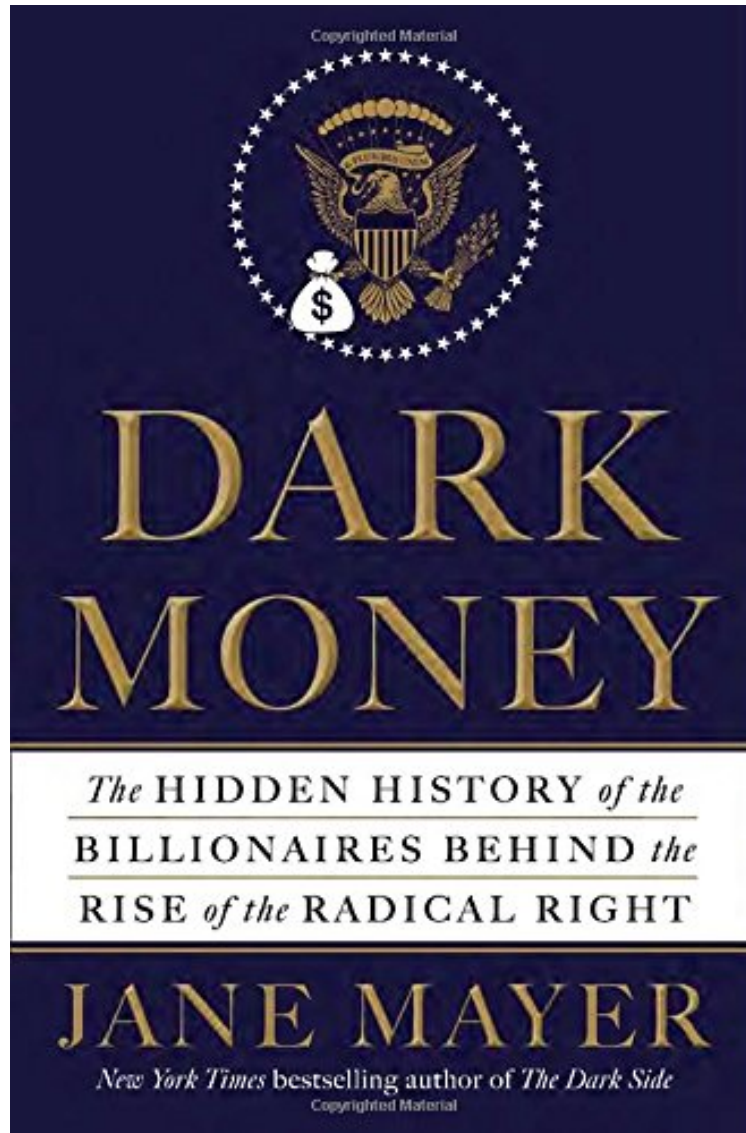


Dark Money: The Hidden History of the Billionaires Behind the Rise of the Radical Right

Jane Mayer

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Jane Mayer : Dark Money: The Hidden History of the Billionaires Behind the Rise of the Radical Right before purchasing it in order to gauge whether or not it would be worth my time, and all praised Dark Money: The Hidden History of the Billionaires Behind the Rise of the Radical Right:

1077 of 1140 people found the following review helpful. Mildly Depressing
By College Stealth
This book is a hard read; not because of Lexile score interest, but because it raises a huge warning flag with regards to some of the funding that has been going into the recent elections. I got the Kindle edition of this book at 11 C.S.T. and stayed up all night reading it, it took about seven hours. Ive made it a point for the last eight months to pick a book off of the new releases and just read it; its been my own personal challenge to read whatever, regardless of the topic or the political bent. This one was very fascinating and interesting with providing insight into how much money has been circulating in politics and for how long. I sense that this book will be a contentious one for many who read it, or even look at the title, but hear me out, Im just a middle or the road person reading it for the sake of reading it. Its certainly told with a liberal bias, but before it is declared unpalatable because of that, or all lies, there are some really worthwhile components to consider. The book is not anti-republican, rather it highlights the funding of anti-government movements and intentional divisions within the republican party as a result of libertarian ideas held by the Koch brothers. It moves past the republican party and focuses on the ultra-conservative anti-establishment ideas of a few of the 1% in creating a scenario that is wholly advantageous to them. It also highlights some who stood up against the Kochs in regards to some ideologies, such as John Kaisch, who ceased to be invited to the larger mover and shaker events hosted by the Koch brothers. Throughout the book, every time a major economic player is introduced, Mayer underscores that introduction with a reference to a specific court battle or lawsuit due to fraud that that particular individual is facing. I understand that it is used to underscore why specific persons being referenced may have a disdain against the government, but in some situations, knowing the pending lawsuits for fraud are not advantageous to moving the story forward. This would be my one major criticism with the work. There is also some Koch family background that serves to paint a high level of dysfunction within the Koch family; as brothers apparently bickered even over their mothers will that requested that they not sue one another, upon which they promptly sued. Yet, the family background does serve well to highlight where the wealth of the Koch brothers originated from and ideologies of anti-government that came from their father who was also a member of ultra conservative groups while alive. What the book does well is outline initial stamina in the 1970s and continues to the present day of the sheer amount of money that has been funneled into elections as a result of the Koch brothers and a few other billionaires into elections. The money is so vast that it can invest in its own equipment and maintain itself as its own political machine. The money is often couched in donations to non-profits, which Mayer does an excellent job of outing their purpose and efficiency. It chronicles the efforts of some to whittle away at local and national elections through seemingly unrelated think-tanks and book publications that seek to radicalize the right as much as possible. The mention of dark money is money that is untracked or goes into a donors black hole, which later is utilized in whatever way the organization sees as useful. Having read some of the more recent political dialogue books lately, such as Glen Beck and Dick Cheney; Id say that Mayer does a much stronger job of identifying the origin of some of the comments and narrative in the book. However, she does note that she is unable to credit all of her sources and there are a few citations that simply cross reference to political blogs. Overall, its an excellent read, albeit doing little to couch the authors bias and has a bit of a magazine sensationalist piece that is drawn out. Its a book that makes me feel physically ill; which, if emotion is the goal of the writer, its been done. It is a vital, well cross-referenced read, that chronicles the long growing investment of big business into politics, which has reached the plateau of influence in the election game. Koch brother money, along with other billionaire investors, are certainly something all citizens should be aware of; and fearful of at the same time.
