



Political, social power from deep pockets

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I was talking recently with a middle-aged man, well-informed and very intelligent. During the conversation, I mentioned something about Koch, and he thought I was talking about Coca-Cola.

You may not have heard about the Koch brothers either, but you most likely have used the products of one of the companies they own — Georgia-Pacific produces Angel Soft, Quilted Northern, Soft ‘n’ Gentle toilet papers, Brawny paper towels, Dixie plates, bowls, napkins, cups, Mardi Gras, Sparkle, Vanity and Zee napkins.

Consumer products such as these are the public face of the company that employs 40,000 people in more than 300 locations in North America, South America and Europe. Paper towel dispensers, packaging, building products and related chemicals make up a larger proportion of their product. Georgia-Pacific is a totally owned company of Koch Industries.

According to Forbes magazine, Koch Industries, a conglomerate, is the second-largest privately owned company in the United States, after Cargill. Koch Industries is made up of over 20 companies, including Flint Hills Industries, Invista and the aforementioned Georgia-Pacific. They have a presence in over 60 countries worldwide, including oil and gas exploration, chemicals and polymers, fertilizer production, etc.

The assets of Koch Industries are controlled by Charles G. and David H. Koch, with 42 percent owned by each of the brothers. The company was founded by their father, Fred Koch, one of the founders of the John Birch Society. Since his death in 1967, the brothers took charge.

They operate oil refineries in Alaska, Texas and Minnesota, and control some 4,000 miles of pipeline, transporting heavy crude, gasoline and other volatile petroleum products. Their combined fortune is reported to be \$35 billion. Koch Industries’ annual revenues are estimated at \$100 billion.

Ten years after their father’s death in 1977, the Kochs provided the funds to launch the nation’s first libertarian think tank, the Cato Institute. It describes itself as nonpartisan, and at times is critical of both political parties, but it has consistently pushed for corporate tax cuts, reduction in social services and laissez-faire economic policies. They have donate lavishly to think tanks such as the Heritage Foundation, and the Mercatus Center at George Mason University.

As private citizens, the brothers have every right to expend their vast fortune to promote their political and social ideology. Citizens have an obligation to know how these monies are being used to influence our society.

Koch Industries has spent \$56.7 million on federal lobbying in the 2008-2012 time frame. As financiers, they have organized to deny, criticize or belittle the significance of climate change, with contributions of \$31.6 million in that effort. The Political Economic Research Institute ranks Koch Industries as the 10th worst air polluter in the United States in the institute's toxic-release inventory.

Unfortunately, the influence of these vast private pools of wealth, epitomized by the Koch brothers, is only the tip of the iceberg that is the gap between the 1 percent and the 99 percent that is the rest of us.