



# Advancing White Supremacy through Academic Strategy

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# CHAPTER 1: RIGHT ON CRIME & RE-ENTRY

## Tea Party "Civics"

Boca Raton, Florida, is the location of Florida Atlantic University, as (FAU) well as the headquarters of one of the world's largest private corrections corporations, GEO Group. [At least four GEO executives](#) have served on FAU's board of trustees. In 2013, students organized protests after GEO was given naming rights over their football stadium in exchange for a \$6 million donation to the university. Amidst the uproar, FAU's [president resigned](#) after hitting a student demonstrator with her car's side mirror and then fleeing the scene.

A less well known but even more alarming example of GEO's partnership with FAU is the [Inmate Civics Education Enhancement Project \(ICEEP\)](#), funded by the [Charles Koch Foundation](#), which aims to "change the culture within the prison and prepare inmates for their return into society."



Florida Atlantic Professor, Marshall DeRosa

ICEEP is a state-certified pilot program that launched in 2015 at the GEO prison facility in South Bay, Florida (CKF, 2015). The director of ICEEP is FAU political science professor, [Marshall DeRosa](#).

Inmates in DeRosa's Koch/GEO Group civics course:

*read and discussed a book called [The Five Thousand Year Leap: 28 Great Ideas That Changed the World](#). DeRosa, who facilitates the class with a counselor, stressed that students should learn about civics in terms of personal responsibility and values. "We go back to the founding principles and talk about how successful liberty has been [at] advancing prosperity and progress." Many of his students expressed astonishment. "They had never heard this before," he says.*

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Originally titled *Five Thousand Year Leap: the Miracle that Changed the World*, this book asserts that prosperity in the United States is a result of the Constitution being inspired by God, and that “God’s revealed law” is embodied by twenty-eight “fundamental principles” that constitute “a moral code clearly distinguishing right from wrong” ([5000 Year Leap: abridged](#), 2009). This provides the reader with religious and moral arguments to be made for the limitation of government.

The book saw [a resurgence](#) after being promoted by talk show host Glenn Beck (who [attended at least one of Koch’s donor summits](#)). It is regarded as the “[handbook](#)” of the (Koch-[instigated](#)) Tea Party movement.

*Five Thousand Year Leap* was written by the late Cleon Skousen, a longtime member of the [John Birch Society \(JBS\) speakers bureau](#). JBS is a free-market anti-civil rights group whose earliest members and donors included Charles Koch, who followed the lead of his father, Fred Koch. A 1961 profile on JBS in *Time Magazine* featured both Skousen and Fred Koch (“The Ultras,” *Time Magazine*, 1961).

Skousen’s 1982 “*Making of America*” described American slave owners as the “worst victims” of the slavery system, and argued that . For these reasons, Skousen’s books have been [subject to criticism](#) after being discovered in Arizona charter schools. (More on the [Skousen family](#).)

Skousen was also [a member](#) of the Koch-funded [Council for National Policy \(CNP\)](#). According to the [Southern Poverty Law Center](#), the CNP mixes “ostensibly mainstream conservatives with far-right and extremist

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ideologues” including hate groups the [League of the South](#). (More on CNP in Chapter 1. [Part 2](#))

Perhaps more concerning than the curriculum is the instructor himself, Marshall DeRosa, who was a long time member of a violent white supremacist group, the League of the South, from at least 2000-to 2009, and continues to be affiliated with "Neo-Confederate" organizations.

### **Dr. Dixie: Marshall DeRosa**

Founded in 1994, the League of the South (LOS) [identifies](#) as a “Southern Nationalist organization” who openly advocates for the secession of southern states and “seeks the survival, well being, and independence of the Southern people.” In 2000, the [Southern Poverty Law Center](#) (SPLC) designated the League of the South a white nationalist hate group. In [2004](#), it was found that Florida’s LOS branch had ties to known Aryan terrorists.

As early as [2000](#) and as recently as [2009](#), Florida Atlantic University’s Marshall DeRosa was a “faculty” member of the [League of the South Institute](#), which describes itself as the “educational arm of the Southern independence movement.” Faculty taught week-long “Summer Institutes” and smaller seminars to aspiring members around the South.

The LOS Institute also acts as the charitable nonprofit through which the LOS accepts donations.

In [2014](#), the SPLC revealed that the LOS was “training a uniformed, paramilitary unit tasked with advancing a second southern secession by

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any means necessary.” The LOS considers itself to be currently engaged in a “[race war](#).”

Many LOS faculty, including Marshall DeRosa, also [formed the Abbeville Institute](#) named for the birthplace of fierce slavery advocate, John Calhoun. Many faculty stayed at both for many years. While LOS faculty are not currently listed, DeRosa is still an active member of the Abbeville Institute.

Marshall DeRosa is on the research advisory council of Florida’s premier Koch funded think tank, the James Madison Institute. He is also a [scholar](#) at the nation’s premier [neo-confederate](#) think tank, the Ludwig von Mises Institute.

In a Charles Koch Foundation promotional video, Derosa states:

I want the students to realize that the American political order is not a liability but an asset. . . If you think about what America really stands for, free enterprise, free markets, individual dignity, [and] the rule of law. If I can connect those ideas in the students’ minds and worldviews, I think it could be transformative. I’m a real believer in the American political order, not necessarily as it currently is, but the founding principles ([CKF](#), 2016).

DeRosa is a prolific speaker on the topic of the Confederate Constitution, and travels to campuses speaking on the virtues of the confederacy.

At Furman University, a student introducing [DeRosa’s 2012 campus talk](#) described the controversy caused when the campus was “flooded with

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Confederate images and flags in hopes of bringing attention to this educational and civil event” ([video at 0:25](#)).

DeRosa’s talk gave a “small government” defense of the Confederacy:

Now, you’ll probably come to this conclusion on your own, that conservative libertarian students, they favor the Confederate model, and people on the left side of the political spectrum don’t like it, because the Confederate constitution, what it does is, it limits government, and believe it or not, enhances liberty. Let me say that again. The Confederate constitution enhances liberty. We could talk about the slavery issue, but that would probably take the entire evening. Been there and done that. If there are questions, during the Q and A session I’d be more than happy to discuss them. But one thing you have to remember is that the Confederate constitution did not mandate slavery. It left it up to the states. And where in the United States was slavery initially ended? In the states. The Confederate framers, most Southerners and Confederates, anticipated the demise and ending of slavery. ([Video at 3:00](#))

DeRosa gave similar talks on the [Confederate constitution](#) in his capacity with the League of the South Institute and the Abbeville Institute, with a distinctly violent rhetoric.

At the 2015 conference of the Abbeville Institute, DeRosa’s [speech](#) was entitled “The Confederate Rule of Law: An American Patrimony Worth Fighting for Then and Now.” DeRosa explains how:

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The supporters and benefactors of the status quo realized that the confederacy poses a threat to their legitimacy and authority it cannot risk allowing confederate principles to rise from the ashes of 1865... It is not a mystery that accurate history and symbolic representations of the confederacy are the sources from which the confederate phoenix could rise from the ashes [and] the transfer of knowledge regarding every american's rightful patrimony would cause discomfort about, if not rebellion towards, the status quo...[T]he Southern people could be regenerated, a new birth of freedom, if you will, from exposure to true history and confederate symbols...I started with the quotations of the men from the early 1860s, because they saw it coming, they saw the trajectory and they fought to prevent it. Once again, the American patrimony, the Confederate patrimony, is worth fighting for, but the the open question is this; are the American people, indeed the Southern people, worthy of that patrimony? The answer to that question will soon be carved, in granite, not far from here. ([DeRosa](#), 2015)

The conference was being held at Stone Mountain, Georgia, the birthplace of the (second) Ku Klux Klan and site of a large stone carving of Confederate figures.

One far-right radio host summarized his 2016 interview with DeRosa, "what Professor DeRosa is telling us, it almost sounds like we're being called to join the Sixth Crusade. Washington is Jerusalem" ([Mike Church Show](#), 2016).

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When the James Madison Institute [published](#) DeRosa's 2017 report on his extremist "civics" program, it did not disclose the "tea-party" text book used. It does however reveal a more cynical political tactic. DeRosa points out how "conservatives" could gain political ground while appearing to support restoration of voting rights, proposing a "practical" approach that would:

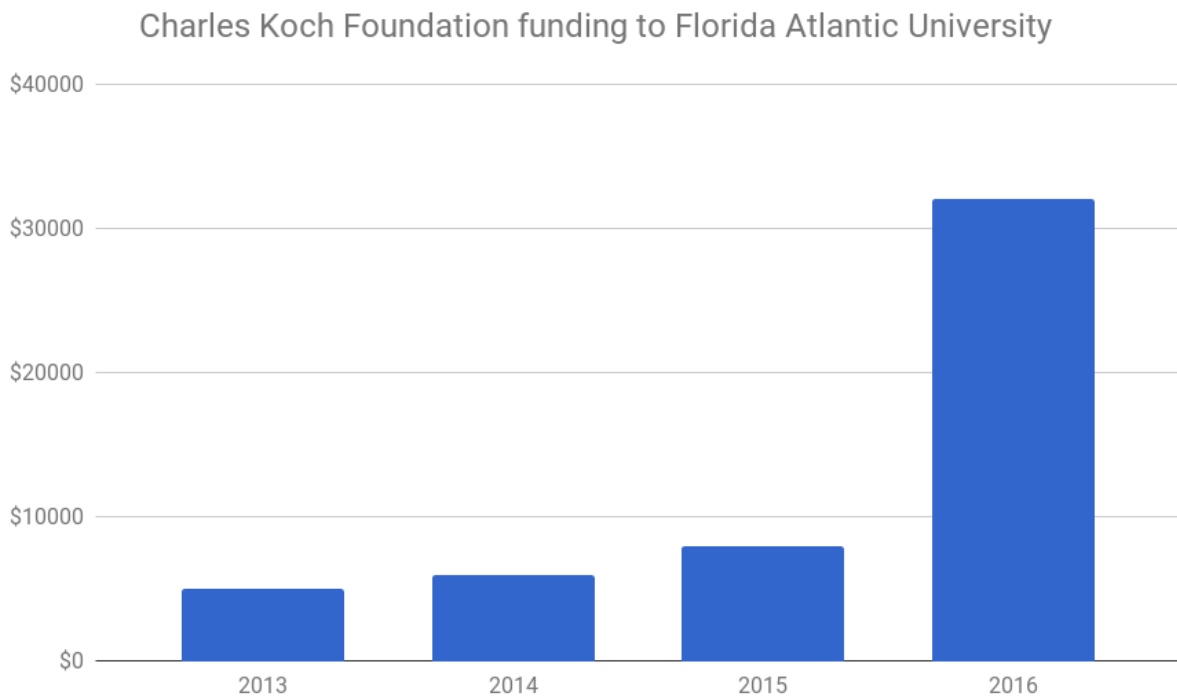
restore rights to those who have completed civics programming while incarcerated, the results would be to expose thousands of new voters to the very constitutional principles which conservatives hold dear. (DeRosa, 2017)

Koch's donations to Florida Atlantic University quadrupled in 2016. The Koch foundation website boasts:

*"The class was supposed to be capped at 15 to 20 students, but we ended up with 38," says DeRosa. . .The pilot course resonated so deeply with inmates that they pleaded with DeRosa to teach more. DeRosa applied for a grant and will launch two courses in 2016. This time, second-year students will have a chance to mentor first-year students."*

Reporting by [The Nation](#) showed that DeRosa's Koch funding was extended "because of the program's success," and now included "graduate students to teach alongside DeRosa at the prison" and an expansion to four courses, civics, economics, ethics, and literature." DeRosa told the reporter that "he's planning to apply for more."





## **IDEOLOGICAL AND INSTITUTIONAL WHITE SUPREMACY**

Marshall DeRosa's Koch-funded project for the James Madison Institute delivers several chilling reminders of how free-market extremism and white supremacy continue to infect public institutions, in particular, the education system and criminal justice system.

Marshall DeRosa is part of a larger network of extremist scholars with ties to white supremacists, many of whom joined him at the League of the South Institute, the Abbeville Institute, and the Ludwig von Mises Institute.

The Charles Koch Foundation's ties to DeRosa are not an anomaly.

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## CHAPTER 2: ACADEMIC WHITE SUPREMACY

### Part 1: Neo-Confederate Network: Mises Institute and League of the South

The Ludwig von Mises Institute is a think tank founded in 1982 by Lew Rockwell and Murray Rothbard with a mission:

to promote teaching and research in the Austrian school of economics, and individual freedom, honest history, and international peace, in the tradition of Ludwig von Mises and Murray N. Rothbard.  
([Mises Institute website](#))

This Mises Institute is a “[Neo-confederate](#)” think tank. The Southern Poverty Law Center (SPLC) describes “neo-confederacy” as “a reactionary, revisionist predilection for symbols of the [confederacy], typically paired with a strong belief in the validity of the failed doctrines of nullification and secession.”

SPLC [describes](#) how the Mises Institute’s “interest in neo-Confederate themes reflects” their “radical libertarian view of government and economics” and [aims](#) to “undermine statism in all its forms.”

Among the openly secessionist founders and scholars at the Mises Institute, many of them formed a militant sister organization called the League of the South. At least nine Mises Institute scholars have been active with the League of the South.

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Archived versions of the LOS website show that Mises Institute co-founders Lew Rockwell and Murray Rothbard are listed as “[charter members](#)” of the League of the South. Other Mises Institute founders that [helped found the LOS include](#) Jeffrey Tucker, Thomas Woods, and Clyde Wilson.

The LOS eventually founded the League of the South Institute for “the Study of Southern Culture and History.” It was [described](#) as the “educational arm of the Southern independence movement.” The Mises Institute’s Donald Livingston was its first director.

Other current Mises Institute “affiliate scholars” that were LOS Institute “faculty” include: Thomas DiLorenzo, Marshall DeRosa, Thomas Flemming, and Joseph Stromberg.

The Southern Poverty Law Center declared the League of the South to be a hate group in [2000](#).

As recently as [2009](#), Mises scholars Clyde Wilson, Thomas DiLorenzo, Marshall DeRosa, and Joseph Stromberg were listed as “Affiliated Scholars” at the League of the South Institute. The [Southern Poverty Law Center](#) notes that “many League [of the South] members have taught at the [Mises] institute’s seminars and given presentations at its conferences,” including LOSI faculty like [Thomas Fleming](#).

As a legal entity, the [League of the South Institute](#) is “the educational branch of the [Mary Noel Kershaw Foundation](#),” named after the wife of the late Jack Kershaw, longtime leader within the violent [White Citizens Council](#). Kershaw was also a founding [board member](#) of the League of the

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South. In 1998, Kershaw erected a statue of Ku Klux Klan leader Nathan Bedford Forrest, [explaining](#) that “somebody needs to say a good word for slavery. Where in the world are the Negroes better off today than in America?”

Kershaw was an affiliate of the LOS Institute, alongside many of the Mises Institute faculty mentioned above (including DeRosa), until his death in [2009](#). (Read more on the [League of the South](#).)

## **Part 2: The People**

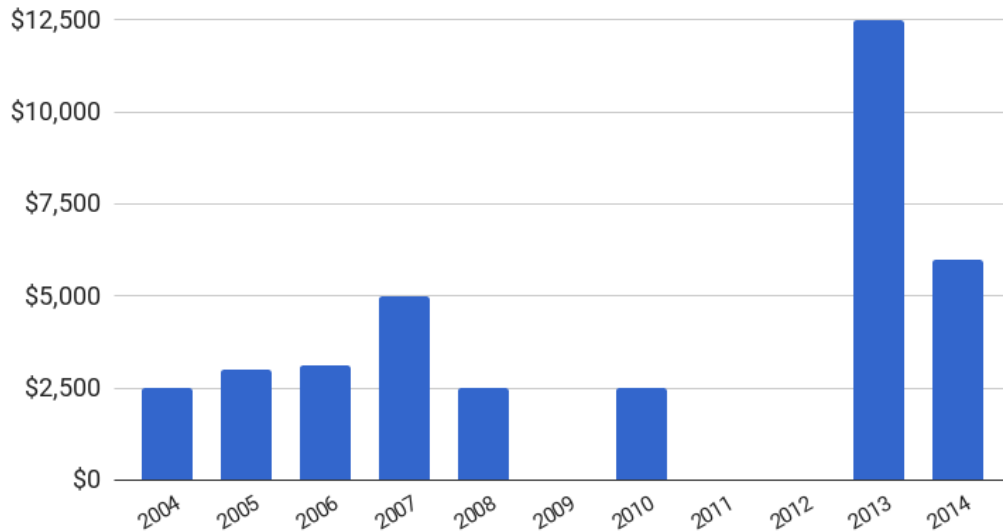
### **Charles Koch Funds Mises Institute Scholars**

In a 2017 interview, the Mises Institute’s media officer Tho Bishop boasted:

We’re the one libertarian think tank out there that doesn’t take money from the Kochs. You see that constantly play out, . . . ‘oh all these things are just to push some Koch agenda.’ Well again, we’re not funded by a single billionaire, though we will take your money (Tho Bishop interview, July 2017).

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## DonorsTrust funding to the Mises Institute



Bishop is correct that there have not been direct contributions from the Charles Koch Foundation to the Mises Institute, excluding the possibility of anonymous funding from the Kochs through their anonymous pass-through, DonorsTrust. Between 2004 and 2016, the Mises Institute counted nearly a dozen donations totaling \$43,100 from DonorsTrust.

Several Mises Institute board members are frequent attendees of Koch's donor summits, including Judge Andrew Napolitano, and Bob Luddy.

### Kochs' Faculty Connection

Mises scholars do take money from the Kochs, in alarming amounts.

At least twenty faculty members listed as [Mises Institute "faculty,"](#) either "senior fellows" or "associated scholars," directly received or administered academic funding from the Charles Koch Foundation since 2005.

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The amount of CKF financial support is considerable. Only counting donations where a Mises scholar is the direct recipient, or “Principal Investigator,” the Koch foundation has provided at least \$12,469,679 to campus programs run by ten Mises scholars between 2005 and 2016. Mises scholars currently direct three of Koch’s multi-million dollar free-market campus centers.

UnKoch My Campus, March 2018  
Table of Koch-affiliated scholars at the Ludwig von Mises Institute

Mises Institute "Associated Scholar"	Charles Koch Foundation Funding	Association of Private Enterprise Education
Walter Block, Loyola University	PI on <a href="#">Koch grant</a> , received \$276,000 from CKF since 2008, jumping from \$24,000 in 2015 to \$48,000 in 2016.	Member
Jeffery Herbener, Grove City College	Directs " <a href="#">Koch Fellowship program</a> " at Center of Vision and Values, received \$410,924 from CKF since 2006, up from \$48,075 in 2015 to \$56,600 in 2016	
Bruce Benson, Texas Tech/Florida State	\$3,335,883: PI on 2008-2016 Markets and Institutions Program, received from CKF, \$65,000 2016 visiting scholar at Texas Tech's Koch funded Free Market Institute	Past APEE President
William Boyes, Arizona State University	\$1,978,377 (2014-16): Founding Director of CKF funded <a href="#">Center for Economic Liberty</a>	Member
Peter Calicagno, College of Charleston	\$343,055 (2008-16): PI on repeated CKF grants for Institute for the Study of Capitalism, up from \$8,000 in 2015 to \$84,500 in 2016	APEE Exec. Board
Randall Holcombe, Florida State University	Affiliate of past and current program at FSU, the Koch-funded Hilton Center, PI of CKF funds for student libertarian groups	Member
Alexandre Padilla, Metropolitan State University of Denver	\$127,840 (2008-15) PI on <a href="#">CKF grants</a> for Exploring Economic Freedom Project, IHS faculty 2012-present, professional editor (2013)	APEE Executive Board
Benjamin Powell, Texas Tech	\$5,527,800 (2013-16): Director Free Market Institute, up from \$2,034,500 in 2015 to \$3,368,300 in 2016. Ph.D. GMU, Suffolk, fellow with the <a href="#">Mercatus Center's Global Prosperity Initiative</a>	Past APEE President
Richard Vedder, Ohio State University	<a href="#">Described "directly and indirectly" receiving CKF funding</a>	APEE award
Christopher Westley, Florida Gulf Coast University	<a href="#">2010-2012</a> CKF Grant for the Promotion of Political Economy, in a department that received \$230,546 (2008-15)	Member, Referee for APEE Journal, Member
G. P. Manish, Troy University	Koch graduate fellow at Suffolk (2008-2011), affiliate of Troy's Johnson Center, \$1,110,960 (2010-15)	Member
Gregory Dempster, Hampden-Sydney College	Faculty affiliate to <a href="#">Center for the Study of Political Economy</a> which received \$257,100 (2006-16)	Member
William Butos, Trinity College	In an economics department that has received \$112,753 (2008-15)	Member, Editorial Board
Edward Stringham, Trinity College	In an economics department that has received \$112,753 (2008-15)	Past President, Journal Editor
George Bittingmayer, University of Kansas	Involved in hiring a \$145,000 salaried Koch professor at the <a href="#">University of Kansas</a> , and participant in <a href="#">Mercatus Center</a> retreat for Chiefs of Staff	
Marshall DeRosa, Florida Atlantic University	Received at least \$51,000 (2013-2015) from CKF to <a href="#">Florida Atlantic University</a> , jumping from \$8,000 in 2016 to \$32,000 in 2016	
Per Bylund, Oklahoma State University	\$205,500 (2015-16) - Co-PI and <a href="#">administrator</a> at Oklahoma State <a href="#">Institute for Study of Free Enterprise</a> (whose mission includes studying " <a href="#">the psychological and moral fallacy of income equality and "social justice"</a> "), (between 2013-15) Research Professor at the Baylor University and the Baugh Center for Entrepreneurship and Free Enterprise (\$443,263 ), IHS Fellow 2008-2012	
Robert Murphy, Texas Tech	Research assistant professor 2014-present at Free Market Institute, Senior Economist at the Koch-founded <a href="#">Institute for Energy Research</a> [2016: 173,380, 2015: \$66,404, 2014: \$23,628]	
Patrick Newman, Florida Southern College	In 2017, Patrick Newman was hired at the Koch-funded Center for Free Enterprise at Florida Southern University. Newman's Ph.D was from Koch's George Mason University economics department, and <a href="#">between 2012 and 2017</a> , he received three Mises Institute fellowships, three Institute for Humane Studies fellowships, and seven Mercatus fellowships.	
Art Carden	PI according to his CV, Art Carden has "administered grants from the Charles G. Koch Charitable Foundation 2008-Present" at Rhodes College and Samford University, totaling \$186,300. Adjunct Program officer in Economics with the Institute for Humane Studies and a member of the Adjunct Faculty of the Ludwig von Mises Institute. ( <a href="#">Samford faculty profile</a> ). Carden is a frequent contributor to the <a href="#">Mises Institute publications</a> .	
Robert Higgs, Independent Institute	<a href="#">Mercatus 2015-16 F.A. Hayek Distinguished Visiting Scholar</a> , <a href="#">Mercatus's Global Prosperity Initiative policy analyst 2009</a>	APEE <a href="#">Distinguished Scholar 1993</a>

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[Click for full chart of Koch funded Mises Institute faculty.](#)

The Koch foundation has spent \$14,603,755 on programs run by, or supporting, nineteen Mises scholars on fifteen campuses between 2005-16.

The above figure is an underestimate of the Koch funding supporting Mises scholars. It does not account for campuses with Mises Institute scholars whose direct CKF funding could not be confirmed or estimated, due to a lack of publicly-available information.

This figure omits any CKF funding to George Mason University, as such a large sum (over \$100 million) would skew the data. Several of the founders of the Mises Institute and League of the South were students, faculty, or fellows at George Mason or the Institute for Humane Studies, and many contributors to Mises Institute publications are GMU faculty and students (see more below).

It is worth noting that nearly all of these campuses are trending upwards as of 2016. On average, Koch payments to these campuses went up \$150,090 from 2015 to 2016.

### **APEE's Mises Scholars**

While many Mises scholars are directly funded by the Koch foundation, At least thirteen are also active members of the Association of Private Enterprise Education (APEE), Koch's free-market academic association, including several past APEE presidents and officers. APEE's central role in the Koch foundation's academic network: establishing free market



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centers, mentoring students, and generating weaponizable research, was most recently revealed in the [Chronicle of Higher Education](#).



[Click here for more on the Association of Private Enterprise Education \(APEE\)](#)

For example, Bruce Benson, Koch funded economist, former APEE president, and Mises scholar, [presented](#) at the Mises Institute's conference on "[Secession, State, and Economy](#)," alongside the director and founding member of the LOS Institute, [Clyde Wilson](#), as well as [LOS faculty member Thomas DiLorenzo](#).

In 2003, on Lew Rockwell's website [LewRockwell.com](#), Bruce Benson and ([anti-civil rights](#) economist) Walter Block described how they helped [bridge the worlds of APEE and the Mises Institute](#). Both professors have run multi-year Koch funded programs at their universities.

Other Mises scholars include officers of APEE and its [Journal of Private Enterprise](#), including past presidents\* such as Benjamin Powell\*, Edward

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Stringham\*, Bruce Benson\*, Peter Calcagno, and Alexandre Padilla. Other Mises Institute scholars are APEE members, conference presenters, and award honorees ([see table](#)).

Thomas DiLorenzo, League of the South and Mises Institute scholar, won APEE's 1991 Distinguished Scholar Award. His book, *The Real Lincoln: A New Look at Abraham Lincoln, His Agenda, and an Unnecessary War*, is still listed on [APEE's recommended books](#) by past award winners. Other recipients of APEE honors include white nationalist [Charles Murray](#). Murray is a consistent presenter at Charles Koch's donor seminars (as recently as 2017), and is cited twice in Charles Koch's book, *The Science of Success* (**see more below**).

## **Part 3: The Programs**

### **George Mason University, the League of the South, and the Mises Institute**

Examining the academic programs closest to Koch, we continue to find ties to the League of the South and Mises Institute. This includes academic organizations most directly run by Charles Koch Foundation officials and Charles Koch himself, specifically the programs anchored at George Mason University: the Institute for Humane Studies, and the Mercatus Center.

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The Mercatus Center is an aggressive free-market think tank co-founded by Charles Koch, who remains a board member and central funder to this day.

The Institute for Humane Studies (IHS) is different. Charles Koch has served as [IHS's board chair](#) for thirty-eight years. IHS is the driving engine behind Koch's "talent pipeline," training students and faculty, and providing careers in Koch's "Liberty Movement." IHS explicitly teaches Koch's "Structure of Social Change" as part of a "[Careers in Public Policy](#)" framework. Along with Mercatus, IHS is a constant feature of Koch's secretive donor summits.

### LEAGUE OF THE SOUTH

As recently as [Spring 2017](#), the founder of the League of the South Institute and its successor the Abbeville Institute, [Donald Livingston](#), lectured in George Mason University's economics department as part of an IHS sponsored "Invisible Hand Seminar."

The LOS became increasingly militant between being founded in 1994 and being listed as a hate-group in 2000. Livingston served on the [IHS Academic Review Committee](#) for a period including [1996-1999](#). This committee reviews applicants for "Humane Studies" Fellowships, which were originally "[Claude R. Lambe Fellowships](#)," because they were founded and funded by the (Koch family operated) Claude R. Lambe Foundation. These fellowships were considerable, \$18,000 per academic year in [2000](#) (up from \$12,000 in 1999).

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LOS founding member Thomas Woods [lists himself](#) as the recipient of “two Humane Studies Fellowships and a Claude R. Lambe Fellowship from the Institute for Humane Studies at George Mason University.”

LOS and Mises Institute co-founder, Joseph Stromberg, served many years as an [associate editor](#) of the IHS publication, Literature of Liberty.

Thomas DiLorenzo, was an affiliated scholar at [the League of the South Institute](#), is currently affiliated with their spin-off organization, the [Abbeville Institute](#), and is Mises Institute “faculty.” DiLorenzo was also a professor in George Mason University’s economics department, and did policy work for Charles Koch’s [Cato Institute](#).

During the time that the LOS was founded, DiLorenzo was active in the “Cash for Comments” network of [tobacco-funded economists](#) operating out of George Mason University and think tanks like the Independent Institute. DiLorenzo and GMU professor James Bennett were paid at least \$150,000 by the tobacco industry for their book, CancerScam: The Diversion of Federal Cancer Funds to Politics ([Tobacco Legacy Archives](#), 1995). James Bennet was an early [Mises faculty](#) member, and is for several years.

## MISES INSTITUTE

While many of these connections were years ago, the connection between the Mises Institute and George Mason is alive and well-funded by Charles Koch.

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At the Mercatus Center, the F.A. Hayek Program for Advanced Study in Philosophy, Politics, and Economics is led by GMU economists [Peter Boettke](#) and [Christopher Coyne](#). Both are contributors to Mises Institute publications. As recently as 2007, Boettke has expressed explicit support for the Mises Institute on [his blog](#), explaining why he “think[s] the Mises Institute is so vitally important to the Austrian/libertarian movement.”

As recently as 2016, Mises Institute faculty Robert Higgs was hired as a Mercatus [F.A. Hayek Distinguished Visiting Scholar](#). Higgs has also done policy work in 2009 as part of [Mercatus’s Global Prosperity Initiative](#).

[Bruce Yandle](#), a Mises contributor, is a Mercatus Distinguished adjunct professor of economics, and his quarterly report Economic Situation is distributed by Mercatus. Yandle is a past president of APEE, and was the [Dean of Clemson University’s College of Business](#) who oversaw \$1,943,198 of Koch foundation funding to the Clemson Institute for the Study of Capitalism, between 2007 and 2016. Yandle is now an affiliated faculty member of the Koch center, the Clemson Institute for the Study of Capitalism (CISC).

In March of 2018, the Koch-funded youth organization, Students for Liberty, held its annual conference of the Washington D.C. It was [co-funded](#) by the Charle Koch Institute, IHS, Mercatus, and the Mises Institute (and Facebook, among other sponsors).

On a panel entitled “[Is University Even Worth It Anymore?](#)” Mises Institute President Jeff Deist was joined by GMU professor and Mercatus fellow, Bryan Caplan. Bryan Caplan is a [contributor](#) to the Mises publications.

