

Politics

Left's double standard on Kochs and Soros

By: <u>Timothy P. Carney</u> Senior Examiner Columnist September 1, 2010

I was the main speaker of the night at a fancy dinner. The crowd included millionaire business owners and corporate executives. And the man who introduced me, and who had invited me to speak, was billionaire industrialist Charles Koch.

My topic was <u>what it always is</u>: the evils of corporate welfare and bailouts, and the destructive influence of the Big Business lobby in Washington. In my talk, I blasted "regulatory robber barons" and "subsidy sucklers."

But if you follow the Left's talking points, my talk was part of Koch's "pro-corporate movement."

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Billionaire financier George Soros speaks during a forum at Hong Kong University Wednesday, Feb. 3, 2010, in Hong Kong. (AP File)

I report this both as fair disclosure and to make a point: The Koch-created Institute for Humane Studies has, over the past two years, paid me on a few occasions to speak to various audiences (and also to mentor interns). The Koch-funded Heritage Foundation and Cato Institute have also hosted book talks for me.

My message in these Koch-sponsored speeches was the same: Big Business is using big government to steal from taxpayers, consumers and small-businessmen.

But liberal journalist Jane Mayer's <u>10,000-word piece</u> on the "Kochtopus" (as the web of Koch-funded nonprofits is known) has set the tone for liberals going into the midterm elections. Brothers Charles and David Koch are Exhibit A for the Democrats' claim to be running against Big Business.

Mayer writes that the Kochs' free-market efforts fund a "pro-corporate movement" that "dovetail[s] with the brothers' corporate interest." The Kochs' policy efforts are just "a rationale for corporate self-interest," according to one academic she quotes.

New York Times columnist Frank Rich <u>followed up</u>, attacking the Kochs' "self-interested ... agendas" that "tilt completely toward big business." Tea Partiers are dupes "aiding and abetting [the Kochs'] selfish interests."

But only free-market money men get such scrutiny. Mayer cites the blogs ThinkProgress and ClimateProgress, the Web site Media Matters and the National Committee for Responsive Philanthropy without ever mentioning they are funded by billionaire financier George Soros.

Mayer did write <u>a 2004 article</u> on Soros, but she implies throughout that his political giving is motivated by a desire to make the world a better place rather than out of economic self-interest. Mayer uncritically quotes a Soros spokesman saying "none of his contributions are in the service of his own economic interests." She notes that the campaign-finance regulations Soros backed also empowered the 527 organizations he was funding, but she calls this "an unintended consequence" of "reform."

Rich buys the Soros line, writing: "like many liberals -- selflessly or foolishly, depending on your point of view -- [Soros] supports causes that are unrelated to his business interests and that, if anything, raise his taxes."

Soros invests in every industry and every country. Why should we believe, without evidence, he wouldn't profit from the regulations and subsidies his groups advocate?

On the flip side, it's untrue that more government would necessarily hurt Koch profits. Take oil refining, where Koch Industries is prominent. Tosco refiner Thomas O'Malley said in 2005 that regulations boost his profits: "Why in the world would you fight clean fuels? ... The more stringent you make specifications, those become barriers to entry. ... Strong companies would have an advantage."

Climate legislation is another example. The Kochtopus groups oppose restrictions on greenhouse regulations, which would add to Koch Industries' costs. But many energy giants see profit in such rules and are supporting them, including lobbying king General Electric, Duke Energy, Exelon and oil giant BP.

While Mayer allows that ideology, and not just profit, motivate the Kochs, what escapes folks like Rich is that many of us advocating a free market *are* trying to make the world a better place -- not just for business, but for the poor. The Kochs have a presentation they use to demonstrate the correlation between economic freedom and human flourishing. The poor in America are wealthier than the middle class in less-free countries. Libertarianism isn't necessarily selfish -- it's often philanthropic.

Koch Industries is no pure virgin when it comes to government: According to USASpending.gov, the company has pocketed more than <u>\$84 million in federal contracts</u>.

But if the Kochs were really just greedy billionaires funding front groups to boost their profits, their nonprofits would probably support subsidies and protective regulations. And if the Kochs' movement really is "pro-corporate," somebody made a big mistake in picking me to speak.

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