had inherited Koch Industries centered in Wichita, Kan. Their goal was to expand the number of foundations, think tanks, educational centers and public speakers to spread their anti-government ideology.

Charles Koch was 32 years old in 1967, when his father died and he was made the chief executive officer of the family business. The business earned \$177 million that year. Koch's hatred of government was activated, and he declared that his mission was to tear the government out "at the root." It is said that his hatred is the consequence of childhood conflicts with authority.

Koch made large gifts to the John Birch Society — another major enemy of a regulatory state. In addition, he created his own think tank — The Cato Institute — to educate the public about the virtues of a free-market economy. Tax evasion motivated the Kochs to contribute large sums of money to support these charitable enterprises.

The second story features John M. Olin, the son of Franklin Olin, who founded a blasting-powder firm in 1892 in East Alton, Ill. The younger Olin was as zealous as the Kochs in promoting the free-market ideology. By 2005, it was revealed that the Olin Foundation had spent about half of its total assets of \$370 million promoting the free-market doctrine.

Things were difficult in 1973 when the Environmental Protection Agency charged the Olin Corp. with egregious pollution practices in several states. Olin Corp. was charged with falsifying records that revealed that the company had dumped 6,000 tons of chemical waste into a landfill at Niagara Falls, N.Y. The fine was \$70,000.

A sketch of events involving the Olin Corp. in the town of Saltville, Va., is revealing. The company was facing an environmental crisis because of possible cleanup costs of huge proportions. Saltville was a post card picture of a "company town."

In this pristine setting in the mountains, the company had built 450 modest clapboard houses that were rented by a population of 2,199. They could buy from the company store, obtain water from the company tank and have waste collected by a company truck.

A huge problem was the chlorine production that used large quantities of mercury that leaked into the soil and waterways regularly at the rate of 100 pounds a day. Nearby was an open sediment pond that held 53,000 pounds of toxic mercury waste.

In 1972, the Virginia legislature raised the pollution standard so high that Olin could not continue operations and was forced to close the plant.

Isaiah Berlin, a wise thinker who must have been an observer of the tug-of-war over how much freedom is advisable in the marketplace, made this sage statement: "Total liberty for wolves is death to the lambs."