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At that same 2018 conference, the Mises Institute sponsored a panel entitled “[The Next Generation of Austrian Economists](#), moderated by the Mises Institute’s Tho Bishop. The panel featured Chris Calton from the Institute for Humane Studies and two GMU graduate students [Tate Fegley](#) and [Louis Rouanet](#), both Mises fellows.

Other GMU students that are contributors to the Mises Institute include [Paul Mueller](#) (Ph.D economics student), [Michael Watson](#) (Ph.D economics student, 2016 Mises Fellow, attended Mises University and other events 2009-2016), [Vedran Vuk](#) (Ph.D economics student), [Felicia Cowley](#) (Ph.D economics student), [Stuart Farrand](#) (Masters student in public policy) [Theodore Phalan](#) (GMU economics undergraduate).

Along with a large number of Mises scholars above, many Mises contributors received their Ph.Ds in economics from GMU, including [Daniel Mitchell](#), [Tyler Watts](#), [Ninos Malek](#), and [Roy Cordato](#).

The 2018 Students for Liberty conference featured a [session](#) on how “the history of the women and minorities who helped found this nation throws real wrench in [progressive] propaganda works,” whose message “depends on citizens believing America was founded on racism and misogyny.”

Immediately following this panel is [League of the South co-founder](#) and longtime VP of the Mises Institute, Jeffrey A. Tucker, who is now the Editorial Director for the American Institute for Economic Research, a free-market think tank. Tucker, a darling of the youth “Liberty Movement,”

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can be seen in a 2013 video for IHS's [LearnLiberty](#) project, [shedding a tear](#) over the horrors of minimum wage.

Tucker is [widely acknowledged](#) to have been involved in the racist Ron Paul newsletters during the 1990s while he was working alongside LOS/Mises co-founders Lew Rockwell and Murray Rothbard. For a short time, Tucker's interest in Austrian economics led him to enroll in GMU's [graduate economics program](#).

In several of Koch's campus programs, we can see older Mises-affiliated faculty mentoring graduate student Mises fellows, who go on to become new faculty hires.

### **The Koch-funded Mises Institute Pipeline**

In 2015, Mises Institute president Jeff Deist announced that [31 student fellowships](#) "representing 19 high schools, universities, and home schools" were attending their "Mises University" conference.

In June 2017, the Mises Institute's press officer, Tho Bishop, reported that over 150 student fellows attended Mises University, whose [program](#) heavily featured LOS scholars Thomas DiLorenzo and Thomas Woods alongside Koch-funded professors Walter Block, Patrick Newman, Jeffrey Herbener, G.P. Manish, and Robert Murphy.

### **FLORIDA GULF COAST UNIVERSITY**

Christopher Westley is currently a professor at Florida Gulf Coast University, and a scholar at the Mises Institute.

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According to [his CV](#), Westley was principal investigator of a Koch program at Jacksonville State University between 2010-2012 that brought in at least \$230,546. Westley's [dissertation](#) at Auburn University was a treatise on how ideological extremism can, and does, impact policy change.

As part of the Koch funded program at [Florida Gulf Coast University](#), Westley has put on a semester long reading group on Mises' book "Human Action," which posits (among other things) that "up to now certain races have contributed nothing or very little to the development of civilization and can, in this sense, be called inferior. (Mises, Human Action, 1949, pg 90)."

FGCU's annual grant report to the Koch foundation lists achievements, including student placement in free-market programs and internships and sending students to the 2011 Mises Institute conference in Naples, Florida. Between [2012-2015](#), each annual report to the Koch foundation listed at least one student attending "Mises University," the weeklong summer program. The larger Koch program at FGCU was overseen by Bradley Hobbes, longtime board member and former vice president of the Association of Private Enterprise Education. Hobbs led [numerous Koch-funded](#) reading groups on Ludwig von Mises.

#### **FLORIDA SOUTHERN COLLEGE (CENTER FOR FREE ENTERPRISE)**

A 2016 visiting professor to FGCU, Patrick Newman, was [a presenter](#) at Mises University 2017.

Also in 2017, Newman was hired at the Koch-funded Center for Free Enterprise at Florida Southern University. Newman received his Ph.D from



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Koch's George Mason University economics department. Between [2012 and 2017](#), Newman received three Mises Institute fellowships, three Institute for Humane Studies fellowships, and seven Mercatus fellowships.

The longtime director of the Center for Free Enterprise, Dr. Derek Yonai, was recorded describing to Koch foundation officials and other professors how “for the past few years what we’ve done is basically . . . looked for the students who don’t fit in.” He explained how “I’m purposefully, kind of like Christianity, I’m purposefully going after all the people that the normal government has totally neglected and turning them into, like, our people” ([Yonai](#), 2016). He also described “recruiting” students to “hopefully get them involved in the liberty movement, through FEE [Foundation for Economic Education], IHS [Institute for Humane Studies], KIP [Koch Internship Program], or if they’ve already done KIP, then eventually into KAP [Koch Associate Program]” ([Yonai](#), 2016).

#### LOYOLA UNIVERSITY (NEW ORLEANS, LOUISIANA)

Walter Block, an economist from Loyola University (in New Orleans), has been the principal investigator on [Koch foundation grant](#), totalling \$276,000 since 2008. His grants from Koch doubled in value, from \$24,000 in 2015, to \$48,000 in 2016.

[Block's CV](#) lists himself as a “Consulting Economist” funded by a Charles Koch Fellowship in 1974 and was listed among those who attended the early meetings of the Institute for Humane Studies and are now Mises scholars ([Quarterly Journal of Economics](#), 2014). Block was an early fellow at the Cato Institute in 1977--three years after Charles Koch, Murray

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Rothbard and Ed Crane founded Cato --and has been a Cato adjunct scholar for over a decade.

Walter Block is a prolific defender of racism and sexism, plainly articulated in a talk entitled "[There are Some Truths Behind Stereotypes - Nothing is Wrong with Racism and Sexism.](#)" Block [cites Charles Murray's Bell Curve](#) as the basis of his position on racial disparities in intelligence, explaining that "stereotypes are just empirical generalizations."

He asks why some "stereotypes" are more acceptable than others:

For example, if you say white men can't jump . . .that's okay. . . On the other hand if you say that blacks have a lower IQ than whites... "Oh my god, what did he say? You can't say that?" and yet it's equally true. But that empirical generalization is somehow politically incorrect, and were not supposed to say it. And so if we want to be scientific about it, and we're not afraid of the truth, well, the truth is the truth. ([Video at 6:40](#))

Block made [national news](#) in 2014 when a New York Times article published his [statements against the Civil Rights Act](#), in which he defends slavery and segregation:

Free association is a very important aspect of liberty. It is crucial. Indeed, its lack was the major problem with slavery. The slaves could not quit. They were forced to "associate" with their masters when they would have vastly preferred not to do so. Otherwise, slavery wasn't so bad. You could pick cotton, sing songs, be fed nice gruel, etc. The only real problem was that this relationship was compulsory.

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It violated the law of free association, and that of the slaves' private property rights in their own persons. The Civil Rights Act of 1964, then, to a much smaller degree of course, made partial slaves of the owners of establishments like Woolworths.

He affirmed his position in a later interview, claiming "Everyone should be able to discriminate. Everyone does discriminate" ([video at 7:08](#)). Loyola's [President](#) criticized Block's logic and [faculty](#) urged "the university to take the long overdue and necessary steps to condemn and censure Professor Block for his recurring public assaults on the values of Loyola University, its mission and the civil rights of all Americans."

Block's publications include [The Case For Discrimination](#), published in 2010 by the Mises Institute, in which he argues that objections to racial discrimination are "economically illiterate," and describes how "the so-called Civil Rights Act of 1964, would be invalid under libertarian law" ([Block 2010](#), pg 350).

The Mises Institute's 35th anniversary conference in October 2017 featured a panel on the "future" of the work of late Murray Rothbard, the anarcho-capitalist who co-founded the Cato Institute with Charles Koch, and who later co-founded the Mises Institute and League of the South.

The first panelist was an economics student from Loyola University "under Walter Block," who told his story of coming into "the movement" and becoming an "anarcho-capitalist" through Rothbard's writings ([video at 0:30](#)).

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## WESTERN CAROLINA UNIVERSITY (CENTER FOR THE STUDY OF FREE ENTERPRISE)

[Aubrey Redford](#) was recently hired at Western Carolina University's department of economics and is [affiliated](#) with Koch's Center for the Study of Free Enterprise. She received her Ph. D from Texas Tech's Koch-funded Free Market Institute (under Mises scholar Ben Powell), and between 2013 and 2016, she received fellowships from the Institute for Humane Studies, the Mercatus Center, and the Mises Institute. In [an interview](#), Redford recalls:

It was not until my first year as a PhD student (2012–13) that I really became familiar with what the Mises Institute had to offer. In order to get a solid foundation in Austrian price theory, my advisor [Ben Powell] suggested that I attend Mises University.

### **The Ideas - Austrian Economics: A Gateway to Extremism**

The 2017 Mises University not only featured several Koch-funded academics, but also several glimpses into the dark implications of the Mises Institute's Austrian Ideology. Mises Institute staff made overt Neo-Nazi appeals to "blood and soil," referenced political assassination using the popular Alt-Right slang reference to Augusto Pinochet's "helicopter rides," and described the global advancement of radical Alt-Right ideology.

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The Mises Institute is devoted to the propagation of Austrian economics, better known as "anarcho-capitalism" (what Austrian economists claim is "classical liberalism"), which seeks a full and final erosion of government. Some have already begun to observe how this ideology creates a "libertarian to Alt-Right pipeline," a slippery slope from free-market economic ideas into violent anti-leftism.

The year after the League of the South was founded, a Koch funded professor at George Mason University, Peter Boettke, described the spread of Austrian economics through Koch's Institute for Humane Studies and the Mises Institute:

Austrian economics is still not on the required reading list at Harvard, but it has experienced great growth in terms of thought and influence. Formal instruction in Austrian economics is no longer limited to Grove City College. Many colleges across the land now offer explicitly or implicitly Austrian courses at both the undergraduate and graduate levels. Some two dozen faculty at more than a dozen colleges and universities come immediately to mind, and no doubt many more would figure on a complete list. Moreover, the Ludwig von Mises Institute, with its summer "Mises University" program, FEE and the New York University Austrian Economics Program with their joint Advanced Seminar in Austrian Economics, and IHS, with its Liberty and Society seminar program, continue to introduce and cultivate student interest in Austrian scholarship. ([FEE.org](http://FEE.org), 1995)

Peter Boettke was a student of Grove City College professor Hans Sennholz, who was a student of Ludwig Von Mises, a Mises Institute scholar, and

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longtime contributing editor of the John Birch Society's publication, [American Opinion](#). Sennholz chaired the Grove City College economics department for 37 years ([North](#), 2007). Boettke has been a [contributor](#) to Mises Institute publications, a Mises Institute [apologist](#), and leader in Koch's Association for Private Enterprise Education. In a 2010 APEE publication, Boettke's aims for the Austrian, or "classical liberal," movement were quoted by Mises scholar, Ed Stringham:

Our goal is not just to get a seat on the bus. Our goal is to take over the bus. Our goal is not just to sit in the back of the classroom and make a small point. Our goal is to be running the classroom ([Stringham](#), 2010).

### **Paleo-Libertarianism: Original Alt-Right**

After founding the Ludwig von Mises Institute (LVMI) in 1982, Murray Rothbard and Lew Rockwell were [charter members](#) of the LOS in 1994, along with several other founding members of the Mises Institute.

After white nationalists murdered Heather Heyer at August 2017 "Unite The Right" rally in Charlottesville, Virginia, the LOS President Michael Hill [re-affirmed](#) his participation without apology, asserting that "[o]pen cooperation with other groups on the hard right can be to our benefit, and we shall continue to pursue those opportunities to cooperate with them."

This is a clear description of a pan-right ("Unite the Right") strategy, which was pioneered by the openly racist efforts and [newsletters](#) by Mises Institute/LOS founders, Lew Rockwell and the late Murray Rothbard.

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Rothbard was a longtime collaborator of Charles Koch throughout the 1970's including co-founding the Cato Institute, before the relationship deteriorated and Rothbard became a fierce critic of Koch.

Rothbard is heralded as the father of modern anarcho-capitalism; his "paleo-libertarianism" involved coupling his anti-state economic positions with hard-right social conservatism in order to build the largest possible political coalition against the state.

Even members of Koch's academic network have pointed out the problematic ideology produced by the Mises Institute's paleolibertarian agenda. Steven Horwitz, a Koch-funded professor at Ball State University, called the Mises Institute "a fascist fist in a libertarian glove," explaining how an:

...attempt to court the right through appeals to the most unsavory sorts of arguments was a conscious part of the "paleolibertarian" strategy that Lew Rockwell and Murray Rothbard cooked up in the late 1980s. . . The paleo strategy was a horrific mistake, both strategically and theoretically, though it apparently made some folks (such as Rockwell and Paul) pretty rich selling newsletters predicting the collapse of Western civilization at the hands of the blacks, gays, and multiculturalists. . . There was way more than the Ron Paul newsletters. There was the Rothbard-Rockwell Report, which was another major place publishing these sorts of views. They could also be found in a whole bunch of Mises Institute publications of that era.

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It was the latter that led me to ask to be taken off the Institute's mailing list in the early 1990s ([BHL](#), 2011):

The Mises Institute certainly practices what it preaches when it comes to marrying hard-right ideologies with libertarianism. Several Mises Institute scholars have had long-standing ties to white nationalist and anti-immigrant hate groups.

Mises scholars like [Hans Hermann Hoppe](#) and [Paul Gottfried](#), are contributors to the [white nationalist hate group](#) VDARE., so named after Virginia Dare, the first English child born in what became Virginia. Ironically, VDARE is notoriously anti-immigrant.

Paul Gottfried is also a [contributor](#) to [American Renaissance](#), a white nationalist hate group with close ties to neo-nazis. Another frequent collaborator with American Renaissance, Joseph Sobran, was a frequent [contributor](#) to Mises Institute publications and, as [eulogized](#) by Jeffrey Tucker, was a "good friend" of the Mises Institute "without a malicious bone in his body."

Gottfried is credited for [inspiring](#) Richard Spencer, and even being the first to coin "Alternative Right," now "Alt-Right." Richard Spencer is now the president of the white nationalist think-tank, the National Policy Institute. Spencer was invited to participate at Hans Hermann Hoppe's international gathering of the Property and Freedom Society in [2010](#) alongside Mises scholars Hoppe, DiLorenzo, Gottfried, and Hunt Tooley.

PayPal founder and Facebook board member Peter Thiel presented at Hans Hermann Hoppe's Property and Freedom Society conference in



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2016, alongside Hoppe and other VDARE contributors like Hoppe and [Sean Gabb](#), as well as Koch-funded economist Walter Block.

## **Neo-Reactionary “Helicopter-ism”: Libertarian-Fascism and the Violent Alt-Right**

Mises Institute scholar Hans Hermann Hoppe is arguably one of the most popular figures in the global libertarian movement, and in particular, with the Alt-Right. He is considered by some Mises scholars to be “the greatest living embodiment of [Murray] Rothbard’s thought” ([video](#) at 1:30).

In a candid interview at the 2017 Mises University (since taken offline), Mises Institute staff proudly described him as one of the “most dangerous thinkers” in the world.

This is because Hoppe’s most recent surge in popularity has come from his 2001 book “Democracy: The God That Failed.” Hoppe describes a reactionary theory of conflict he declares that for a libertarian social order to be maintained, people with beliefs that conflict with their concept of “private property” (namely a right to discriminate), would have to be disallowed from existing within libertarian communities.

One may say innumerable things and promote almost any idea under the sun, but naturally no one is permitted to advocate ideas contrary to the very covenant of preserving and protecting private property, such as democracy and communism. There can be no tolerance toward democrats and communists in a libertarian social order. They will have to be physically separated and removed from society.



Likewise, in a covenant founded for the purpose of protecting family and kin, there can be no tolerance toward those habitually promoting lifestyles incompatible with this goal. They – the advocates of alternative, non-family and kin-centred lifestyles such as, for instance, individual hedonism, parasitism, nature-environment worship, homosexuality, or

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communism – will have to be physically removed from society, too."  
(Democracy: The God that Failed, pg 218).

He clarifies the “correct premise” that “in order to maintain a liberal social order, “it is necessary that its members be in the position to pressure (by threatening or applying violence) anyone who does not respect the life and property of others to acquiesce to the rules of society” (Hoppe, 2001, pg 226).

Hoppe’s “physical removal” has become a euphemism for political assassination of leftists.

A similar euphemism is “helicopter rides,” which is a reference to the political assassinations committed by U.S. backed Chilean dictator Augusto Pinochet. This has become so normalized in Alt-Right/Neo-Nazi communities that people like Christopher “the Crying Nazi” Cantwell [sells](#) merchandise featuring dead bodies hanging or being thrown from helicopters, with slogans “I ♥ Physical Removal” and “Physically Remove Democrats” (the latter accompanied by a long Hoppe [diatribe](#)).

The main source of Hoppe’s popularity has been through the spread of internet memes depicting his violent economic ideology, known as “Hoppe Snake Memes.”

Many take the form of advertisements for a Hoppe’s “physical removal” service or adding “so to speak” after Hoppe’s words. Recurring characters and symbols include: Hoppe (often with a weapon), Pepe the frog, an anarcho-capitalist rattlesnake, characters are often wearing Pinochet’s hat, the yellow-and-black anarcho-capitalist flag, and Nazi flags.



Tropes include: reading Hoppe's Democracy, deciding communists "aren't people," murdering communists with helicopters or otherwise. One recurring feature included teaching economics with a graph that shows "economic growth" as a function of the mass murder of "marxists" from helicopters. Other economists featured in the memes include Hans Hermann Hoppe, Murray Rothbard, and Ludwig von Mises (often crossed with the mascot of the Alt-Right, "Pepe" the frog).

Reddit's page for Hoppe memes, [r/physical\\_removal](https://www.reddit.com/r/physical_removal/), was banned "due to a violation of our content policy, specifically, the posting of content that incites violence."



See the [Appendix of related memes](#)

Mises Institute's Tho Bishop gave an interview during the 2017 Mises University, where he discussed the popularity of Hoppe's ideology:

It's amazing to see the impact that memes can have in spreading these ideas. I remember talking with a fellow here. He was involved in Students for Liberty France, and he was talking about how he was either ignored, or kind of seen as a scary figure amongst many people in France, just because people have taken one line out of context and just ran with it. And so with the Great Triple H removal service page, they expanded on it, they made it a joke. People had fun with it. And really, his ideas today, he's one of the great thinkers in this decentralized political structure environment, one that we desperately need, and so he is now being read more and more because [of] meme magic. It's a beautiful thing. I've never quite appreciated the full intellectual firepower that memes have until this.

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It's pretty cool. . . He's one of the most dangerous thinkers in America, or in the world ([Audio](#), [transcript](#)).

During that same interview, a Mises Fellow from the London School of Economics, George Pickering, remarked on Hoppe's significance and upcoming visit:

There's basically two kinds of people in economics. There's Austrian economists, and there's commies. And you know whose side you want to be on. So sign up to the Mises Institute's newsletters, think about heading on over to that event in New York, October, see the man himself, Hans Herman Hoppe.

To which Bishop replied "It's the best way to avoid a future helicopter ride." The interviewer, Taleed Brown, a 2017 Mises fellow, continued:



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Yea, exactly. Speaking of helicopter rides and the commies . . . I'm sure you guys are aware of the recent emboldening of anti-fa[scists], and different communist groups like them.

Brown is a young libertarian in the Alt-Right that has been heavily influenced by the Mises Institute. He worked for a time at the Foundation for Economic Education, often boasts of his close personal relationship with Jeffrey Tucker. He is also a Twitter and Youtube personality, ThatGuyT, where he discusses his anti-communist, anti-feminist ideology, even going so far as to embrace "race realism," a modern term for the eugenicist belief that some races are biologically inferior to others.

Brown has stirred up controversy on Twitter [posting](#) "I might be a fascist," and [then](#), "Just to clarify, I'm not actually a fascist, just a very principled libertarian who's ready to start winning. Fashies are friends."





This led to his most alarming video to date is entitled “The Case for Libertarian Fascism,” where he suggest that “homogeneity doesn’t really benefit society if it’s filled with Communists,” and that “one of the strengths of libertarian fascism” would be “securing a free society via collective investment and determination in the preservation of our [libertarian] principles. He compares this to “left-libertarianism” who are more “about being a suicidal philanthropist.”

Brown concludes that “If fascists are willing to assist in pushing back against this wave of cultural Marxism that left libertarians are complicit in endorsing, I mean, who am I to deny a soldier his rifle?” (Brown, 2017). Other videos include “[The Necessary Oppression of the Left](#),” which itself links to other violent Alt-Right videos.



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In 2018, Taled Brown's interview at 2017 Mises University was taken down from his Youtube page. This was most likely in response to a controversy involving a Mises researcher, Chase Rachels.

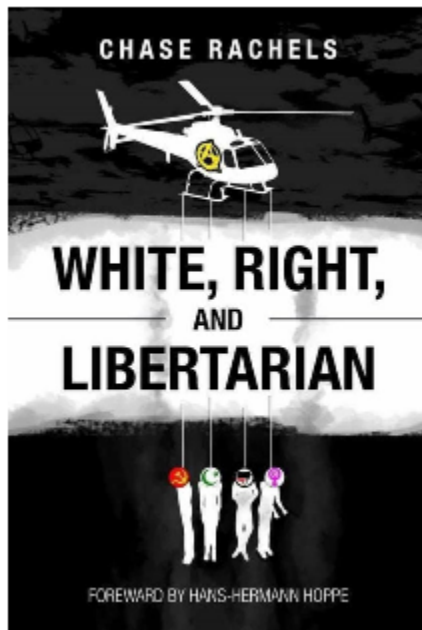
### **The Alt-Right/Mises Feedback Loop**

In his 2018 book, *White, Right, and Libertarian*, Chase Rachels demonstrates another way that Mises Institute free-market scholars are aiding and abetting extremism, namely, intellectualizing the violent ideology of the Alt-Right and Hoppe memes. Rachels argues that "the alternative right (Alt-right) and libertarianism are revealed as complementary movements worthy of being aligned."

In a [letter](#) Rachels wrote to Hans Hermann Hoppe, he described the book's purpose in hopes that Hoppe would agree to write the foreword. Rachels expressed his aim to "entice the Alt-Right to adopt the political/economic theory of genuine libertarians, and libertarians to adopt the cultural positions of the Alt-Right."

Hans Hermann Hoppe agreed to write a forward to the book.

Hoppe had already written the forward when Rachel's cover art was leaked, featuring four dead bodies hanging from a helicopter. The bodies hanging from the helicopter each had symbols for heads, depicting a communist, a muslim, an anti-fascist, and a feminist.



The Mises Institute later scrubbed Hoppe's contributions to Chase Rachels' book from Mises.org. Rachels' full account of the fiasco can be found on [his website](#), which Hoppe still [endorses](#).

Another intellectual interpreter for the Alt-Right is League of the South co-founder Jeffrey Tucker. Tucker was a longtime VP of the Mises Institute, Hoppe's U.S. homebase. Compared to the hard-right and racist positions he defended with the League of the South, the Rockwell/Rothbard Report, and Ron Paul's racist newsletters, Tucker is now a [celebrated figure](#) in the youth-oriented/Koch-funded "Liberty Movement."

In a Facebook post, Tucker described his 2017 book *Right Wing Collectivism: The Other Threat to Liberty* as an effort to show how:

The media tends to treat the alt-right very superficially and gives the wrong impression. It is rendered as a movement of hateful misfits

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with a weird and inexplicable loathing of blacks, Jews, and women, a group that dares say things that violate well-established civic codes, basically un-PC bad boys, which is exactly how the alt-right would script it.

The thesis of my new book is that this view completely neglects that the political and philosophical tradition behind their worldview is not a random assembly of hates but a rather consistent take on social and political theory, formed in fierce revolt against laissez-faire liberalism from 1820 onward, with predictable tropes that were accumulated and tried throughout the 19th century and culminated with full force in the interwar period as the resentment against modernity, population mobility, and mass prosperity reached a fevered pitch. (Jeffrey Tucker [Facebook post](#) September 19, 2017)

Tucker describes the Unite the Right strategy as "right-Hegelianism," offering highly valuable academic feedback and political weight to the Alt-Right, framed as a work of warning about a movement that is:

as powerful a force for state centralism and violence as communism on the left. Indeed, it is a different species of socialism, shorn of features of the Marxian brand that so upsets the lower and middle classes, and therefore it can be more politically dangerous because it pushes values generally accepted by the cultural, linguistic, and racial majority populations. (Tucker [Facebook post](#) September 19, 2017)

These ideological developments at the Mises Institute are made more startling by when one considers how many economists celebrated in the

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Koch network - including Milton Friedman, Ludwig Von Mises and Friedrich von Hayek - have exhibited a distinct pattern of sympathy, if not direct support, to fascist dictatorships who have overthrown a democracy, resulting in the political assassination and mass arrest of socialists.

### **Neo-Nazi Rhetoric for Free-Markets: “Blood and Soil”**

A recent *New York Times* profile on American Nazi Tony Hovater cited the ideological influences that led him to violence:

Ask him how he moved so far right, and he declares that public discourse has become “so toxic that there’s no way to effectively lobby for interests that involve white people.” He name-drops Murray Rothbard and Hans-Hermann Hoppe, architects of “anarcho-capitalism,” with its idea that free markets serve as better societal regulators than the state.” ([NYT](#), 2017)

The President of the Mises Institute, Jeff Deist, in the opening remarks of Mises University, a week-long summer school with over 150 students in attendance, delivered a speech entitled [For a New Libertarian](#). He calls for libertarians to be inclusive of farther right ideologies, and take advantage of the resurgence of far-right nationalism:

Libertarians are busy promoting universalism even as the world moves in the other direction. Trump and Brexit rocked the globalist narrative. Nationalism is on the rise throughout Europe, forcing the EU to defend itself, secession and breakaway movements exist in Scotland, in Catalonia, in Belgium, in Andalusia, even in California.

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Federalism and states' rights are suddenly popular with progressives in the US. The world desperately wants to turn its back on Washington and Brussels and the UN and the IMF and all of the globalist institutions. Average people smell a rat. We should seize on this. (Diest, 2017)

Diest closes his speech by name dropping neo-reactionary bloggers, challenging listeners to consider the use of violence, and making an overt appeal to neo-Nazis:

What would you fight for? The answer to this question tells us a lot about what libertarians ought to care about. By this I mean what would you physically fight for, where doing so could mean serious injury or death. . .I'm sure all of us would fight for our physical persons. . . We might fight for property too, maybe not as fiercely. We certainly would protect our homes, but that's because of the people inside. . . How about your wallet? How about someone stealing 40% of your income, as many governments do? Would you take up arms to prevent this?. . .How about an abstraction, like fighting for "your country" or freedom or your religion? This is where things get more tenuous. Many people have and will fight for such abstractions. But if you ask soldiers they'll tell you that in the heat of battle they're really fighting for their mates, to protect the men in their units--and to fulfill a personal sense of duty. In other words, blood and soil and God and nation still matter to people. Libertarians ignore this at the risk of irrelevance. (Diest, 2017)

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“Blood and Soil” is a well known Nazi phrase, alluding to a key part of Nazism that maintains a mystical connection between the Aryan blood of Germanic people and the “fatherland,” i.e. between “blood and soil.” Scholars have examined how Nazis used a “concrete body language” exemplified by continuous, unceasing reference to “the blood,” in an effort to create a sense of physical unification and moral identity among the German people. Other key phrases included the “voice of the blood,” “the song of my blood,” etc. (Weinstein, *The Dynamics of Nazism*, 1980, p.136).

This rhetoric was part of the Nazi’s successful cultural campaign invade neighboring countries, including the full annexation of Austria. It is troubling that von Mises would celebrate this unification strategy so soon after he fled World War II Europe.

On August 11, 2017, the League of the South joined Neo-Nazis and other white nationalist groups, chanting “blood and soil” at the University of Virginia at the deadly “Unite the Right” rally in Charlottesville, Virginia.

In February of 2018, the League of the South’s Michael Hill clarified that despite the fact that the LOS is technically a Southern Nationalist organization, by ‘fighting to preserve the blood and soil South and her people, we are indirectly serving the cause of a larger White nationalism’ (Hill, 2018).

Hill makes an appeal to expanding their concept of “blood and soil” in order to extend their membership to extremists everywhere:

We dare not isolate ourselves and ignore the plight of our White cousins elsewhere—in other States, Canada, Europe, southern Africa,

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Australia, New Zealand, and wherever else our people may live. Yes, they are our racial cousins. While they might not be as close and as dear to us as our fellow Southerners, they are still part of our larger racial/ethnic family. And we must treat them as such. . . [W]e ought to seek them out as allies, supporters, and often as actual members. . . [Some] may simply identify with the South in fundamental ways despite having no native connection to Dixie. We should embrace them as our extended family, meaning that we should elicit their support and even their membership in our organization if they show a willingness to serve the primary cause we serve: the survival, well-being, and independence of the Southern people ([Hill](#), 2018).

Less than a week after the Mises Institute President Jeff Deist made his “blood and soil” speech, the Chair and Vice Chair of the national Libertarian Party, Nicholas Sarwark and Arvin Vohara, publicly condemned Deist:

At the current time, Mises Institute has been turned into a sales funnel for the White Nationalist branch of the Alt Right. I'm not talking about the troll or general asshole side of the alt right; I'm talking about the white nationalist side. The authoritarian, racist, nazi side. Like any effective cult, Mises will continue to put out useful information as bait. But that will be just the bait to lead unsuspecting people down this path of collectivist, racist lunacy ([Vohra](#), August 14 2017).

