

Billionaire brothers Charles and David Koch bring conservative mission to Wisconsin

Written by

Larry Bivins Post-Crescent Washington bureau

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WASHINGTON — For more than two decades, Charles and David Koch have been quietly building the foundation for a conservative movement that critics say is at the center of the dispute between Wisconsin Gov. Scott Walker and public employee unions.

A prank phone call that spread across the Internet on Wednesday between the governor and the editor of a liberal online newspaper who pretended to be David Koch, a key donor to Walker and other Republicans, put a spotlight on the close relationship. (Listen to blogger's prank call to Gov. Scott Walker.)

The billionaire owners of Kansas-based Koch Industries, a petroleum empire with seven sites in Wisconsin, are closely linked to Americans for Prosperity, a conservative grassroots group that organized Saturday's "Stand With Walker" rally in Wisconsin in response to union-led demonstrations.

The group is the political arm of the Americans for Prosperity Foundation, which lists David Koch as chairman of the board.

Americans for Prosperity has chapters in 32 states, including Wisconsin.

The Koch (pronounced coke) brothers have provided seed money for several conservative and libertarian think tanks, including the Cato Institute, a Washingtonbased libertarian group co-founded by Charles Koch, and the Reason Foundation.

Big political spenders

But it is the money the Kochs have pumped into political campaigns that has some watchdog groups alarmed. Individually and through their company's political action committee, the brothers have donated millions to mostly Republican political candidates, including \$43,000 from Koch Industries PAC to Walker's gubernatorial



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campaign.

Koch Industries executives and employees also donated \$10,000 to help Rep. Sean Duffy, R-Ashland, win retiring Democrat Dave Obey's seat and \$5,000 to De Pere Republican Reid Ribble's campaign to defeat Democrat Steve Kagen of Appleton. The PAC gave \$25,400 to Oshkosh businessman Ron Johnson's campaign to oust Democrat Russ Feingold from the Senate and has contributed \$60,000 to Republican Rep. Paul Ryan since 1989.

Over the past two decades, Koch Industries PAC has made \$10.8 million in political contributions nationwide, with nearly nine of every 10 dollars going to Republicans. The company also has spent more than \$50 million on lobbying, mostly on oil- and environment-related issues. Individual contributions from the brothers and their spouses total \$2.58 million.

The Center for Responsive Politics and other watchdog groups have chronicled the rising influence of Charles and David Koch in American politics.

"We have been very focused since the beginning of the year on raising public awareness about the Koch brothers and their fundraising apparatus and their tightening grip on our democracy," said Mary Boyle, a spokeswoman for Common Cause, an advocate of campaign finance reform.

Critics allege quid pro quo

Boyle says Walker "is rewarding his top political donors" with his proposal that would strip nearly all collective bargaining powers from many of the state's workers, an allegation echoed by liberal activists.

Critics point to a provision in Walker's proposal that would allow the state to bypass the bid process and sell off stateowned heating, cooling and power plants. They say it could pave the way for a sweetheart deal with Koch Industries.

The governor's office and Koch Industries scoff at the notion.

"We have no idea who is going to buy these heating plants, so any speculation as to who will operate these plants, if indeed they are sold, is premature," said Walker spokesman Cullen Werwie.

Koch Industries spokesman Philip Ellender said the company has "no interest in purchasing any of the state-owned power plants in Wisconsin and any allegations to the contrary are completely false.





Koch holdings

Koch Industries Inc. has numerous holdings in Wisconsin, ranging from tissue and chemical manufacturing to coal delivery and oil pipelines to a temporary labor service for its Georgia-Pacific operations.

Georgia-Pacific operations in Green Bay include two paper mills; West Mason Inc., a converting and warehouse supplier; Ecosource, a paper recycling company; and Encadria, a temporary labor supplier. Georgia-Pacific also includes the Neenah Technical Center research facility, and other operations in Oshkosh, Sheboygan, Phillips and Wausau. Koch owns C. Reiss Coal Co., which has operations in Green Bay and Manitowoc, and Flint Hills Resources, which has an asphalt distribution terminal in Green Bay, and Koch Pipeline Co. Koch has about 3,000 employees in the state. For a complete listing, go to www.kochind. com/factsSheets/WisconsinFacts.aspx and www.gp. com/greenbay/operationsMap.html Compiled by the Green Bay Press-Gazette

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