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Obituary David Koch: US businessman, free marketer and rightwing activist

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David Koch, who has died aged 79, was ranked as the eleventh richest person in the world. Alongside his older brother Charles, he built his family's company into one of the US's biggest conglomerates and each brother's share was estimated to be worth more than \$50 billion (€45 billion). They used their fortunes to influence American politics in a rightward direction following their libertarian ideology.

Charles wanted to "minimise the role of government and maximise the role of the private economy ... and personal freedoms", but the brothers' philosophy was self-serving, protecting their worth and working against regulation of their business interests.

David was the more public of the two, his philanthropy extending beyond the brothers' massive spending on rightwing thinktanks, academic programmes, activist organisations and campaign funding; he was a major donor to the arts and medicine, especially in New York, where he maintained homes in Manhattan and the Hamptons.

He moved between them, Aspen (Colorado), Palm Beach (Florida) and a yacht in the Mediterranean while Charles lived in a walled estate in Wichita, Kansas, where Koch Industries has its headquarters. And though most of their work was behind-the-scenes, in 1980 he was the Libertarian party candidate for vice-president of the US.

Charles and David were two of the four sons of Fred and Mary (nee Robinson) Koch. Fred was an engineer who made his fortune from inventing an improved refining process to extract petrol from crude oil. His libertarian ideas came from the efforts of larger oil companies to stymie his firm's growth using government-regulated patent laws; his hatred of socialism came from his experience, after building refineries in Britain, of supervising the construction of the Soviet Union's largest installation.

When the Russians decided they could proceed on their own, Fred turned to Nazi Germany, with whom his firm Winkler-Koch collaborated from 1934 on building refineries. In 1958 he was a founding member of the ultra-rightwing John Birch Society, dedicated to fighting the infiltration of American politics by communists, among whose number it identified the Republican president, Dwight Eisenhower.

David was born in Wichita. Fred was a harsh father, encouraging competition among his sons, from which Charles emerged as the undisputed leader, and David his second, while David's twin, William, fell behind and the eldest son, Frederick, described as being most like their mother, a Wellesley College graduate with artistic interests, was the odd one out.

They were subjected to frequent corporal punishment, as well as hard labour on the family farm. David went to Deerfield academy, in Massachusetts, and then, like his father and two of his brothers, took an engineering degree at the Massachusetts Institute of Technology in Cambridge, where David, 195cm (6ft 5in) tall, played basketball, setting an MIT scoring record with 41 points in one game.

After adding a master's degree in 1963, he worked for engineering companies in Cambridge and New York. When Fred Sr died in 1967, Charles replaced him as chairman and chief executive of the renamed Koch Industries, and in 1970 David joined to open a New York office. In 1979 David became president of Koch Engineering, later Koch Chemical Technology, and in 1981 became number two to Charles as executive vice-president of Koch Industries.

No longer bound to his father's political dictates, David broke with the John Birch Society over its support for the Vietnam war. He became a backer of the Freedom School, which advocated the free-market theories of Friedrich Hayek, which were such an influence on Thatcherism in the UK. Although he and Ed Clark, the Libertarian candidate for president in 1980, attracted only 1.1 per cent of the vote, the Kochs' focus on politics led to a family feud that lasted for 20 years.

Before their father's death, William is said to have recalled participating with Charles and David in an attempt to blackmail their oldest brother into relinquishing his inheritance by threatening to tell their father he was gay, which he denied. William regretted his actions, and in 1980 he and Frederick sued for control of the company, alleging Charles and David's political interests were damaging its business.

In 1983 they settled for a buyout of \$1.1 billion (€996,220,500), but in 1985 they sued again, claiming their brothers had undervalued the company's worth in the settlement. The case was eventually settled in Charles and David's favour in 1999, but not until 2001 were they publicly reconciled.

Fred Sr's will required the sons to give the interest on their inheritance to charity; thus their political donations went to organisations structured as tax-exempt charities or academic institutions.

In the 1980s, Richard Fink, at the Koch-funded Cato Institute, developed a three-stage plan for activism. It started with the creation of an intellectual platform for ideas, at places they funded such as George Mason University. Then thinktanks would turn those ideas into policies to be brought to political reality by advocacy groups, which David called "a sales force".

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Although the Kochs strongly denied any connection, the nascent Tea Party movement was backed by another Koch-funded group, Americans for Prosperity. This worked in parallel with the American Legislative Exchange Council, through which the Kochs funded campaigns for Republican control of state legislatures.

In 1991, David narrowly escaped death as a passenger on a US Air jet that collided with a small commuter plane while landing at Los Angeles airport, killing 34 people. In 1992 he was diagnosed with prostate cancer, for which he received treatment for many years. His private life,

which had been compared with Hugh Hefner's, slowed down, and in 1996 he married Julia Flesher, an assistant at the Adolfo fashion brand.

Spurred by court decisions overturning limits on political spending, the Kochs became power brokers in Republican politics. Bitterly opposed to President Barack Obama, they poured money into the 2010 Congressional elections, and when the Republican John Boehner took the gavel as Speaker of the House in 2011, David was present in his office.

Their influence was revealed when Scott Walker, the newly elected governor of Wisconsin, took a phone call from a Koch representative, agreeing to a plan to remove collective bargaining from state employees. The caller was an impostor who made the tape public.

In the 2016 presidential campaign, the Kochs spent nearly \$1 billion (€905,655,000) on Republican candidates, but not on Donald Trump, whose protectionism was antithetical to their beliefs. Though David attended the victory party at Mar-a-Lago after Trump's election, their criticism of the new president saw Trump label them "not true Republicans", calling them "a total joke in Republican circles and highly overrated". Like many Trump pronouncements, it downplayed the reality of the situation.

Koch is survived by his wife, his sons, David Jr and John, his daughter, Mary, and his brothers.