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## ECHOES OF MISES' "VOICE OF THE BLOOD"

The Nazi rhetorical strategy was generalized and promoted by Ludwig von Mises in his 1949 book *Human Action*. He describes how the concept of the "voice of the blood" is something that can be generalized for use in compelling human action:

The voice of the blood is not an original and primordial phenomenon. It is prompted by rational considerations. Because a man believes that he is related to other people by a common ancestry, he develops those feelings and sentiments which are poetically described as the voice of the blood. The same is true with regard to religious ecstasy and mysticism of the soil. (Mises, 1949)

Mises' generalized "blood and soil" rhetoric appears to be seeing a resurgence from the Mises Institute at a time when violent white nationalism and Neo-Nazism is on the rise in the U.S.

On July 8, 2017, LOS co-founder and longtime Mises Institute Vice President, Jeffrey Tucker, rehashed Mises' argument that, rather than literal "blood and soil," - "Western Civilization" is a "[portable idea](#)" idea that can include anyone.

On July 28, 2017, Jeff Deist delivered his version of generalized "blood and soil" above, calling for libertarians to consider unifying with far-right factions.



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On August 11, 2017, the League of the South joined Neo-Nazis and other white nationalist groups, chanting “blood and soil” at the University of Virginia at the deadly “Unite the Right” rally in Charlottesville, Virginia.

## **Mises-Based Management: The Koch/Hoppe Science of Human Action**

### MISES’ HUMAN ACTION AND “INFERIOR” RACES

In Ludwig von Mises’ 1949 book, Human Action, he calls his theory of purposeful human action “Praxeology,” clarifying that:

It is neutral with regard to all judgments of value and the choice of ultimate ends. Its task is not to approve or to disapprove, but only to establish facts. The subject matter of praxeology is human action. It is not concerned with human beings who have succeeded in suppressing altogether everything that characterizes man as man: will, desire, thought, and the striving after ends (pg 28-29).

In the passage of Human Action which defines “human action,” we see that the very next paragraph uses eugenic language to draw troubling conclusions that fill the rest of Mises’s book, including the claim that some races are “inferior.”

Mises describes that people who could not adhere to his particular definition of action, using the eugenics term of the time “unfit,” he described how they “lack the essential features of humanity” and are “practically not human”:

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Man must yield to the inevitable. He must submit to destiny. These are the general conditions of human action. Man is the being that lives under these conditions. He is not only homo sapiens, but no less homo agens. Beings of human descent who either from birth or from acquired defects are unchangeably unfit for any action (in the strict sense of the term and not only in the legal sense) are practically not human. Although the statutes and biology consider them to be men, they lack the essential features of humanity. (Human Action, pg 14) (Emphasis added)

Dispelling further doubts about his meaning, Human Action's entire third chapter, entitled "Economics and the Revolt Against Reason," is a tirade against "Marxianists" and their "socialist schemes" against reason. In it, Mises clarifies that he doesn't believe other races simply have different logic ("racial polylogism") - but that they are genuinely "inferior," because despite being motivated by the same things, they have been "less successful" than "the white race":

Some ethnologists tell us that it is a mistake to speak of higher and lower civilizations and of an alleged backwardness of alien races. The civilization of various races are different from the Western civilization of the peoples of Caucasian stock, but they are not inferior. . . These ethnologists are right in emphasizing that it is not the task of a historian-and the ethnologist too is a historian-to express value judgments. But they are utterly mistaken in contending that these other races have been guided in their activities by motives other than those which have actuated the white race. The Asiatics and the

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Africans no less than the peoples of European descent have been eager to struggle successfully for survival and to use reason as the foremost weapon in these endeavors. They have sought to get rid of the beasts of prey and of disease, to prevent famines and to raise the productivity of labor. There can be no doubt that in the pursuit of these aims they have been less successful than the whites. The proof is that they are eager to profit from all achievements of the West (Human Action, pg 85).

Concluding the chapter with a section called “The Case for Reason,” Mises’ is unmistakably clear:

It is vain to deny that up to now certain races have contributed nothing or very little to the development of civilization and can, in this sense, be called inferior (Mises, Human Action, 1949, pg 90).

The director of Ball State University’s Koch-funded academic center, Steven Horwitz, paraphrases Mises’ description of human action as the harmless assertion that:

Mises was making a Kantian claim about the human mind and the way in which minds are similarly structured across humans. We all have “a set of tools for grasping reality” that comes to us from our evolutionary heritage. The commonality of those tools allows us to engage in the reflection on action and the development of that core of economics, as a set of necessary insights about how humans act. This core economic knowledge is not contingent but part of the very

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structure of human minds and is something that we can come to know. ([Horwitz](#), Cato, 2012)

### HOPPE'S SCIENCE OF HUMAN ACTION

A zeal for Mises concept of “human action” is shared by the Austrian-style praxeologists of the Ludwig von Mises Institute. Most notably, Hans Hermann Hoppe has described the Misesian belief “that economics is but a part of the larger discipline of praxeology: the science of human action” ([Rockwell](#), 1995).

In Hoppe’s incendiary book, *Democracy: The God that Failed*, he cites Mises’ *Human Action* twenty-two times. Hoppe’s dangerous ideology is derived from Mises’ definition of “human action,” exploring the transition from purposeful action to preemptive reactionary violence.

His presentation to the 2011 Mises Institute’s summer school, Mises University, was entitled “[The Science of Human Action](#).” Other notable Mises-inspired praxeologists include Charles Koch.

### KOCH'S SCIENCE OF HUMAN ACTION

Charles Koch’s proprietary philosophy, called Market Based Management® (MBM®), is based so heavily in Mises’ *Human Action* that Koch calls MBM® “the Science of Human Action.” MBM is first outlined publicly in Koch’s 2005 book, *the Science of Success*:

Market Based Management® is a holistic approach to management that integrates theory and practice and prepares organizations to

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deal successfully with the challenges of growth and change. The theory of MBM® is rooted in the Science of Human Action.

This science is the study of how humans can best achieve their ends through purposeful behavior. (Science of Success, 2005, pg 25)

Koch's 2007 book is entitled Market Based Management: The Science of Human Action Applied in the Organization.

In Koch's 2015 book, Good Profit, he includes "praxeology" among his primary interests:

When I am not in the office, I'm either studying praxeology, working out in our basement gym, . . . or trying to understand what my toddler grandsons are saying when we FaceTime. (Koch, 2015)

While Koch's philosophy also borrows from Friedrich Hayek and Michael Polanyi, he makes it clear that his concept of "human action" relies on the definition given by Ludwig von Mises, citing the specific pages of Mises' book Human Action:

To design effective incentives, we must first have an understanding of human action. Ludwig Von Mises posits that three requirements must be present for individuals to take action<sup>11</sup>. These are: (1) unease or dissatisfaction with the present state of affairs, (2) a vision of a better state, and (3) belief that they can reach a better states. . . .  
11. Ludwig von Mises, Human Action. . . pp. 13-14" (Koch, 2005, pg 144 and 179)

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Charles Koch's books, *Science of Success* (2005) and *Good Profit* (2015), quote and cite Mises' definition of human action. This passage of *Human Action* is followed by Mises' eugenicist musing about how people who don't "submit to destiny" are "practically not human" (*Human Action*, pg 14).

As recently as 2016, the Charles Koch Institute can be seen celebrating *Human Action*, even linking to the Mises Institute website:

Mises' human action model is important to the Charles Koch Institute as we work to advance an understanding of how to help people improve their lives by examining critical issues that impede societal well-being. . . [W]e work to continue his legacy of improving well-being for all. ([Charles Koch Institute](#), 2016)

*Human Action* is a prominently featured book in Koch-funded academic reading groups across the country. In 2011, students from around the country traveled to Washington D.C for an event cosponsored by The Liberty Fund and The Charles G Koch Charitable Foundation on "the foundations of liberty and spontaneous order, and their readings will include selections from: Mises' *Human Action*" ([FGCU CKF report](#), 2011).

Regarding his proprietary philosophy, Koch goes so far to make the dubious claim that he has discovered the "fixed laws" that "govern human well being":

As an engineer, I understood that the natural world operated according to fixed laws. Through my studies, I came to realize that there were, likewise, laws that govern human well-being. It seemed to

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me that these laws are fundamental not only to the wellbeing of societies, but also to the miniature societies of organizations. Indeed, that is what we found when we began to apply these principles systematically at Koch Industries. Through our observation of how they could create prosperity in an organization, I began to systematize my beliefs into Market Based Management®. ([American Journal of Business](#), 2009)

Other Austrian economists, including Hans Hermann Hoppe and Murray Rothbard, have asserted the existence of a “natural law” or “natural order,” synonymous with “pure capitalism” or “anarcho-capitalism” (Hoppe, 2001, pg xxi).

### **Neo-Fascist “Constitutions of Liberty”**

Marshall DeRosa, the Koch funded FAU professor who was a longtime early [proponent](#) of holding a [U.S.](#) constitutional convention, a political effort to change the U.S. Constitution.

Several organizations in Charles Koch’s network [support](#) the effort, having [convinced 28 states](#) to pass resolutions calling for a convention, out of the 34 total states required to by Article V of the U.S. Constitution.

There are concerns that a radical corporatist constitution could drastically limit democracy.

Meanwhile, Koch’s premiere free market academic association, the Association of Private Enterprise Education (APEE), is holding their 2018

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conference on “Constitutions of Liberty: How to Bring Leviathan to Heel?”  
Their call for papers reads:

Friedrich Hayek conceived of a Constitution of Liberty as “a limitation of the means available to a temporary majority . . . by general principles laid down by another majority for a long period in advance.” But as Hayek was surely aware, the latter majority is never present to enforce the former’s adherence to such principles. As Douglass North and Barry Weingast have observed, “constitutional restrictions must be self-enforcing, they must serve to establish a credible commitment by the state to abide by them.”

Under what conditions will liberty-preserving limitations on state agents be self-enforcing? When will a constitution bring Leviathan to heel? This question is important and relevant not only in regard to authoritarian states. Liberal democracies are often subject to “constitutional drift” whereby particular state agents encroach upon both individual liberties and the authority of other state agents. In the latter case, the system of checks and balances is placed in threat. In the U.S., for example, instances of constitutional drift include the executive’s usurpation of authority to initiate war, the use of eminent domain to expropriate property for private use, and the increased use of executive orders as substitutes for (or the means to void) legislation.

This political tactic coming from Koch’s Austrian-inspired network gives much reason for pause, as several Austrian icons have a track record for getting involved in actually overthrowing democracy for



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libertarian-fascism, and capturing long term power through a radical corporatist constitution.

### 1930'S AUSTRO-FASCISM

Before he came to the United States, Ludwig von Mises was chief economist for the Austrian Chamber of Commerce. He also served as an advisor to Federal Chancellor Engelbert Dollfuss.

In 1933, exploiting a political crisis in pre-WWII Austria, Dollfuss seized dictatorial power, suspending parliament and abolishing Austria's democracy.

Dollfuss banned their main conservative political opposition, the Austrian Nazi party. While it is often argued that Austro-fascism was intended to stop Nazis from taking the nation, Dollfuss did not stop political persecution after banning the Austrian Nazi party.

Using a private militia similar to the German SS, the Patriotic Front ("Vaterländische Front"), Dollfuss initiated a civil war to eradicate his remaining political rivals, the Austrian socialists. Hundreds of socialists were murdered, and thousands were taken as political prisoners (Leeson, Hayek: A Collaborative Biography, Part II, Austria, America and the Rise of Hitler, 1899-1933, 2015).

A single-party corporatist state was created through an authoritarian constitution, the "May Constitution of 1934." With this, Dollfuss installed what came to be known as "Austro-fascism," which consolidated power in

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the hands of politically appointed representatives from a small number of “estates.”

According to recently discovered papers from Ludwig von Mises himself, he became member no. 282632 of the Patriotic Front on March 1, 1934, the Chamber of Commerce, Trade, and Industry branch ([Hulsmann, 2007](#), pg 677).

Prior to this, Mises had written sympathetically, if hesitantly, about fascism in his 1927 book, *Liberalism*:

It cannot be denied that Fascism and similar movements aimed at the establishment of dictatorships are full of the best intentions and that their intervention has for the moment saved European civilization. The merit that Fascism has thereby won for itself will live on eternally in history. . . . But though its policy has brought salvation for the moment, it is not of the kind which could promise continued success. Fascism was an emergency makeshift. To view it as something more would be a fatal error.

Despite Mises’s conclusion, he was part of Dollfuss’s fascist regime several years later, described by Hans Hermann Hoppe as “one of [Dollfuss]’ closest advisers” ([Hoppe, 1997](#)).

After Dollfuss was assassinated, July 25 1934, Mises fled the country the next month. His wife’ Margit von Mises recalled in her memoir meeting up with Ludwig (“Lu”) in August to tell her he was leaving:

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For Lu this had been an unusually quick decision. Lu was usually so slow in deciding important matters that I once jokingly called him Fabius Cunctator. In taking leave of absence from the Chamber of Commerce, the university - and of me - he found the courage to tell me about it only after he had decided. (M. Mises, 1976, [pg 33](#))

Mises's organizations and successors have retained a characteristic Dollfuss-ian antagonism towards democracy. This includes Mises' most notable Austrian student, and Charle Koch's late friend Koch-network darling, Friedrich von Hayek.

### CHILEAN DICTATOR AUGUSTO PINOCHET

This was not the only time that free-market and Austrian economists aided fascist dictatorships. A better known example was the active role played in crafting economic policy for Augusto Pinochet in Chile.

Pinochet was a Chilean general who rose to power in a U.S. backed coup that overthrew the democratically elected communist government of Salvador Allende. Pinochet famously murdered his communist political enemies, many of whom were thrown from planes and helicopters.

After Pinochet's free-market military junta suspended the constitution, their radical pro-corporate political reforms were implemented by free-market economists trained at the University of Chicago with the help of local business and the Mont Pelerin Institute, an international society of free-market economists co-founded by Friedrich Hayek (of which Charles Koch has been a member since [1970](#)).

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Nobel economist Chicago economist Gary Becker recalled how he trained Chilean economists who “generally advocated widespread deregulation, privatization, and other free market policies for closely controlled economies. They rose to fame as leaders of the early reforms initiated in Chile during the rule of General Augusto Pinochet” (Becker, 1997).

Notable economists with relationships to Pinochet and top government officials included Milton Friedman and Friedrich Hayek. Milton Friedman provided Pinochet with direct help. After meeting directly with the regime in 1975. Friedman wrote:

Dear Mr. President: During our visit with you on Friday, March 21, to discuss the economic situation in Chile, you asked me to convey to you my opinions about Chile’s economic situation and policies after I had completed my visit. This letter is in response to that request.  
(Letters, April 1975)

Friedman proceeded to lay out many radical privatization reforms that he described as “shock therapy.” Pinochet wrote in response:

I am pleased to acknowledge receipt of your courteous letter of this past April 21 in which you gave me the opinion you formed about the situation and economic policy of Chile after your visit to our country. . . .The valuable approaches and appraisals drawn from an analysis of the text of your letter coincide for the most part with the National Recovery Plan proposed by the Secretary of the Treasury, Mr. Jorge Cauas. The Plan is being fully applied at the present time—a plan for

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which we have high expectations of advancing the Chilean economy.  
([Letters](#), May 1975)

Friedrich Hayek made several visits between the late seventies and early eighties.

His 1977 trip was coordinated by Pinochet's Finance Minister Carlos Cáceres. In addition to presenting several lectures, he was to "visit the highest government authorities," which included a personal meeting with Pinochet himself, where they discussed using a model constitution to limit democracy.

One Hayek historian noted the substance of his visit, quoting an interview Hayek gave to Chilean media, saying he:

talked to Pinochet about the issue of limited democracy and representative government on which he wrote a book. He said that in his work he argues that unlimited democracy cannot work because, in his opinion, it creates different forces that end up destroying democracy. . . [Pinochet] listened carefully and asked him for the documents that he had written on the issue. ([Caldwell](#), 2014)

Caldwell noted that this was consistent with Hayek's secretary's recollection, that "on his return Hayek asked her to send Pinochet a copy of his chapter on 'The Model Constitution'" ([Caldwell](#), 2014).

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The following year, 1980, Pinochet entrenched his regime using a radical libertarian constitution with the help of Chicago trained economists and members of the Mont Pelerin Society.

In 1981, the Mont Pelerin Society decided to hold their annual meeting in Viña del Mar, the Chilean town where the coup was originally launched. During this visit, an interviewer asked Hayek “should we have dictatorships?” Hayek responded that he was “totally against dictatorships” as “long-term institutions”:

But a dictatorship may be a necessary system for a transitional period. At times it is necessary for a country to have, for a time, some form or other of dictatorial power. As you will understand, it is possible for a dictator to govern in a liberal way. . . As a means of establishing a stable democracy and liberty, clean of impurities. This is the only way I can justify it – and recommend it. ([Interview in El Mercurio](#),1981)

He specifically defended Pinochet’s regime:

My personal impression — and this is valid for South America – is that in Chile, for example, we will witness a transition from a dictatorial government to a liberal government. And during this transition it may be necessary to maintain certain dictatorial powers, not as something permanent, but as a temporary arrangement. ([Interview in El Mercurio](#), 1981)

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Hayek acknowledges the seeming hypocrisy given that he advocates “limiting government’s powers in people’s lives” and lamenting “too much government”:

It is also possible for a democracy to govern with a total lack of liberalism. Personally I prefer a liberal dictator to democratic government lacking liberalism ([Interview in El Mercurio](#), 1981)

As Karin Fischer noted in *The Road to Mont Pelerin*, there was an incredibly close relationship between the University of Chicago before the coup.

In a program called Project Chile, “approximately thirty Chilean economists were trained in Chicago between 1956 and 1964,” who “succeeded in substantially altering the way economics was taught in the whole Chilean University system” (Fischer, pg 310).

Fischer found that many Chicago trained economists used these college campuses to create a radical “gremialista” (“guildist”) political movement that was “an essential recruitment base for the pro-coup coalition that led to the deadly military coup.” This included “intellectual leaders of the military regime” who “sought to replace party politics with an authoritarian corporatist regime . . . grounded in ultraconservative Catholicism” (Fischer, pg 312).

While sympathetic free-market historians have attempted to provide “context” for these collaborations, we can see that embracing libertarian fascism is not necessarily a new idea within Koch’s academic network.

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## CHAPTER THREE: THE KOCH FAMILY – AN UNBROKEN LINEAGE OF WHITE SUPREMACY

As first reported by Jane Mayer, Charles Koch's father, Fred Koch, acquired considerable wealth building the third largest fuel refinery for Nazi Germany in the years preceding World War II. These refineries were one of the few sources of high-octane fuel that drove the Nazi fighter planes and bombing raids. Letters from Fred Koch show overt sympathies with the Axis nations of Germany, Italy, and Japan just one year before WWII began.

Charles Koch's early academic organizations had alarming ties to Holocaust denialism, with Charles himself directly funding deniers. Additional ties existed through the Center for Libertarian Studies, Institute for Humane Studies, and Cato Institute.

*"Koch funded the creation of Rampart College in 1966, who hired known Holocaust denier James Martin to run the history department. The Rampart Journal's board of academic advisers included current and future IHS officials, as well as Ludwig von Mises, Murray Rothbard, and Hans Sennholz. When Rampart collapsed, Martin named Charles Koch as among the "millionaires" that supported him financially."*

Reference to Nazi Germany was made at the inaugural conference for the Center for Libertarian Studies, which was intended to develop a libertarian strategy for political change. At the conference, Leonard Liggio presented



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alongside Charles Koch. Liggio's contribution was a paper called "National Socialist Political Strategy: Social Change in a Modern Industrial Society with an Authoritarian Tradition." The paper was "an examination of the Nazi success in capturing the German state... particularly interested in the Nazis' use of youth movements as an essential part of their overall movement." Liggio would become an officer at the Cato Institute, and eventually a longtime President and Chair of the Institute for Humane Studies, the primary youth recruitment and training arm of Koch's "Liberty Movement."

The Center for Libertarian Studies (CLS) was launched with \$65,000 from Charles Koch. Early CLS officials consisted of several (eventual) Mises Institute founders or scholars: Murray Rothbard, Henry Hazlitt, Joseph Stromberg, and Walter Block. Lew Rockwell, who would later found the Mises Institute, served as longtime Vice President of CLS. The Mises Institute has described itself as "heir to the Center for Libertarian Studies."

The League of the South (LOS) was founded in 1994 and led by at least nine Mises Institute scholars, at least three of whom were also officials of the Center for Libertarian Studies. This included Lew Rockwell, Murray Rothbard, Donald Livingston, Thomas DiLorenzo, Marshall DeRosa, Jeffrey Tucker, Thomas Woods, Clyde Wilson, and (CLS official) Joseph Stromberg.

After the LOS was labeled a "hate group" by the Southern Poverty Law Center in 2000, a spin-off organization, the Abbeville Institute, was formed by several members. It is named after the birthplace of fierce slavery advocate, John Calhoun. Mises Institute scholars currently active with the Abbeville Institute that came over from the LOS include: Donald

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Livingston, Thomas DiLorenzo, Joseph Stromberg, Marshall DeRosa, and Clyde Wilson. Mises Institute's Paul Gottfried is also affiliated with Abbeville Institute.

The League of the South has very close ties to the White Citizens Council, a violent white supremacist organization (later known as the Council of Conservative Citizens). At least five founding members of the LOS played active roles in the WCC/CCC, including David Cooksey, Roger Busbice, Michael Grissom, and Phil Beverly. In 1963, a member of the WCC was responsible for the murder of civil rights leader Medgar Evers. In 2015, Dylan Roof, the white supremacist responsible for the murder of nine people in the Emanuel A.M.E. Church in Charleston, South Carolina, cited the WCC as his inspiration.

The White Citizens Council had deep connections to the John Birch Society (JBS), an extreme anti-communist, anti-civil rights organization. Charles Koch's father, Fred Koch, was an early National Board member of the JBS. Charles was an active JBS member between 1961 and 1968, when JBS openly opposed the Civil Rights Movement and denounced it as a communist conspiracy. In 1966, JBS and WCC filed a joint "petition to the federal government "to investigate whether King and over 100,000 other rights activists had Communist connections."

At the height of violent police repression of civil rights activists, the John Birch Society countered the call for civilian review boards for police with JBS's "Support Your Local Police" campaign, opposing the "leftist-inspired local police review boards" as an attempt to "nationalize the police." Their campaign exists to this day, with a current focus on smearing Black Lives

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Matter activists, accusing them of being paid protestors, “Marxists,” “street thugs,” and part of a “national plan” to murder police.

Despite discontinuing his membership in the late sixties, Charles Koch continued his partnership with several JBS collaborators. As recently as 1976, we see Charles Koch using JBS as a model for his political and academic programming. With the help of JBS members like George Pearson, this included planning how to maximize donor leverage over academic donations. Pearson and Koch carried this strategy out through the Institute for Humane Studies.

In the past decade, we can see Koch's political organizations continue to collaborate with the John Birch Society. In 2011, Ohio's branch of Americans for Prosperity co-funded the “We The People Convention” and prominently featured JBS President John McManus in several events. In 2014, the Charles Koch Institute and JBS co-funded the Florida Liberty Summit.

## **Koch Industries and Nazi Germany**

A free-market alliance with Nazism is nothing new to the Koch network, or Koch Industries itself. In Jane Mayer’s recent book on the Koch family, *Dark Money*, she sheds light on the early origins of the Koch Industries’ wealth, then called Winkler-Koch Engineering, under the guidance of Charles Koch’s father, Fred Koch. Mayer notes relevant years during the

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mid-late 1930's that were omitted from "the official corporate history of Koch Industries."

Mayer points out that the Koch family company profited greatly from a "willingness to work with the Soviets and the Nazis," playing "a major factor in creating the Koch family's early fortune."

In the years after Hitler's rise to power, Winkler-Koch provided the engineering plans and oversaw the construction of "the third- largest refinery in the Third Reich" with "the capacity to process a thousand tons of crude oil a day." Koch's Hamburg plant was one of the few refineries in Germany that could "produce the high-octane gasoline needed to fuel fighter planes." Winkler-Koch finished the refinery in 1935, and it went on to become "a key component of the Nazi war machine," literally fuelling German bombing raids.

Mayer cites a historian of the German oil industry during the Nazi years, who clarified that "Winkler- Koch benefited directly from this project, which was designed to help enable the fuel policy of the Third Reich."

Charles Koch, born in 1935, grew up for a time in a pro-Nazi American household whose patriarch valued free-market activities over all else.

After frequent visits to Germany during the 1930s, Fred Koch held pro-Nazi, pro-fascist positions. Mayer quotes a 1938 letter from Fred, just one year before WWII, at a time when Nazi intentions were clear, Fascists had power in Italy, and Japan had invaded China:

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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 . . . 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.”

As Mayer details, Fred Koch built the Hamburg refinery with business associate and American Nazi sympathizer, William Rhodes Davis, who was eventually accused by a federal prosecutor for being an “agent of influence” for the Nazi regime because of his numerous relationships to Hitler’s Germany. Winkler-Koch would later contract to refine high-octane fuel for U.S. warplanes, many of which would eventually destroy a particularly high-value Nazi target in Hamburg Germany, the Winkler-Koch refinery. (Mayer, 2016, pgs 29-31)

Though Charles Koch was very young while his father was directly collaborating with Nazi agents, it would appear that Fred’s Nazi sympathies may have been passed on to Charles Koch.

### **Holocaust Denialism in the Academic Endeavors of Charles Koch**

Charles Koch’s early academic organizations had alarming ties to Holocaust denialism, with Charles himself directly funding deniers.

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Additional ties existed through the Center for Libertarian Studies, Institute for Humane Studies, and Cato Institute.

Charles Koch provided considerable funding to the segregated “Freedom School” run by free-market guru Robert LeFevre.

As reported by Pando in [2014](#), LeFevre and Koch launched Rampart College in 1966, hiring known Holocaust denier James Martin to run the history department. The [Rampart Journal](#)’s board of academic advisers included (IHS founder) F.A. Harper, (eventual IHS president) Louis Spadaro, Friedrich von Hayek, Ludwig von Mises, Murray Rothbard, and Hans Sennholz.

When Rampart collapsed, Martin [named](#) Charles Koch as among the “millionaires” that supported him financially.

In 1976, the Koch-funded Reason Magazine January 1976 issue featured Martin alongside other known Holocaust deniers and Neo-Nazis. Marty Zupan, [president](#) of the Institute for Humane Studies until 2016, was listed among the editorial staff at the time.

Martin wrote:

I don't believe that the evidence of a planned extermination of the entire Jewish population of Europe is holding up. . . .that the German concentration camps weren't health centers is well known - but they appear to have been far smaller and much less lethal than the Russian ones. (Martin, [Reason](#), 1976)

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According to one [investigation](#), Martin was featured in Reason from the mid-1960s through 1980. In 2007 interview with the Atlas Network, Koch's longtime political strategist, George Pearson recalled James Martin as simply a scholar:

My first involvement in the "freedom movement" was a short stint at Bob LeFevre's "Freedom School" in Larkspur, CO. In the mid-60s, LeFevre decided to expand the Freedom School into a college and arranged with William Hutt, an economist, and James Martin, a historian, to head the faculty of the new Rampart College.

The Mises Institute [celebrates](#) Martin as an "American historian . . . best known for his work on the history of American individualist anarchism, Men Against The State," which the Mises Institute re-published in 2009. James Martin went on to write for a Holocaust denial group, the [Institute for Historical Review](#).

Another contributor to Reason's Holocaust denial issue was Gary North, an eventual Mises Institute scholar. North questioned the "supposed execution of 6 million Jews by Hitler," calling it "the Establishment's favorite horror story" (North, [Reason](#), 1976, pg 34). At the time, North was working as a congressional aide to Congressman, and eventual Mises board member, Ron Paul. Senior Editor of Reason Magazine at the time was Tibor Machan, currently a Mises Institute scholar.

Reason's 1976 revisionist issue featured an open neo-Nazi named Austin J. App. App served on the board of trustees of the [neo-Nazi National Youth Alliance](#), which later became the violent [National Alliance](#), [described](#) the

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Southern Poverty Law Center as “the most dangerous and best organized neo-Nazi formation in America.”

### **Institute for Humane Studies and Hitler Youth**

The same year that Reason Magazine celebrated Holocaust deniers, Charles Koch sponsored the launch of the Center for Libertarian Studies (CLS) with an inaugural conference. The conference was intended to develop a libertarian strategy for political change.

Charles Koch presented alongside several free-market scholars, including Leonard Liggio, the Director of History and Social Theory at the Institute for Humane Studies.

Liggio’s contribution was a paper called “National Socialist Political Strategy: Social Change in a Modern Industrial Society with an Authoritarian Tradition.” Historian Clayton Coppin described Liggio’s paper as “an examination of the Nazi success in capturing the German state . . . particularly interested in the Nazis’ use of youth movements as an essential part of their overall movement”:

Based on the Nazi experience Liggio makes the case for a libertarian youth movement concentrated in the universities. Building a youth movement required a concentrated organizational effort that would give a group identity to its members. It also required a series of publications directed at the issues of concern to students. (Coppin, *Stealth*, pg 57)



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For decades that followed, Leonard Liggio and Charles Koch led the Institute Humane Studies (IHS), which serves as the primary youth recruitment and training arm of Koch's "Liberty Movement," anchored at George Mason University.

In the previous year (1975), Holocaust denier James Martin and Liggio co-edited *Watershed of Empire*, a collection of essays on foreign policy. At the time of Liggio's indecent proposal, James Martin was on the board of advisors for the CLS (CLS, 1976).

In 1977 Charles Koch founded the Cato Institute with Liggio as the founding Vice President. Cato published Holocaust deniers like James Martin and Harry Elmer Barnes as recently as 1980.

In 1979, Liggio became Executive Vice-President of Koch's Institute of Humane Studies, and President from 1980 to 1988. Liggio served as Chair of the Humane Studies Foundation from 1980 to 1994, and then Vice-Chair until 1998. Liggio became a professor at George Mason University in 1986, where he was a frequent contributor to Mises Institute publications until his death in 2014 (Liggio CV).

## **The John Birch Society**

The John Birch Society (JBS) is a free market extremist organization founded in 1958.

