

## David Koch, Businessman, Political Activist, and Philanthropist, Dead At 79

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David Koch, one half of the "Koch Brothers," the principal owners of a multinational conglomerate of corporations that owns businesses that impact the daily lives of Americans whether they're aware of it or not who also played a role as a philanthropist to the arts and medical fields as well as a political activist who once ran for Vice-President of the United States, <u>has died at the age of 79:</u>

David H. Koch, who joined his brother, Charles G. Koch, in business and political ventures that grew into the nation's second-largest private company and a powerful right-wing libertarian movement that helped reshape American politics, has died. He was 79.

Charles Koch announced the death in a statement, which gave no cause but noted that David Koch had suffered from prostate cancer in the past.

Hitching his star to the soaring ambitions of his older brother, David Koch (pronounced coke) became one of the world's richest people, with assets of \$42.2 billion in 2019 and a 42 percent stake in the global family enterprise, Koch Industries. He also became a nationally known philanthropist and the early public face of the Koch political ascendancy, as the Libertarian Party's candidate for vice president in 1980.

Three decades after David Koch's public steps into politics, analysts say, the Koch brothers' money-fueled brand of libertarianism helped give rise to the Tea Party movement, strengthened the far-right wing of a resurgent Republican Party and played a significant role in the election of Donald J. Trump as president in 2016.

A gregarious, socially prominent New Yorker, Mr. Koch loved the ballet, had been a dinosaur buff as a child and battled prostate cancer in his 50s and 60s. These were the stories behind his name appearing on cornices at Lincoln Center for the Performing Arts, the American Museum of Natural History and New York-Presbyterian Hospital — the Manhattan institutions on which some of his \$1.2 billion in charitable gifts were bestowed.

He was a familiar figure at society galas, a 6-foot-5 former college basketball star who long held the single-game scoring record — 41 points — for the Massachusetts Institute of Technology team, the Engineers. He also had what New York magazine called a "seemingly limitless storehouse of Elks club-inflected jokes, which are often followed by his loud, wheezy honk of a laugh."

Mr. Koch had palatial homes in Manhattan, Southampton, N.Y., Aspen, Colo., and Palm Beach, Fla.; a yacht in the Mediterranean rented for \$500,000 a week for summer getaways; and acquaintances that included Winston Churchill Jr., Prince Charles, and Bill and Melinda Gates.

He also had bad experiences and good luck. He survived a 1991 plane crash that killed 34 people at Los Angeles International Airport. He broke down in tears on a witness stand in Kansas during a civil trial that nearly tore his family apart over money. And for years, he and Charles faced, and denied, accusations of having exploited libertarian principles for self-serving purposes.

They insisted that they adhered to a traditional belief in the liberty of the individual, and in free trade, free markets and freedom from what they called government "intrusions," including taxes, military drafts, compulsory education, business regulations, welfare programs and laws that criminalized homosexuality, prostitution and drug use.

Since the 1970s, the Kochs have spent at least \$100 million — some estimates put it at much more — to transform a fringe movement into a formidable political force aimed at moving America to the far right by influencing the outcome of elections, undoing limits on campaign contributions and promoting conservative candidacies, think tanks and policies.

But they said they had not given money to any Tea Party candidates. "I've never been to a Tea Party event," David Koch told New York magazine in 2010. "No one representing the Tea Party has ever even approached me."

Still, he and his brother acknowledged roles in founding and contributing money to Americans for Prosperity, the right-wing advocacy group that was widely reported to have provided logistical backing for the Tea Party and other organizations in election campaigns and the promotion of conservative causes.

Among the groups they supported was the <u>American Legislative Exchange Council</u>, an organization of conservative state legislators and corporate lobbyists. Alec, as the group is known, drafts model state legislation that members may customize for introduction as proposed laws to cut taxes, combat illegal immigration, loosen environmental regulations, weaken labor unions and oppose gun laws.

As part of their longstanding crusade for lower taxes and smaller government, the Koch brothers in recent years opposed dozens of transit-related initiatives in cities and counties across the country, a review by The New York Times found. Campaigns coordinated and financed by Americas for Prosperity fought state legislation to fund transportation projects, mounted ad campaigns and public forums to defeat transit plans, and organized phone banks to convince citizens that public transit was a waste of taxpayers' money.

