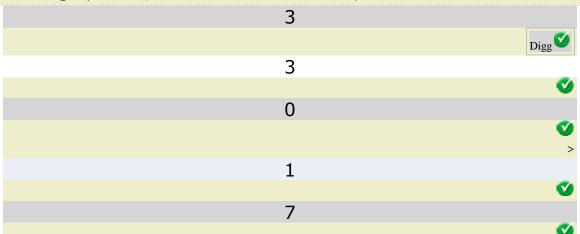
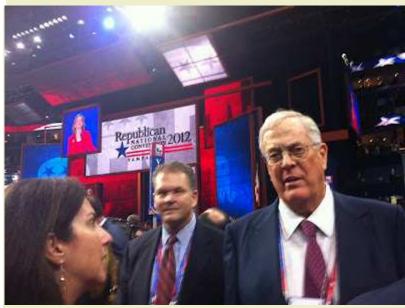


David Koch comes out -- as a carefully contrived media darling. (Quick, hide the silverware!)





Is that former "shadow"-

dweller <u>Barnabas Collins</u> coming out at last week's Republican National Convention? Oh wait, no, wrong vampire! This is the Far Right's new media darling, convention delegate David Koch!

"Americans for Prosperity's Web site advertised Koch's Tampa début as "open to the public" and the press. But The New Yorker, whose coverage the Kochs have complained about, was denied credentials to cover the event. Our 2010 piece on the Koch Brothers, "Covert Operations," is apparently as apt as ever."

-- Jane Mayer, in the newyorker.com News Desk post "Out of the Shadows"

by Ken

Happily, *The New Yorker*'s Jane Mayer has retained all her curiosity about the doings of the Brothers Koch. (You may recall that her now-legendary 2010 *New Yorker* piece "Covert Operations" was very likely the prime mover in the lifting of the veil of secrecy from the Kochs' mammoth energy- and mind-control operation.) So it's not surprising that she's fascinated by junior brother David, who has generally functioned as the "front man" of the Koch Industries energy-and-far-right-politics conglomerate, leaving the brainwork to brother Chas. David, unlike Chas, seems to enjoy the spotlight. He lives in New York, while Chas tends to business in friendly Wichita.

But that's not to say that David has welcomed scrutiny. He likes being lionized as a gazillionaire philanthropist. But as Jane M notes, "the co-owner of America's second largest private company, Koch Industries, an oil, pipeline, chemical, lumber, and finance conglomerate that has been called 'the Standard Oil of our times,' has historically been press-shy." No more, however. (Note: There are lotsa links onsite.)

[H]e used the occasion of the Republican National Convention, which he attended as a delegate, to rebrand himself as a good citizen rather than one of the biggest and most secretive behind-the-scenes funders of the opposition to Barack Obama. (There are wealthy people backing Obama's reëlection campaign as well, but as I reported in the magazine recently, he's been having trouble on that front.) The fact that he'd take on the public role of a delegate was noteworthy on its own, but even more remarkable was that his week in Tampa culminated with an event billed as a "Salute to Entrepreneurs Building America," which was really a kind of comingout party that he threw himself in conjunction with Americans for Prosperity, a conservative political group he co-founded.

"I ... like to speak out," Koch reportedly told a small throng at the event. Alas, Koch's new interest in going public doesn't yet include disclosure of how much he is

personally spending on the 2012 campaign, since most of his donations go to a network of non-profits that hide the names of their donors.

David K's media coming out "capped a week of carefully controlled press appearances in friendly venues, evidently aimed at a [an] image makeover" that had her thinking about a similar one once undertaken by the man who created Standard Oil.

A little more than a hundred years ago, John D. Rockefeller, Sr., then thought to be the richest man in the world, found himself the subject of damaging investigative journalism. Scared by growing public backlash, and the talk of stiffer regulations coming from a President intent on reform, America's first great oil baron launched a public-relations campaign aimed at enhancing his image.