A 1961 Time Magazine profile mentions Koch family ties to the John Birch Society, called "the most formidable of the extremist groups":

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Under the umbrella of anti-Communism, many of the ultra-rightists pursue their own special goals and grind their own axes, ranging from respectable conservative politics and economics through segregation, anti-fluoridation, isolationism, higher tariffs and income tax repeal. . . . "The United Nations," says Wichita Oilman Fred Koch, "was conceived by Communists in Moscow during World War II." (Originations: The Ultras, Time Magazine, 1961)

The John Birch Society was founded in 1958. From 1961 to 1968, Charles Koch himself was an active JBS member. His father, Fred Koch, was an early member of their [national council](#). The late Harry Bradley, of the Lynde and Harry Bradley Foundation, [supported](#) Robert Welch as a [charter JBS member](#).

JBS spread anti-civil rights propaganda and literature through a network of "front groups" and "front businesses." Charles Koch was [active](#) with his local JBS "American Opinion Bookstore" in Wichita, Kansas.

The founder of the John Birch Society, Robert Welch, wrote in 1961 that the Civil Rights Movement was a communist hoax:

The trouble in our southern states has been fomented almost entirely by the Communists for this purpose. It has been their plan, gradually carried out over a long period with meticulous cunning, to stir up such bitterness between whites and blacks in the South that small flames of civil disorder would inevitably result. They could then fan and coalesce these little flames into one great conflagration of civil war, in time, if the need arose. The whole slogan of "civil rights, "

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as used to make trouble in the South today, is an exact parallel to the slogan of "agrarian reform" which they used in China. (JBS Bluebook 1961, pg 24)

In his 1960 book, "A Businessman Looks at Communism," Fred Koch observes that "the colored man looms large in the communist plan to take over America."

JBS took out ads in newspapers that sought to explain to Americans "What's Wrong With Civil Rights." These ads claimed that the the Civil Rights Movement was an "exaggerated problem," and that "[t]he average American Negro has a tremendously higher material standard of living than Negroes anywhere else." They denounced the Civil Rights Movement as a communist led effort with "no slightest interest in really improving the lot of the American Negroes, but only in using the Negroes and the racial problem to promote Communist purposes."

In 1963, when police in the south were violently suppressing civil rights activists, the push for local civilian review boards for police was countered by JBS's "Support Your Local Police" campaign, opposing the "leftist-inspired local police review boards" as an attempt to "nationalize the police." They cite extremist Cleon Skousen's book, The Communist Attack on the U.S. Police.

The "Support Your Local Police" campaign exists to this day, including a 2016 speaking tour of James Fitzgerald, who JBS notes was accused of undermining civilian review boards as early as the 1960s. The current Support Your Local Police campaign focuses on smearing Black Lives

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Matter activists, accusing them of being paid protestors, “Marxists,” “street thugs,” and part of a “[national plan](#)” to murder police.

Charles Koch left the John Birch Society in 1968, after his colleague, Bob Love, was expelled for an ad that he and Koch took out against the Vietnam war (which JBS supported at that time).

Regardless, Koch continued to work closely with JBS members, and sometimes JBS itself.

### **John Birch Society Influence On Koch’s Higher Ed Strategy**

Koch’s John Birch Society colleagues influenced his early thought and strategy for leveraging universities for political change. In 1976 Koch sponsored and presented at the launch of the Center for Libertarian Studies in New York, where:

George Pearson, a former member of the John Birch Society in Wichita, who served as Charles Koch’s political lieutenant during these years, expanded on this strategy in his own eye-opening paper. He suggested that libertarians needed to mobilize youthful cadres by influencing academia in new ways. Traditional gifts to universities, he warned, didn’t guarantee enough ideological control. Instead, he advocated funding private institutes within prestigious universities, where influence over hiring decisions and other forms of control could be exerted by donors while hiding the radicalism of their aims. As [Clayton] Coppin summarized Pearson’s arguments, “It would be necessary to use ambiguous and misleading names, obscure the true agenda, and conceal the means of control. This is

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the method that Charles Koch would soon practice in his charitable giving, and later in his political actions.” [Mayer, Dark Money, pg 56.]

As the longtime Director of Public Affairs at Koch Industries, [Pearson](#) spent decades laying the groundwork for Charles Koch’s academic-political strategy. In addition to heading up Koch’s charitable foundations, Pearson was an officer at Koch’s Institute for Humane Studies and [co-founded](#) the Cato Institute with Charles Koch.

While there is reason to suspect Charles Koch did not endorse all of the positions of the John Birch Society, his remarks at the 1976 conference offered JBS as a model of political change, with some modifications from his past experiences, including how JBS could have been more successful by constructively engaging the media. He lauded its secretive operation, writing that “in order to avoid undesirable criticism, how the organization is controlled and directed should not be widely advertised” (Mayer, Dark Money, pg 55).

### **Current Ties To JBS**

In 2011, Koch’s Ohio branch of Americans for Prosperity [co-funded](#) the “We The People Convention” which featured JBS President John McManus in several events ([2011 Convention Brochure](#)).

As recently as 2014, the Charles Koch Institute and the John Birch Society co-sponsored the [Florida Liberty Summit](#). Other donors included Koch’s political front groups (Americans for Prosperity and Generation Opportunity), think tanks (Heritage Foundation, James Madison Institute, Reason Foundation), and many Koch’ funded campus oriented groups:

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(Institute for Humane Studies, Foundation for Individual Rights in Education, The Fund for American Studies, the Leadership Institute, and Students for Liberty).

### **Koch Attends Segregated “Freedom School”**

Charles Koch met Robert LeFevre through Robert Love and the Wichita John Birch Society. It was at LeFevre’s private school that Charles Koch was introduced to Ludwig von Mises and Friedrich von Hayek (Mayer, *Dark Money*, pp 45-46). According to Mayer:

The school taught a revisionist version of American history in which the robber barons were heroes, not villains, and the Gilded Age was the country’s golden era. [...] The school had a revisionist position on the Civil War, too. It shouldn’t have been fought, instead, the South should have been allowed to secede. Slavery was a lesser evil than military conscription, the school argued, because human beings should be allowed to sell themselves into slavery if they wished.” (pg 44).

Daniel Schulman’s 2014 biography, *Sons of Wichita*, described segregation at LeFevre’s Freedom School:

LeFevre held a special seminar, “Explorations in Human Action,” for business executives that focused on “management and labor relations problems.” The school invited participants to bring their wives, but warned that “they would be excluded from class discussions, though they may sit in as observers.” (They weren’t the only ones excluded from participation. In 1965, LeFevre told *The New*

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York Times that his school had yet to admit a black person; finding accommodations for them, he said, might prove challenging because of the segregationists among the student body.) (pg 95)

Charles Koch was an enthusiastic advocate of the Freedom School, recruiting all three of his brothers to attend sessions. After graduating, Koch became an executive, trustee, and donor to the Freedom School (Schulman, *Sons of Wichita*, pg 92; Mayer, *Dark Money*, pg 43).

Koch and LeFevre were eventually estranged, before LeFevre's death in 1986, although Koch continued to credit him into the 1990's for introducing him to Austrian economics. (Schulman, pg 96; Mayer, pg 46).

### **White Citizens Councils and JBS**

The John Birch Society had deep connections to the violent white supremacist organization known as the White Citizens Council (WCC, later known as the Council of Conservative Citizens).

The WCC was founded in response to *Brown v. Board of Education*, a 1954 supreme court case that desegregated public schools. Thurgood Marshall referred to the WCC as the "uptown klan" (SPLC). The JBS and the WCC were at the forefront in opposing the civil rights movement all throughout the late 1950s and through the 1960s.

In 1956, Dr. Martin Luther King said of the WCC:

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*In so many sections of the South, **a new modern form of the Ku Klux Klan has arisen in the form of white citizens councils. The methods of these councils range from threats and intimidation to actual economic reprisals against Negro men and women.** Also these methods extend to white persons in the South who will dare take a stand for justice. These are the devotees of these councils so often stand up and preach sermons and give long talks about the nonviolence. They piously claim that they don't believe in violence, but we know all too well that their methods and public denouncements create the very atmosphere for violence. They must be held responsible for all of the terror, the mob rule, and brutal murders that have encompassed the South over the last several years, . . .It is an indictment on America and democracy that these ungodly and unethical and un-Christian and un-American councils have been able to exist all of these months without a modicum of criticism from the federal government ("[Desegregation and the Future](#)," 15 December 1956) (**Emphasis added**).*

In 1963, a [member of the WCC](#) was responsible for the murder of civil rights leader Medgar Evers. In 2015, the WCC was [cited as inspiration by Dylan Roof](#), the white supremacist responsible for the 2015 murder of nine people in the Emanuel A.M.E. Church in Charleston, South Carolina.

The WCC leaders included [William Simmons](#) and [Louis Hollis](#), both [members](#) of the John Birch Society. Simmons was the editor of WCC's publication, The Citizen, whose managing editor [Medford Evans](#), was also a JBS member and [contributing editor](#) of JBS's publication, American Opinion, where he and Simmons were regular contributors.



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As early as 1957, Austrian economist Ludwig Von Mises can be seen alongside WCC's Evans on the [external advisory committee](#) of Welch's publication, One Man's Opinion. When JBS was founded the following year, Mises and Evans both served on the [editorial advisory committee](#) of the publication, which changed its name from One Man's Opinion to American Opinion.

In the JBS 1961 Bluebook, Robert Welch described their efforts to protect the WCC's Medford Evans' position at Northwestern State College in Louisiana, proposing a "front group" called the "Committee To Protest The Firing Of Medford Evans" in order to recruit the "uninformed" Americans "into the fight" for the John Birch Society:

A few similar actions would slow down some of the brazen squeezing out of conservatives from teaching jobs, and give new courage to those that remain. . . [Evans] is a fairly well-known writer for conservative publications. Also, he has friends, both inside and outside of academic circles, all over the United States. (pg 57)

As late as 1966, the White Citizens Council and John Birch Society filed a joint "petition to the federal government to investigate whether King and over 100,000 other rights activists had Communist connections" (King, 26 May 1966, Stanford's [MLK Encyclopedia](#)). Charles Koch was an active member of JBS until 1968, two years after the JBS/WCC petition was filed.

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## The League of the South and the White Citizens Councils

According to the [Southern Poverty Law Center](#), the League of the South is a militant white nationalist hate group. LOS [identifies](#) as a “Southern Nationalist organization that seeks the survival, well being, and independence of the Southern people.” LOS advocates for secession and the establishment of a white southern state.

The League of the South has very close ties to the White Citizens Council (now known as the Council of Conservative Citizens). At least four founding members of the LOS played active roles in the WCC/CCC, including [David Cooksey](#), [Roger Busbice](#), [Michael Grissom](#), and [Phil Beverly](#).

One LOS [founding board member](#) was Tennessee lawyer Jack Kershaw, who was active in the [Tennessee White Citizens Council](#) and other segregationist groups. Kershaw was the defense attorney of James Earl Ray, the man convicted of murdering Martin Luther King Jr. As recently as [2009](#) (and presumably until his death in 2010), Kershaw was listed among “Affiliated Scholars and Artists” at the League of the South Institute.

Tax deductible donations can go to the League of the South through their non-profit League of the South Institute, which is actually the “the educational branch” of the [Mary Noel Kershaw Foundation](#), named after Jack Kershaw’s wife. 2015 Kershaw foundation [tax forms](#) show \$5,725 to the League of the South for “self defense classes,” one with firearms.

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The Southern Poverty Law Center has detailed the activities of the [League of the South](#) extensively (2000, 2003). According to the [SPLC](#), the LOS “worked with other racist groups like the Council of Conservative Citizens to promote rallies supporting the Confederate battle flag.”

LOS has taken the lead in [pro-confederate flag activism](#) in the south, often bringing the League into direct conflict with Black Lives Matters/anti-confederate flag demonstrators, like the confrontation at the [University of Mississippi](#).

In 2014, the SPLC revealed that the LOS was “training a uniformed, paramilitary unit tasked with advancing a second southern secession by any means necessary.”

LOS President Michael Hill was a speaker at the deadly Charlottesville “Unite The Right” rally, where a white nationalist murdered Heather Heyer. Hill has since [re-affirmed](#) their participation without apology, affirming that “[o]pen cooperation with other groups on the hard right can be to our benefit, and we shall continue to pursue those opportunities to cooperate with them.”

The Southern Poverty Law Center has documented the [increasingly violent rhetoric](#) of the League of the South. Since the election of Donald Trump, the LOS [called for](#) “all able-bodied, traditionalist Southern men to join our organization’s Southern Defense Force for the purpose of helping our State and local magistrates across Dixie combat this growing leftist menace to our historic Christian civilization.” The LOS considers itself to be currently engaged in a “[race war](#).”

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In August of 2017, A LOS member was [arrested for misdemeanor violence](#) at a 2017 Auburn University appearance of white nationalist Richard Spencer.

Members of the Florida League of the South were [among those arrested](#) in Charlottesville, several of whom were captured on film [assaulting a woman](#). Convicted [Aryan terrorist Michael Tubbs](#), from the Florida chapter of the League of the South, was also seen with the LOS in Charlottesville.

White supremacists and Neo-Nazis [chanted the famous Nazi slogan "Blood and Soil"](#) throughout the two-day "Unite the Right" rally in Charlottesville.

## **Predecessor to the Mises Institute**

As first revealed in Jane Mayer's *Dark Money*, the Center for Libertarian Studies (CLS) was launched with \$65,000 from Charles Koch. Their inaugural event was a 1976 conference whose papers and presenters would ultimately shape Charles Koch's future political strategy. Many CLS officials and participants would eventually create the Mises Institute, and eventually the League of the South.

According to documents in the Hoover Institution archives at Stanford University, early CLS officials consisted of several (eventual) Mises Institute founders or scholars, including Murray Rothbard, Henry Hazlitt, Joe Stromberg, and Walter Block. Mises founder Lew Rockwell served as longtime Vice President of the Center for Libertarian Studies. The Mises Institute has [described itself](#) as "heir to the Center for Libertarian Studies."

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## Mises Institute to League of the South

The Mises Institute was founded in 1982 by several CLS officials noted above.

The League of the South (LOS), a violent “southern nationalist” hate group, was founded in 1994 by at least ten Mises Institute scholars, at least three of which were CLS officials, including Mises Institute founder [Lew Rockwell](#).

Rockwell was an advocate for [police brutality](#), a ghostwriter of Ron Paul’s [racist newsletters](#), and a publisher of openly racist [newsletters](#) with CLS/Mises Institute co-founder Murray Rothbard. Archived versions of the LOS website show that Murray Rothbard is listed as a [charter member of the League of the South](#), just one year before he died.

The LOS eventually founded the League of the South Institute for “the Study of Southern Culture and History.” It was [described](#) as the “educational arm of the Southern independence movement.” The Mises Institute’s Donald Livingston was its first director.

Other current Mises Institute “affiliate scholars” that were LOS Institute “faculty” include: Thomas DiLorenzo, Marshall DeRosa, Jeffrey Tucker, Thomas Woods, Clyde Wilson, and (CLS official) Joseph Stromberg.

Jane Mayer’s documentation of the founding of CLS includes quotes from an unpublished history of Charles Koch by historian Clayton Coppin, whose original text shows that Joseph Stromberg presented alongside Charles Koch at the 1976 CLS conference, presenting a paper on maintaining a radical hardline ideology rather than a gradualist, or

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“Fabian,” strategy. Koch would ultimately fund both the hardline (Rothbard) and gradualist (Hayek) strategies, incorporating the same diversified tactics employed throughout his operation of Koch Industries.

## **The Abbeville Institute**

In 2000, the SPLC declared the LOS to be a hate group.

In 2002, Donald Livingston founded a spin-off the [Abbeville Institute](#), named for the birthplace of John Calhoun, seventh vice president of the United States and fierce advocate of slavery. Their mission cites how rarely it is possible “even on southern campuses” to “acknowledge the achievements of the white people of the South.”

In 2009, Donald Livingston told the Chronicle of Higher Education that:

The League of the South is not racist but that he left it almost a decade ago because it was "avowedly secessionist," while he was more interested in understanding and explaining secession. He emphasizes that Abbeville does not advocate policy. ([Chronicle of Higher Ed](#), 2009)

Despite his claim, Livingston can be seen as active faculty on archived versions of the LOS Institute website as late as [2004](#).

The Abbeville Institute was [formed](#) as an “intellectual challenge” to the:

...cultural and political atrocity—an increasingly successful campaign by the media and an academic elite to strip young white southerners, and arguably black southerners as well, of their heritage, and,

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therefore, their identity. To this end, we hold summer schools for college and graduate students as well as conferences for academics at colleges and universities. We also conduct educational conferences for the public.

Livingston and others explained how:

...the Civil War—or as they often refer to it, the War of Northern Aggression or the War to Prevent Southern Independence—was not about slavery (the system was on its way out anyway, they argue) and that the antebellum Southern states had every right to secede. ([Chronicle](#), 2009)

Mises scholars that are currently [active with the Abbeville Institute](#) include: Donald Livingston, [Thomas DiLorenzo](#), Joseph Stromberg, [Marshall DeRosa](#), [Paul Gottfried](#), and [Clyde Wilson](#), who has celebrated and published several volumes of John Calhoun’s collected writings.

Murray Rothbard, co-founder of the Cato Institute, Mises Institute, and LOS, praised John Calhoun, calling him “one of America’s most brilliant political theorists,” and quoted him at length in his 1978 book, *For a New Liberty*:

...the inherent tendency of a State to break through the limits of its written Constitution . . . it is a great mistake to suppose that the mere insertion of provisions to restrict and limit the powers of the government . . . will be sufficient to prevent the major and dominant party from abusing its powers. ([FEE.org](#))

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As recently as 2000 Cato's Vice President, Gene Healy, [defended Rothbard's](#) Calhoun worship:

Fragmentation of political power, even—perhaps especially—when such power is invoked in the service of our natural rights, is a surer guarantor of liberty than the goodwill of federal legislators and judges. I'd have thought that this was a respectable position for a libertarian to take. (FEE.com, 2000)



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## CHAPTER FOUR: THE KOCH NETWORK'S ANTI-CIVIL RIGHTS CRUSADE

While Charles Koch was a member, the John Birch Society (JBS) fiercely opposed the integration of public schools. In 1961, the year Charles Koch joined JBS, the organization's top priority was the impeachment of Supreme Court Justice Earl Warren. In the JBS' "Grounds for Impeachment" document, the *Brown v. Board of Education* case was listed as a top concern. JBS and others advocated resistance to *Brown v. Board* through "legal maneuvers to block its impact," including the use of "segregation academies," now known as charter schools.

Other free market economists who supported these efforts included Milton Friedman and James Buchanan. Buchanan provided an intellectual framework for the school vouchers, or "tuition grants," to prevent desegregation and promote a "system of privately operated schools," including for-profit schools. Buchanan described ethical problems with the "involuntary integration" of schools, calling it "coercive." Charles Koch supported Buchanan and his research for decades at George Mason University.

Decades later, the segregationist roots of charter schools have been largely forgotten, and an industry around for-profit schools has grown, allowing public funding to go to private, often for-profit, schools that perpetuate segregation. Donors in Koch's network are bankrolling this modern "school choice" movement.

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Organizations like EdChoice and the Alliance for School Choice have been top sponsors of the American Legislative Exchange Council, and led state and national efforts to privatize education. In recent years, key organizations in Charles Koch's political operation, including Americans for Prosperity, the LIBRE Initiative, and the Charles Koch Institute, have launched an aggressive multi-state push for "school choice." We see instances of Koch-funded professors playing roles in this political transformation.

In addition to combatting civil rights protections for schoolchildren, the Koch network has more overtly fought to dismantle affirmative action and legalize racial discrimination in higher education and at the ballot box. This includes funding the Project on Fair Representation and the Center for Individual Rights.

The Project on Fair Representation, run by American Enterprise Institute's Ed Blum, is a legal fund that pushes to dismantle affirmative action in higher education by seeking out cases "that challenges racial and ethnic classifications and preferences in state and federal courts." The Center for Individual Rights, led by two professors at George Mason University, has fought affirmative action and defended discrimination. CIR has used "staged litigation, deceptive public statements, and incitements of racial fears for the purpose of ethnically reengineering college admissions" in a way that "would remove most African Americans from our leading colleges."

The Koch network has also worked to reverse voting rights through many methods, including voter suppression and legal attacks on the Voting

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Rights Act. The Project on Fair Representation brought the 2013 Shelby County v. Holder case before the U.S. Supreme Court, resulting in the gutting of the Voting Rights Act. The Center for Individual Rights filed a similar case.

The proliferation of "Voter ID" laws across the country has overwhelmingly suppressed the votes of minorities, youth, and the elderly. These laws were created and spread by the American Legislative Exchange Council. Americans for Prosperity has engaged in other forms of voter suppression, including "voter caging" where organizations directly challenge the eligibility of voters. An AFP affiliated group called True the Vote took this strategy nationwide in 2012.

The Koch network's anti-civil rights efforts can also be seen in their funding and advocacy for programs that have expanded the prison-industrial complex.

As popularized in Michelle Alexander's *The New Jim Crow*, the institution of slavery in the U.S. has evolved into the "prison industrial complex." While this process took place over a long period of time, across many institutions, the problem as we now know it can be largely attributed to Koch network operatives and organizations like ALEC, which have received long-term financial support from private prisons and allowed the corrections industry to guide policy language through various task forces.

During the 1990s, ALEC was not only the source of legislation that allowed for-profit prisons to boom, but it proliferated the draconian "tough on crime" legislation that filled those prisons. This included the

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Minimum-Mandatory Sentencing Act, Truth in Sentencing Act, “Three-Strikes-You’re-Out” laws, and bills allowing juveniles to be charged as adults.

A leaked ALEC conference document shows the NRA and private prisons driving the national “tough on crime” narrative, with the help of many Koch network operatives who are now active in Koch's Right on Crime criminal justice initiative. Charles and David Koch were in attendance.

ALEC pioneered legislation that expanded prison labor, including the “Prison Industries Act.” Academics funded by Bill and Charles Koch made clear contributions to the expansion of prison labor in several states. This included work with a short-lived prison labor think tank called the Enterprise Prison Institute, led by the Mercatus Institute's Edwin Meese III.

The nation’s largest for-profit prisons diversified into the post-incarceration sector, or “reentry” sector. This includes providing contracted services for parole, electronic monitoring, mental health treatment, substance abuse treatment, and any other pre/post-release service that can be contracted to private entities. Many of these entities have been sued for violations of civil rights through a system of a “judicially sanctioned extortion racket[s]” in several states, yet they continue to receive local and state contracts. Many of these contractors have direct ties to ALEC.

These “reentry” reforms are being championed by a Koch-funded front group, Right on Crime (ROC), whose parent organization (the Texas Public

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Policy Foundation) has received funding from private prison GEO Group as well as Koch Industries.

Officials from the Charles Koch Institute and ALEC have described how ROC's agenda is being crafted by ALEC and SPN. These reforms look to exploit state and federal programs which open contracts to private providers based on project cost savings. Among the organizations involved, a clear pattern of flawed methodology, involving multiple kinds of "selection bias," has been used to inflate cost savings. These organizations and programs include Prison Fellowship, Ready4Work, Operation New Hope, and the Prison Entrepreneurship Project, the last two of which have branched into for-profit labor organizations.

In addition to privatizing corrections, we can also see a clear pattern of advocacy among Koch's academics for the privatization of the police. Several Koch funded academics, including Bruce Benson (Florida State University) and Edward Stringham (Trinity University) have advocated for the privatization of policing, and a recent Koch foundation grant to Doug Noonan (Indiana University) sought to "demonstrate the unsustainability of local public safety financing."

Former leader of the private militia Blackwater, Erik Prince, was a panelist alongside Koch-funded professors to discuss private police at the 2016 conference of the Mont Pelerin Society. He joined GMU professor and Mises Institute contributor Christopher Coyne on that panel.

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The Charles Koch Foundation recently funded a study by the Police Foundation, which advocated for increased foot-patrol policing in communities with “strained relations” with police. Despite the hype and significance attributed in the press, forty-one pages into the report, it admits a number of selection biases and inadequacies that cast considerable doubt on the findings.

It has been documented that Right on Crime's original purpose was to promote legislation that would make it nearly impossible to convict white collar criminals, like Koch Industries, and many others in their donor network.

## **Opposition to Brown v. Board of Education**

A pivotal Supreme Court case, *Brown v. Board*, declared that the segregation of public schools was unconstitutional. It was argued and won by a young Thurgood Marshall. Given that Koch’s family has spent decades opposing this ruling and privatizing schools, there is a special irony lent to Koch's donations with the Thurgood Marshall College Fund to promote school "choice." (See [Ch 4 P2](#))

Charles Koch joined the John Birch Society in 1961. According to a profile in *Time Magazine* that year, their top priority was the impeachment of Supreme Court Justice Earl Warren (*The Americanists*, *Time* Mar. 10, 1961).



JBS sponsored "Impeach Warren" billboards across Kansas, and elsewhere, clarifying in print that the Brown v. Board (a case originating in Kansas) ruling was foremost among the "Grounds For Impeachment":

As obviously we cannot give any extensive survey of [Warren's] misconduct, we shall have to touch on just two or three of the most flagrant examples. And one, of course, is the infamous decision of May 17, 1954, in the case of Brown vs. Board of Education, which set off the storm over integration...And this decision was, we believe, the most brazen and flagrant usurpation of power that has been seen, in any major court in the whole Anglo-American system of

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jurisprudence, in three hundred years. (JBS Bulletin, pg 15-16, January 1, 1961)

More broadly, the John Birch Society spread segregationist literature through its national network of American Opinion bookshops, like the one run by Charles Koch in Wichita. These bookstores spread the work of segregationist authors including **Rosalie Gordon, James Kilpatrick, and Dan Smoot.**

In 1961– the year Charles Koch joined– JBS distributed Robert Welch’s “Letter to the South on Segregation,” which claimed that the “easy-going colored man” of the South was being “misled by agitators.” Welch advocated resistance to the Brown v. Board decision, including “legal maneuvers to block its impact” and “state contributions to private schools” whereby white families could resist integration through “segregation academies,” now known as charter schools ([Welch](#), pg 4-9).

These voucher programs became the crux of a legal strategy known as “Freedom of Choice” that was used by southern states that were resisting desegregation.

Free-market economist (and Koch network icon) Milton Friedman. Friedman, as early as 1955 in [The Role of Government in Education](#), wrote of his unwavering support for school choice despite its use to resist desegregation:

The relevant test of the belief in individual freedom is the willingness to oppose state intervention even when it is designed to prevent individual activity of a kind one thoroughly dislikes. I deplore



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segregation and racial prejudice; pursuant to the principles set forth at the outset of the paper, it is clearly an appropriate function of the state to prevent the use of violence and physical coercion by one group on another; equally clearly, it is not an appropriate function of the state to try to force individuals to act in accordance with my--or anyone else's--views, whether about racial prejudice or the party to vote for, so long as the action of any one individual affects mostly himself. These are the grounds on which I oppose the proposed Fair Employment Practices Commissions; and they lead me equally to oppose forced nonsegregation. (Friedman, 1955)

Longtime Koch funded economist, James Buchanan, was instrumental in making the case for the public being able to be “free to choose” school vouchers, or “tuition grants,” while at the University of Virginia. In a 1959 paper, Buchanan proposes a “system of privately operated schools,” including for-profit schools, and discusses the ethical problems with the “involuntary integration” of schools, calling it “coercive” (Buchanan, 1959). Buchanan would later develop these ideas into broader economic theory propagated by Koch’s academic network, known as “public choice theory” (Fleury and Marciano, 2016).

In **1964**, the Supreme Court’s [Green v. New Kent County School Board](#) ruled that voluntary implementations of Brown v. Board, or “Freedom of Choice,” actually protected segregation and violated the equal protection clause.

## **Reversing Brown v. Board of Education**

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## School Choice

Decades later, the segregationist roots of the charter school strategy have been largely forgotten, and an industry has risen up around for-profit schools. The “school choice” movement continues to divert public funding to private, often for-profit, schools that perpetuate segregation.

In 2016, and again in 2017, the National Association for the Advancement of Colored People (NAACP) has called for “a moratorium on charter school expansion and for the strengthening of oversight in governance and practice” until such time as “charter schools cease to perpetuate de facto segregation of the highest performing children.”

Their [2017 report](#) cites that:

With the expansion of charter schools and their concentration in low-income communities, concerns have been raised within the African American community about the quality, accessibility and accountability of some charters, as well as their broader effects on the funding and management of school districts that serve most students of color. . . [C]harters are more racially and economically segregated than public schools generally.

Donors in Koch’s network, including the Bradley Foundation and the DeVos family, have been among the [largest bank-rollers of the charter school movement](#) in past decades, including the DeVos’s Alliance for School Choice.

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Another aggressive leader of the U.S. "school choice" movement has been the Friedman Foundation for Educational Choice, now called EdChoice, which was named for the free-market charter school advocate, Milton Friedman.

As of 2016, both organizations were [top sponsors of the American Legislative Exchange Council](#) (ALEC) who has been instrumental in the privatization of education across the country by promoting [model legislation](#) for school choice, including voucher programs. EdChoice is an [associate member](#) of the State Policy Network (SPN), a national collection of political think tanks funded by Koch's network of political donors.

In 2018, the Koch network is coming out in full force on school privatization. At Charles Koch's most "Seminar Network" donor summit, Arizona Governor Doug Ducey [thanked](#) Koch and other attending donors for helping him pass private school vouchers in the AZ legislature, saying "I needed the power of the network."

EdChoice fellow, [Matthew Ladner](#), is a Charles Koch Institute Senior Research Fellow, and co-authors ALEC's "Report Card on American Education" which ranks K-12 "Performance, Progress, and Reform." Ladner worked with ALEC's Education Task Force and was previously the director of state projects at the Alliance for School Choice.

A [2018](#) event between the Charles Koch Institute, EdChoice, and the Reason foundation was entitled: "The Case for School Choice in 2018: Tackling the Most Persistent Arguments Against School Choice and Why They are Wrong." It featured the Koch institute's Matthew Ladner.