269 of 281 people found the following review helpful. Many surprises in this superb expose
By Mal Warwick
The Koch brothers, Charles and David, get a lot of attention from political observers and, increasingly, from the public. No wonder. The fortune they possess together is greater than those of Bill Gates, Carlos Slim, Warren Buffet, and other private individuals who are often characterized as the richest people in the world. But its not the brothers wealth that attracts the attention. Its their heavy-handed attempt to dominate American politics. Thats the subject of Jane Mayers explosive new book, *Dark Money: The Hidden History of the Billionaires Behind the Rise of the Radical Right*. As Warren Buffet has said, Theres class warfare all right. But its my class, the rich class, thats making war, and were winning. The brothers are at the very center of the war machine. The Koch brothers are not alone. Though the Koch brothers provide a convenient (and worthy) target, its important to understand that they alone are not responsible for the wrenching changes that have taken place in American politics over the past several decades, and particularly since 2009. As Mayer reveals, the brothers Charles, especially preside over a network of billionaires and centimillionaires who operate in tandem in support of the most virulent, Right-Wing causes and candidates in the countrys politics. A total of some 300 individuals constitute the network. As many as two hundred have attended recent annual gatherings hosted by the brothers. The brothers didnt invent the tactics that have been used to upend the political order. Mayer credits the late Richard Mellon Scaife, the Pittsburgh-based scion of the Mellon Bank and Gulf Oil fortune. In 1964, Scaife set out to change the terms of political debate by investing heavily in think tanks and academic centers to espouse a radical free-market ideology and imprint it on a new generation of scholars, lawyers, and activists. Scaifes various family foundations were soon followed by the Bradley, Olin, and Coors Foundations in advancing the Right-Wing agenda. In addition to Scaife and the Koch Brothers, the vast Right-Wing conspiracy they set in motion includes the aging casino magnate Sheldon Adelson, an obsessively pro-Israel donor who has outpaced everyone else in the

country in political spending in recent elections, and the De Vos family of Michigan, owners of Amway, as well as other members of the 0.01%, a majority of whose fortunes were built on oil, gas, coal, and finance. Also prominent within this network are ultra-wealthy individuals and families who have used similar tactics to bring about dramatic shifts in the politics of individual states Wisconsin and North Carolina, for example. What do they want? The plutocrats in the Kochs network profess similar political beliefs which they characterize as conservatism to promote freedom and the free market in America. However, it is highly misleading to refer to this ideology as conservative. Instead, it is radical and reactionary, having nothing to do with conserving anything whatsoever of the past. On the contrary, it is clear from Mayer's account that the common intellectual thread that runs throughout this group of supremely privileged individuals is a determination to turn back the clock to the nineteenth century, repealing every political reform instituted under Teddy Roosevelt and all his successors. Child labor laws? Check. Anti-trust legislation? Check. The progressive income tax? Check. Social Security? Check. The minimum wage? You get the point. What these people want is clearly nothing less than the freedom to pollute, exploit their employees, avoid taxes, dictate the terms of political debate, and pass their vast wealth on to their children and grandchildren in dynastic fashion. Who are these people, really? Though they tend to style themselves as self-made, many of them including the Kochs inherited considerable fortunes. They live in multimillion-dollar homes (usually, several of them), preside over huge businesses, and donate millions of dollars to charity (usually, arts institutions and universities that will place their names on buildings). However, a disturbing number of them are, not to put too fine an edge