By early 2017, Charles and David Koch, with a combined net worth of more than \$100 billion, had become the leaders of a libertarian juggernaut loosely allied with the Republican Party, which, after eight years in the wings, again controlled the White House, both houses of Congress and many state legislatures.

Under the Trump administration, the Koch brothers' prospects in Washington seemed improved, at least superficially. But under the surface lay substantive political and personal differences between the Kochs and Mr. Trump. While the Kochs did not endorse Mr. Trump, David Koch attended his election night victory party and later met with the president-elect at his Mar-a-Lago resort in Palm Beach. The Kochs contributed heavily to Vice President Mike Pence's two campaigns for governor of Indiana, and counted a half-dozen close allies among the president's cabinet choices and Republican advisers.

"The Kochs will be key figures in any discussion about what direction the party takes after 2016," The Times reported in September that year, "and they are determined to steer it toward their free-market vision."

That proved prophetic. As the 2018 congressional elections approached, the Kochs' frustrations with Mr. Trump broke into an ugly and open exchange between Charles Koch and the president. Charles denounced Mr. Trump's restrictive trade and immigration policies as divisive, and threatened to withhold the family's support for Republican candidates who opposed the free-trade, government-shrinking policies at the heart of the Koch political philosophy. Mr. Trump struck back on Twitter, calling the Koch political apparatus "overrated" and "a total joke in real Republican circles."

## More from The Washington Post:

David Hamilton Koch was born in Wichita on May 3, 1940. His mother, the former Mary Robinson, was a well-known figure in Wichita society, and his father was a chemical engineer and entrepreneur who prospered in oil refining.

His father was a strict disciplinarian who insisted that his four sons — Frederick, Charles and fraternal twins David and William — perform manual labor to foster a strong work ethic.

David Koch graduated in 1958 from Deerfield Academy, a prep school in Massachusetts, and then entered the Massachusetts Institute of Technology, his father's alma mater, which was also attended by his brothers Charles and William.

He studied chemical engineering, receiving a bachelor's degree in 1962 and a master's degree in 1963. As an undergraduate, Mr. Koch, at 6-foot-5, was a standout on the basketball team, setting the school's single-game scoring record.

After graduation, he worked for a series of consulting firms before joining the family company in 1970. He inherited \$300 million in 1967, after his father's death.

Over the years, the company was plagued by bitter sibling rivalries, with David and Charles Koch pitted against Frederick and William. In 1980, the latter two led an attempted takeover of Koch Industries. The gambit failed and led to years of acrimonious litigation.

In contrast to Charles, who enjoyed a staid family life in Wichita, the headquarters city of Koch Industries, David Koch chose to live for years in New York City. He relished his life as a freewheeling bachelor and frequent party host until what he described as a life-altering event in 1991: his escape from an airplane disaster at Los Angeles International Airport.

He was aboard a commercial airliner that collided with a commuter aircraft on the runway. Mr. Koch's plane swerved into a building and caught fire. With smoke filling the cabin, he managed to force open a door and exit to safety. Thirty-three people died in the accident, and Mr. Koch suffered serious burns to his lungs.

"This may sound odd, but I felt this experience was very spiritual," he told New York magazine. "That I was saved when all those others died, I felt that the good Lord spared my life for a purpose. And since then I've been busy doing all the good works I can think of."

An immediate result was that Mr. Koch soon began dating Julia Flesher, who worked in the fashion industry. They married in 1996 and had three children. A complete list of survivors was not immediately available.

After the accident, Mr. Koch embarked on a wide-ranging campaign of philanthropic giving. Among the many beneficiaries of his largesse were various cancer research institutions, which received hundreds of millions of dollars, and the American Museum of Natural History and the Smithsonian Institution.

In 2008, he donated \$100 million for the renovation of New York State Theater at Lincoln Center, the home of the New York City Ballet and New York City Opera. In all, Mr. Koch was estimated to have doled out at least \$1.3 billion to scientific research and nonprofit arts groups.

Reportedly the <u>wealthiest resident of Manhattan</u>, Mr. Koch for years occupied, among other properties, a Fifth Avenue apartment once owned by former first lady Jacqueline Kennedy Onassis. In 2003, he traded up for a \$17 million, 9,000-square-foot Park Avenue duplex.

In his later years, Mr. Koch took considerable pride in what he viewed as the successful effort to bring libertarian ideas into the mainstream, as well as his philanthropic giving. But he marveled at the differing legacies of those two ventures for him.

