

The Koch Brothers Would Like For You To Think Of Them As Warren Buffett Now

By: [Mark Gongloff](#)- July 3, 2013

Charles and David Koch want to be Warren Buffett, apparently. And who doesn't? But though they share some similarities with the investment icon, the Koch brothers don't stand a chance of becoming Buffett.

The reclusive Kochs recently invited a reporter from the Wall Street Journal (subscription only) to visit them at the Wichita, Kan., headquarters of Koch Industries, the multi-billion-dollar conglomerate their ultra-conservative father founded. Charles and David wanted to remind Wall Street that, just like Buffett, they too are grandfatherly Midwesterners with a metric crap-ton of cash to spend on companies, just in case anybody had forgotten!

The article quotes Steve Feilmeier, chief financial officer of Koch Industries, grumbling a bit about how some corporate sellers have approached Buffett alone to make deals, when the Kochs are just as capable as Buffett at buying and running companies. The author, James R. Hagerty, says the Koch Brothers "have long been overshadowed as deal-makers by their folksy neighbor in Omaha." Buffett did not respond to Hagerty's requests for comment.

This article is probably a sign the Kochs are tired of watching Buffett and his own conglomerate, Berkshire Hathaway of Omaha, get first (and sometimes only) dibs whenever companies get that old familiar hankering to be purchased by grandfatherly billionaires. Surely that's what this story is all about, because obviously the Kochs cannot seriously expect to be considered Buffett-like in any significant respect.

In fact, in most of their other endeavors -- aside from that of building their father's company into a reported \$100-billion-per year money machine, the second-biggest private company in the U.S. after Cargill -- they are the anti-Warren Buffetts, the Bizarro-World Buffetts.

Buffett is famous for dispensing common-sense investment wisdom to the masses, bailing out American corporate icons and holding reasonable opinions on the subject of income inequality (hint: he is against it). Is some of Buffett's folksy charm just an act to cover up his bloodless capitalist impulses and occasional personal unpleasantness? Sure, probably. But even if his heart is not always in the right place, at least his money and his mouth are.

In contrast, as part of what Charles Koch has called a "radical philosophy," the Koch brothers have founded and bankrolled conservative think tanks like the Cato Institute, with the long-term goal of shrinking government until it is small enough to be drowned in the bathtub, in the famous words of Grover Norquist (partially funded by the Koch brothers). They have financed the tea party, Wisconsin Gov. Scott Walker and Washington's deficit obsession, which brought us the painful austerity measures of the "fiscal cliff" and sequestration.

Similarly, the Kochs have spent at least \$60 million to foster climate-change denial to help their oil and gas interests. They have convinced members of Congress to sign a pledge to support no law dealing with climate change unless it's accompanied by a tax cut, the New Yorker reported this week. Another influential think tank founded by the Kochs, the Mercatus Center, fights government regulation, particularly the Environmental Protection Agency.

The Koch brothers and Koch Industries try their darnedest to downplay their involvement in these causes. And it's maybe too neat and reductive that Warren Buffett gets serenaded by Bono, while the Kochs are now stock villains in political comedies, Randolph and Mortimer Duke on steroids. Like Buffett, the Kochs do give to charity, including the Memorial Sloan-Kettering Cancer Center -- though that charity also sometimes brings with it a corrupting influence, the New Yorker reported recently.

Charles Koch tells the WSJ that he doesn't think his politics hurt his business, saying few people "live their lives by only a political dimension as opposed to, 'I like this product, it's really satisfying my needs.'"

And yet the Kochs seem to live entirely in a political dimension, one that makes even some on Wall Street blanch.