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So far, just in 2017, the Charles Koch Institute directly pushed for school vouchers in [Texas](#), while Koch backed groups Americans for Prosperity and [LIBRE initiative](#) have been pushing charter schools in [several states](#), with the intent to “change people’s opinion over the longer term” on charter schools.

In Kentucky, Koch’s academic programming dovetails perfectly with their political efforts in the state, including the recent opening of legal pathways for charter schools.

Koch’s academic centers at the University of Kentucky is run by John [Garen](#), who has produced pro-charter school research, and is a [policy scholar](#) at the Bluegrass Institute for Public Policy.

The Bluegrass Institute is the primary Kentucky-based affiliate of the State Policy Network, a tight consortium of free market think tanks funded by the Koch network. The Bluegrass Institute’s “[top issue](#)” was to “[lead education reform](#),” noting that it “supports proven school-choice policies.”

Kentucky’s Governor Matt Bevin, an attendee of Koch’s secretive donor summits, ran on a [pro-charter school](#) platform, winning with the [support](#) of Americans for Prosperity. Within a week of [Kentucky lawmakers](#) passing and signing laws that allow charter schools, a [school choice event](#) was put on at the University of Kentucky’s Koch-funded academic center.

## **Re-Segregation of Schools**

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Outside of school choice, we can see Koch's efforts to re-segregate a school system in Wake County, North Carolina.

In 2009, the Koch-founded and funded organization Americans for Prosperity backed the election of four school board candidates through an organization called WakeCares. These four candidates ran on a platform opposing "forced busing"—a phrase that dates back to the pro-segregationist era of George Wallace, claiming that schools should educate only those who lived in the surrounding neighborhood.

The [Institute for Southern Studies'](#) Sue Sturgis was quoted as saying, "They're definitely pushing an agenda to re-segregate these schools, but there's also a real push toward privatization." Though AFP has denied any role, and has deleted several posts on its website, archived pages show AFP [publicly taking credit](#) for their role in:

...the successful effort by the school board of the Wake County School District to eliminate a wasteful and ineffective policy of social engineering that undermined neighborhood schools by forcing parents to send their children to distant schools with different calendars -- at significant cost to taxpayers.

"The North Carolina chapter of Americans for Prosperity -- along with our Wake County members and other key allies -- were pleased to play some small part in this fight," said AFP North Carolina State Director Dallas Woodhouse.

Other [archived pages](#) show less subtle evidence:

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Americans for Prosperity is on record as supporting the parents of WakeCares, through significant financial contributions as well as other support. WakeCares is a great example of the kind of grassroots effort to fight the abuses of government that Americans for Prosperity-North Carolina is dedicated to supporting. (AFP website)

In 2015, Americans for Prosperity took over the Jefferson County School Board in Colorado, pushing a privatization agenda that championed charter schools. A grassroots effort was launched to recall the school board members after [thousands of Jefferson County students held massive walk-outs](#) to protest the corporate alterations to their curriculum.

These efforts would appear to be identical to those of the John Birch Society decades before. According to the Federal Bureau of Investigation:

As early as September 1960, Robert Welch, founder of the John Birch Society, had told members that the way to take over schools was to take over the PTA. He urged members to “join your local PTA at the beginning of the school year, get your conservative friends to do likewise, and go to work to take it over. ([FBI File on JBS](#))

On November 22, 1963, the Florida’s Lakeland Ledger editorialized that Lakeland’s own local PTA was threatened:

In case anybody is inclined to laugh off the threat against the PTA, let it be known that the John Birchers did succeed in capturing the PTA in Eustis, only 75 miles northeast of Lakeland, and in some other places too. At Eustis, the PTA was destroyed, disbanded, and an entirely

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different organization substituted for it. Not surprisingly, the new one has far right political messages ready for any who venture forth to its meetings. ([Campbell](#), 1984)

## **Legalizing Discrimination in Higher Education**

In addition to combating civil rights protections, the Koch network has more overtly fought to dismantle affirmative action and legalize racial discrimination.

While some might argue that these incredibly wealthy white supremacists may be entitled to their own opinions, Koch's network has pushed beyond ideology, using these ideas to manufacture aggressive anti-civil rights political change.

Two of the most aggressive legal opponents have fought to eradicate civil rights protections won during the 1960's are the Project on Fair Representation and the Center for Individual Rights. Both are supported almost entirely by DonorsTrust and Donors Capital Fund.

### **Project on Fair Representation**

Recent [court battles](#) have been carried out by an initiative called the [Project on Fair Representation](#), which is [described](#) as a "not for-profit legal defense foundation that is designed to support litigation that challenges racial and ethnic classifications and preferences in state and federal courts."

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The project is led by Edward Blum, who is not a lawyer but a fellow at the [American Enterprise Institute](#), and white nationalist Charles Murray. The project was founded and is housed within DonorsTrust itself.

Some of Blum's funders have been identified as the Searle Freedom Trust and the Bradley Foundation, both of which co-fund Koch's academic and political programs. Searle CEO Kimberly Dennis described their political victories sought through litigation:

Our biggest victories lately have come in the legal arena . . . There have been numerous Supreme Court decisions that we helped to fund. These produced decisions in policy arenas as diverse as voting rights, environmental regulation, education, and health care. . . Of course these things can all be changed by one heart attack on the Supreme Court . . . But there are also state courts. There's a lot you can do in litigation." (Philanthropy Roundtable, [Agenda Setting](#), 20)

The [Project on Fair Representation](#) was also responsible for the bringing forth the Supreme Court case [Fischer v. University of Texas](#), which would have dismantled affirmative action in universities across the country.

A [Reuters special report](#) revealed how Blum's cases are selected and driven entirely by anonymous Koch network donors:

Working largely on his own, with the financial support of a handful of conservative donors, Blum sought out the plaintiffs in the Fisher and Shelby County cases, persuaded them to file suit, matched them with lawyers, and secured funding to appeal the cases all the way to the high court. Abigail Fisher is the daughter of an old friend of Blum's - a



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man who happened to call when Blum was in the midst of a three-year search for a white college applicant who had been rejected despite solid scores. Blum eventually got Shelby County to file suit after trolling government websites and cold-calling a county official.

Blum introduced Fisher's father and Shelby County officials to the same high-priced but politically sympathetic Washington lawyers, who agreed to work for a cut rate to be billed to Blum's backers. Neither Fisher nor Shelby County is paying to fight the cases that bear their names.

Over the past 20 years, Blum has similarly launched at least a dozen lawsuits attacking race-based protections. In addition to the Fisher and Shelby County cases, two other Blum-backed cases reached the Supreme Court ([Reuters](#), 2012).

Blum confirmed a recent \$100,000 donation from the Bradley foundation for the project after he "wrote them a pitch letter regarding the Fisher case and asking for support with costs" ([Reuters](#)).

### **Center for Individual Rights**

The Center for Individual Rights (CIR) is "dedicated to the defense of individual liberties against the increasingly aggressive and unchecked authority of federal and state governments." For CIR, this means fighting affirmative action.

CIR was founded by Michael Greve and is currently [chaired](#) by Jeremy Rabkin. Both are professors at George Mason University School of Law, a

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department that has received millions from the Koch foundation, including \$10 million in [2016](#).

Theodore Cross, the editor of the Journal of Blacks in Higher Education [wrote in 1999](#) about the “African-American Opportunities in Higher Education: Racial Goals of the Center for Individual Rights.” He described how CIR ran a campaign in 1998 to urge white students [whose admission to a university was rejected](#) to sue “even if they had no proof that they were being discriminated against.” He described how CIR:

...has used staged litigation, deceptive public statements, and incitements of racial fears for the purpose of ethnically reengineering college admissions procedures in a way that would remove most African Americans from our leading colleges. The goals of the Center appear to be far less concerned with equal treatment of the races than with guarding the interests of segregationists and protecting the established economic and class advantages that enable whites to maintain their superior access to the leading colleges in the United States. (Full text at the [Institute for the Study of Academic Racism](#))

In the early 1990s, when they helped a white supremacist sue his university, CIR received funding on at least three occasions from the [Pioneer fund](#), an organization dedicated to “research asserting the genetic superiority of whites.”

According to 990 tax forms, CIR has received over \$3,812,300 since 2006 from the Koch network’s anonymous donor-advised funds, DonorsTrust and Donors Capital Fund.

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Other donors have included the [DeVos Family Foundation](#) and \$2,155,000 from the [Lynde and Harry Bradley Foundation](#) since 1990.

In 1997, CIR received funding directly from Charles Koch's now-shuttered family foundation, the Claude R. Lambe Foundation.

## **Dismantling Voting Rights**

One of the things the Koch network is most well known for are their aggressive anti-civil rights efforts. This includes the proliferation of voter-suppression around the United States, which disproportionately affect, and in some states overtly target, communities of color. These efforts have also explicitly targeted civil rights achievements by challenging the Voting Rights Act.

The 2013 [Shelby County v. Holder](#) court case was brought before the Supreme Court by the Project on Fair Representation, which effectively gutted the Voting Rights Act by allowing states to more easily pass legislation that suppresses the vote and disenfranchises voters. Just a year earlier, the court declined to review a similar case, [Nix v. Holder](#), brought by the Center for Individual Rights. As reported in the [American Prospect](#), CIR's strategy is so clearly focused on setting precedents in the Supreme Court that "CIR attorneys asked the courts to rule against their own clients, with the apparent interest of moving the case up to the Supreme Court as quickly as possible."

In addition to judicial strategies, the Koch network has proliferated Voter ID legislation. These laws add additional barriers to voting, some of which

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overwhelmingly suppress the votes of minorities, youth, and the elderly.

This strategy has been carried out with the help of the American Legislative Exchange Council (ALEC), an organization that helps corporations write and push self-interested legislation through a network of corporate-funded legislators.

As of 2018, 34 states have some form of [Voter ID laws](#), with seven states requiring photo IDs (North Carolina's strict photo ID requirement was struck down by the US Supreme Court). Many state voter ID bills were [sponsored by ALEC legislators](#); over half of the 62 photo-ID bills introduced in 37 states in 2011 and 2012 were sponsored by members and allies of ALEC ([Kingpins of Carbon and their War on Democracy](#), Greenpeace, 2014).

Other forms of voter suppression have been carried out by Koch's [Americans for Prosperity](#). In 2010, [AFP engaged in a form of vote suppression known as "vote caging"](#) in Wisconsin, where they sent out mail targeted at minority and student neighborhoods in order to challenge the eligibility of voters whose mail was marked undeliverable. An organization called True the Vote [assisted AFP](#), and by 2012 it was active with similar strategies [in thirty states](#).

## **The Construction and Expansion of the Prison Industrial Complex**

### **"Tough on Crime"**

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The freedoms won by abolitionists and civil rights activists have been undermined every step of the way. As explored recently in Michelle Alexander's *The New Jim Crow*; the "War on Drugs," passage of "Tough on Crime" legislation, and the privatization of corrections have acted as a lucrative replacement for the Jim Crow laws. Instead of being removed, the institution of slavery has evolved into the modern "prison industrial complex," fueled by the "school to prison pipeline."

These modern initiatives have been advanced by organizations funded by the Koch network and the private corrections industry, in particular, the American Legislative Exchange Council (ALEC).

As noted by the Center for Media and Democracy, the private corrections contractor [Corrections Corporation of America](#) (now CoreCivic) led ALEC's [Public Safety and Elections Task Force](#) as recently as [April 2011](#). This task force developed and proliferated bills that privatized corrections, like [the 1995 Private Correctional Facilities Act](#).

The same ALEC task force developed and proliferated the Tough on Crime laws that filled up these private prisons, including the [Minimum-Mandatory Sentencing Act](#), [Truth in Sentencing Act](#), "three-strikes-you're-out" laws, and [bills allowing juveniles to be charged as adults](#).

ALEC's [1994 annual conference](#), sponsored in part by Corrections Corporation of America and Koch Industries, included a "Campaign School on Crime":

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Controlling crime is the priority concern for voters today. This fall, candidates who campaign on crime, frame the issue effectively, present a credible, tough-on-crime agenda, and debunk the myths and misinformation of their opponents will find an electorate ready to take back the streets from criminals and their apologists.

The 1994 conference program not only lists Koch Industries as a sponsor, but shows that Charles and David Koch were [in attendance personally](#) and both received ALEC's Adam Smith award.

The Kochs political groups continue to fund [tough on crime political ads](#) to this day.

### **The “Koch Crime Institute” and “Superpredators”**

David and Charles Koch were not the only Koch brothers taking an interest in the criminal justice world during 1994. Their brother William “Bill” Koch was the founder and chaired the William I. Koch Commission on Crime Reduction and Prevention, whose mission included understanding the causes of “violent crime by youth,” identifying “crime reduction and prevention strategies,” and increasing “public safety” and efficiency “in the application of resources.”

The body was commissioned by Kansas Governor Joan Finney at the request of Koch, after “he and his son attended a 1993 Fourth of July celebration that witnessed gang violence and two subsequent deaths” ([Bob Hiller](#), 2015).

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On a 1996 Koch Commission panel, Bill Koch expounded on his thoughts regarding the number of juveniles committing violent crimes:

I think now the big problem is that this number is growing astronomically, if not exponentially, through the gangs. I have a hypothesis, and that is that our government, for political motivations, has caused two things: one, the deterioration of the communities, and second is the deterioration of the family. The deterioration of the communities, right after World War II, there was a big push to get low income housing for everybody. Take away the villages and get everybody in a suburbia. And now, the deterioration of the family is primarily the result of welfare ([video](#) at 16:11).

Koch's remarks on the "exponential" growth of violent juveniles mirrored John Dilulio's discredited "juvenile superpredator" theory, which had gained popularity that year.

In fact, a criminologist frequently [cited alongside Dilulio](#) as a leading "superpredator" theorist, Marvin Wolfgang, was a [co-panelist](#) and member of the Koch commission. Wolfgang's 1967 *Subculture of Violence* blamed the "culture" of urban youths for violent crimes, and his 1972 *Delinquency in a Birth Cohort* [laid the groundwork](#) for Dilulio's claims about predatory recidivists.

In 1998, the commission "evolved into a national organization named the Koch Crime Institute" ([KCI website](#), accessed 1999).

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While a 1998 report from the Koch Crime Institute acknowledged a drastically falling crime rate, it continued to propagate the superpredator concept:

There is a large juvenile population on the horizon. The upcoming group of offenders have already demonstrated a disturbing capacity for violence. The coming crime wave reflects more a poverty of values than a poverty of material wealth ([The Falling Crime Rate](#), 1998).

The above passage identically reflects Dilulio's theory that crime is born out of "moral poverty" rather than material poverty, as advanced in his 1996 book *Body Count: Moral Poverty and How to Win America's War Against Crime and Drugs*. Dilulio is directly cited elsewhere in the KCI report.

The Koch Crime Institute website lists among its accomplishments:

Developing the recommendations that became the foundation for the Kansas Juvenile Justice Reform Act of 1996 ([Koch Crime Institute website](#), accessed Jan. 1999).

The 1996 Kansas Juvenile Justice Reform Act creates a legal framework for giving adult sentences to minors:

created a new juvenile offender category known as "extended jurisdiction juvenile prosecution" for juveniles convicted of violent crimes. . . If a juvenile is prosecuted as an EJJ, the juvenile will simultaneously receive both a juvenile and an adult sentence. The juvenile serves the juvenile sentence, but, if s/he violates the condition of juvenile sentence, the juvenile is taken immediately into



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the custody of the Department of Corrections to serve the adult sentence ([Justice Research and Statistics Association](#), 1999).

## **The Economics of Prison Labor and Privatization**

Other bills brought forth by ALEC include the “[Prison Industries Act](#),” allowing the [proliferation of prison labor](#) and the further profiteering by ALEC sponsors from the incarceration boom.

We can also see how Koch’s academics help these model bills become actual law, using privately funded research to support privately funded advocacy groups.

Florida State University economist Bruce Benson’s 1998 book, *To Serve and Protect: Privatization and Community in Criminal Justice*, was the result of nearly a decade of privately funded research on correctional privatization. Published by the free-market think tank, [Independent Institute](#), it explores the:

...outsourcing of government functions such as prisons and corrections, security, and arbitration to full-scale “private justice” initiatives, such as business and community-imposed sanctions, citizen crime prevention, and increased private security and self-defense. ([Independent Institute](#))

According to the book,

Since 1980, at least twenty-five states have passed legislation to authorize contracting out for correctional services, and some have

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begun to consider other options as well. Among these promising developments is the William I. Koch Commission on Crime Reduction and Prevention for the State of Kansas, which in 1994 commissioned a report from me on privatization in criminal justice in order to explore a broad range of privatization alternatives. (pg xx) . . .

The foundation of this book was developed in a report prepared in 1994 for the Koch Commission on Crime Reduction and Prevention for the State of Kansas, entitled "Privatization in Criminal Justice." (pg xxv)

According to [Benson's CV](#), he was contracted \$4,250 to present findings that included "Privatization and the Criminal Justice System" at the 1994 Koch commission. He lists the commission as having been "administered by the Independent Institute."

That following year, the Independent Institute contracted Benson to write a "book and other publications" on "Privatization of Criminal Justice" with \$29,000 from the conservative Carthage and Earhart foundations. Other publications included his 1997 "[Market Alternatives to Crime Control](#)," which advocated for prison labor through the use of "private labor markets."

Missing from Benson's current CV is his position in 1998 as Adjunct Fellow at the Enterprise Prison Institute (EPI), an organization devoted to promoting for-profit prison labor and reported to be financed by "state grants, research centers, and private companies." The Chair of EPI was [Edwin Meese](#), who joined Charles Koch on the board of the Mercatus

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Center. Meese served as President Ronald Reagan's Attorney General, personally overseeing the implementation of harsher sentences for drug offenders.

In *To Serve and Protect*, Benson describes how:

As information spreads about successful programs, both through organized efforts such as the Enterprise Prison Institute and through word of mouth within the business community, misperceptions about the potential benefits of prison labor markets will be corrected. In Florida, the Federation of Independent Business originally opposed the state's prison industry program, but it is clearly reevaluating that position; it even cited "significant recent improvements" within the program. (Benson 1998)

The Enterprise Prisons Institute is cited by the [Florida Senate in 1998](#) on "Attracting Businesses to Come Behind Prison Walls," stating EPI provided "unconventional wisdom" on expanding prison labor through a federal program called Prison Industries Enhancement (PIE):

Why are private businesses not knocking down the Department [of Corrections'] door to operate inside prisons and employ inmates? According to The Enterprise Prison Institute, there is conventional and unconventional wisdom to answer this question. The conventional wisdom consists of: inadequate education of the public, inadequate financial incentives, resistance from prison officials and correctional officers, and inadequate space. The unconventional wisdom, however, tells a more interesting story. It advocates that

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there is: a difference in culture between corrections officials and business entrepreneurs making it difficult for each party to understand what is most important to the other party; a reciprocal lack of trust between government and business; a difficulty in embracing changes on both sides of the PIE equation, a problem with the perceived market risks and political risks for both sides; and that there is a relative insignificance in the cost savings or favorable lease rates offered to PIE participants. ([Report of the FL Senate Criminal Justice Committee](#), 1998)

The Florida Senate report recommended that:

PIE programs should be maximized by encouraging development of industries in local jails, juvenile facilities, and youthful offender facilities in addition to increasing their numbers in adult prisons

Beyond Florida, Benson's publications for the Independent Institute were used to influence policy in other states. Benson's works make up 20% of the references in a 1997 Koch Crime Institute "Privatization Task Force" report, which concluded that:

The many advantages to privatization discussed in this report illustrate that Kansas, as well as other states, has benefitted and could continue to benefit in the future from the privatization of selected correctional services or the management of minimum security facilities. ([KCI Privatization Task Force Report](#), 1998)

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## Expansion of the Prison Industrial Complex

### Expansion into the Reentry Sector

Since being outed by activists and academics, the nation's largest for-profit prisons have diversified into the post-incarceration industry, also known as the "reentry" sector. This includes providing contracted services for parole, electronic monitoring, mental health treatment, substance abuse treatment, and any other post-incarceration services that can be contracted to private entities. Privatization of these services has already shown disastrous consequences, with widespread abuses by private probation services, mental health providers, and other for-profit (and non-profit) reentry contractors.

For example, the private prison giant, Corrections Corporation of America (CCA, now CoreCivic), [claims](#) to have entered the "residential reentry space" in 2013 with the [\\$36 million acquisition](#) of Correctional Alternatives, Inc. In 2014, CCA [announced](#) that "Reentry programs and reducing recidivism are 100 percent aligned with our business model." The company recently [acquired](#) one of the country's largest reentry providers, [Community Education Centers, Inc](#), for \$13.5 million.

Despite his father's notable role in the Civil Rights Movement, Thurgood Marshall Jr. holds a personal financial interest in the prison industrial complex as a member of the [board of directors](#) of Corrections

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Corporation of America. He is also part owner of an apparel company, Genesco, whose CEO [joins him](#) on the board of CCA.

Since 2009, another top private prison, Geo Group, acquired several large reentry providers, including [Just Care Inc.](#) for \$40 million, [Cornell Companies](#) for \$685 million, BI Inc. for \$415 million. As of its 2011 acquisition, BI Inc. was the [sole provider](#) of monitoring and supervision services for U.S. Immigration and Customs Enforcement (ICE), as part of the Department of Homeland Security's "Alternatives to Detention" program. Many of these contractors have histories with abusive treatment and discrimination toward immigrants.

Private parole providers like [Sentinel Offender Services](#), [Providence Community Corrections](#), and [Judicial Correction Services](#) have been sued for violations of civil rights for establishing a system of a “judicially sanctioned extortion racket” in several states, and yet they continue to receive local and state contracts.

### **Right on Crime: Koch, ALEC, and Private Prisons**

CCA, BI Inc., and Koch Industries can all be seen funding ALEC’s “tough on crime” agenda in 1994, and they are all currently behind or benefiting from the current incarnation of “tough on crime,” called Right on Crime. Right on Crime was launched by the Texas Public Policy Foundation with key staff and funding from the Charles Koch Foundation.

In [2012](#), TPPF accidentally released a [tax document](#) that showed a list of their (otherwise undisclosed) corporate donations, showing that they have

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been receiving contributions directly from the private prison GEO Group as well as Koch Industries.

The Charles Koch Institute's Vikrant Reddy, who was involved in the launch of Right on Crime, describes how ALEC was leading the movement with Koch's network of free-market think tanks, the State Policy Network (SPN):

At the end of the day, the academic arguments came second. The first question was, who's making the argument? And they had to see that the argument was being made by strongly trusted conservatives. It was being made by [Texas Public Policy Foundation] and ALEC and SPN, and so far it's been very successful. ([AEI 2016](#))

The Right on Crime movement is made up of many of the same individuals, organizations, and politicians who were responsible for the proliferation of private prisons and building the school to prison pipeline, including Mercatus' Edwin Meese. "Right on Crime" shared a lot of the same people as "tough on crime" as well as nearly identical [talking points](#) (private providers will reduce recidivism, cut costs, and ensure public safety).

A 2016 "[Special Report on Reentry](#)" at the Center for Media and Democracy (by the author of this report) examined the reform initiatives of Right on Crime, in particular, the Koch-funded Project on Accountable Justice, established (not in the School of Criminology) at Florida State University.

The funding and the people involved demonstrate direct and dizzying ties to ALEC, private corrections contractors and their lobbyists. One stand out

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example, and one of the founders of Right on Crime Florida, is Allison DeFoor.

In 1986, as a Monroe County Judge, DeFoor was publicly reprimanded for [judicial misconduct](#) after improperly utilizing his office to proliferate sales of an electronic monitoring device in which he held a financial interest. He was found to have directed contracts to a private parole contractor, PRIDE Inc. (one of Florida's largest [prison labor](#) contractors), which had agreed to use his device.

In 1988, DeFoor was [elected Monroe Co. Sheriff](#) where, in 1990, he [oversaw](#) the privatization of Monroe County Prisons to [Wackenhut](#) (part of which was later included in [GEO Group](#)). In [1991](#), he became Senior VP of Wackenhut Monitoring Systems Inc., which would later spin off to become Sentinel Offender Services. DeFoor was a lobbyist for Sentinel for at least a decade, including [2001](#) and [2011](#), at the same time DeFoor was helping launch "Right on Crime Florida."

Increased electronic monitoring and privatized parole are two things explicitly [advocated](#) for by Right on Crime, in lockstep with [ALEC's Corrections and Reentry working group](#) (initially a project of ALEC's Public Safety and Elections Taskforce mentioned above).

Records requests showed that DeFoor has been active with ALEC, and indicated this to the Koch foundation when seeking funding. An email to the Koch foundation read:



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We will be making a presentation of one of our research projects to ALEC's Justice Performance Task Force . . . Would you be available to meet with us while we are in town? ([Hardin email](#), 2014)

### **Koch's Reentry Contractors Using Flawed Recidivism Research**

In order to gain larger state and federal contracts related to the reentry projects Right on Crime advocates for, Right on Crime contractors have developed reforms propelled by decades of flawed research methodology, exhibiting a clear pattern of selection bias and inflated results.

The 2010 [Justice Reinvestment Initiative](#), is a public-private partnership between the Bureau of Justice Assistance (BJA), Pew Charitable Trusts, the Urban Institute, and others. JRI seeks to restructure departments of corrections toward a free-market performance funding model. BJA director Denise E. O'Donnell describes how JRI used federal funding to restructure state and local funding systems for "the achievement of long-term justice system realignment."

In order to account for the "time lag between policy enactment and realization of savings," JRI can divert public funding to contractors based on "on the basis of projected future savings" ([Urban Institute](#), 2014).

For states, the JRI [model](#) requires all branches of government to formally request assistance from the BJA while creating a working group made up of elected officials, reformers, and corrections and law enforcement officials. These working groups make policy recommendations that allow

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the state to open contractor's access to state and federal "justice reinvestment" funding.

In many states, ALEC and Right on Crime groups are working in tandem with lawmakers specifically to open access to JRI funding. Meanwhile, the state level reforms coming out JRI working groups are based on ALEC's reforms. According to [ALEC](#), a JRI bipartisan working group in Georgia, the Special Council on Criminal Justice Reform:

...has produced a set of policy recommendations which align with ALEC model policies . . . Key elements of the recommendations align with a framework of policy that was the product of a Corrections and Reentry Working Group at ALEC. ([ALEC Press Release](#), 2012)

This working group was originally part of ALEC's Public Safety and Elections Task Force, best known for their adoption of Stand Your Ground and Voter ID laws. Other members of this task force include the American Bail Coalition and private prison Corrections Corporation of America.

Other recent states include Illinois, where the Koch backed Governor, Bruce Rauner, [created](#) the Illinois State Commission on Criminal Justice and Sentencing Reform within the first month of his administration. Rauner attended Koch's secretive [Jan. 2017 donor summit](#).

### **Prison Fellowship Ministries**

In 2016, the Charles Koch Foundation [donated \\$100,000](#) to Prison Fellowship Ministries (PFM).

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Founded in 1976 by Chuck Colson, best known as Richard Nixon's Watergate "hatchet man," PFM's has created a faith-based reentry program that was able to garner millions in state and federal funding before ultimately being declared unconstitutional.

In 1993, Colson received a [\\$1 million infusion](#) from the John Templeton Foundation, at a time when PFM claimed:

programs in 800 federal and state prisons and in 54 other countries. It has a paid staff of 280 and about 50,000 volunteers, offers Bible studies and runs work-release programs, marriage seminars and classes to help prisoners after they get out.

By the time of Colson's death in [2012](#), PFM was one of "the world's largest prison outreach and criminal justice reform organizations in the world," operating "in more than 110 nations."

A key figure behind InnerChange's proliferation was professor and former Bureau of Justice Assistance employee Dr. Byron Johnson, whose research was used to show that PFM's programs reduced recidivism. In particular "inmates who were most active in Bible studies were significantly less likely to be rearrested during the follow-up period."

Rather than independent research funded by a disinterested third party, Johnson's research was funded by Templeton Foundation and Prison Fellowship Ministries.

According to [his CV](#), Johnson was paid \$128,800 by the John Templeton Foundation between 1995 and 1996 to research recidivism in a Prison Fellowship Ministries facility. He was paid \$163,968 by Prison Fellowship

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Ministries in the lead up to the creation of their Texas [public/private partnership](#), the "InnerChange Freedom Initiative." During this time, Johnson gave expert testimony four times to the Texas Board of Criminal Justice.

Between 1995 and 2001 Johnson was paid at least \$911,279 to produce research on InnerChange, \$782,479 directly from Prison Fellowship Ministries. These programs quickly spread to Minnesota, Kansas, Arkansas, Missouri, and Iowa, which Johnson was also paid to study (Johnson's [CV](#)).

In Iowa alone, InnerChange secured at least \$2,217,416 in state appropriations before a 2006 [lawsuit](#) filed by Americans United for the Separation of Church and State demonstrated that publicly funding the overtly religious programs was unconstitutional. (Reformers in states like Florida have since adapted to the constitutionality of "faith-based" reentry by simply calling them "faith and character based" programs.)

### **The Methods of Byron Johnson**

A state document describes Byron's questionable methodology:

Inmates must volunteer for the program and be classified at a minimum-security custody level. Once selected, the inmates go through a three-phase program involving 16 to 18 months of in-prison biblical programming and 6 to 12 months of aftercare while on parole. (Texas [Criminal Justice Policy Council](#), 2002, pg 4) (Emphasis added.)

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This description quite clearly reveals several experimental flaws not acknowledged in the work, including 1) self-selection bias; relying on volunteers rather than random selection, and 2) selection bias; picking who to include rather than using random selection.