on things, criminals. As Mayer puts it in her understated way, it is striking how many members of the Koch network had serious past or ongoing legal problems. For example, between 1980 and 2005, under Charles Koch's leadership, his company developed a stunning record of corporate malfeasance. The Koch brothers and the De Vos family businesses have paid tens of millions of dollars in fines for violation of environmental laws, worker health and safety regulations, and tax laws, causing far more harm to society than even the worst violent offender. In a just society, many of these people would have gone to prison long ago. A multipronged strategy Mayer describes the Kochs and their allies strategy as multipronged. At the outset, their efforts went largely into intellectual enterprises, chiefly think tanks and universities. The purpose of these investments was to nurture a new generation of free-market conservatives who would (and did) change the dynamics of public discourse. A second prong of the strategy was to press state and federal legislators and the courts to shift economic policy to their (self-interested) way of thinking. At the same time, they consciously set out to foster the grassroots efforts that eventually produced the Tea Party, by creating phony populist organizations (Astroturf), providing funding and political expertise, and subsidizing sympathetic media. For example, they paid Glenn Beck \$1 million to hype the Tea Party on his show. To round out the picture, they mounted a lavishly funded effort to seize control of the Republican Party and gerrymander Congressional district lines in states across the country to guarantee a Republican majority in the House of Representatives. Have no doubt about the success of this strategy: witness the fear-mongering and Right-Wing platitudes consistently mouthed by the Republican candidates contending for the presidency in 2016. All this is possible now after the 2010 Citizens United decision and its sequels in the courts, which freed what Bernie Sanders calls the billionaire class to dominate federal elections to a greater extent than was feasible even under the Robber Barons in the closing years of the nineteenth century. Reportedly, a single session at a gathering hosted last year by the Koch Brothers generated pledges for this year's election campaigns totaling \$889 million, an amount far greater than either the Republican or Democratic parties raised for the last presidential campaign. In all likelihood, this sum will prove to be only a portion of the funds they contribute collectively when the final figures are toted up. After all, they can afford it: together, the men (and a few women) in this network are worth considerably more than \$100 billion dollars. Where does all the money go? You might think it's not easy to spend so much money, and you'd be right. To bring these massive funds to bear in the political area, the members of the Koch network have created literally hundreds of organizations think tanks, academic institutes, SuperPACs, public welfare organizations, charities, and businesses to put their money to work. Some of these entities evidence no more signs of activity than a post office box. Others, such as the Heritage Foundation, the Cato Institute, the Federalist Society, and the Kochs most identifiable political venture, Americans for Prosperity (AFP), are well known and substantial. For example, AFP employed 550 people in the 2012 election cycle. Most of the organizations created by the members of the network exist merely to launder money from wealthy donors, funneling it through a series of obscurely named entities to avoid the few remaining campaign finance disclosure requirements. To operate this exceedingly complex array of organizations, both bogus and genuine, requires a huge number of political operatives, lobbyists, pollsters, and others. Though none of these people are likely to approach their benefactors in personal wealth, many of them are reaping millions of dollars for their efforts. Surprise! The most dramatic revelation in Mayer's book is her account of the way the Koch brothers' father built the fortune that was the foundation of their enormous wealth. Like his sons Charles and David after him, Fred Koch was an MIT-trained engineer. He developed advanced techniques to refine crude oil. Forced by the major players in the oil industry to operate outside the country, he built a thriving business overseas building oil refineries. Among the longest-standing and most lucrative business partnerships he undertook were with Stalin and Hitler's governments. A scholar who studied Koch's work for Nazi Germany concluded that the American venture became a key component of the Nazi war machine. Historians expert in German industrial history