Although he had previously operated in secrecy, avoiding the press -- especially muckraking journalists like Ida Tarbell, who exposed shocking practices by his company, Standard Oil -- he began to make himself more accessible. He started speaking up, and writing. And although he is thought to have been making a billion dollars in inflation-adjusted currency every year by then, he also won a surprising amount of good will by personally dipping into his pockets when in public, and offering nickels to children and dimes to adults.

The Koch media campaign made free use of friendly-billionaire-controlled right-wing media. David's own name was attached to an op-ed piece in the *New York Post*, "owned by Rupert Murdoch, a fellow Manhattan mogul who shares many of Koch's views." And a fawning piece by "conservative pundit" Michael Barnes, "Citizen Koch Goes to Tampa," appeared both in the right-wing weekly rag the *Washington Examiner* and in the "ostensibly higher-brow journal of conservative opinion" *The Weekly Standard* -- both owned by right-wing billionaire Philip Anschutz.

Scribe Barone, Jane M notes, "has spoken at two conferences held by the Kochs, as he acknowledges in his piece."

Most of Barone's article dwells on David Koch's philanthropic activities -- like Rockefeller before him, Koch has given substantial amounts of money to fund the arts and scientific research. Koch, who Forbes counts as the fifth-wealthiest billionaire in America, has warned, though, that if Obama raises taxes on dividend income, he may not be able to afford to give as much. At his public unveiling on

Thursday, Koch said he could support some unspecified tax hikes in the interest of balancing the budget and reducing the government's debt. But evidently, increases in taxes on dividends -- which form a substantial portion of his own income -- are not among those he might support. In the Summer 2012 issue of Philanthropy Magazine, he told Evan Sparks that, "I'm worried about the tax increases the Obama Administration is lobbying for with Congress. A substantial amount of my income comes to me through dividends." Until 2003, dividends were taxed at the same rate as salaries and other earned income, but the Bush Administration cut the tax rate on dividends to fifteen per cent. The Obama Administration has proposed raising the top dividend tax rate back up to 39.6 per cent, and it is this that Koch suggests might impede his philanthropic activity. On Thursday, Koch also surprised some by saying that he favors legalizing gay marriage, but the stand is consistent with the Libertarian Party platform he ran for Vice President on in 1980, against Ronald Reagan. The Party's platform that year proposed the legalization of prostitution, recreational drugs, and suicide, and the abolition of virtually all roles for government other than the protection of individual rights, property, and national defense.

Barone's piece also chronicled Koch's hurt feelings at facing public criticism for his extraordinary financial investment in American politics. A substantial portion of the four hundred million dollars -- the brothers' money, and that of their fellow conservative mega-donors -- that Koch-related organizations plan to spend in this year's elections is going toward financing scorching political ads, some of which have been condemned by non-partisan fact-checking groups as misleading. Yet asked how he felt about being criticized by opponents himself, Koch, who is seventy-two, told Barone, "It does not feel good."

And that, Jane speculates, may be what David K "is still avoiding some members of the media," which leads her to the observation about the Koch's notion of being "open to the public" which I put at the top of this post. As I suggested in writing in June about Chas K's move on the Cato Institute, the libertarian think tank the Kochs once more or less owned, "Chas isn't one of those billionaires who doesn't see the connection between his money and getting his way." My read is that Chas likes controlling, well, everything he can. And I quoted my earlier observation: I imagine that a man like Chas, when he thinks about his wealth, focuses not so much on the money he has as on the money he doesn't have, for no good reason he

can think of. Same deal with propaganda outlets. Doesn't he have enough? Perhaps not, for a man who likes to be *in control*, and doesn't seem to have the word "enough" in his vocabulary.

Now, Jane M suggests, a run of inconvenient publicity has made it desirable for the Kochs to create a touchier-feelier public front for their industrial and propaganda empire, and as a result, we're lucky to have Delegate David walking veritably among us mere mortals. Yuck!

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Labels: <u>Jane Mayer</u>, <u>Jay Rockefeller</u>, <u>Koch Industries</u>