In June 2003, Byron Johnson accompanied Chuck Colson to the Bush White House with the findings of his InnerChange report "[A Preliminary Evaluation of a Faith-Based Prison Program.](#)"

The [press release](#), published by Prison Fellowship Ministries, claimed that "Univ. of Pennsylvania Study Shows Inmates Who Graduate From Prison Fellowship's InnerChange Freedom Initiative are Less Likely to Return to Incarceration," and that Texas InnerChange inmates were "50% less likely to be rearrested" and "60% less likely to be re-incarcerated." When UCLA professor Mark Kleiman [examined](#) Johnson's paper, observing that, despite the claims being made, Johnson's findings actually showed no effect of participating in InnerChange.

The headline was based on an artful subtlety within Johnson's paper. Rather than comparing the recidivism of IFI participants with a control group, the recidivism rates being compared were those of a small and selectively chosen subgroup of "IFI graduates." Kleiman observed that:

When you look carefully at the Penn study, it's clear that the program didn't work. The InnerChange participants did somewhat worse than the controls: They were slightly more likely to be rearrested and noticeably more likely (24 percent versus 20 percent) to be reimprisoned. . .

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The technical term for this in statistics is "selection bias"; program managers know it as "creaming." Harvard public policy professor Anne Piehl, who reviewed the study before it was published, calls this instance of it "cooking the books." . .

InnerChange started with 177 volunteer prisoners but only 75 of them "graduated." Graduation involved sticking with the program, not only in prison but after release. No one counted as a graduate, for example, unless he got a job. Naturally, the graduates did better than the control group. Anything that selects out from a group of ex-inmates who hold jobs is going to look like a miracle cure.

Johnson and White House officials declined press inquiries regarding Kleiman's report ([Houston Press](#), 2003). Even conservative legal scholars have caught on to the issue. In 2011 conservative legal scholar Alexander Volokh published a survey of twenty-three similar studies on faith-based recidivism reduction (including Johnson's original 1996 study), noting that they "most studies cannot be taken seriously because they are tainted by the "self-selection problem." He also observes that "it is hard to determine the effect of faith-based prison programs because they are voluntary."

In 2000, Johnson became a senior fellow at the Manhattan Institute, taking over for the project led by John Dilulio, the tough-on-crime fear-monger responsible for the "[juvenile super-predator](#)" theory. In 2001, when Dilulio left to serve as President Bush's Director of Faith-Based and Community Initiatives, Johnson took over as director of Dilulio's Center for Research on Religion and Urban Civil Society (CRRUCS) at the University of Pennsylvania with the help of \$2,600,000 from the Pew Charitable Trust.

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The same year that Johnson and Colson met with President Bush about InnerChange, the White House launched a national faith-based reentry program called [Ready4Work](#), a \$27 million public/private faith-based initiative between the Department of Labor (\$10 million), the Annie E. Casey Foundation, the Ford Foundation, and Public/Private Ventures (P/PV).

During this time (2003-2004), Byron Johnson lists himself as a Senior Research Adviser to Public/Private Ventures on a “Prisoner Reentry and Ready4Work Initiative.” John “superpredator” Dilulio served as a board member and [senior counsel](#) of Public/Private Ventures.

**Ready4Work (R4W)** was a “national demonstration project managed by Public/Private Ventures that aims to reduce recidivism, and, thereby, redress the personal and societal costs that recidivism poses.” The program distributed funding to eleven very different private reentry programs around the country, seven of which were faith based including Texas’s InnerChange facility ([DOL](#), 2008, pg 6).

A [2006](#) third party evaluation of the R4W recidivism data quality reported that the programs relied on reporting that was “almost entirely self-attested,” and that “there was little data in the case files concerning recidivism.” It was ultimately found that sites were unable to account for 51% of their clients’ recidivism statuses.

Another major methodological shortcoming was the total lack of meaningful control groups to compare to. Ready4Work’s [2008 final report](#) compared recidivism with Bureau of Justice Statistics (BJS) data from

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prisoners released in 1994. The report acknowledged that “these figures are not directly comparable,” only that they “provide the best point of comparison under which R4W recidivism levels can be interpreted.” The researchers optimistically conclude “The fact that R4W recidivism rates are not higher than the BJS rate suggests the program shows promise.”

Additionally, R4W recidivism data only counted “in-state” recidivism, while the inclusion of “out-of-state” recidivism in the BJS data accounted for 7.6% of recorded recidivism (pg 6). A final table sums up their results (pg 35) including the comparison of Ready4Work’s 3-year rearrest rates, 57%, to the national number 67.5%.

The results of the R4W final report to the Department of Labor in 2008 (pg 35) appear to have been misquoted almost immediately in federal and state government, and in the media.

A subsequent brief by the White House claimed that “only 2.5 percent of Ready4Work participants have been re-incarcerated in state institutions within 6 months of release,” when in fact, according to the R4W report this was actually the rate re-convicted for violent crime within 6-months. All rearrests within six month was 3.7%.

The White House asserted that R4W one year recidivism rates were “44 percent lower than the 10.4 percent national rate,” when contrary to this claim, the Department of Labor report compares the national rate 10.4% to R4W’s 8.7%, which is 16 percent lower.



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Ready4Work was said to have been modeled in part after a pilot program in Jacksonville Florida called [Operation New Hope](#) (ONH), a project of “[bullish](#)” [real estate developer](#) Kevin Gay.

The Charles Koch Foundation is now funding Operation New Hope, providing \$2,500 in 2016. In ONH, we see a continued pattern of false research claims leading to inflated contracts.

Gay received \$1 million of the initial \$10 million Ready4Work grant for ONH in Florida. With the White House funding ending, ONH sought local and state support. In a slide presented to a City of Jacksonville subcommittee, January 28, 2008, Kevin Gay claimed that Operation New Hope had a “5% recidivism rate v.s. the national average 67%.” ([pg 26](#)), and used that rate to [project](#) drastic savings:

[with] a local recidivism rate of 54 percent, [...] participants could be expected to be re-incarcerated within three years at a cost of \$6,011,550. However, with the ONH program of success at maintaining a five percent re-incarceration rate [...] the program could save the state over \$5,454,925 (\$6,011,550- \$556,625) annually.

Though Gay does not cite his claim of a 5% recidivism rate, if he is referencing the [2008](#) R4W report, he is mistaken. The figure is actually 57%. The number 5% is actually the rate rearrested within six months for violent crimes.

If he is referencing data collected by ONH in Jacksonville, then a single digit figure would most likely be the result of data found to be largely

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missing and “almost entirely self-attested” according to the [2006](#) data quality report.

Since then, according to the [state’s contractor database](#), Jacksonville has contracted at least \$452,148 to ONH for Ready4Work, and since 2012, the Florida Department of Corrections has contracted with ONH for at least \$6,275,000. Florida’s 2015 budget set aside \$1,225,000 recurring for Operation New Hope to perform Ready4Work services.

ONH has since transformed into a project that reflect’s Kevin Gay’s first passion, [real estate development](#), where prison/reentry workers build houses that ONH then sells.

### **The Prison Entrepreneurship Program**

The Koch network is signaling pretty heavily about which reentry programs they are excited about. In 2015, the Koch Institute released a short documentary about the Prison Entrepreneurship Program (PEP) “helps ex-offenders create their own businesses, shows how community and non-profit organizations are sometimes best positioned to offer these solutions ([CKI Youtube](#), 2015).

In a 2016 [Charles Koch Institute blog](#), two reentry providers are lauded by name; Operation New Hope and the Prison Entrepreneurship Program:

Operation New Hope’s Ready4Work program in Florida provides a four-to-six-week-long course to those recently released from incarceration that offers mentorship and provides job training while helping program participants find placement . . . the Prison

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Entrepreneurship Program's recidivism rate is a startlingly low 7 percent. ([Charles Koch Institute blog](#), 2016)

The Koch video and [PEP's website](#) both cite a single [2015 report](#), written by none other than Byron Johnson, praising the shockingly low recidivism rates of PEP graduates.

Johnson's study describes the selection methodology behind PEP's program (which is housed inside a Geo Group prison):

It is a selective program and, with the support of the Texas Department of Criminal Justice, recruits from over 60 men's correctional facilities across the state. Candidates passing through PEP's initial screening are transferred by TDCJ at PEP's request to the Cleveland Correctional Center, a 520-bed prison operated by Geo Group, in Cleveland, Texas, where PEP provides all of its in-prison programming. In addition, PEP provides extensive post-release services (including job development, transitional housing, and continuing education) in Houston and Dallas, communities to which approximately 90% of PEP's graduates are released. ([PEP Baylor Study](#))

According to [Baylor University](#) (who provides PEP graduates a "Certificate in Entrepreneurship"), "more than 5,000 inmates apply [annually] to be a part of PEP - but only the top 5 percent are selected for this elite program."

CEO Bert Smith describes the course load:

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Our graduates invest over 1,000 hours of work into our six-month Business Plan Competition class, which incorporates a college-level curriculum supplemented by Harvard MBA cases, the AP Writing Stylebook, Toastmasters, an employment workshop and a financial literacy course ([Baylor Press Release](#), 2013)

In an interview with the Acton Institute, the issue of using PEP "graduates" as the experimental group becomes a bit more clear. The interviewer asks a:

...40-year-old inmate from South Texas about the ones that drop out, a topic I haven't seen addressed in any of the media coverage or PEP testimonials. "A lot of people do leave the program," he confides. "They simply can't handle the homework, and there is a lot of after hours work and preparation they are not willing to embrace." The business plan competition requires 1,000 hours of classroom time over six months. That works out to several hours of homework per night. Inmates study college textbooks and read novels like *Crime and Punishment* by Fyodor Dostoyevsky. ([Religion & Liberty](#), 2015) (Emphasis added)

PEP's [2016 annual report](#) shows some completion rates are as low as 53%.

We can now see the stack of experimental biases responsible for PEP's "startlingly low 7 percent" recidivism rate: self-selection bias from starting with only volunteers, a selection-bias from then picking the most likely to succeed from the applicants, and then a "creaming" bias from keeping

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only program graduates as comparison data, while leaving out data from inmates that do not finish the program.

Despite the demonstrable selection bias explained in Johnson's own paper, his Executive Summary is strangely defensive when misidentifying an appropriate comparison group:

Control Group Study: No Selection Bias

PEP's graduates are significantly less likely to return to prison than the control group of inmates who were selected for PEP but who did not participate in its programs. This confirms the positive impact of PEP's intervention rather than the influence of its selection process.

([PEP Baylor Exec. Summary](#))

[Johnson's study](#) makes no further mention of the selection or “bias,” and instead states confidently that the Return on Investment from state dollars is 340% after five years.

In order to project the massive return, Johnson appears to go to extreme lengths to add other factors to the questionable 7% recidivism rate, including a cornucopia of economic impacts, gains, and savings that included:

Gains associated with increased tax revenue generation. . . economic gains from increased child support payments. . . [and] savings from reduced public assistance costs. Based on PEP graduates' employment rates, the estimated number of PEP graduates on public assistance, and studies that quantify the average annual benefits individuals receive from food stamps and TANF, we estimate the

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annual savings that avoided recidivism has on public assistance costs.  
([PEP Baylor Study](#), pg 30)

Another alarming aspect of PEP is the development of its for profit subsidiary, Communitas Ventures, owned by PEP's board chair Mike Humphrey. In 2013, [Communitas Auto Group LLC](#) was launched as "an independent, for-profit company formed by PEP to become the exclusive master franchisee for Auto-Lab Complete Car Centers for the State of Texas."

The announcement describes how:

PEP's strategic objectives include harnessing capitalism to create high quality business and career opportunities for its graduates, a wider variety of engagement opportunities for our supporters and sources of sustainable revenue to support PEP's core programs. . . While qualified graduates of PEP's rigorous, values-based entrepreneurship program will be eligible for jobs created by these new stores, the primary purpose of CAG is to operate as a successful commercial business, thereby providing not only quality opportunities for graduates, but significant revenue stream to its owners, including PEP. ([PEP CAG FAQ](#))

Other for-profits are lining up behind PEP. The corrections communications contractor, [SECURUS](#), announced at 5 year funding commitment and "exclusive agreement" to expand PEP's reentry programs. Securus' exploitative practices have built massive profits on the backs of inmates and their families, as documented by the [Prison Policy Initiative in 2015](#).

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## Safe Streets & Second Chances

At Florida State University, the Charles Koch Foundation has already invested in a project led by the political operatives with [overt ties](#) to corrections contractors, lobbyists, ALEC, and SPN. The FSU Project for Accountable Justice [championed](#) Florida's recent "data-driven" criminal justice reforms.

In 2018, Koch [pledged](#) another \$1 million to FSU to hire an out-of-state professor, Carrie Pettus-Davis, to create the Institute for Justice Research and Development.

Rather than being an independent center, it will be part of a larger \$4 million initiative, called Safe Streets & Second Chances, designed to leverage Koch's research into policy change. It [describes](#) itself as "an innovative and revolutionary initiative that combines academic research, policy reform, and evidence-driven programming."

Professor Pettus-Davis was part of a similar project at Washington University, where academic researchers partnered with reentry providers, but she abandoned the project abruptly in [2017](#) with no explanation, much to the shock of the public and partners. She was [hired](#) at FSU with funding from the Charles Koch Foundation approximately one year later.

Safe Streets & Second Chances "[leadership](#)" page lists nine people, three from Koch Industries, two from the (Koch-funded) Texas Public Policy Foundation/Right on Crime, and two from academic programs funded by the Charles Koch Foundation (Carrie Pettus-Davis and Johnny Taylor Jr.).

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The remaining leaders include a member of Charles Koch's donor network, [Doug Deason](#), as well as televangelist and President Trump's "evangelical adviser," Paula White.

A Texas organization, Unlocking DOORS (UD), has been noted as an early collaborator with Safe Streets & Second Chances. It is not a reentry provider, but a "Reentry Brokerage™" firm with "Data and Predictive Trends."

A description of Unlocking DOORS' trademarked "Reentry Brokerage" shows how they play the role of a private middleman, selecting reentry contractors as it sees fit, for inmates it chooses:

First, Unlocking DOORS™ seeks out ex-offenders who want to move forward and start a fresh life. A client then meets with one of our Reentry Brokers™, who gives them a detailed assessment to determine their specific needs in terms of housing, education, training, and health -- including challenges in mental health and/or alcohol and drug addiction. Then our Reentry Broker™ works closely with the client and develops an individual plan that will connect them with the right agencies and providers"

The list of [providers](#) on UD's website includes [GEO Reentry Services](#) (the reentry branch of the private prison GEO Group), the Prison Entrepreneurship Project, and the Prison Fellowship Ministries, which received [\\$100,000](#) from the Charles Koch Foundation in 2016.



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Unlocking DOORS itself received \$30,000 in 2016 from the Charles Koch Foundation.

Rather than relying on an independent, third-party evaluation, the Charles Koch Foundation is funding various parts of the operation; both the contractor and the evaluator.

Unlocking DOORS' vague description of potential methods for "cost savings analysis" suggests the same questionable projections seen in other contractors above. They conclude by loosely reckoning; "it reasons that we can save millions of taxpayer dollars annually."

The program "seeks to reduce recidivism rates among the clients served...when compared to a similar cohort group of previously incarcerated people who have not utilized the Unlocking DOORS program." The program's mission to "seek out ex-offenders" introduces a selection bias into their methodology that cannot be meaningfully controlled. Similarly flawed methodology can be found in PFM and PEP.

It should come as no surprise that Unlocking Doors has already been promoted and funded by the Charles Koch Institute (2017). Jerry Madden serves as UD's Secretary and on its Board of Directors (2017). Madden is a senior fellow at Right on Crime, and a key figure within the American Legislative Exchange Council, serving on ALEC task forces that promoted Voter ID laws and the Stand Your Ground bill.

In 2006, Madden and UD's CEO, Christina Melton Crain, were caught indulging in a loophole in Texas law that allows legislators and some state officials to use unpaid prison labor for personal benefit. In particular,

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Texas Correctional Industries is “a division of the state prison system that manufactures, among other things, furniture, signs and clothing” for state agencies.

At the time, Madden was a Texas House Representative and Crain chaired the Texas Board of Criminal Justice. Crain placed several orders of prison made goods for her husband Nate Crain, a Republican party official, who paid with party money. It was:

...reported in campaign records that he bought items as gifts for his volunteers and a Republican women's group.

Board Chairman Christina Melton Crain said it was acceptable for her to order the items for her husband. "I am allowed to order them and, as my spouse, he is allowed to pay for them," Ms. Crain said. Mr. Crain said he didn't know whether the gifts, which included pillows and duffel bags, were more or less expensive than they would be at a retail store. ([Dallas News](#), 2006)

Nate Crain is also on the [advisory council](#) of Unlocking Doors.

## **Privatizing the Police**

In light of 2016 violence between police and protesters, the modern-day John Birch Society has [argued for the privatization of police](#). While this might seem like the musings of fringe free-market fundamentalists, JBS

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cites the research of Koch funded Mises scholar, Bruce Benson, an economist from Florida State University. JBS cites Benson's 1998 book published by the free-market think tank, [Independent Institute](#), entitled *To Serve and Protect: Privatization and Community in Criminal Justice*, which explores:

...outsourcing of government functions such as prisons and corrections, security, and arbitration to full-scale "private justice" initiatives, such as business and community-imposed sanctions, citizen crime prevention, and increased private security and self-defense. ([Independent Institute](#))

When Benson was [awarded](#) the 2007 Lifetime Achievement Award from the Libertarian Alliance, his presentation was [entitled](#) "Private Law Enforcement: Libertarian Ideas on the Future of Justice."

Benson has received millions of dollars from the Koch foundation, and has been president of their core academic association, the Association of Private Enterprise Education (APEE). He is the recipient of APEE's highest honor, the [Adam Smith award](#). Several of his books (including *To Serve and Protect*) are on APEE's [recommended reading](#) list.

In the 2011 reprint of Bruce Benson's (1990) book on prison privatization, "The Enterprise of Law: Justice Without the State," he acknowledges Koch's Institute for Humane Studies and the Mises Institute in:

...their efforts to keep *The Enterprise of Law* alive and circulating. The book never was heavily advertised, but recognition and readership have grown fairly steadily for years, largely through word of mouth.

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Leonard Liggio has always been one of my strongest supporters and an advocate for the book, even using it in [George Mason University] law school classes. Moreover, the Institute for Humane Studies has done more over the years to advertise and distribute the book than any other organization. They gave copies of the book to hundreds of students going through their summer programs, and information about the book spread from there. More recently, the Ludwig von Mises Institute has been a primary market source for the book. They purchased a large number of copies from the last printing done by the Pacific Research Institute and have been advertising it and offering it for sale at a very reasonable price on their web page since then. (Acknowledgement Update, *Enterprise of Law*, 2011)

Yet another police privatization project funded by the Koch foundation can be seen in 2016 at the University of Indiana. With \$112,100 from the Charles Koch Foundation, Dr. Doug Noonan examined the “[True Cost of Public Safety](#).”

According to grant documentation, the work appears to promise predetermined conclusions about the costliness of public policing, along with the creation of a “cost index” of public safety (not unlike other Koch-funded “indexes”):

Our work will demonstrate the unsustainability of local public safety financing. . . Conventional public policy here is replete with outmoded models of staffing and funding public safety — ill-equipped for efficient or effective operation in today's world. . .

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A "cost index" of public safety for local governments could attract a great deal of attention and catalyze policy change - whether it's reforming the funding system or reevaluating local policies. Our research team will produce two policy briefs and two op-eds in support of the national forum and derived from the research. ([Noonan/CKF proposal](#))

Other Koch scholars have published recent works advocating police privatization, including a 2015 book called "Private Governance," written by past APEE president, Mises Scholar, and Trinity College professor, Ed Stringham.

Stringham, in a [2017 Mises Institute interview](#), discussed incentives in the criminal justice system in light of the murder of Philando Castile, suggesting that privatizing the police might be the answer, since:

markets don't allow the customer to be mistreated, where a coercive government monopoly does. ([Video at 4:00](#))

Then, discussing Disney's private security force, Stringham:

Just like a club, like Ebay is maximizing the well-being of the buyers and the sellers , a club like Disney is maximizing the well-being of people in that park. You go there to have a good time, and you don't want to be beat up. . . You don't see police brutality at Disney, you don't see shootings at Disney. You know why? Because of consumer demand. They care about the customer, unlike government officials

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who are not paid by how well they treat the customer. Market providers of security do get paid by that. ([Video at 11:00](#))

This is characteristic of the anecdotal arguments offered by Austrian economists. In fact, several court cases have ruled Disney's security forces are not accountable to the public because they are private. In 1977 [United States v. Francoeur](#), a judge ruled that citizens are not protected from illegal search and seizure committed by Disney's private police, including activities "which, if carried on by either state or federal officials, would have amounted to a violation of their Fourth Amendment rights."

In 1997 [Sipkema v. Reedy Creek Improvement District](#), after a high speed chase conducted by Disney police led to an accident killing Rob Sipkema, Sipkema's parents sued to obtain copies of security manuals, traffic citations, and accident reports from employees of Walt Disney World Company. A judge ultimately ruled that Disney was exempt from Florida Public Records laws because the Disney police were:

not created for the purpose of providing law enforcement services for the inhabitants of the district, [and] its enabling act does not authorize it to perform that function. Reedy Creek is neither a county nor a city nor a substitute therefor. . . . As the trial judge found, Disney issues only Mickey Mouse traffic citations. Such citations are issued only to Disney employees, in order to encourage them to obey the speed limits and to otherwise drive safely on Disney property. ([Sipkema v. Reedy Creek Impr. Dist.](#))

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Disney has also been criticized for its relationship with a militarized and murderous Anaheim police force. Documents obtained by journalist Jeremy Scahill show [Disney's contracting with the private mercenary firm Blackwater](#), founded by Betsy DeVos's brother, Erik Prince.

Though his known Disney contract was for intelligence and not for policing (phew!), we do see clear reason to believe that Prince is interested in privatized domestic security, once again, involving Koch-funded professors affiliated with APEE, George Mason University, and the Mises Institute.

## **Blackwater and Beyond**

Erik Prince and his private mercenary army, Blackwater, were profiled in [Time Magazine](#), and the atrocities committed against the Iraqi people while contracted by the U.S. Military"

"Based on information provided to me by former colleagues, it appears that Mr. Prince and his employees murdered, or had murdered, one or more persons who have provided information, or who were planning to provide information, to the federal authorities about the ongoing criminal conduct." — Testimony of John Doe #2, entered into federal court in Virginia on Aug. 3.

"Mr. Prince intentionally deployed to Iraq certain men who shared his vision of Christian supremacy, knowing and wanting these men to take every available opportunity to murder Iraqis. Many of these men

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used call signs based on the Knights of the Templar, the warriors who fought the Crusades." — Testimony of John Doe #2, entered into federal court in Virginia on Aug. 3.

The Mont Pelerin Society is an international organization of highly politicized free-market academics. High profile members have included Ludwig von Mises, Freidrich Hayek, Milton Friedman, and Charles Koch (a member [since 1970](#)).

At the [2016 conference of the Mont Pelerin Society](#), "Battle for Freedom," Erik Prince was a panelist alongside Koch-funded professors to discuss private police.

Prince presented on a panel called "The Security of the Free Society":

The unhindered movement of money, goods and people are essential aspects of economic freedom. But these same freedoms can be used for violent purposes by national or international aggressors. Speakers will address the threats of over-protection and under-protection of private property and personal freedoms.

Prince also sat in on a following break out discussion on the topic, meant to:

explore how the principles explored in the [previous] papers might be applied in practice to current challenges to the free society, from ISIS to the War on Drugs.



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Prince joined APEE executive committee member, George Mason University professor, and Mises Institute contributor Christopher Coyne on the panel. Coyne's research includes studying the economics of war, including how:

Specialists in state-produced social control are able to suggest and implement new techniques and organizational forms of state social control on the domestic population based on their experiences of doing the same to distant populations. ([Perfecting Tyranny](#), Independent Review 2014)

Prince has close ties to the Koch network, through his sister Betsy Devos and the DeVos family.

## **Flawed Methodology Advocating for Increased Policing**

The Charles Koch Foundation also funded work in 2016 that includes recommendations by the Police Foundation for an [increased presence of foot-patrol police](#) in communities with "strained relations" with police.

The Police Foundation celebrated its own research in their [press release](#):

The importance and timeliness of this study cannot be understated. "Given the recent events in policing and the ongoing national conversation about community-police relations, this study offers a glimpse of the positive policing and engagement occurring across the country", said Jim Bueermann, president of the Police Foundation. Furthermore, it underscores the importance of relationships. As one

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community member asserted during the study, “The key to policing, no matter where you are in the country, is building relationships. It’s not rocket science.”

Yet, 41 pages into the report, the study discloses some fatal methodological shortcomings not mentioned in the enthusiastic press release:

While the current study provides key details about foot patrol, several limitations are noteworthy. First, perceptions of community members within this study may be biased. Since all community members involved in the focus group interviews were selected for participation by their respective law enforcement agency, sentiments expressed by the focus groups may not be representative of the community at large. This issue may be more problematic given the small sample of community members interviewed. Similarly, the limited number of field observations and short duration for observation periods may have inadequately captured many activities and experiences related to foot patrol. ([Police Foundation](#), 2016, pg 41)

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## CHAPTER 5: THE BATTLE FOR THE CAMPUS

### Fighting Campus Diversity and the Movement for Black Lives

#### Opposition to Diversity in Higher Ed

Many of Koch's programs continue to act explicitly as an intellectual counter-movement to modern civil rights struggles, many of which are playing out on college campuses.

Walter Williams, a professor of economics at George Mason University who joins David Koch as a [board member](#) of Koch's foremost political front group, Americans for Prosperity, has been a vocal detractor of diversity programs within universities. In his essay, [Academic Fascism](#), he encouraged potential donors to universities to "go to a university's website. If you find an office of diversity, close your pocketbook."

Or [similar concern](#) for money in higher ed use on diversity offices by George Mason University law professor, and [Mercatus fellow](#) Todd J. Zywicki:

Before sending a check to your alma mater this year, know this about higher education: America's wealthy and elite universities are convinced that you need them more than they need you. . . .For example funds donated for education purposes are often diverted to cover administrative costs. . . Some of it represents the proliferation of deans and administrators to enforce political correctness.

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Dartmouth, like many schools, has long had an “office of Institutional Diversity and Equity” [yet] felt the need to establish something called the “Office of Pluralism and Leadership.” ([National Review](#), 2009)

Another example of this argument can be seen in [Starving the Academic Beast](#), a report by the Koch-funded James Martin Center for Academic Renewal (originally the Pope Center for Higher Education Policy, named after Americans for Prosperity’s longtime director, Art Pope):

“The need for diversity offices is over. The UNC system is extremely diverse: it has six schools with a majority of minority students, there are no schools where white students make up 90 percent of the undergraduate student body, and 31 percent of students at flagship UNC-Chapel Hill are minorities. Racial incidents are few and far between, and those few are resolved quickly by the administrations.” ([Schalin](#), 2011)

James Piereson, director of Koch-aligned private foundations including the John Olin and William Simon Foundation, has written that:

“Diversity,” for example, is a doctrine developed out of whole cloth in recent years, with little in the way of philosophy or evidence to support it, but it is now used to justify recruiting more radicals to the faculty to teach ever more radically charged courses. Diversity, in practice, has been little more than a patronage scheme for various special interest groups: feminists, radical blacks and homosexuals, environmentalists, and representatives of other groups that have

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been recognized by the liberal establishment. ([Piereson](#), Philanthropy Roundtable, 2005)

Piereson serves as a [board member](#) of the Center for Individual Rights, which has converted his ideology into political war on civil rights (more on CIR above).

Pay Pal CEO Peter Thiel is a billionaire and member of Koch's donor network. He is also the author of the 1998 book [The Diversity Myth: Multiculturalism and Political Intolerance on Campus](#):

This is a powerful exploration of the debilitating impact that politically-correct "multiculturalism" has had upon higher education and academic freedom in the United States. In the name of diversity, many leading academic and cultural institutions are working to silence dissent and stifle intellectual life. . .The authors convincingly show that multiculturalism is not about learning more; it is actually about learning less. They end their comprehensive study by detailing the changes necessary to reverse the tragic disintegration of American universities and restore true academic excellence. (Authors' Synopsis, [Independent Institute](#))

Koch's premiere academic association, the Association of Private Enterprise Education (APEE), presented Thiel with an award in 2006 and currently includes [The Diversity Myth](#) on APEE's list of recommended books (alongside white nationalist Charles Murray). Thiel now supports the dangerous ideology of Hans Hermann Hoppe and Hoppe's neo-reactionary think tank, the Property and Freedom Society.

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## **“Western Civilization” Programs to “defeat” BLM**

One theme explored by Peter Thiel’s Diversity Myth mirrors language and themes currently used by the Alt-Right and white nationalists to describe white or European culture, namely “Western Civilization,” and the threat “multiculturalism” poses to it.

A revealing email between key Alt-Right figures, Steve Bannon and Milo Yiannopoulos, shows Bannon’s [instructions](#) to "Drop your toys, pick up your tools, and go help save western civilization."

In Human Action, Ludwig von Mises describes “Western civilization” as the civilization belonging to “peoples of Caucasian stock” (Human Action, pg 85).

In 2015, the Charles Koch Foundation co-hosted a [Western Civilization Summit](#) featuring a Mises Institute scholar, as well as talk of how to “defeat” the Movement for Black Lives on campuses.

The event was hosted with Texas Tech’s Institute for the Study of Western Civilization and the Texas Public Policy Foundation, both of which are funded by the Charles Koch Foundation.

Of the ten total panelists at the event, nine were representing organizations or university programs directly funded by the Koch foundation or DonorsTrust, including: Ohio State professor (and Mises Institute scholar) Richard Vedder, and Peter Wood, the co-founder of the

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Alexander Hamilton Institute for the Study of Western Civilization and president of the National Association of Scholars.

Wood spoke alongside the Charles Koch Foundation's John Hardin on a panel entitled "How to Create More Western Civilization Programs." Speaking immediately before John Hardin, Wood openly mocked Black Lives Matter activists and murder victim Mike Brown. While describing the threats to Western Civilization that he sought to "defeat," he put his hands in the air and shouted "hands up, don't shoot," as an example of "callow showmanship." He cited this as evidence that "western civilization has just gone belly up on campus" (video [8:26](#)).



