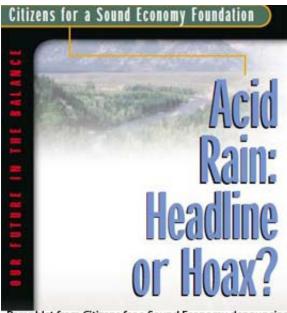
## **The Wonk Room**

# From Promoting Acid Rain To Climate Denial: Over 20 Years Of **David Koch's Polluter Front Groups**

By Lee Fang on Apr 1st, 2010 at 5:12 pm

## From Promoting Acid Rain To Climate Denial: Over 20 Years Of **David Koch's Polluter Front Groups**



Pamphlet from Citizens for a Sound Economy denouncing

the science underpinning acid rain, regulations. The corporate-backed front group Americans for Prosperity (AFP) is again leading the charge for industry against environmental protections. Earlier this month, AFP kicked off its "Regulation Reality Tour" — a roadshow through the states of pivotal senators pressuring the Environmental Protection Agency not to regulate carbon emissions, as outlined by the Clean Air Act.

The campaign is part carnival, part sophisticated K Street lobbying. Attendees are welcomed by an inflatable moonbounce for children, free food and drinks, and AFP staff dressed as "carbon cops" distributing freebies to the crowd. The rallies serve as a platform for AFP to scare voters with stories of bureaucrats regulating churches and "radio controlled thermostats." Moreover, operatives from AFP collect names and train attendees on how to lobby Congress to defeat clean energy reform.

The founder and chairman of Americans for Prosperity is oil baron <u>David Koch</u>, who is one of the richest men in the world because of his oil, chemicals, and manufacturing conglomerate Koch Industries. Koch Industries is a major polluter with an atrocious record of sloppy operations. According to the EPA, Koch Industries is responsible for over 300 oil spills in the US and has leaked three million gallons of crude oil into fisheries and drinking waters. They were fined a record \$35 million dollars and an additional \$8 million in Minnesota for discharging into streams. But AFP's recent crusade against the EPA is just the latest in Koch's twenty-year campaign to have unrestricted power to pollute. Below is a timeline with snapshots of Koch's long running

campaign to distort science, orchestrate fake grassroots campaigns, and defeat environmental protections. Click MORE for the timeline:

#### **- 1977**:

– David's brother Charles Koch founds the libertarian think tank, the Cato Institute.

#### **- 1984**:

– David Koch, along with political operative Richard Fink, <u>founds</u> Citizens for a Sound Economy to create grassroots support to for deregulation, corporate tax cuts, and other right-wing, corporate causes. Fink, who also serves as an executive at Koch Industries, <u>goes on</u> to direct Koch charitable foundations and the Koch-funded academic center (known first as the Center for Market Processes, later renamed as the Mercatus Center) at George Mason University. Mercatus provides thousands of scholarships to students around the country to study Koch's free market beliefs, and trains hundreds of academics in those same ultralibertarian theories.

## **- 1990**:

- A market-based cap and trade program to regulate <u>sulfur dioxide</u> is proposed as an amendment to the Clean Air Act to eradicate acid rain.
- Koch's Citizens for a Sound Economy creates a <u>spinoff</u> front group called "Concerned Citizens for the Environment" to battle proposed regulations to deal with acid rain. The Pittsburgh Post-Gazette reported that the group "has no citizen membership of its own," but produced studies arguing that acid rain was a myth and that deregulation would benefit the environment.

## **- 1993**:

- President Clinton calls for a BTU tax on fossil fuel-based energy.
- Koch's Citizens for a Sound Economy, along with another Koch-funded group, American Energy Alliance, works closely with the U.S. Chamber of Commerce and the oil lobby to <u>coordinate</u> a campaign to kill the BTU tax. Citizens for a Sound economy commissions polls, takes full page newspaper advertisements, television advertisements, and sends operatives into Oklahoma and Louisiana to organize rallies against the tax.
- After months of ads, Koch's Citizens for a Sound Economy organizes rowdy anti-tax protests to ensure the BTU tax is killed. NPR noted that one CSE-sponsored rally outside of the House of Representatives was "designed to strike fear into the hearts of wavering Democrats." Angry protesters surrounded a man on a hunger strike in favor of the energy tax and shouted him down. Among the gimmicks of rallies were timed releases of balloons to represent dollars families would supposedly pay under the tax. After Sen. David Boren (D-OK) and Sen. John Breaux (D-LA) collapsed to the pressure, the tax died.

## **- 1994**:

- A Koch pipeline spill at Corpus Christi, Texas, led to a \$10.5 million class-action settlement for

people in the fishing industry. Almost 100,000 gallons were spilled, causing a twelve-mile oil slick in Nueces Bay and Corpus Christi Bay.