concur. Some readers may also find surprises in Mayers accounts of the central role of the Koch Brothers and their allies in launching and funding the Tea Party and the protracted (and successful) effort to undermine the public consensus about the serious threat that climate change poses to human life in the near future. Mayer reports that from 2005 to 2008, a single source, the Kochs, poured almost \$25 million into dozens of different organizations fighting climate reform . . . Charles and David had outspent what was then the worlds largest public oil company, ExxonMobil, by a factor of three. About the author Jane Mayer is an investigative journalist who has been a staff writer at The New Yorker for twenty years. She is a former war correspondent. She has won many of the top awards the journalistic profession has to offer. Dark Money is her fourth book. 463 of 498 people found the following review helpful. Jane Mayer nails it again, we'll see how Koch responds this time... By Connor Gibson This book is rapidly making waves, after the New York Times and Washington Post worked with author Jane Mayer to reveal Koch Industries' history building a major refinery for none other than Adolph Hitler, just after he became Chancellor of Germany. But the sensational Nazi connection was just the easy part, and Koch is among several old-money fortunes that were pivotal in establishing today's complicated web of innocuous-sounding corporate front groups. Such journalism is imperative at a time when Americans are constantly being duped by advertising and public relations executives, selling political ideas that are not actually designed to benefit the audience listening. Putting my opinions aside, here's why the book stands out: 1. THE ACCESS. Through interviews with current and ex-Koch Industries staff executives, and members of Koch's sprawling "nonprofit" political network, Ms. Mayer has reminded the political community of her talent as an investigator. Her ability to find both new and historic details that are previously unreported--and immediately relevant--are what set this author apart from the day's other pre-eminent experts on plutocrats oligarchs (such as Kim Phillips-Fein, Lee Fang, Lewis Lapham, Lisa Graves, Ken Vogel, Mark Ames, and Greg Palast, to name a few). 2. THE NARRATIVE. With secretive people like Charles Koch and the late Richard Mellon Scaife as an author's subject, the sheer lack of honest information can make it hard to write anything other than a political white paper. But Ms. Mayer's experience and reputation as a reporter at the New Yorker have opened many doors that were previously closed, painting a more crisp, rich portrait of this private history. 3. THE CONTEXT. Reading Dark Money reminds me of the pains that author lawyer Vincent Bugliosi took to convince jurors of Charles Manson's motives in directing his cult's seemingly-senseless murders. No, I'm not comparing Koch with Manson. Koch's history is a black box in many ways, making it difficult even for seasoned investigators to discover truths buried in the Koch history book. Years of reporting also indicate that Koch's own narrative should never be taken for granted, in terms of how they frame issues, what they talk most prominently about, and which details they seem to forget. But Mayer hit the jackpot on such details, and contextualizes the information in ways that offer newer, clearer perspectives on why and how America's most notorious billionaires go about their business. For the political news nerd to the primetime political strategist, this book represents the most contemporary look at the billionaires whose political investments are now usurping entire parties (a la Koch and the Republicans). Beyond informing politicians, it is genuinely fascinating to learn how people like Charles Koch have smashed down the walls between business, politics and culture, integrating each of these realms into a single stage where we are watching a massive privatized experiment taking place. Back to my own opinion. It's imperative for voters to monitor the billionaires' political experiment. The preferences of private families like Koch, Scaife, Bradley and Olin do not necessarily reflect the needs of American voters. Anyone who feels that the 'system is rigged against us' ought read this book and find out exactly how, for that is the only way to counter such discouraging unfolding history.

