

Give Charles Koch credit

Ed Flentje

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Tax-cutting fever is alive and well in Kansas politics, and no single person deserves more credit than Charles Koch, head of Koch Industries, the dynamic global conglomerate headquartered in Wichita.

This fervor was recently orchestrated by the Kansas Chamber of Commerce, as business lobbyists and hired guns paraded before a Senate committee in late January to embrace SB 22, a bill that cuts state income taxes by \$190 million, with over three-fourths of the benefits going to businesses and corporations. After only an hour of hearings the committee advanced the bill to the Senate floor, and one week later 26 Republican lawmakers passed the bill over to the House.

Charles Koch was nowhere visible during this parade, but his shadow loomed large over the proceedings. This story begins sixty years earlier.

In his book, *Sons of Wichita: How the Koch Brothers Became America's Most Powerful and Private Dynasty*, Daniel Schulman traces the anti-tax philosophy of Charles and his brother David to their father, Fred Koch, who instilled in his sons deep-seated beliefs in economic liberty and disdain for big government.

In the 1960s and 1970s the two Koch brothers began promoting libertarian ideas and causes. Charles stepped out to form the CATO Institute, a think tank dedicated to advancing individual liberty, limited government, and free markets. He wrote passionately that business should “want nothing more from government than to be left alone ... our goal is to roll back government ... consistently work to reduce all taxes, our own and those of others.” He persuaded David to become the 1980 vice-presidential candidate of the Libertarian Party with a platform calling for elimination of income taxes.

In 1980s and 1990s the Koch brothers became more engaged in practical politics. They formed what became Americans for Prosperity (AFP) “to recruit, educate and mobilize citizens” and helped spawn state-level, free-market think tanks, such as the Kansas Policy Institute, across the country. Charles also lent financial support to the American Legislative Exchange Council, which would later hire Arthur Laffer to propagandize nationally for elimination of state income taxes.

In 2012 Koch Industries turned serious attention to Kansas politics and became a leading financial patron of the Kansas Chamber. Koch's dramatic boost to the Chamber's PAC paid immediate dividends as the Chamber for the first time that year endorsed total elimination of the state income tax. Friendly lawmakers responded by exempting 330,000 businesses from paying any income taxes and slashing income tax revenues estimated at \$4.6 billion over five years.

In line with Koch, the Chamber PAC amped up its 2012 campaign chest to six times the level of the five prior years. From 2012 through 2018, the PAC deployed over \$3 million to recruit and retain state legislators friendly to its tax policies. Koch Industries alone contributed over one-quarter of the total. A former lobbyist for Koch and AFP became head of the Chamber.

Kansans have long held a dominant cultural preference for economic liberty that underpins the anti-tax philosophy of Charles Koch, but no one has energized the passion for cutting taxes in Kansas and across the nation as he has.

The reckless tax cutting of 2012 has been rescinded, but it has left neglect and disrepair across the scope of state government. State lawmakers should address this damage and temper their fervor for tax cutting with more concern for children in need of high-quality schools, minimum-wage workers lacking access to health care, and those on fixed incomes paying record-high sales taxes on food.

Flentje is professor emeritus at Wichita State University and served with former Kansas Governors Bennett and Hayden.