– Court documents reveal that Phillip Morris and the tobacco industry rents Citizens for a Sound Economy for a campaign against proposed tobacco regulations. A memo outlines that the tobacco industry's \$2 million in contributions to CSE paid for a campaign to "educate and mobilize consumers, through town hall meetings, radio and print ads, direct mail, patch-through calls to the Capitol switchboard, editorial board visits, polling data, meetings with Members and staff and the release of studies and other educational pieces."

## **- 1996**:

- Koch's Cato Institute develops a legal theory for environmental deregulation championed by lobbyists, GOP lawmakers to neuter the EPA. Jerry Taylor, Cato's director of natural resources studies, <u>argues</u> that by granting the EPA authority to set specific rules about environmental standards, Congress was violating Article I of the Constitution, which vests "all legislative powers" in the Congress itself.
- Through a shell corporation called Triad Management and a nonprofit called Economic Education Trust, Koch secretly funnels \$1.7 million dollars in attack ads to help Republicans on the eve of the 1996 elections in states where Koch owns refineries, pipelines, and offices.

## **- 1997**:

- The EPA proposes <u>strengthening</u> rules governing air pollution, regulating particles from coal plants and industrial plants which cause tens of thousands of premature deaths a year.
- Koch's Citizens for a Sound Economy springs into action, filing dozens of reports opposing the proposed EPA regulations on particle pollution and running ads across the country. One ad features a "pediatrician" who says increased rates of asthma are not caused by the toxic particles, but rather by "dust mites, stuff like that." A second voice in the spot adds: "Sounds like the bureaucrats in Washington are scheming to keep their jobs." Another ad from CSE claims the EPA regulations would ban fireworks and backyard grills. "Imagine that," the ad states, "a new government regulation that takes away our freedom to, huh, celebrate our freedom."
- Citizens for a Sound Economy's anti-EPA hysteria reaches a boiling point, with the Michigan House passing a <u>resolution</u> asking the EPA not to regulate barbecues. The new CSE president, C. Boydon Gray, who also served as a lobbyist for a firm representing several polluters, makes the rounds on television fighting the regulations.
- Koch bankrolls the Cooler Heads Coalition, <u>organized</u> by Citizens for a Sound Economy and other Koch-funded groups, like the Competitive Enterprise Institute, to produce studies and ads aimed at scuttling the Kyoto climate accords.

## **- 1999**:

Koch admits to environmental violations at its oil refinery in Rosemount, Minnesota, and was forced to pay up \$8 million in penalties for discharging oil in streams. At the time, the fine was the

largest federal environmental fine in Minnesota history.

#### -2000:

– The Texas Natural Resource Conservation Commission slaps a \$171,570 fine on Koch for environmental violations at crude oil storage facilities. The company allegedly violated air quality restrictions at facilities in 32 Texas counties.

#### -2001

- Koch <u>pours</u> \$800,000 to Bush and Republicans for the 2000 election, funnels up to \$20 million into various conservative think tanks and organizations.
- In the months preceding the presidential elections, the Koch faced a 97-count federal indictment charging it with concealing illegal releases of 91 metric tons of benzene, known to cause leukemia, from its refinery in Corpus Christi, Texas. After Bush took office in 2001, 88 counts were dropped. Two days before the trial, then-Attorney General Ashcroft agreed to a plea bargain. Koch pled guilty to falsifying documents, all major charges were dropped and the company settled the lawsuit for \$20 million, a small part of the possible \$350 million in fines. This was the fifth largest ever settlement for criminal environmental prosecutions.
- In North Carolina, Koch's Citizens for a Sound Economy fights to <u>stymie</u> efforts to get 12,850 acres of forest in Avery County designated as wilderness. In organizing anti-tax and anti-regulation rallies, CSE experiments with the idea of reenacting a "Boston Tea Party." Paul O'Connor, a columnist for the North Carolina Dispatch, pans the CSE-organized tea party rallies as a "flop."
- The Bush administration <u>appoints</u> Koch Industries lobbyists and political operatives to key environmental positions throughout the federal government. For instance, Koch Industries lobbyist Elizabeth Stolpe is appointed associate director at the White House Council on Environmental Quality.

## **- 2002**:

 Bush appoints Jeffrey Holmstead to head the EPA's clean air program. Holmstead had previously served as a <u>scholar</u> at Koch's Citizens for a Sound Economy, writing papers to roll back EPA protections.

#### **- 2003**:

- Koch's Citizens for a Sound Economy testifies to the right-wing Texas Board of Education, urging the panel to reject a book called "Environmental Science: Creating a Sustainable Future."
  CSE's Texas director claimed the book "blames Christianity, Democracy and Industrialization ... as causing the so-called [environmental] 'crisis'" and that this is "highly offensive to patriotic Americans and Christians." The panel ultimately rejects the book.
- House Republican Majority Leader Rep. Dick Armey (R-TX) resigns from Congress, becomes Chairman of Koch's Citizens for a Sound Economy. Armey, who simultaneously served as a lobbyist for megafirm DLA Piper, uses CSE to <u>promote</u> the interests of his corporate clients, which

include several polluters.