Why is America living in an age of profound economic inequality? Why, despite the desperate need to address climate change, have even modest environmental efforts been defeated again and again? Why have protections for employees been decimated? Why do hedge-fund billionaires pay a far lower tax rate than middle-class workers? The conventional answer is that a popular uprising against big government led to the ascendancy of a broad-based conservative movement. But as Jane Mayer shows in this powerful, meticulously reported history, a network of exceedingly wealthy people with extreme libertarian views bankrolled a systematic, step-by-step plan to fundamentally alter the American political system. The network has brought together some of the richest people on the planet. Their core beliefs that taxes are a form of tyranny; that government oversight of business is an assault on freedom are sincerely held. But these beliefs also advance their personal and corporate interests: Many of their companies have run afoul of federal pollution, worker safety, securities, and tax laws. The chief figures in the network are Charles and David Koch, whose father made his fortune in part by building oil refineries in Stalin's Russia and Hitler's Germany. The patriarch later was a founding member of the John Birch Society, whose politics were so radical it believed Dwight Eisenhower was a communist. The brothers were schooled in a political philosophy that asserted the only role of government is to provide security and to enforce property rights. When libertarian ideas proved decidedly unpopular with voters, the Koch brothers and their allies chose another path. If they pooled their vast resources, they could fund an interlocking array of organizations that could work in tandem to influence and ultimately control academic institutions, think tanks, the courts, statehouses, Congress, and, they hoped, the presidency. Richard Mellon Scaife, the mercurial heir to banking and oil fortunes, had the brilliant insight that most of their political activities could be written off as tax-

deductible philanthropy. These organizations were given innocuous names such as Americans for Prosperity. Funding sources were hidden whenever possible. This process reached its apotheosis with the allegedly populist Tea Party movement, abetted mightily by the Citizens United decision a case conceived of by legal advocates funded by the network. The political operatives the network employs are disciplined, smart, and at times ruthless. Mayer documents instances in which people affiliated with these groups hired private detectives to impugn whistle-blowers, journalists, and even government investigators. And their efforts have been remarkably successful. Libertarian views on taxes and regulation, once far outside the mainstream and still rejected by most Americans, are ascendant in the majority of state governments, the Supreme Court, and Congress. Meaningful environmental, labor, finance, and tax reforms have been stymied. Jane Mayer spent five years conducting hundreds of interviews-including with several sources within the network-and scoured public records, private papers, and court proceedings in reporting this book. In a taut and utterly convincing narrative, she traces the byzantine trail of the billions of dollars spent by the network and provides vivid portraits of the colorful figures behind the new American oligarchy. *Dark Money* is a book that must be read by anyone who cares about the future of American democracy.

ONE OF NEW YORK TIMES BOOK REVIEW'S TEN BEST BOOKS OF 2016 A Washington Post Notable Book of 2016 "Mayer is . . . a writer whose reporting can leave a reader breathless. . . . I urge you to read *Dark Money*." Bill Moyers "Jane Mayer's *Dark Money* is utterly brilliant and chilling no matter how much you think you already know. . . . Read it!" Naomi Klein, bestselling author of *The Shock Doctrine: The Rise of Disaster Capitalism* and *This Changes Everything: Capitalism vs the Climate* Jane Mayer's *Dark Money*. . . is absolutely necessary reading for anyone who wants to make sense of our politics. Lay aside the endless punditry about Donald's belligerence or Hillary's ambition; Mayer is telling the epic story of America in our time. It is a triumph of investigative reporting, perhaps not surprising for a journalist who has won most of the awards her profession has to offer. . . . She's a pro, and she's given the world a full accounting of what had been a shadowy and largely unseen force. . . . Remarkable. The New York Times "The book is written in straightforward and largely unemotional prose, but it reads as if conceived in quiet anger. Mayer believes that the Koch brothers and a small number of allied plutocrats have essentially hijacked American democracy, using their money not just to compete with their political adversaries, but to drown them out. . . . *Dark Money* emerges as an impressively reported and well-documented work. . . . The importance of *Dark Money* [flows] from its scope and perspective. . . . It is not easy to uncover the inner workings of an essentially secretive political establishment. Mayer has come as close to doing it as anyone is likely to come anytime soon. . . . She makes a formidable argument. From the cover of the New York Times Book Review. . . persuasive, timely and necessary. . . . Only the most thoroughly documented, compendious account could do justice to the Kochs' bizarre and Byzantine family history and the scale and scope of their influence. The New York Times About the Author Jane Mayer is a staff writer for *The New Yorker* and the author of three bestselling and critically acclaimed narrative nonfiction books. She co-authored *Landslide: The Unmaking of the President, 1984-1988*, with Doyle