

Kochs' influence on politics

By Bob Grover
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Koch Industries is the nation's second-largest privately owned company. The company's enormous impact in the nation's marketplace is matched by the impact that the Koch brothers have on Kansas and national politics.

After his father's death in 1967, Charles Koch took control of Koch Industries. Charles's drive to expand Koch Industries is also apparent in his drive to spread his libertarian views.

Daniel Schulman, author of *Sons of Wichita* (Grand Central Publishing, 2014), notes that Charles was grounded in libertarian thought through his study at Robert LeFevre's Freedom School during the early 1960s. LeFevre despised government to the extent that he refused to vote to avoid legitimizing government.

Charles also became enamored with the works of Austrian economists Friedrich Hayek and Ludwig von Mises and other economists who support free market theory. His study buttressed and augmented the free market philosophy his father expounded at the dinner table.

Schulman writes that Charles adopted "an extreme ideology, in which the role of government was nearly nonexistent, and one that fell well outside the traditional left-right poles of political thought." (p. 94)

In 1969 Charles hired George Pearson to oversee his political and philanthropic endeavors and founded the Charles Koch Foundation. Through the foundation, he funded LeFevre's Freedom School but wanted to provide a structure that would enable wider dissemination of his libertarian ideas. In the 1960s, there was little infrastructure to incubate and disseminate libertarian dogma.

Pearson and Koch realized that politicians reflected ideology but did not create or disseminate it; intellectuals were the key to the diffusion of ideology—the teachers, journalists, lecturers, news writers, commentators and artists. Charles's strategy was to groom these intellectuals through research funding and education to shape public opinion and influence lawmakers.

Charles and Richard Fink, a long-time advisor, created a three-tiered plan they called a "Structure of Social Change." Their intent was to create a plan for the production,

packaging, and marketing of their free-market theories and the Koch business model that employs those theories.

The first stage of the plan was to produce the “raw materials” — the theories — by pumping millions of dollars into hundreds of universities around the country. Between 2007 and 2011 alone, Charles donated nearly \$31 million to endowed professorships, free-market economics programs, conferences, and lecture series for libertarian thinkers at universities around the U.S.

The second stage was taking the intellectual products of the academic programs and refining them into a form understandable to the general public. This was the charge of think tanks and policy institutes.

The Mercatus Center at George Mason University is a home for free-market economists who have produced many deregulatory policy statements, and Charles is a board member and generous contributor to that center and other programs at the university.

In 1977 Charles founded the Cato Institute with staunch libertarian Edward Crane III as its leader. The Cato Institute remains a think tank advocating a free market and freedom from government interference. Originally established in San Francisco, the Institute now resides in Washington, DC.

The Kansas Policy Institute, founded in 1996 as the Kansas Public Policy Institute, is located in Wichita and is a think tank like the Cato Institute, intended to apply that model to Kansas state government.

These think tanks publish reports, position papers, and op-eds supporting privatization of Social Security, attacking public employee unions for causing crises in state governments, debunking climate change, and making a case for cutting welfare and Medicaid programs — familiar rhetoric to those who follow Kansas politics.

The third stage of the plan was mobilizing citizen activists who would advocate for the policies that the academics had created and the think tanks had converted into talking points and policy statements. Americans for Prosperity (AFP) is such an organization.

AFP was founded by Charles and David Koch after they had a disagreement with Dick Armey and a faction within Citizens for a Sound Economy. In 2009 Americans for Prosperity and FreedomWorks, the other half of Citizens for a Sound Economy led by Dick Armey and renamed, joined forces to fund and provide leadership for the Tea Party movement. AFP has chapters in 34 states, including Kansas, of course.

The gradual infusion of extremist libertarian dogma into U.S. politics and government has taken nearly five decades. While one may admire the intellectual rigor, energy, administrative skill, and tenacity that built and operates their doctrine machinery, the scope of the Kochs’ influence is worrisome to the rest of us who rely on government to protect us from people like the Kochs who want no restrictions on their business practices.