#### -2004:

- Koch's Citizens for a Sound Economy launches a <u>massive</u> nationwide effort to help reelect
  President Bush, congressional Republicans. Koch operatives, hoping to splinter the left-wing vote, help to <u>qualify</u> Ralph Nader on the Oregon ballot.
- Koch's Citizens for a Sound Economy <u>splinters</u>, with staff and resources joining with another right-wing from group, Empower America, to form FreedomWorks with Dick Armey as the chairman. Many staffers from CSE form a new organization called Americans for Prosperity, with David Koch as the chairman. Koch hires Tim Phillips a <u>longtime Astroturf lobbyist</u> who had previously orchestrated grassroots campaigns with Ralph Reed, Enron, and outsourcing interests to head his group.
- The Wall Street Journal <u>publishes</u> a blockbuster story on Koch's think tank at George Mason University, the Mercatus Center. The story details how the think tank wields more power than any single K Street lobbying firm in terms of influencing environmental regulations in the Bush administration. Among 23 regulations axed by the Bush administration, 14 were prescribed by Mercatus. Mercatus fellows, like "<u>anti-regulatory zealot</u>" Susan Dudley, move in a revolving door in and out of Koch's Mercatus Center. In addition, the Center <u>publishes</u> papers challenging the science of climate change.

#### **- 2005**:

Koch Industries <u>finalizes</u> its purchase of Georgia Pacific, one of the world's leading timber firms.
 Koch's Americans for Prosperity increases its advocacy against public lands and designated public forests in <u>Illinois</u>, <u>New Jersey</u>, much of the West.

#### -2006:

- Koch groups organize to viciously smear Al Gore and his movie An Inconvenient Truth. Kochfunded Competitive Enterprise Institute produces ads mocking the movie. Koch funded political operatives follow Gore, smearing him as a "hypocrite" for traveling in a car, airplane.
- After the Mercatus Center attacks EPA regulation of tailpipe greenhouse gases by challenging the science of climate change, Bush appoints Mercatus director Susan Dudley to head the OMB Office of Information and Regulatory Affairs, which has the power to change all proposed federal rules.

## **- 2007**:

– Koch <u>launches</u> his annual conservative "Defending the Dream Summit." Republican nominees for President, like Rudy Giuliani and John McCain, appear at the first summit to showcase their right-wing credentials, meet with David Koch.

## -2008:

- The 1990 cap and trade Clean Air Act amendments to regulate sulfur dioxide, to deal with acid

rain, is deemed a stunning success. Despite Koch's fear-mongering that it would destroy the economy and kill jobs with an expensive new mandate, the program not only rapidly reduced sulfur dioxide, but did so billions of dollars under projected costs.

- Koch's Americans for Prosperity launches its "Hot Air Tour," a touring campaign to sow doubt about the science of climate change. The campaign, which still goes on today, gives away free items like food and t-shirts, and features an actual hot air balloon with a sign attacking "global warming alarmism."
- Koch launches RightOnline, an effort to train right-wing operatives in using technology, to mimic the success of the left, particularly in blogging.

## **- 2009**:

- -Over 100 operatives from Koch's Americans for Prosperity and FreedomWorks organize quietly shortly before President Obama's inauguration to try again to spark "tea party" protests. With the help of Fox News, right-wing media and the Republican Party, the tea party "movement" catches on, with dozens of rallies against President Obama all over the country throughout the year. Americans for Prosperity hands out talking points and signs for the tea parties to protest the EPA, clean energy legislation, and mocking the science of climate change.
- Americans for Prosperity tries to crash the Copenhagen climate accords in December 2009. Guest speaker Christopher Monckton calls youth climate activists "<u>Hitler Youth</u>." He told a Jewish youth climate activist whose grandparents escaped the Nazis that he was "Hitler Youth," and that "you people don't care" that "millions are dying in third world countries." Americans for Prosperity again featured Christopher Monckton at a regional summit in March 2010.
- Koch funds millions in ads attacking clean energy and climate science throughout the year. Attempting to stir up populist class anger, one Koch ad portrays a wealthy "<u>eco-hypocrite</u>" who "own three homes and five cars, but always talk with my rich friends about saving the planet."

#### **- 2010**:

- A report finds that Koch is the largest funder of climate science denying organizations in the world, outpacing even ExxonMobil. Nearly \$25 million in Koch money has flowed to various anticlimate science think tanks, including the Heritage Foundation, the Manhattan Institute, the Foundation for Research on Economics and the Environment, the Pacific Research Institute, and the Tax Foundation, among others.
- Comments
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 $\hbox{@ }2005\mbox{-}2008$  Center for American Progress Action Fund