On Charles and David Koch

Todd Zywicki • August 31, 2010 4:17 pm

<u>Like David</u>, I read the New Yorker piece. It seemed like tendentious conspiracy-mongering to me (ironic in light of Mayer's interest in Fred Koch's link to the John Birch Society). Short on important facts and long on characterization and innuendo. Others have dissected in some detail, that's not my object here.

I've met Charles and David Koch a couple of times but know neither very well. David has been a generous sponsor of the Bill of Rights Institute (where I serve as a volunteer board member) and Charles is Chairman of the Board of the Institute for Humane Studies (where I also serve on the board as a volunteer). I'm involved in all sorts of way with the Koch Foundation and many organizations that it supports. I count as friends many people at the Koch Foundation and even some at Koch Industries.

I don't know either of them very well, but I know both of them well-enough to be certain of one thing with respect to Mayer's piece: that her suggestion that their philanthropy in support of free market institutions is motivated by their crude self-interest is simply—to put it bluntly—asinine. I can't imagine anyone who has ever met Charles and David, or heard them speak about these issues, or witnessed their philanthropy in action, could possibly believe that self-interest is what motivates them to support the myriad groups that they patronize, from Cato, to IHS, and whatever others.

Whatever one wants to say about Charles and David Koch and their ideas, I have absolutely no doubt that they are sincerely committed to the ideas that they have supported so generously through the years. They believe strongly in the importance of liberty, limited government, entrepreneurship, and the rule of law. They are—to use an outmoded term—"patriots," in the sense that they believe in the value of the ideas, traditions, and principles of the United States. And, like many many others, they believe that what has made the United States great is its commitment to individual liberty and free markets and that those values have been eroded over time.

And while I've not spoken to either of them about the current situation in the United States, I suspect that like many they see the current political age and the ideas propagated by elite institutions as extremely threatening to that legacy. And, again as many believe, they

see grass-roots movements like the Tea Parties as an encouraging sign and perhaps one of the most important reassertions of American principles in quite some time.

So I think that Mayer's efforts to somehow dress-up the Koch's philanthropy in the garb of self-interest is simply misleading. It seems clear that she doesn't like their ideology, but I can't believe that anyone who has met either David or Charles, or heard them speak, or observed their intellectual curiosity and omniverous reading habits could possibly conclude that they are motivated by a sincere commitment to the ideas of free markets and the American Founding. (This leaves aside, of course, direct political contributions by Koch Industries to political candidates and the like. That's what politics is.).

Moreover, the self-interest argument itself is highly convoluted and implausible. First, as David notes, most everything that Cato, IHS, Reason, etc., do has nothing at all to do with the narrow self-interest of Koch Industries. Surely even Jane Mayer is not so paranoid as to believe that all of the myriad intellectual ideas that emanate from these institutions on issues ranging from foreign policy to crime to privatization of garbage pick-up are merely fig leafs for the promotion of Koch's business interests. I can hardly imagine that the predominant views of libertarian organizations on drug legalization, foreign policy, and other controversial issues is calculated to win business for Koch Foundations. Ockham's Razor seems useful here—they support these enterprises because they believe in the principles, not their business interests.

Second, it is easy to come up with issues on which these organizations take positions that are contrary to Koch Industry's corporate interests, but which are entirely consistent with libertarian principles. For example, most libertarian organizations that I am aware of, were opposed to the Iraq War. But given that Koch Industries is a petroleum refining and manufacturing company—so shouldn't they have been in favor of "blood for oil" (as the slogan goes)? Given that American automotive industry seems to be recognized as the worldwide leader in fuel-inefficient, gas-guzzling cars, shouldn't so-called "Koch front-groups" have been spirited supporters of the GM and Chrysler bail-outs? And what about the *Kelo* case that allows local governments to take people's houses and give them to corporate developers—one of the most pro-corporation Supreme Court cases in American history? I haven't seen too many people at the Cato Institute, IJ, or FREE who have been taking to the vanguards to defend that one.

So then let's assume that it is correct (as I think we must) that Charles and David are sincerely committed to the ideas of a free society and limited government—and that they want

to do something about preserving the American legacy and making the world a freer place. What then are they supposed to do about it?

Well, it seems like they've only got three options: either they do nothing at all, support groups that advance the goal of achieving a free society, or support groups that oppose the goal of a free society.

It is hard to see why one thinks that they should support the do-nothing approach. In fact, it seems highly irresponsible as citizens and people to do so. Surely if one feels strongly about the virtues of a free society it cannot be a morally blameworthy act to decide that you want to do something to bring that result about.

So assuming you want to do something, that leaves the choice of supporting either groups that promote a free society or those that oppose a free society. Well, when you put it that way.... But that's exactly the way to put it, isn't it? Surely it is a reasonable and morally responsible position that if one believes that a free society is vital component of human flourishing and happiness that it is appropriate to support institutions that further that goal and not those that do not.

Mayer and others on the left seem to want to make much of David Koch's comment in Brian Doherty's book:

David Koch has acknowledged that the family exerts tight ideological control. If we're going to give a lot of money, we'll make darn sure they spend it in a way that goes along with our intent," he told Doherty. "And if they make a wrong turn and start doing things we don't agree with, we withdraw funding."

But so what? Again, this is absurd. How is this different from any other donor to a public policy group? Does Mayer believe that George Soros just gives money to left-wing think tanks regardless of whether they do things that he doesn't agree with? He doesn't monitor them to see if they are advancing the ideas he believes in? Seriously? And if David and Charles Koch believe in the value of a free society, why would we think that they have some sort of implicit obligation to fund ideas antithetical to that goal? If someone gives to the Sierra Club only to see it start pooh-poohing environmental issues that the donor cares about, the donor isn't entitled to withdraw funding?

And, I would emphasize—as Mayer obviously does not—that this concern is especially pronounced on the free market side of the fence. Given the frequency of which foundations set up by conservative philanthropists, most notably the Ford Foundation, have been corrupted over time and have adopted positions directly contrary to the ideas of their founders, this concern is probably the largest concern that conservative philanthropists have today. George Soros has little concern that his organizations will be taken over by conservative activists. The historical record makes abundantly clear that conservative philanthropists have that concern in abundance.

Charles and David Koch have personally given immensely of their time and financial resources to the conservative/libertarian/free-market movement. Many business people who have profited from our free society and free economy have been unwilling to support the institutions that allowed them to prosper and be successful, instead preferring to avoid controversy by doing nothing, or even worse, supporting institutions that contribute to the demise of those very institutions. Charles and David Koch have been so willing to step-up and be engaged in the intellectual battles of their time—going back to when I was in elementary school—even though that has won them no plaudits from elite society (as Mayer's article well illustrates). I believe that America is a freer and better place because of Charles and David Koch's willingness to be engaged in those battles and to support the ideas of a free society. For that, I believe that all of us who have enjoyed the blessings of liberty and who share their commitment to living in a more free and peaceful society owe them a profound debt of gratitude.

Categories: <u>Uncategorized</u>