Universities today are about as far away from [sheer joy] as possible. They are places, not of joyful discovery, but of carefully deployed anger and resentment. The emblematic college student of our times is Emma Sulkowicz, aka Mattress Girl, at Columbia University. . . We

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could pick other candidates for this role of representative figure, but almost all of them would be accusers of some sort; vengeful furies pursuing the arresties of, well what? Patriarchy? Carbon fuels? Hands up, don't shoot!. . .We're in an age of callow showmanship, carrying the mattress around for a year, performative anger as I've called it, and intellectual shallowness. You don't defeat that by establishing a program here or there that tries to keep in circulation ideas that are regarded by most of the faculty in the humanities and the social sciences as discredited, or worse, discreditable. Western civilization has just gone belly up on campus. (video [8:26](#))

Wood closes, saying "if we are going to win the fight for western civilization, we've got to win these other fights, that is, take on the older bullied ideologies that right now are just sweeping everything before them in American higher education."

The Charles Koch Foundation's John Hardin followed immediately, affirming:

What this conference really is about, which is the hunger that's on campuses, and the need on campuses for true intellectual diversity to stand up against the group think, and to stand up against the campus orthodoxy, and have programs that bring real opportunities for real freedom of the mind (video at [17:00](#)) . . . There cannot be trigger warnings, or speech codes, or allegations of microaggressions, or all these other forms of harassment against professors" (video at [19:10](#)).



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## Anti-BLM and Anti-Social Justice Scholars

### HEATHER MACDONALD

In May of 2016, the [American Enterprise Institute](#) hosted an event on the Koch's movement for criminal justice reform, "Right on Crime." The panel featured the Manhattan Institute's Heather MacDonald alongside the Charles Koch Institute's Vikrant Reddy.

Macdonald is the Thomas W. Smith Fellow at the Manhattan Institute, which [describes itself](#) as "a leading free-market think tank focusing on . . . [Race, & Urban Policy](#)"

MacDonald's research attempts to debunk the "[myth of criminal justice-racism](#)"



The most poisonous claim in the dominant narrative is that our criminal justice system is a product and a source of racial inequity. The drug war in particular is said to be infected by racial bias. “Mass incarceration” is allegedly destroying black communities by taking fathers away from their families and imposing crippling criminal records on released convicts. Finally, prison is condemned as a huge waste of resources.

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Nothing in this dominant narrative is true.

MacDonald's remarks were presented as testimony before the United States Senate Committee on the Judiciary in October 2015.

This research culminated in her 2016 book *The War on Cops: How the New Attack on Law and Order Makes Everyone Less Safe*, which:

challenges the premises of the growing crusade against law enforcement. In Part One, I rebut the founding myths of the Black Lives Matter movement - including the lie that a pacific [sic] Michael Brown was gunned down in cold blood. . .

In Part Two, I outline the development of the misguided legal push to force the NYPD to give up its stop, question, and frisk tactic. . .

Finally, in Part Four, I expose the deception of the mass-incarceration conceit and show that the disproportionate representation of blacks in prison is actually the result of violence, not racism. ([The War on Cops](#), 2016)

[War on Cops](#) is cited in the John Birch Society's May 2016 renewal of its "Support Your Local Police" national speaking series. In 2017, [students demonstrators at Claremont Mckenna and UCLA](#) prevented MacDonald from delivering a speech on campus.

In 2012, Heather MacDonald was the sixth Highest Compensated Employees of the Manhattan Institute, making \$205,887 as a "senior

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fellow.” That year, the Charles Koch Foundation donated \$100,000 to the Manhattan institute.

MacDonald’s position at the Manhattan Institute is funded by the Thomas W. Smith Foundation. Thomas W. Smith, a trustee of the Manhattan Institute, is a hedge-fund manager, Koch network donor, and a self-identified “[climate denier](#).”

Smith has also endowed a position for Koch’s “well-being” guru, James Otteson at Wake Forest University: a “Presidential Chair in Business Ethics.”

### **JAMES OTTESON: WELL BEING SCHOLAR AND SOCIAL JUSTICE SKEPTIC**

Dr. James Otteson joined Wake Forest University in 2013 with funding from a Koch network donor, as the director of a BB&T Center. Otteson is now the director of a \$3.69 million Koch funded Eudaimonia Institute, meant to study “well being”.

As exposed in a recording of Koch’s 2014 donor summit, James Otteson bragged to Koch officials and [explained](#) to a roomful of political donors how reframing “capitalism” as “well-being” is a “game changer.” He then told an anecdote about using this language to mislead a “liberal” colleague.

Since the release of these recordings, the Wake Forest [Faculty Senate](#) has investigated the questionable process by which Otteson’s Center was approved. Administrators have resisted their calls for transparency, and

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so faculty are calling for WFU to cut all ties to Koch network donors, not just the Koch foundation.

Otteson ran into similar problems at his previous position at Yeshiva University, where:

[“An open letter to the administration and faculty”](#) was penned and signed by a number of professors outlining their concerns. . . .

The letter from concerned faculty disparages Otteson for shaping the honors program in a less than transparent manner without significant faculty support or consensus. Professors also worried that the honors program could become "an elitist college" within Yeshiva's undergraduate men's college, with its own curriculum, administration and faculty. Additionally, the letter condemns both Otteson and the administration for recruiting two new administrators without the proper vetting of candidates by a committee of faculty. ([Inside Higher Ed](#), 2008)

One concerned faculty member, James Hans, was quoted in WFU's campus paper:

If the people in the economics department want to teach their majors that libertarian economics is the only way to go, then that's their business. But if you're doing it for the Koch brothers or something then you're on the take as far as I am concerned. ([OGB](#), Apr 2017)

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Then Chair of the Economics Department, J. Daniel Hammond wrote in response:

Neither my colleagues in the department nor I teach libertarian economics, let alone that libertarian economics is the only way to go. The closest I can come to making sense of “libertarian economics” is that Professor Hans may be thinking of the Austrian economist, Ludwig von Mises and his followers. We do not have any followers of Mises on our faculty. ([OGM](#), March 2017)



Unfortunately, there is considerable reason to believe otherwise. James Otteson has close ties to Austrian economics and the followers of Ludwig von Mises and Rothbard. Otteson’s CV lists him as a “manuscript reviewer” for two journals published by the Mises Institute, the Journal of Libertarian Studies and the Review of Austrian Economics. Both were founded by Murray Rothbard and published through the Mises Institute. Otteson also serves on the editorial board of a philosophical journal hosted by the

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Mises Institute, the [Reason Papers](#), alongside Koch/Mises scholar Walter Block.

Given the tropes of Austrian economists (like Block), Otteson makes a clear example of himself. Otteson ultimately resigned from Yeshiva University after his anonymous blog, "Proportional Belief," was discovered, including writings where:

He referred to "growing" evidence that women do less well in the sciences than men partly because of "differential abilities between men and women." In another post, in which he quotes an author as saying that "women, without male guidance, are illogical, frivolous, and incapable of making any decisions beyond what to make for dinner," Otteson himself refers to "high-functioning women" – a term that was seen as disparaging. ([Jewish Telegraphic Agency](#), 2008)

Otteson argued that the "Gender Gap In Math and Science" was a "natural artifact of free society":

In his post, Otteson argued that if the gender gap can be explained by free will, then "an awful lot of contemporary law, legal action, and government spending and policy is misconceived." ([Inside Higher Ed](#), 2008)

In June of 2017, Otteson published a paper that attempts to combat "social justice" arguments with a construct that he calls "[ultimate justice](#)." It is published in a philosophy journal run by University of Arizona's Koch center, the [Center for the Philosophy of Freedom](#).

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## MEASURING “WELL BEING”: THE SUPERIORITY OF “ANGLO” CULTURES AND “HOW SOME CULTURES SUCK”

At the 2017 conference of the Association of Private Enterprise Education, Otteson moderated a panel on “Eudaimonia: What Is It, and Can It Be Measured?.” Otteson’s Wake Forest colleague, Adam Hyde, filled in for the Charles Koch Foundation’s Will Ruger who was [originally scheduled](#) as a panelist.

Another panelist, [Douglas Rasmussen](#), is a philosophy professor at St. John’s University.



In the 2017 recording, Hyde and Rasmussen respond to a question in the audience regarding the “role of culture” and “values” that “correlate to production.”

Adam Hyde described how, “especially in anglo culture,” a tendency to “fetishize productivity and responsibility for one’s own life,” which “drives a



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lot of economic growth and there are huge benefits to that, and so the question is, can you revise the culture without sort of messing with the intent that was there?"

Douglass Rasmussen, chimed in with true Austrian zeal, "I think, maybe more politically incorrect, I don't think all cultures, all cultural values, are equal. I think that there's some cultures that really, I'll say, suck" to which Otteson, moderating, said "Okay, thanks Doug."

Rasmussen's campus, St. John's University, has received \$264,205 from the Charles Koch Foundation between 2009 and 2016. Douglas Rasmussen is [listed as the contact](#) for the Koch funded lecture series. He is a former Ayn Rand Society steering committee member, and the recipient of several fellowships from Koch's Institute for Humane Studies and Center for Libertarian Studies.

Rasmussen serves on the editorial board of the Mises Institute's [Reason Papers](#) alongside Otteson and Koch-funded Mises scholar Walter Block.

## **Campus "Free Speech"**

### **Shielding Extremists on Campus**

Since early [February 2017](#), UnKoch My Campus has been following the sudden and coordinated proliferation of "campus free speech" laws across the U.S. These bills create academic and/or legal sanctions for students on

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campus whose protests “disrupt” the free speech of others, specifically speakers invited to campus.

The [North Carolina ACLU](#) observed that the NC CFS law “substantially interferes with the protected free expression rights of others.” The policy adviser of [South Dakota’s ACLU](#) questioned the necessity of the bill, “I don’t see why that’s necessary. It’s already the law. It’s already what the Constitution requires.”

The [Florida ACLU](#) expressed concerns that “this bill will chill freedom of expression on our state’s college campuses,” forcing universities “to expend significant resources in defending against such frivolous lawsuits” and “to restrict students’ speech and peaceful assembly out of concern that someone might boo too loudly.”

[South Dakota Board of Regents](#) Executive Director Mike Rush noted how the bill “authorizes litigation that would likely be brought by out-of-state interest groups. . . .We just don't think this is a good bill for South Dakota right now.”

Across the country, campus demonstrations have drowned out the hateful ideology of speaker provocateurs like Milo Yiannopoulos at [UC Davis](#), white nationalist Richard Spencer at the [University of Florida](#), white nationalist Charles Murray at [Middlebury University](#), or Heather MacDonald at [Claremont Mckenna](#). This was all done with constitutionally protected free speech.

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These laws would skew the meaning of free speech in a way that sacrifices the protected speech of individuals in order to amplify the “speech” of the Koch-network’s political extremists.

CFS laws allow such incendiary speakers or groups that sponsor them to sue a school or demonstrator for “disrupting” the free speech of anyone on campus. Some versions of the law prevent schools from “disinviting” speakers once they have been invited.

These punitive measures would create several chilling effects, among students and faculty, but also for administrators who would be pressured to 1) allow increasingly extremist, non-academic speakers on campus, and 2) crack down on counter-demonstrators.

Another striking feature of these laws is that the donors behind the speakers are the same as the donors behind the groups pushing the laws.

### **CAMPUS FREE SPEECH CRISIS: AN ALEC/GOLDWATER PRODUCTION**

These laws are based on “model legislation” called the [Campus Free Speech Act](#) that was developed (not by lawmakers but) by think-tanks funded by the Koch-network, the Goldwater Institute and the Ethics and Public Policy Center (EPPC), in conjunction with the American Legislative Exchange Council, which has its own version, the [FORUM Act](#). ALEC helps corporations, lobbyists, and their think-tanks directly draft on vote on legislation that ALEC-affiliated legislators then file in their home states.

As of February 2018, one year since its release, even with our limited knowledge of ALEC members, we can see a tremendous overlap of

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legislators filing and sponsoring Campus Free Speech bills that have been affiliated with ALEC:

49 ALEC affiliated legislators are sponsoring or co-sponsoring 33 campus free speech bills in 15 states (on average, 1.5 ALEC sponsors per bill)

12 out of 15 states with CFS bills have at least one ALEC affiliated sponsor

14 total bills have been introduced by an ALEC legislator, with 20 out of 33 total bills have an ALEC sponsor or co-sponsor

ALEC began ramping up its free speech focus in [2016](#), including [workshops](#) and [publications](#) eventually leading to the creation of ALEC's [Center to Protect Free Speech](#), which expressed grave concerns that:

Students, especially conservatives, often face unconstitutional restrictions of their speech by universities. Is the “marketplace of ideas” broken? How will this impact the rest of our culture? And what can state legislators do about this problem on the public university campuses that make up the third largest expense in state budgets?

ALEC [launched](#) the Center to Protect Free Speech February 7th 2017, one week after the public release of the Goldwater Institute's model bill.

During the [May 2017](#) meeting of ALEC's Education and Workforce Task Force, the [Forming Open and Robust University Minds \(FORUM\) Act](#), was introduced into the [Higher Education Subcommittee](#). The Goldwater Institute's Jonathan Butcher is the [Chair of ALEC's Education and](#)

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[Workforce Development Taskforce](#), and the Center to Protect Free Speech appears to have introduced the model bill.

The funders behind Goldwater, EPPC, and ALEC, are many of the same donors who are supporting controversial speakers, like white supremacist Milo Yiannopoulos, Charles Murray (through the American Enterprise Institute), and Heather MacDonald (Manhattan Institute) are all members of Koch's donor network and Freedom Partners Chamber of Commerce, including (Milo's benefactor) Robert Mercer, the DeVos Family, the Bradley Foundation, the Charles Koch Foundation and their anonymizing DonorsTrust/Donors Capital Fund.

According to 990's, between 2002 and 2016, the Goldwater Institute has received at least \$2,921,912 from the Koch network's DonorsTrust and Donors Capital Fund, while the Ethics and Public Policy Center has received \$873,000. The Freedom Center (an [anti-muslim hate group](#)) who sponsored Milo's UC Berkeley talk received \$659,290 from DonorsTrust/Donors Capital Fund.

The second largest common donor involved was the Bradley foundation, which gave \$25,000 to the Goldwater Institute, \$7,964,210 to the Ethics and Public Policy Center, and \$8,438,000 to Horowitz Freedom Center.

Over the past decade, the Ethics and Public Policy Center has received \$199,124 from the Charles Koch Foundation, while the Goldwater Institute received only \$75,000 in scattered donations between 2004-06. Yet, in 2016, Koch made an abrupt \$100,000 donation to Goldwater.

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## THE CAMPUS FREE SPEECH ATTACK DOG IS BORN

Speech First is a legal organization whose mission is to "protect students' free speech rights on campus" through "advocacy, litigation, and other means." They aim to show universities that "shutting down unwanted speech will no longer be tolerated."

Speech First claims it will start with three lawsuits in 2018 with legal groups such as Alliance Defending Freedom helping to bring the challenges to court. Founder Nichole Neily says that "at this point, the only thing that will bring some of these administrations into line is the threat of being hauled into court, and so that is exactly what we plan to do."

Neily's immediate past employment has been as executive director of Koch's Independent Women's Forum, and manager of external relations for the Cato Institute. She was most recently the president of the Franklin Center for Government and Public Integrity, which owns the Koch network's investigative journalism franchise, Watchdog.org. The Franklin Center is directly funded by the Charles Koch Foundation, and heavily funded through the Koch network's anonymous DonorsTrust and Donors Capital Fund.

## **Koch Professors Protecting Hate Speech**

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Two months into the release of the Campus Free Speech Act, the Charles Koch Foundation announced the creation of a \$1.7 million center established at the [University of Wisconsin-Stout](#), the Center for the Study of Institutions and Innovation, whose director Tim Shiell is responsible for facilitating a “civil and rational debate and research” on how “civil liberty issues guaranteed in the U.S. Constitution: freedom of religion, speech, press, assembly and petitioning the government” are tied to “institutions and innovation in government, civic, business, social, scientific and religious settings.”

Shiell was a “whistleblower” that called on the Koch-funded free speech organization, the Foundation for Individual Rights in Education, and the National Coalition Against Censorship to stop the UW-Stout from taking down what was widely regarded by students and administrators as racist paintings from a campus building ([Campus Reform](#)).

In a 1998 book called "[Campus Hate Speech On Trial](#)," Shiell lamented that “despite commitments to free speech and the open exchange of ideas, American colleges and universities had increasingly ignored such principles by implementing numerous hate speech codes designed to protect students from racial, sexual, and other forms of harassment.”([KU Press](#)).

Shiell’s center at UW-Stout “will provide programming on campus and across the state, including speakers, panels and workshops. Stipends for faculty and student research also will be available.”

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## Marshall DeRosa, Florida Atlantic University

Another Koch funded professor who has a particular connection to hate speech is Florida Atlantic University's Marshall DeRosa. DeRosa was a longtime "faculty" for the research arm of a white nationalist hate group, the League of the South Institute.

He was one of the few voices in support of Florida's Campus Free Speech bill, arguing that:

Under the new law when a university limits free speech under the pretense of a legitimate government interest, e.g., the Heckler's veto, it is subject to lawsuits and fines. This will incentivize administrators to proceed with caution when limiting free speech on public safety and/or other grounds. (March 2018, [Red Alert Politics](#))

As of [2016](#), DeRosa was also the "sponsor of several on-campus conservative student groups" including Turning Point USA.

Turning Point USA is a national organization with fossil fuel funders that has increasingly been [exposed](#) for racial bias, [ties](#) to the Alt-Right, illegal political activity for the Ted Cruz campaign, and injecting "[dark money](#)" into student government elections. DeRosa's TPUSA [chapter](#) listed among 2016-2017 "victories," according to a leaked TPUSA document. Entitled the "Campus Victory Project," it outlines strategies including "the implementation of 'free speech' policies eliminating barriers to hate speech" ([Mayer](#), 2017).



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One of DeRosa's student groups [invited](#) incendiary Alt-Right figure Milo Yiannopoulos to FAU's campus.

This free speech legislation has served as an open invitation for extremist speakers, with the original "Campus Free Speech Act" released on the same morning of Milo Yiannopoulos' infamous appearance at UC Berkeley.

Supporters of the Tennessee bill called it the "Milo bill," and read a statement from Yiannopoulos at their [press conference](#), proudly conveying his claims:

We are winning the war. And we will continue to win as long as students, and now defenders of free speech within the government, stand up to ivory tower intellectuals and left-wing administrators intent on shutting up any speech they don't find convenient.

Another notorious speaker provocateur with close ties to Charles Koch has been touring college campuses recently: white nationalist Charles Murray.

### **Charles Murray and the American Enterprise Institute**

Charles Murray is a white nationalist and fellow at the American Enterprise Institute. The Southern Poverty Law Center calls Murray's work "[racist pseudoscience](#)."

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Charles Murray is also a consistent presenter at Charles Koch's donor seminars (as recently as [2017](#) and as far back as [2014](#)), and Murray's works are cited twice in Charles Koch's book, the Science of Success.

While there are many free-market think tanks receiving Koch funds, beyond the groups that are owned by the Kochs, AEI holds a leadership position within Koch's secretive donor network. In leaked documents, AEI president Arthur Brooks is seen leading panels at Koch's expensive political gatherings. Brooks [instructs Koch network donors](#) that "free enterprise is more than just an economic system- it is a moral imperative, and we must defend it at all costs."

Members of [Koch's donor network](#) that sit on [AEI's board of trustees](#) include Ravenel Curry, Clifford Asness, and William Walton, as well as Betsy DeVos, whose parents are longtime collaborators with the Koch family. According to 990 tax forms, this network of donors has used two anonymizing donor advised funds, DonorsTrust and Donors Capital Fund, to provide AEI with over \$24.8 million between 2002 and 2016.

Charles Murray has been touring the country funded by American Enterprise Institute and other Koch-funded campus programs. His recent visit to Indiana University was co-sponsored by the Koch-funded [Tocqueville Program](#). Faculty and student [resistance](#) to Murray resulted in an [open letter](#) to the event sponsors, police violence against demonstrators, and snipers on the rooftop of the event venue.

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The other sponsor of Murray's visit was IU's campus chapter of the American Enterprise Institute. These AEI student "executive councils" are growing rapidly:

The Executive Council program began in 2013 on 25 undergraduate campuses and has since grown to over 300 student leaders on more than 80 campuses across the country. These groups of up to six students per school form the core of AEI's outreach to undergraduates.

A 2017 [investigation](#) by journalist Alex Kotch noted that:

At a leadership training program available to executive council members this summer, Murray is teaching a [course](#) called "The Building Blocks of Human Flourishing"

This course is based on his 1988 book *In Pursuit: Of Happiness and Good Government*, which is cited by Charles Koch in his *Science of Success*. The American Enterprise Institute claims that Murray's *In Pursuit* "aims to enable people to pursue happiness," which Murray describes as the very "duty of a human being functioning as a human being."

Drawing from his minimalist-government viewpoint, Murray proposes that government not try to force happiness on the people with federal policies or programs but, rather, that it provide conditions that enable people to pursue happiness on their own.

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In Pursuit is one of two books by Murray on the recommended reading list at Koch's [2016 Donor Summit](#), the other one being Coming Apart: The State of White America.

Murray has been touring the country, invited by AEI campus groups, to talk about his 2012 book Coming Apart: The State of White America.

Coming Apart builds on Murray's infamous The Bell Curve: Intelligence and Class Structure in America, the latter of which argued that intelligence is genetic, and that the intelligence of minorities and women is inferior to the intelligence of white men. Murray [told Reason Magazine in 2012](#) that he still stood behind his research, stating, "would you tell me anything in the data that has changed?"

According to an [archived report](#) by Media Matters:

The book was widely seen as a piece of profoundly racist and classist pseudo-science, and was denounced by the American Psychological Association. It had relied heavily on studies financed by the Pioneer Fund, a neo-Nazi organization that promoted eugenicist research. Immediately after its publication, [the] Bradley [Foundation] raised Murray's annual grant to \$163,000.

The Bell Curve is one of three Charle Murray books listed as [recommended reading](#) by the Association of Private Enterprise Education (APEE), who granted Murray the Adam Smith award in 1992 (two years before The Bell Curve was published. The award is described as:

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the highest honor bestowed by The Association of Private Enterprise Education. It is given to recognize an individual who has made a sustained and lasting contribution to the perpetuation of the ideals of a free market economy.

Charles Koch has also received an APEE award, their 2005 [Herman Lay award](#), and the Koch foundation has worked closely with APEE to build their network of campus programs.

While some in Koch's academic network provide intellectual validation for white nationalist ideology, or help promote incendiary speakers on campus, others have recently used flawed research to argue for the Campus Free Speech laws themselves.

### **Using Flawed Research to Support "Campus Free Speech"**

Halfway through the first year of the Campus Free Speech Act, the Charles Koch Foundation funded [a study](#) by a UCLA professor that appeared to make an overwhelming case for CFS laws.

He cited findings from a poll showing that "a surprisingly large fraction of students believe it is acceptable to act—including resorting to violence—to shut down expressions they consider offensive."

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The author explained his need to skip peer review:

I plan to publish a detailed analysis of the results in an academic paper, but given the long time delays associated with academic publishing, and the timeliness of the topic, I believe it is important to get some of the key results out into the public sphere immediately.

After being pressed about his methodology, [polling experts and journalists](#) were able to determine that he failed to disclose, and even made misleading statements, about a flawed methodology including a “self-selection bias”:

His survey was not administered to a randomly selected group of college students nationwide, what statisticians call a “probability sample”. Instead, it was given to an opt-in online panel of people who identified as current college students.”

Critics denouncing the study, including polling ethics expert Cliff Zukin, went so far as to say that the “way the survey results have been presented” were not just as flawed, but constituted “malpractice” and “junk science” that “should never have appeared in the press.”

Furthermore, it was also discovered that the survey had posed the question about violence and speech in the days immediately after the deadly Unite the Right march in Charlottesville, Virginia. This detail was also left out of the study, and Koch researcher told [the Guardian](#) that the timing was “purely coincidental.”

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## **Koch's Self-directed Donations to Historically Black Colleges and Universities**

Since 2014, Koch Industries has created high-profile partnerships with organizations dedicated to supporting Historically Black Colleges and Universities (HBCUs): including [\\$25 million](#) to the United Negro College Fund (UNCF), and [[\\$25.6 million](#)] the Thurgood Marshall College Fund (TMCF).

Rather than providing funding for these organizations to use freely, Koch's programs consist of stand-alone programs where there is clear evidence of donor influence, constrained academic programs, and involvement in the overtly political activities of the Koch network, most notably their School Choice efforts, including extensive reliance on, and hiring from, the American Enterprise Institute (which houses white nationalist Charles Murray).

### **United Negro College Fund**

The United Negro College Fund's Koch Scholars program was announced in [2014](#), to consist of:

scholarships at the undergraduate and graduate levels . . . focused on how entrepreneurship, economics, and innovation contribute to well-being for individuals, communities, and society.

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The UNCF/Koch scholars page has indicated the development of graduate [and postdoctoral programs](#).

### Donor influence over Koch Scholars Program

Koch's academic programs have consistently allowed them control over hiring. The UNCF/Koch program is not operated by UNCF staff, but by new people hired with UNCF using Koch's money. In fact, the program is so separate that [when students apply](#), they can "[o]pt out of having your scholarship information shared with UNCF personnel for contact purposes."

Also, similar to what we have seen on campuses, Koch creates an advisory board where they have veto power over the selection of students who receive their scholarships and fellowships. [UNCF's website](#) describes "an advisory board consisting of two UNCF representatives, two Koch representatives, and one faculty member from an existing school will be created to review scholarship applications and select recipients." We expect the "faculty member from an existing school" refers to an existing Koch funded program (see covert constraints below), who may well be contractually bound to help carry out Koch's objectives. Such a situation would give Koch a 3-2 veto power on the advisory board.

This board [screens](#) students with questions, including how they "define individual, societal, and community well-being."



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UnKoch My Campus has documented how the Koch foundation's agreements leverage control over hiring, including the selection of fellowship and scholarship recipients, as well as approval power over dissertation topics, and broad authority to withdraw funding from fellows [based on compliance](#) with Koch's ideological statement of purpose. See [Chapter 4](#) in our 2017 case study for more information.

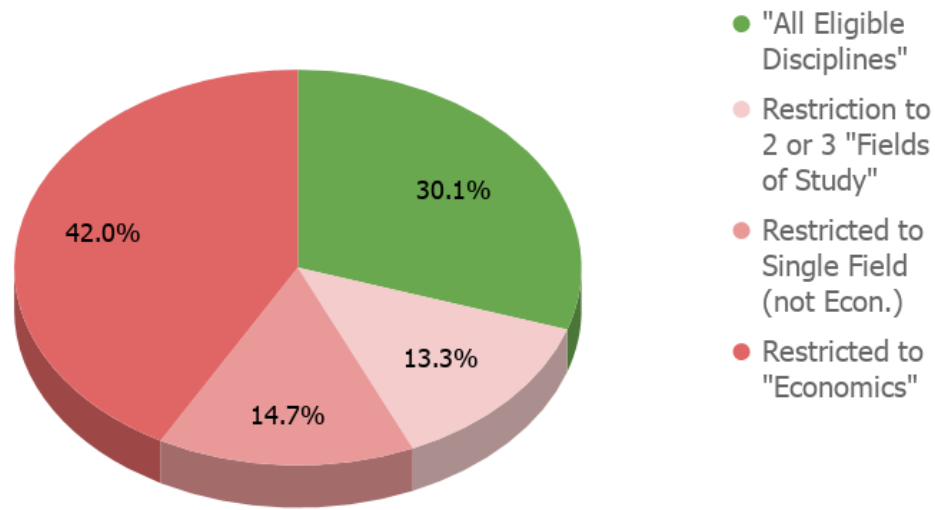
### Restricted majors align with existing Koch programs

UNCF Koch Scholars program is [advertised](#) as available to students majoring in a collection of seven "eligible majors," namely "Accounting, Business, Economics, Engineering, History, Philosophy, Political Science."

Yet, a [Koch Scholars document](#) suggests that the "eligible fields of study" are not free for students to choose, listing further restrictions on the seven fields depending on which university the student is attending. the student was attending. The UNCF document does not clarify what these restrictions pertain to, i.e. whether they refer to constraints on students' choice of majors, or perhaps to the fields of UNCF mentors.

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### Restrictions to UNCF/Koch Scholar "Fields of Study"



Of the one-hundred and forty-three UNCF “eligible campuses,” one-hundred campuses (70%) list restrictions on the “fields of study” that Koch scholars are allowed to select. Eighty-one eligible campuses (56%) restrict students to a single field.

Of the 81 campuses (56%) restricting students to a single field, sixty of are restricted to “economics.”

Of the one hundred campuses where UNCF/Koch “fields of study” are constrained, all one-hundred of them are currently receiving funding from the Koch foundation. Of the forty-three campuses (30%) where students are free to choose from “all eligible disciplines,” only nine of them have received funding from the Charles Koch Foundation.

It can be seen easily that restrictions to not reflect availability of majors at the institutions, as several schools restricted to “economics” as the only

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eligible field, can be seen to offer all six of the rest of the publicly advertised majors (including George Mason University, Florida State University, and Chapman University).

One reason to think the restrictions are on the mentors rather than the student majors is a recent [press release](#) announcing three UNCF Koch scholars at the University of New Orleans. While the UNCF document shows UNO restricts “fields of study” to a single field, philosophy, none of the students are philosophy majors. However, their mentor Chris Surprenant runs the Koch-funded Tocqueville Program in UNO’s philosophy department.

As the UNCF would have no motivation to restrict student scholarships, it appears that the Koch foundation is overwhelmingly using UNCF to direct money back to their own free-market programs. See [this table](#) of Koch funded campuses and UNCF Campus Restrictions.

### Koch Influence Over UNCF Curriculum

In a 2015 [CKF annual report](#), the UNCF Koch Scholars pursue the:

study of how Principled Entrepreneurship, innovation, and economic thinking contribute to well-being and how to apply these concepts in their lives.