At the 2011 dedication of a new cancer research facility at MIT, to which he had contributed \$100 million, he joked, "I read stuff about me and I say, 'God, I'm a terrible guy.' And then I come here and everybody treats me like I'm a wonderful fellow, and I say, 'Well, maybe I'm not so bad after all.' "

While the general public may know much about what David and his brother Charles have done with their money, and the controversies that have erupted over that issue, very little is known publicly about how they earned that money and the extent to which their company and its subsidiaries play a role in the daily lives of pretty much every American. While it ostensibly started out as an oil and petrochemicals conglomerate, Koch Industries has expanded over the years to have a hand in a wide variety of industries that play a role in the manufacturing of a wide variety of consumer and manufacturing goods. (This video from MSNBC provides a pretty fair assessment of the reach of Koch Industries.) As a result of the success and reach of the family business, David and his brother Charles were listed as the 11th richest people (tied) in the United States on the most recent iteration of the Forbes list of American billionaires.

Outside of the business world, of course, David and his brother best known as the funders of a wide variety of conservative and libertarian causes dating back to the early 1980s when they played a role in the funding of the libertarian-oriented Cato Institute as well as other organizations. In later years, of course, they became more widely known as the men behind the funding of the American Legislative Exchange Council, Americans for Prosperity, and at least some of the groups behind the founding and expansion of the Tea Party movement in the early years of the Obama Administration. In later years, they moved on to direct donations to candidates for lower Federal offices and causes such as criminal justice reform, bail reform, and other causes that didn't exactly fit the "right-wing" label that many people had labeled them with. One piece of evidence in that column is the fact that David Koch was the Libertarian Party's nominee for Vice-President in 1980 and spent several million dollars to help the ticket make an impact nationwide. The Clark/Koch ticket ended up getting just under 1,000,000 votes, which was the highest national vote total for an LP ticket until Gary Johnson's campaigns in 2012 and 2016 respectively.

One reason for this shift was, as noted above, the rise of Donald Trump, someone that both brothers publicly denounced on more than one occasion. As it was, the Koch Brothers and their affiliated groups had only rarely donated on the Presidential level to begin with, but it was clear from the time he entered the race that Trump represented the antithesis of the libertarian-oriented ideas they believed in, especially on issues such as international trade, immigration, and a wide variety of other issues. Additionally, reports at the time indicated that both brothers had told acquaintances that they found Trump's rhetoric and behavior to be personally repulsive, which is perhaps not surprising for two men who grew up in the Midwest and ran their multinational empire out of, of all places, Witchita, Kansas.

After Trump won the election, the brothers <u>distanced themselves</u> and their donation strategy from the Republican Party. Charles Koch said in an interview at this time that he'd be willing to <u>support and work with Democrats who support his values</u>, something that can be seen in the recent pushes that Koch-backed groups have made in areas such as <u>criminal justice reform</u> where they've allied themselves with groups like the American Civil Liberties Union and Democratic politicians like New Jersey Senator Cory Booker. Additionally, various news outlets such as <u>The Daily Beast</u> and <u>CBS News</u> reported that the network had allied with pro-immigration groups to lobby for efforts to protect beneficiaries of the Deferred Action For Childhood Arrivals (DACA) program as well as other so-called Dreamers who were brought to the United States illegally by their parents when they were children.

Not surprisingly, these new moves by the Koch network generated pushback from the Trumpian wing of the Republican Party. Former Presidential advisers Steve Bannon, for example, told the organizations in the Koch political network that they needed to "shut up" and back the President and the President himself lashed out against the Koch Brothers and their network in a way you'd expect a Democrat to do.

While it will be his impact, for good or ill depending on your point of view, that David Koch will be best remembered, it's also worth noting that he, along with his brother, donated far more to non-political causes. David, in particular, was a generous benefactor for many arts-related causes

in New York City, including the renovation of what is currently known as the David Koch Theater at Lincoln Center, which serves as a home for the New York City Opera as well as hosting various ballet and classical music concerts and performers. That building was completely refurbished in the early 2000s thanks in no small part to a \$100 million donation from David Koch. He also donated generously to hospitals, universities, and other non-political venues and operations over the years.

In recent years, David had retired from business and his brother had taken over the day-to-day operation of the family business. In no small part, this was apparently due to the lingering impact of pancreatic cancer that David was diagnosed with several years ago. It is unclear at this time though if that cancer played a role in his death.