McManus, and *Strange Justice: The Selling of Clarence Thomas*, with Jill Abramson, which was a finalist for the National Book Award. Her book *The Dark Side: The Inside Story of How the War on Terror Turned into a War on American Ideals*, for which she was awarded a Guggenheim Fellowship, was named one of *The New York Times* Top 10 Books of the Year and won the J. Anthony Lukas Book Prize, the Goldsmith Book Prize, the Edward Weintal Prize, the Ridenhour Prize, the New York Public Library's Helen Bernstein Book Award for Excellence in Journalism, and the Robert F. Kennedy Book Award. It was also a finalist for the National Book Award and the National Book Critics Circle Award. For her reporting at *The New Yorker*, Mayer has been awarded the John Chancellor Award, the George Polk Award, the Toner Prize for Excellence in Political Reporting, and the I. F. Stone Medal for Journalistic Independence presented by the Nieman Foundation at Harvard. Mayer lives in Washington, D.C. Excerpt. Reprinted by permission. All rights reserved. CHAPTER ONE Radicals: A Koch Family History Oddly enough, the fiercely libertarian Koch family owed part of its fortune to two of history's most infamous dictators, Joseph Stalin and Adolf Hitler. The family patriarch, Fred Chase Koch, founder of the family oil business, developed lucrative business relationships with both of their regimes in the 1930s. According to family lore, Fred Koch was the son of a Dutch printer and publisher who settled in the small town of Quanah, Texas, just south of the Oklahoma border, where he owned a weekly newspaper and print shop. Quanah, which was named for the last American Comanche chief, Quanah Parker, still retained its frontier aura when Fred was born there in 1900. Bright and eager to get out from under his overbearing old-world father, Fred once ran away to live with the Comanches as a boy. Later, he crossed the country for college, transferring from Rice in Texas to attend the Massachusetts Institute of Technology. There, he earned a degree in chemical engineering and joined the boxing team. Early photographs show him as a tall, formally dressed young man with glasses, a tuft of unruly curls, and a self-confident, defiant expression. In 1927, Fred, who was an inveterate tinkerer, invented an improved process for extracting gasoline from crude oil. But as he would later tell his sons bitterly and often, America's major oil companies regarded him as a business threat and shut him out of the industry, suing him and his customers in 1929 for patent infringement. Koch regarded the monopolistic patents invoked by the major oil companies as anticompetitive and unfair. The fight appears to be an early version of the Kochs' later opposition to corporate cronyism in which they

contend that the government and big business collaborate unfairly. In Fred Kochs eye, he was an outsider fighting a corrupt system. Koch fought back in the courts for more than fifteen years, finally winning a \$1.5 million settlement. He correctly suspected that his opponents bribed at least one presiding judge, an incompetent lush who left the case in the hands of a crooked clerk. The fact that the judge was bribed completely altered their view of justice, one longtime family employee suggests. They believe justice can be bought, and the rules are for chumps. Meanwhile, crippled by lawsuits in America during this period, Koch took his innovative refining method abroad. He had already helped build a refinery in Great Britain after World War I with Charles de Ganahl, a mentor. At the time, the Russians supplied England with fuel, which led to the Russians seeking his expertise as they set up their own oil refineries after the Bolshevik Revolution. At first, according to family lore, Koch tore up the telegram from the Soviet Union asking for his help. He said he didnt want to work for Communists and didnt trust them to pay him. But after securing an agreement to get paid in advance, he overcame his philosophical reservations. In 1930, his company, then called Winkler-Koch, began training Russian engineers and helping Stalins regime set up fifteen modern oil refineries under the first of Stalins five-year plans. The program was a success, forming the backbone of the future Russian petroleum industry. The oil trade brought crucial hard currency into the Soviet Union, enabling it to modernize other industries. Koch was reportedly paid \$500,000, a princely sum during Americas Great Depression. But by 1932, facing growing domestic demand, Soviet officials decided it would be more advantageous to copy the technology and build future refineries themselves. Fred Koch continued to provide technical assistance to the Soviets as they constructed one hundred plants, according to one report, but the advisory work was less profitable. What happened next has been excised from the official corporate history of Koch Industries. After mentioning the companys work in the Soviet Union, the bulk of which ended in 1932, the corporate history skips ahead to 1940, when it says Fred Koch decided to found a new company, Wood River Oil Refining. Charles Koch is equally vague in his book *The Science of Success*. He notes only that his fathers company enjoyed its first real financial success during the early years of the Great Depression by building plants abroad, especially in the Soviet Union. A controversial chapter is missing. After leaving the U.S.S.R., Fred Koch turned to Adolf Hitlers Third Reich. Hitler became chancellor in 1933, and soon after, his government oversaw and funded massive industrial expansion, including the buildup of Germanys capacity to manufacture fuel for its growing military ambitions. During the 1930s, Fred Koch traveled frequently to Germany on oil business. Archival records document that in 