



The Koch Brothers Were Supposed to Buy the 2016 Election

What happened?

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In January 2015, the *New York Times* reported that Charles and David Koch planned to spend \$889 million on this year's elections. That kind of budget, Nicholas Confessore wrote, "would allow their political organization to operate at the same financial scale as the Democratic and Republican Parties." This week, a little more than a year after the Kochs seemed poised to dump a cool billion onto the political money pile, my *National Review* colleagues Tim Alberta and Eliana Johnson reported that the brothers are "reevaluating their approach to politics." Alberta and Johnson's sources say that there is "mounting evidence—reduced budgets, the shuttering and streamlining of departments, the elimination of grants to allied political organizations, and the departure of top executives—demonstrating a shift of resources and attention away from federal campaign activity." What happened?

Among other things, Donald Trump happened. If the Kochs are the poster children for the supposedly corrupting role of money in politics in a post-*Citizens United* world, Trump demonstrates that money isn't everything. Running on a shoestring budget, he vanquished Koch-friendly candidates like Scott Walker, Jeb Bush, and Marco Rubio by railing against immigration, free trade, and pretty much everything else the Kochs hold dear. To two brothers who think long and hard about the effectiveness of every dollar they spend, spending money on electoral politics is no longer looking like such a great investment.

To understand the Kochs, you first need to understand that they take their libertarian ideals seriously. For years, the Kochs have been vilified by the likes of Harry Reid and Bernie Sanders for their political activism. They've been caricatured as mustache-twirling right-wing villains who buy and sell politicians to defend their ill-gotten gains from taxes and regulation. The truth is that the Kochs are actually far more ambitious than that. Instead of shaping the outcome of this or that political race, they've sought to amplify the voices of activists and intellectuals who share their suspicion of government power.

Since the 1970s, Charles and David Koch have spent untold millions on a sprawling network of think tanks, magazines, and advocacy groups devoted to ending the drug war, shrinking the military, opening borders to immigration and trade, rolling back regulations, and cutting government spending. Dubbed the "Kochoptus" by its critics, this network has long engaged in

intellectual combat with the left. Yet it has also done battle with rival elements on the right, from pro-war defense hawks to immigration restrictionists to opponents of drug legalization.

For now, and for the foreseeable future, the GOP doesn't appear all that hospitable to libertarian ideals, so it should come as no surprise that the Kochs have decided to cut their losses. Over the years, the Kochs have gone back and forth between getting directly involved in campaigns and retreating into the world of think tanks and advocacy. In 1980, David Koch ran as the vice-presidential candidate of the fledgling Libertarian Party alongside Ed Clark, a Harvard-trained lawyer who hoped to soften some of the movement's rougher edges. The Clark-Koch ticket ran on a platform of "low-tax liberalism," railing against the evils of Cold War militarism and drug prohibition while also making a pitch for greater economic freedom. Though Clark and Koch won a respectable 1 percent of the vote, the Koch brothers couldn't help but think that the campaign had proven a waste of money. Chastened by the experience, they returned to the project of building a libertarian infrastructure that might one day help achieve policy change.

Decades later, the Kochs once again decided to enter the political fray. George W. Bush was presiding over an Iraq War that Koch-backed groups like the Cato Institute had warned would be an expensive folly. The Bush administration had also implemented programs like Medicare Part D and a temporary tariff on steel imports that were an affront to small-government orthodoxy. Sensing an opportunity, the Kochs stepped up their political organizing. Americans for Prosperity, the Kochs' chief political advocacy group, had spent years trying, and mostly failing, to translate free-market ideas into policy proposals that could resonate with voters.

But then came the financial crisis and, soon after, the Obama presidency. President Obama's fiscal stimulus and the Affordable Care Act gave conservative activists focal points for their outrage, and Americans for Prosperity helped organize Taxpayer Tea Party rallies across the country. The Tea Party movement appeared to be exactly what the Kochs had always dreamed of: a libertarian mass movement that was capable of taking over one of America's two major political parties. At that early stage, at least, the Tea Party didn't appear to be overly concerned with social issues like abortion and same-sex marriage, nor did it talk all that much about immigration. Tea Party leaders were focused on a government that had in their view grown too large and too powerful and that was busy lining the pockets of Wall Street insiders.

It soon became clear that the Tea Party was not the libertarian mass movement the Kochs and their allies imagined it to be. The opposition of older conservatives to Obamacare was motivated less by a generalized distrust of government than by a fear that it would shift government resources from deserving people like them to the undeserving poor. Moreover, Tea Party conservatives were in many cases more socially conservative than mainstream Republicans. As the Obamacare debate faded from the scene, grass-roots conservatives found themselves energized by other issues, including opposition to the Gang of Eight's efforts to push comprehensive immigration reform, legislation the Kochs were strongly inclined to support.

The Kochs had hoped that the Republican Party of the future would be led by people like Scott Walker, the Wisconsin governor who managed to get blue-collar conservatives in his home state excited about rolling back collective bargaining rights for government workers. Instead, the party turned to Trump, an anti-immigration hardliner who maintains that there is absolutely no need to reform Social Security and Medicare and who hardly ever complains about the size of

government. The Tea Party voters nurtured by the Koch network have been at least as energized by Trump's calls for building a wall along America's southern border as they were by the fight against Obamacare.

What's next for the Kochs? Alberta and Johnson write that they "had always believed that building the intellectual foundation for libertarian ideas in think tanks and universities—and supporting important public-policy initiatives at the state and local levels—paid greater long-term dividends than spending on elections." My guess is that the brothers and their allies plan to go back to the drawing board, to find new ways to win Americans over to libertarianism. If there's one thing we've learned about the Kochs, it's that they're very, very patient.