

Political Lowe-down: Who are David and Charles Koch?

Posted on: 8:38 pm, April 29, 2012, by Mike Lowe

MILWAUKEE — David and Charles Koch are the billionaire brothers whose names have been prominent at protests for a year. They're the champions of conservative causes, but what do we really know about them? The Koch brothers are business moguls, political activists and generous philanthropists, but clearly there is more to the Koch brothers than the caricature of greedy billionaires. In this contentious time in Wisconsin politics, they are behind-the-scenes power players, pledging huge financial support to Governor Scott Walker.

At the height of the budget battle, as thousands of protesters demonstrated at the state Capitol, and with Wisconsin's Democratic senators out of the state, Governor Scott Walkerheld daily briefings. Each side was digging for a protracted battle, and then, there was a prank phone call to the governor, from a man claiming to be "David Koch."

In an instant, the name "Koch" because one of the most polarizing in Wisconsin politics. Brothers Charles and David Koch are praised by some and demonized by others.

For the <u>Democrats</u>, the labor movement and their allies, "the Koch brothers" is now a short-hand term for corporate greed. "Generally speaking, the rule of politics is you want to personify your cause," <u>UW-Milwaukee Professor of Governmental Affairs Mordecai Lee said</u>.

Conservatives don't shy away from the Kochs and their cause. For them, the Koch name is a symbol of strength, leading the charge against biased media and bloated government.

So who are the Koch brothers? 71-year-old David Koch and 76-year-old Charles Koch are invariably described in news accounts as "secretive billionaires," the sons of an engineer, both educated at MIT, the owners of the world's largest private company – a \$100 billion a year conglomerate known as Koch Industries. The Koch empire includes interests in oil and energy firms and companies that make familiar products including Dixie cups, Brawny paper towels and Stainmaster carpet.

The Koch brothers are tied for fourth place on the Forbes list of America's wealthiest people, rubbing elbows with Warren Buffet and Bill Gates. Each has an estimated wealth of about \$25 billion. "We've got a situation where two brothers who are very wealthy, very successful, very ideological, and they want to spend their political money to promote their ideological views. For them, Wisconsin has sort of become the center of the political universe," Lee said. The Koch brothers are the patrons of a political movement, funding several conservative think tanks like the Cato Institute, the Heritage Foundation and most notably, founding and funding Americans for Prosperity, the organization often credited with creating and financing the Tea Party.

"Five years ago, my brother Charles and I provided the funds to start Americans for Prosperity, and it's beyond my wildest dreams how AFP has grown into this enormous organization of hundreds of thousands of American citizens from all walks of life standing up for the economic freedoms that have made our nation the most prosperous society in history. The American dream of free enterprise and capitalism is alive and well," David Koch said, speaking to the annual meeting of Americans for Prosperity.

FOX6 News' repeated requests for interviews with the Koch brothers were denied. They rarely do interviews, but last month, David Koch granted an interview to the Palm Beach Post during which he pledged to help Governor Scott Walker in the recall election. "What Scott Walker is doing with the public unions in Wisconsin is critically important. He's an impressive guy and he's very courageous. If the unions win the recall, there will be no stopping union power," Koch said during the interview.

"To me, the really important thing about the Koch brothers is that they don't have any interest in Wisconsin. They have no links to Wisconsin except ideology, except their political values, so in a sense they picked a name out of a hat and said 'let's go with Scott Walker. Let's go with the Republicans because Wisconsin is where the action is," Lee said.

The Koch brothers were the single largest corporate donation to Walker's campaign in 2010, giving him \$43,000 – just shy of the legal limit for a candidate. That's peanuts compared to where they can really spend, through their political action committees. The Kochs also gave \$1.1 million to the Republican Governors Association. That group spent nearly \$3.5 million supporting Walker and attacking his 2010 opponent.

Perhaps the Wisconsin politician most affected by Koch influence is Milwaukee Mayor <u>Tom Barrett.</u> "They let me have it right in the kisser, there's no question about it. It underscores one of the biggest problems we have in American politics, which is outside money, special interest money. None of these people have anything to do with the state of Wisconsin, but they are all his allies in this ideological war," Barrett said.

When asked to respond to the fact that people have called Walker the political puppet of the Koch brothers, Walker said: "That's an absolute joke. There's not

one ounce of truth to that. If you look at the biggest issue out there — the reforms we put in place on collective bargaining, I never in my life talked to anyone associated with the Koch brothers about that particular subject." David Koch told the New York Times he had never even heard of Walker until the prank phone call. "In fact, it wasn't until this year that I met one of those particular people for the first time at a much bigger event that goes beyond me. The reality is the reason I pushed our reforms has nothing to do with any group, organization or political party," Walker said.

Walker said his reforms were about getting the state's budget under control. Walker says Act 10, the law that stripped most collective bargaining power from most public employees, fits very neatly with Koch philosophy. Charles Koch explained his view of economics and government. "The government is kept small and limited to those activities that actually contribute to societal well being, rather than undermining it," Charles Koch said.

For all the talk of political influence, the Koch's philanthropic donations outnumber political donations four to one. Whether it's building a new arena for <u>Wichita State University</u> or donating \$100 million to the <u>Lincoln Center for the Performing Arts</u>, philanthropy is their passion. "I'm very philanthropic in many areas, but the cause that is most near and dear to me is cancer research — in particular, prostate cancer research," David Koch said.

David Koch may be the world's single biggest contributor to the cause of curing cancer – pledging some \$750 million to various cancer organizations, including giving \$100 million to MIT's Center for Cancer Research and \$40 million to the Memorial Sloan-Kettering Cancer Center.

"I am one of four brothers. Each of us has contracted prostate cancer, and fortunately, I caught it first. Because of me, my brothers were tested regularly and consequently detected their cancer early. All three of them are now fully cured. However, I have two young sons. One nine years old, one only a year and a half old. It is almost certain that because of the genetic characteristics of prostate cancer, that both of them will get this disease as well. I am very hopeful that by the time my children grow up, such cures will be available," David Koch said.

David Koch says he's much more passionate about helping find a cure for cancer than he is about any political issue. Still, Koch money helped tip the scales toward Walker in the last election, and Barrett, the 2010 opponent says "he took it right on the kisser," and told FOX6 News the Koch brothers represent everything that's wrong with politics.