1934 Winkler-Koch Engineering of Wichita, Kansas, as Freds firm was then known, provided the engineering plans and began overseeing the construction of a massive oil refinery owned by a company on the Elbe River in Hamburg. The refinery was a highly unusual venture for Koch to get involved with at that moment in Germany. Its top executive was a notorious American Nazi sympathizer named William Rhodes Davis whose extensive business dealings with Hitler would eventually end in accusations by a federal prosecutor that he was an agent of influence for the Nazi regime. In 1933, Davis proposed the purchase and conversion of an existing German oil storage facility in Hamburg, owned by a company called Europäische Tanklager A.G., or Eurotank, into a massive refinery. At the time, Hitlers military aims, and his need for more fuel, were already well-known. Daviss plan was to ship crude petroleum to Germany, refine it, and then sell it to the German military. The president of the American bank with which Davis dealt refused to have anything to do with the deal, because it was seen as supporting the Nazi military buildup, but others extended the credit. After lining up the American financing, Davis needed the Third Reichs backing. To gain it, he first had to convince German industrialists of his support for Hitler. In his effort to ingratiate himself, Davis opened an early meeting with Hermann Schmitz, the chairman of I.G. Farben the powerful and well-connected chemical company that soon after produced the lethal gas for the concentration camps death chambers by saluting him with a Nazi Heil Hitler. When these efforts didnt produce the green light he sought, Davis sent messages directly to Hitler, eventually securing a meeting in which the fhrer walked in and ordered his henchmen to approve the deal. On Hitlers orders, the Third Reichs economic ministers supported Daviss construction of the refinery. In his biography of Davis, Dale Harrington draws on eyewitness accounts to describe Hitler as declaring to his skeptical henchmen, Gentlemen, I have reviewed Mr. Daviss proposition and it sounds feasible, and I want the bank to finance it. Harrington writes that during the next few years Davis met at least half a dozen more times with Hitler and on one occasion asked him to personally autograph a copy of *Mein Kampf* for his wife. According to Harrington, by the end of 1933 Davis was deeply committed to Nazism and exhibited a noticeable dislike for Jews. In 1934, Davis turned to Fred Kochs company, Winkler-Koch, for help in executing his German business plan. Under Fred Kochs direction, the refinery was finished by 1935. With the capacity to process a thousand tons of crude oil a day, the third-largest refinery in the Third Reich was created by the collaboration between Davis and Koch. Significantly, it was also one of the few refineries in Germany, according to Harrington, that could produce the high-octane gasoline needed to fuel fighter planes. Naturally, he writes, Eurotank would do most of its business with the German military. Thus, he concludes, the American venture became a key component of the Nazi war machine. Historians expert in German industrial history concur. The development of the German fuel industry was hugely, hugely important to Hitlers military ambitions, according to the Northwestern University professor Peter Hayes. Hitler set out to create autarchy, or economic self-sufficiency, he explained. Gottfried Feder, the German official in charge of the program, reasoned that even though Germany would have to import crude oil, it would be able

to save foreign exchange by refining the products itself. In the run-up to the war, Davis profited richly from the arrangement, engaging in elaborate scams to keep the crude oil imports flowing into Germany despite Britain's blockade. When World War II began, the high-octane fuel was used in bombing raids by German pilots. Like Davis, the Koch family benefited from the venture. Raymond Stokes, director of the Centre for Business History at the University of Glasgow in Scotland and co-author of a history of the German oil industry during the Nazi years, *Faktor I* (The oil factor), which documents the company's role, says, Winkler-Koch benefited directly from this project, which was designed to help enable the fuel policy of the Third Reich. Fred Koch often traveled to Germany during these years, and according to family lore he was supposed to have been on the fatal May 1937 transatlantic flight of the *Hindenburg*, but at the last minute he got delayed. In late 1938, as World War II approached and Hitler's aims were unmistakable, he wrote admiringly about fascism in Germany, and elsewhere, drawing an invidious comparison with America under Franklin Roosevelt's New Deal. Although nobody agrees with me, I am of the opinion that the only sound countries in the world are Germany, Italy, and Japan, simply because they are all working and working hard, he wrote in a letter to a friend. Koch added, The laboring people in those countries are proportionately much better off than they are any place else in the world. When you contrast the state of mind of Germany today with what it was in 1925 you begin to think that perhaps this course of idleness, feeding at the public trough, dependence on government, etc., with which we are afflicted is not permanent and can be overcome. When the United States entered World War II in 1941, family members say that Fred Koch tried to enlist in the U.S. military. Instead, the government directed him to use his chemical engineering prowess to help refine high-octane fuel for the American warplanes. Meanwhile, in an ironic turn, the Hamburg refinery that Winkler-Koch built became an important target of Allied bombing raids. On June 18, 1944, American B-17s finally destroyed it. The human toll of the bombing raids on Hamburg was almost unimaginable. In all, some forty-two thousand civilians were killed during the long and intense Allied campaign against Hamburg's crucial industrial targets. Fred Koch's willingness to work with the Soviets and the Nazis was a major factor in creating the Koch family's early fortune. By the time he met his future wife, Mary Robinson, at a polo match in 1932, the oilman's work for Stalin had put him well on his way to becoming exceedingly wealthy. Robinson, a twenty-four-year-old graduate of Wellesley College, was tall, slender, and beautiful, with blond hair, blue eyes, and an expression of amusement often captured in family photographs. The daughter of a prominent physician from Kansas City, Missouri, she had grown up in a more cosmopolitan milieu. Koch, who was seven years older than she, was so smitten he married her a month after they met. Soon, the couple commissioned the most fashionable architect in the area to build an imposing Gothic-style stone mansion on a large compound on the outskirts of Wichita, Kansas, where Winkler-Koch was based. Reflecting their rising social status, the estate was baronial despite the flat and empty prairie surrounding it, with stables, a polo ring, a kennel for hunting dogs, a swimming pool and wading pool, a circular drive, and stone-terraced gardens. Some of the best craftsmen in the country created decorative flourishes such as wrought-iron railings and a stone fireplace carved with a whimsical snowflake motif. Within a few years, the Kochs also purchased the sprawling Spring Creek Ranch near Reece, Kansas, where Fred, who loved science and genetics, bred and raised cattle. Family photographs show the couple looking glamorous and patrician, hosting picnics and pool parties, and riding on horseback, dressed in jodhpurs and polo gear, surrounded by packs of jolly friends. In the first eight years of their marriage, the couple had four sons: Frederick, known by the family as Freddie, was born in 1933, Charles was born in 1935, and twins, David and William, were born in 1940. With their father frequently traveling and their mother preoccupied with social and cultural pursuits, the boys were largely entrusted to a series of nannies and housekeepers. It is unclear what Fred Koch's views of Hitler were during the 1930s, beyond his preference for the country's work ethic in comparison with the nascent welfare state in America. But he was enamored enough of the German way of life and thinking that he employed a German governess for his first two sons, Freddie and Charles. At the time, Freddie was a small boy, and Charles still in diapers. The nanny's iron rule terrified the little boys, according to a family acquaintance. In addition to being overbearing, she was a fervent Nazi sympathizer, who frequently touted Hitler's virtues. Dressed in a starched white uniform and pointed nurse's hat, she arrived with a stash of gruesome German children's books, including the Victorian classic *Der Struwwelpeter*, that featured sadistic consequences for misbehavior ranging from cutting off one child's thumbs to burning another to death. The acquaintance recalled that the nurse had a commensurately harsh and dictatorial approach to child rearing. She enforced a rigid toilet-training regimen requiring the boys to produce morning bowel movements precisely on schedule or be force-fed castor oil and subjected to enemas. The despised governess ruled the nursery largely unchallenged for several years. In 1938, the two boys were left for months while their parents toured Japan, Burma, India, and the Philippines. Even when she was home, Mary Koch characteristically deferred to her husband, declining to intervene. My father was fairly tough with my mother, Bill Koch later told *Vanity Fair*. My mother was afraid of my father. Meanwhile, Fred Koch was often gone for months at a time, in Germany and elsewhere. It wasn't until 1940, the year the twins were born, when Freddie was seven and Charles five, that back in Wichita the German governess finally left the Koch family, apparently at her own initiative. Her reason for giving notice was that she was so overcome with joy when Hitler invaded France she felt she had to go back to the fatherland in order to join the Führer in celebration. What if any effect this early experience with authority had on Charles is impossible to know, but it's interesting that his lifetime preoccupation

would become crusading against authoritarianism while running a business over which he exerted absolute control. Fred Koch was himself a tough and demanding disciplinarian. John Damgard, David's childhood friend, who became president of the Futures Industry Association, recalled that he was a real John Wayne type. Koch emphasized rugged pursuits, taking his sons big-game hunting in Africa and filling the basement billiard room with what one cousin remembered as a frightening collection of exotic stuffed animal heads, including lions and bears and others with horns and tusks, glinting glassy-eyed from the walls. In the summer, the boys could hear their friends splashing in the pool at the country club across the street, but instead of allowing the boys to join them, their father required them to dig up dandelions by the time they were five, and later to dig ditches and shovel manure at the family ranch. Fred Koch cared about his boys but was determined to keep them from becoming what he called country-club bums, like some of the other offspring of the oil moguls with whom he was acquainted. By instilling a work ethic in me at an early age, my father did me a big favor, although it didn't seem like a favor back then, Charles has written. By the time I was eight, he made sure work occupied most of my spare time.