***Principled Entrepreneurship™***

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Though it was not part of the originally announced programming, UNCF's Koch Scholars is now anchored in the study of "Principled Entrepreneurship":

"Our shared vision was then and remains today to support students and faculty in their exploration of how Principled Entrepreneurship, the economic way of thinking and innovation improve well-being for individuals, communities and society," said Meredith Olson, vice president of public affairs for Koch Industries.

While it is not made clear, the phrase Principled Entrepreneurship™ is a registered trademark of Koch Industries. It is a part of Charles Koch's proprietary philosophy that guides Koch Industries, Market Based Management®.

The "guiding principles" of the Charles Koch Foundation are based in MBM:

Value Creation: Contribute to societal well-being by advancing the ideas, values, policies, and practices of free societies. Understand, develop, and apply Market-Based Management to achieve superior results by making better decisions, eliminating waste, optimizing, and innovating.

Principled Entrepreneurship™: Apply the judgment, responsibility, initiative, economic and critical thinking skills, and sense of urgency necessary to generate the greatest contribution, consistent with the organization's risk philosophy.

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## ***“Well-Being”***

The same month that [UNCF announced](#) their \$25 million partnership with Koch Industries and the Koch foundation. UNCF President Michael Lomax presented at a 2014 donor summit where he [mocked](#) critics of his partnership with Koch as accusing them of “mind control.” Richard Fink, the author of “integrated strategy” was also on this panel.

On the very next panel, “Leveraging Science and Universities,” the Koch foundation’s Kevin Gentry described the covert political intentions of Koch’s programs (see above). Also on this panel, a Koch funded professor at Wake Forest University, James Otteson, [explained](#) to political donors how reframing “capitalism” as “well-being” is a “[game changer](#).” He then told an anecdote about using this language to mislead a “liberal” colleague (more on Otteson above).

### **Thurgood Marshall College Fund** **Koch Control over the Center for Advancing Opportunity**

Koch’s \$25.6 million was not given to the Thurgood Marshall College Fund. It was used to create a new entity, the Center for Advancing Opportunity (CAO). The CAO is being staffed by new hires.

The CAO is “being established in Washington, D.C., to act as a coordinating body and grant administrator” ([Inside Higher Ed](#)). The [Undeclared](#) reported that \$6.6 million will be used for overhead, including salaries for the main center in Washington and the campus centers, travel expenses, annual conventions and summits and miscellaneous costs.”

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Koch's contracts with universities around the country allow the Koch foundation veto power over the use of their funds. Though no agreement has been produced between TMCF and Koch, we can make the informed assumption that Koch has similar control over the CAO hiring. If we are mistaken, we encourage the Koch foundation or TMCF to release their contract and we'll happily retract our assertion.

The CAO will establish Koch centers at three HBCUs who each stand to receive \$3 million over five years. TMCF's CEO Johnny Taylor said of the Koch centers at HBCUs, "we are going to roll out as many of these as the community is willing to accept" ([video at 1:45](#)).

The CAO will also administer \$5 million in Koch undergraduate scholarships and graduate fellowships in certain majors.

### A Front for the American Enterprise Institute and School Choice

The [recently announced](#) director of the TMCF/Koch Center for Advancing Opportunity is Gerard Robinson, an "education scholar and former school official," who also happens to be a long time American Enterprise Institute charter school advocate.

A central part of Koch's partnership with the Thurgood Marshall College Fund is to support research in "education reform." Just judging by their early programming, it appears that the CAO will be mirroring (and subsidizing) AEI's charter school agenda and activities.

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The first event held by the Center for Advancing Opportunity was an invitation-only discussion of *Brown v. Board of Education* ([see Program Here](#)). Entitled “A Promise Fulfilled? An Examination of *Brown v. Board of Education* on its 63rd Anniversary,” an examination of the panelists reveals a clear theme, with all but one panelist having clear ties to charter schools or “school choice” advocacy groups.

The Center for Advancing Opportunity panel has three panelists from EdChoice, a leading charter school advocacy group, and just two from HBCU advocacy organizations. TMCF and United Negro College Fund each have a single representative.

At the recent CAO event, one panel was moderated by Robert Enlow, CEO of EdChoice, with panelist Greg Forester, an EdChoice Friedman Fellow.

Other panelists included Virginia Walden Ford, who is an EdChoice board member(though it is not disclosed in the program). Ford served and continues to serve on the Board of Directors of other “school choice” organizations like the Black Alliance for Educational Options, and Friends of Choice in Urban Schools. She is also the former Executive Director of DC Parents for School Choice.

The keynote speaker, Steve Perry, was the CEO of a national chain of charter schools, or charter management organization, Capital Preparatory. Perry was principal and founder of Capital Prep Magnet School in Hartford CT, but when teachers stood in opposition to being integrated into the chain, Perry retaliated, [calling teachers unions “roaches,”](#) and making apparently violent remarks on [Twitter](#), [saying](#) “All

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this did was piss me off. It's so on. Strap up, there will be head injuries.” He later stepped down as principal of the of the Capital Preparatory in Hartford to manage the growing Capital Prep chain. In 2016 he opened a school in Harlem with Sean "Diddy" Combs.

Another panelist, and now CAO director, Gerard Robinson, was a resident fellow at the American Enterprise, and a member of Donald Trump’s education transition team, whose “all hands on deck” education proposal encouraged increased involvement by “corporate and nonprofit” entities, and who stated plainly that “it takes faith, families, and free market values to educate students so they can be assets to our nation.”

This format, and the event’s conclusions, appear to be identical to AEI’s Brown v. Board event three years prior, entitled “With all deliberate speed: Brown v. Board of Education II, 60 years later,” moderated by Gerard Robinson. The panels were stacked with charter school leaders and advocates, including several from EdChoice. The main takeaway was “how school choice and parental empowerment can lead to greater educational opportunities” post Brown v. Board of Education.

At this event, Robinson asks about critics who point out the origins of school choice, namely the southern “segregation academies” created through “Freedom of Choice.” He asks the EdChoice panelist, Leslie Hiner, whether critics are right or wrong that modern school choice furthers the original intent of school choice and vouchers (or “tuition scholarships,” as they were called at the time).



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The EdChoice panelist proceeds to claim that it wasn't local citizens choosing to maintain segregation through private schools, but that the state forced segregation academies through the freedom of choice provisions:

When you ask this question about school choice, and what happened with the "freedom of choice," and the segregation academies before, keep in mind, the one thing that Brown [v. Board] did well was that it ended state mandated segregation. So when people today talk about the segregation academies of the past, keep in mind those weren't academies that parents got together, created their own schools and voluntarily decided yea this is what we want to do. That's not what happened. This was state created, state ordered, state directed funding, and if you had a white child, you would send your child to these academies that were allegedly private, but there was really nothing private about them. This was the action, the very direct action of the state to try to stop the implementation of Brown. . . The power, the real power, If you're a parent, you want the option to send your child to a different school, or ([Video at 1:02:30](#))

Of course, this is a complete misrepresentation, neglecting the fact that "freedom to choose" is then accompanied by large parts of the pro-segregationist South to proceed to choose.

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### TMCF's First Koch Center

The first center created by Koch's Center for Advancing Opportunity was announced in September 2017, \$3 million to [Winston-Salem State University](#) for the Center for Economic Mobility.

The center will be run by Dr. Craig Richardson, in a department where Koch's donor network has already paid to reshape the curriculum. Richardson's extracurricular interests are also aligned with the Koch Network, contributing author to [American Enterprise Institute](#), the Cato Institute, and the journal of the Association of Private Enterprise Education.

In 2008, the same year he became department chair, Richardson became the BB&T Distinguished Professor of Economics and began accepting funds from the Charles Koch Foundation and BB&T which allowed donor funded curricular change.

[Richardson's CV](#) states that starting in 2010, he:

Co-led curriculum initiative to substantially revamp Economics Major, adding three tracks of study including International Economics, Money and Banking and General Economics. Majors have more than doubled since then. (2010-13)

Also beginning in 2010, he lists:

Course development in global economic development and future international travel program development. \$8,500 grant award.

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Sponsored by Charles Koch Foundation (2010-2011 academic year). . . to develop undergraduate and graduate course on Global Economic Development as well as overseas programs..

Between 2010 and 2015, the Charles Koch Foundation paid Richardson \$45,700 for annual travel, including "undergraduate fellowship awards, faculty travel, and guest lectures while studying at Cape Coast University, Ghana" in 2011, and "MBA student fellowship awards for WSSU Summer Abroad course in Shanghai, through ECO 6350 course" in 2012.

Among WSSU course listings one sees the trademark of donor influence, a requirement of Koch's partner donor BB&T, a course entitled "Moral/Ethical Foundations of Capitalism" ([ECO 6340](#)):

Students will be introduced to the resource allocation process and its impact on economic growth. Ethical questions as to what is an "equitable distribution" versus what is an "efficient economic system" are examined in detail. Students will be exposed to both critics and defenders of capitalism. Various ethical perspectives will be used to evaluate whether capitalism is moral.

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## Appendix

### Profile - The Skousen Family and the Koch Family

#### Cleon Skousen

A 1961 article in Time Magazine profiles the John Birch Society and the far-right extremist front-groups proliferating across the nation:

The All-American Society, founded in Salt Lake City, has as its guiding light one of the busiest speakers in the rightist movement: W. Cleon Skousen, a balding, bespectacled onetime FBI man who hit the anti-Communist circuit in earnest in 1960. after being fired from his job as Salt Lake City's police chief ("He operated the police department like a Gestapo." says Salt Lake City's conservative Mayor J. Bracken Lee). Skousen freely quotes the Bible, constantly plugs his book, *The Naked Communist*, presses for a full congressional investigation of the State Department. (Originations: *The Ultras*, Time Magazine, 1961)

The John Birch Society's publication *The New American*, [wrote in 2006](#) that:

Welch invited Skousen to join the Society's speakers bureau in 1963, and Skousen continued in that role for several years.

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In 1971, the [Journal of Mormon Thought](#) published a review of Skousen's Naked Communist, by a Carroll Quigley, who outlined in painstaking detail how Skousen's book had:

...taken extended passages from my book (Tragedy and Hope), in violation of copyright, and put them together in terms of his own assumptions and preconceptions to make a picture very different from my own. Skousen is apparently a political agitator; I am an historian. (Dialogue: the Journal of Mormon Thought, Autumn 1971, pg 109)

It was found that:

...for over two years the John Birch Society and other radicals have been busy distorting the contents of his Tragedy and Hope in order to support their own paranoid fantasy about a super-conspiracy behind the multitude of evils in the world today. . .

Skousen was triggered into writing The Naked Capitalist by [Quigley's] critical remarks on the Radical Right. (Dialogue, pg 107)

In contrast to Tragedy and Hope's "chief message" of "inclusive diversity, Quigley stated that Skousen's:

...political position seems to me to be perilously close to the "exclusive uniformity" which I see in Nazism and in the Radical Right in this country. In fact, his position has echoes of the original Nazi 25 point program. (Dialogue, pg 110)

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One reviewer found that “The immediate result of Skousen's activity is a kind of radical cult within the Church.” (Dialogue, pg 108) The problem became so bad, that in 1979 letter from the president of the Mormon Church, all U.S. Mormon Churches were forbidden from spreading Skousen’s propaganda:

To All Stake Presidents, Bishops, and Branch Presidents in the United States,

It has come to our attention that in some areas announcements have been made in Church meetings of lectures to be given by those connected with the Freeman Institute. This is to inform you that no announcements should be made in Church meetings of these, or other similar, lectures or events that are not under the sponsorship of the Church. . .[M]ake certain that neither Church facilities nor Church meetings are used to advertise such events and to avoid any implication that the Church endorses what is said during such lectures. (Kimball, Tanner, Romney, February 15, 1979, [Transcribed at Moroncurtain.com](#))

Skousen’s books have been [subject to criticism](#) after being discovered in Arizona charter schools:

Garrett Epps is a writer, legal scholar and law professor at the University of Baltimore who has poked holes in Skousen's philosophies. "Skousen's account of the growth and meaning of the Constitution is quite inaccurate," . . .

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"Parts of his major textbook, 'The Making of America,' present a systematically racist view of the Civil War. ... A long description of slavery in the book claims that the state (of slavery) was beneficial to African Americans and that Southern racism was caused by the 'intrusion' of northern abolitionists and advocates of equality for the freed slaves," Epps said.

Epps said he believes that "any student taught from these materials in a public institution is being subjected to religious indoctrination" and "is also being crippled educationally and will be ill-prepared to take part in any serious program of instruction of American government and law."

Read [Americans United for the Separation of Church and State's formal complaint here](#).

Cleon Skousen's other tracts include "[The Communist Attack on the John Birch Society](#)," and the "[Communist Attack on the Mormons](#)," the latter arguing that the struggle for civil rights within the Mormon church was the result of a communist conspiracy.

### **Mark Skousen**

Skousen's nephew, Mark Skousen is a close collaborator in Koch's corporate "liberty movement," co-funding large events with Americans for Prosperity and other Koch groups.

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Mark Skousen teaches economics at Grantham University, who claims to be “the nation’s fastest growing on-line/distance learning university.”

Mark Skousen is not just an adherent to Charles Koch’s Market Based Management™, but has developed curriculum at Grantham’s new “Mark Skousen School of Business,” [commenting](#):

I’d like to think I’ve created a new business paradigm, which incorporates “market-based management,” based largely on “Austrian” and “Chicago” schools of economics and finance. The term “market-based management” is an invention of Charles Koch of Koch Industries.

Grantham University [announced](#):

Skousen's textbooks offer a special emphasis on the Austrian School of economics, finance, and management, as reflected in the works of management guru Peter F. Drucker, Austrian economists Ludwig von Mises and Friedrich Hayek, and modern-day practitioners such as John Mackey of Whole Foods Market and Charles Koch of Koch Industries.

Cleon Skousen’s nephew, Mark Skousen, is a close collaborator in Koch’s corporate “liberty movement.” He produces an annual mega-conference called [FreedomFest](#), billed as the “world’s largest libertarian gathering,” co-sponsored by Americans for Prosperity and other Koch groups. In 2016, FreedomFest featured none other than Koch’s master strategist, Richard Fink, whose talk laid out the Koch foundation’s “integrated



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strategy,” along with an overlapping map of their think tanks and university investments across all fifty states.

Mark Skousen also [teaches economics to inmates at Sing Sing prison](#), through Hudson Link, a non-profit that produces educational materials for prison reentry programs [in New York state](#).

## **Clarification Regarding Austrian Economics**

Koch’s academic network is overwhelmingly made up of a fringe branch of economics known as Austrian Economics. Put simply, the Austrian position is full of anarcho-capitalism, abolishing the state by privatizing every function of government. The U.S. Austrian movement is fiercely divided into two branches.

One branch, centered in Virginia at George Mason University, takes a gradualist (though highly aggressive) approach to erode the state and achieve full anarcho-capitalism. This branch idolizes Austrian economist Friedrich von Hayek, and is advanced through the Institute for Humane Studies.

The other branch, centered in Alabama at Auburn University, takes a moral position that the state is inherently coercive and illegitimate in any form, advocating radical privatization, nullification, and succession. This branch is exemplified by the ideology of Ludwig Von Mises and Murray Rothbard. It is advanced through the Ludwig von Mises Institute.

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The split between the two schools can be traced to Charles Koch himself.

In 1976 Murray Rothbard and Lew Rockwell founded the Center for Libertarian Studies with \$65,000 from Charles Koch as an outgrowth of the Libertarian Scholars Conference.

In 1977, Rothbard and Charles Koch co-founded the Cato Institute, where Rothbard heavily shaped Koch's political vision until they experienced a [falling out in 1981](#), when Charles Koch ousted Rothbard from the CATO board.

In 1982, a spurned Rothbard and Rockwell founded the Ludwig von Mises Institute, which has [described itself](#) as "heir to the Center for Libertarian Studies." It is here that many Rothbardians penned openly anti-Koch writings.

For many reasons, the Koch foundation and the Virginia Austrians will claim they have nothing to do with the Alabama Austrians, and vice versa. Nevertheless, the numbers speak for themselves. Charles Koch Foundation has continued to fund both schools of Austrian economics. This has included very many Mises Institute scholars, including the nation's leading Rothbardians and members of the League of the South (a hate group founded in Austrian economics).

It can also be seen that Alabama Austrians have had a consistent presence within Koch's Institute for Humane Studies, even while they were active members of the League of the South. In general the two schools are not that divided. See Mises Institute ties to the Charles Koch Foundation,

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George Mason University, and the Association for Private Enterprise Education above.

George Mason University professor Peter Boettke describes his position as recently as 2007:

As readers of this blog experienced in the recent past, there are differences between the approach to teaching, research and the promotion of Austrian economics in the contemporary academic world and public mind between those associated closely with the Mises Institute and those not as closely tied to the Mises Institute. A lot of this discussion is counter-productive I would argue, but some of it goes to the very core of our enterprise. But that is not what I want to talk about today. I obviously have my disagreements with certain positions associated with the Mises Institute and they are on the public record. But today I want to stress why I spend my time trying to fight this battle within the Austrian ranks. In order to do that I have to explain why I think the Mises Institute is so vitally important to the Austrian/libertarian movement.([Boettke, 2007](#))

## **Mises Board of Directors**

### **Koch Partner Donors**

At least two members of LVMI board of directors are members of Koch's secretive donor network.

As of 2016, the Mises Institute Board of Directors includes Bob Luddy, an attendee of at least two Koch donor summits (**2010 and 2014**), and CEO of

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CaptiveAire. In 2007, Luddy founded a chain of private schools, called [Thales Academy](#), which teaches “free market economics” from Ludwig von Mises. Curriculum is available for pre-Kindergarten through grade 12, and [between 2015-2016](#), the state of North Carolina paid Thales over 120 tuition scholarships of up to \$4,200 each.

Luddy has served on the board of the John Locke Foundation, the Civitas Institute, and he chairs Civitas Action, all founded and largely funded by Koch-network donor Art Pope. Luddy himself contributed considerably, alongside Koch’s DonorTrust and Americans for Prosperity. According to an investigation by the [Institute for Southern Studies](#), Luddy was the largest donor behind the Pope/Americans for Prosperity funded effort to segregate Wake County Schools in 2009. Luddy also funds Koch’s Cato Institute through the Luddy Charitable Foundation, including \$50,000 in 2016.

Mises board member Andrew “Judge” Napolitano, has attended of at least one of Koch’s donor summits ([2011](#)).

### **University Endowments, For-Profit Education, and Private Military**

The Rothbarian position is anarcho-capitalist in the extreme, exceeding even Ludwig von Mises’ own statist reservation, namely that the state should only exist for the purpose of national defense. Rothbard (regarded by the Mises Institute to have been Mises’ intellectual heir) advocates the privatization of the military and the police. This allows Rothbard to argue for the rejection of the state entirely, ultimately making a moral argument that the state is inherently coercive, and immoral in any form.

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It is relevant to note the ties between industries LVMI board members run, and those industries that LVMI scholars propose be privatized, including for-profit education, higher-ed/pension investments, and private defense companies. With the acquisition of Molex, which holds [significant interests in the defense industry](#), Koch Industries joins several others in their donor network who stand to profit from military contracts and defense privatization.

Mises board member [Hunter Lewis](#) (owner of [AgainstCronyCapitalism.org](#)) and his Harvard roommate founded Cambridge Associates, a global investment firm whose focuses include university endowments and foundations, acting as:

an investment advisor to American research universities and colleges representing over three-quarters of U.S. higher education endowment assets, other non-profits, international organizations, and families.

Universities that are Cambridge clients include Harvard, Yale, MIT, Bryn Mawr College, and Swarthmore.

A [2017 Cambridge Associates report](#) rejects policy proposals that have called for university endowments to “shift more endowment wealth to current student beneficiaries” and “reduce the reliance on student revenue, and thus the cost of a college education.” Cambridge Associates argues that this would “deplete endowments to a degree that they provide less support to future generations of students.”

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Cambridge Associates handles investments for several high profile clients, including, the Bill and Melinda Gates Foundation, The Rockefeller Foundation, Mayo Clinic, the World Wildlife Federation, and the Knight Foundation. Cambridge provides research to Bloomberg and the Wall Street Journal. Lewis himself has held high level positions at numerous nonprofits, including the National Environmental Trust, Worldwatch Institute, the World Wildlife Fund, and the Rockefeller Brothers Fund.

Beginning in the 1990's, Cambridge Associates also shifted focus on pension investments, counting the NFL Pension Fund as a client.

Mises Institute board member Steven Berger is the Vice Chair and co-founder of Weld North, a private equity firm whose primary acquisitions are for-profit digital K-12 "education services," including assessment and performance analytics for teachers and students. After its 2016 acquisition of Compass Learning, Weld North was described as "one of the largest providers of digital curriculum to K-12 schools."

Berger co-founded Weld North with his former Harvard roommate, and former Kaplan CEO, Jonathan Grayer. Berger is also a member of the Dean's Council at the (Koch funded) Harvard Kennedy School. Before that, Berger worked for Lehman Brothers for sixteen years.

In 2015, the Charles Koch Foundation announced a donation of \$2,930,000 to Program on Education Policy and Governance, for research in "Education Entrepreneurship," including:

...support for masters and doctoral candidates at Harvard focused on education entrepreneurship and school reform in the United States. .

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. support for postdoctoral research fellowships at PEPG and for visiting scholars.

The mission of PEPG is:

...produce rigorous research, organize national and international conferences on issues ranging from school choice to public opinion on education policy, publish its nationally acclaimed journal Education Next, and sponsor its research colloquia lecture series

Gary Schlarbaum, former Managing Director of Morgan Stanley, is a [portfolio manager](#) at Global Capital Management, an investment firm that provides services to "high net worth individuals. . . banking or thrift institutions, pension and profit sharing plans, pooled investment vehicles, charitable organizations, corporations, [and] state or municipal government entities." Schlarbaum also sits on the board of the [Pennsylvania Trust](#), an investment firms that manages investments of "foundations, endowments, and other institutions." He is also on the board of the [Independent Institute](#).

Daniel Ajamain is the current chair of the ABC Group, and, [prior to that](#), acted as "chief financial officer of two Carlyle Management Group companies (Aerostructures and U.S. Marine Repair). He also spent 15 years with General Dynamics and Lockheed Martin in a broad range of operations and financial management positions."

According to LVMI's 2015 990, their aggregate revenues from foreign sources is \$360,238.

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# Violent "Hoppe Snake Memes"



Me: throwing people out of helicopters is wrong  
Also Me: Communists aren't people

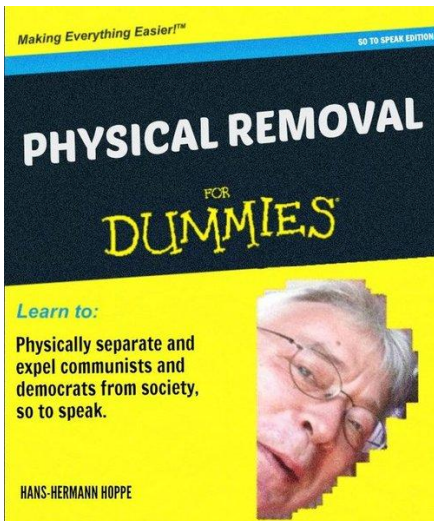
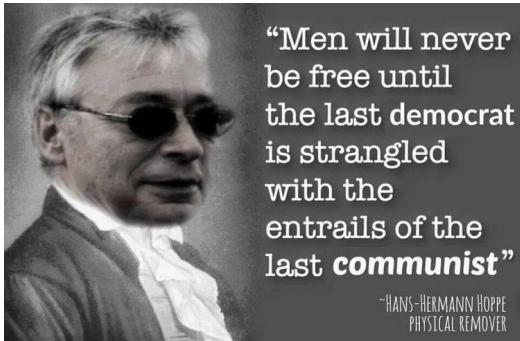


Me: throwing people out of helicopters is wrong  
Also Me: Communists aren't people



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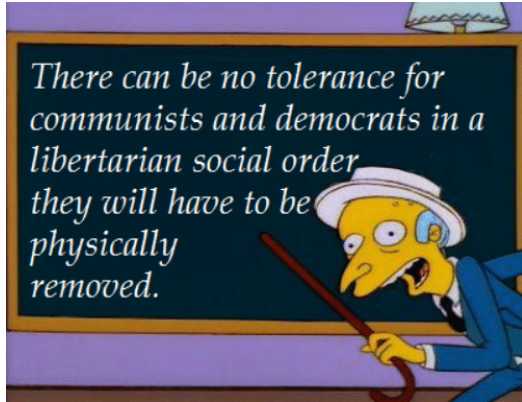


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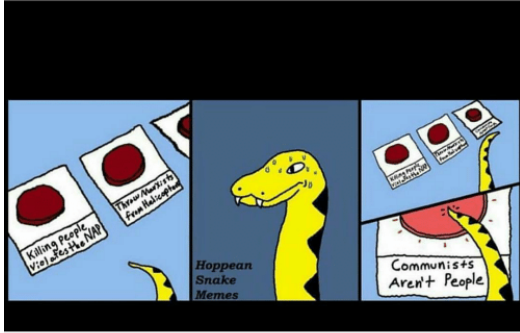




So to speak!



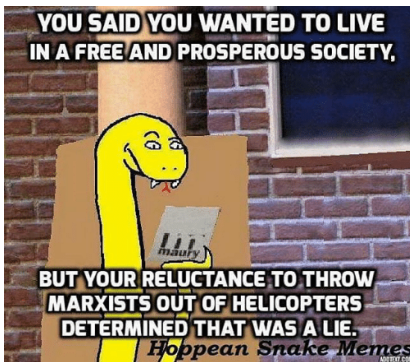
I dare you.



theonlygoodcommunistisadead  
communist



The seeds of discovery at 02:00  
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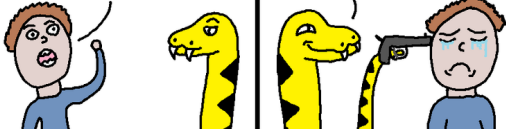
AltRight ImagineLibery  
Hoppean Libertarian  
Republican Democrat  
AP4LP2020



 **Hoppean Snake Memes** There is a difference between advocating for  and  committing  **Hoppean Snake Memes**  
Like · Reply · Message · 3 mins

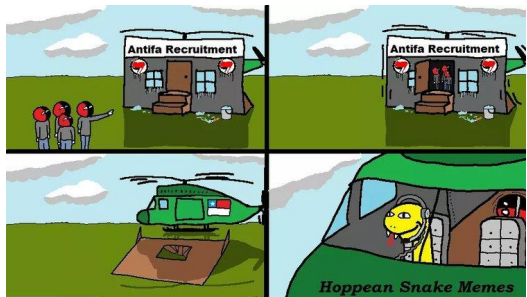
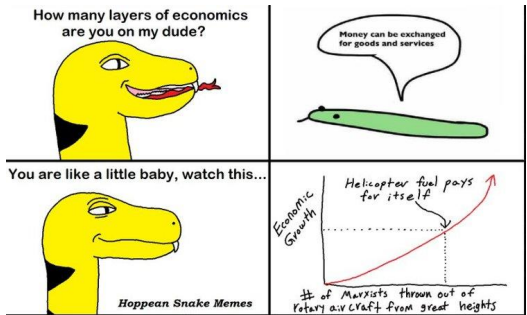
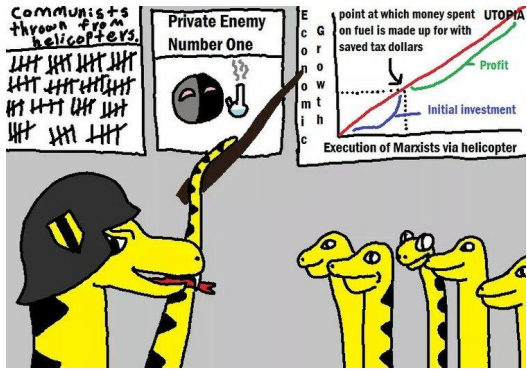
**There is a difference between saying you are going to use force and actually using force. You can't throw communists out of helicopters until they actually control the state.**

**I'm going to shoot you. Oh by the way, you can't defend yourself until I pull the trigger. There's a difference between saying I'll use force, and actually using it.**

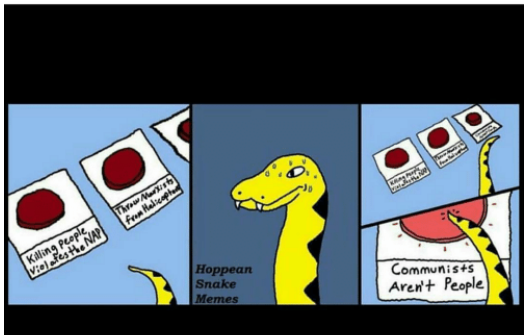


**Communists can't have human rights if they don't believe in human rights**



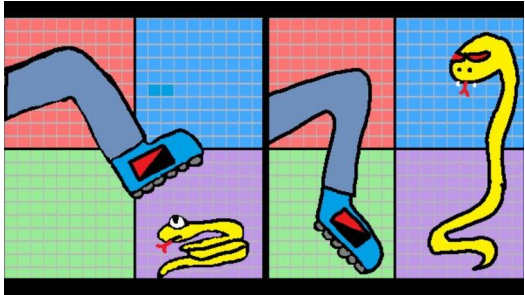


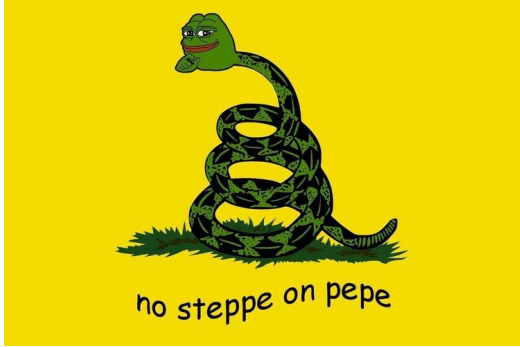








theonlygoodcommunistisadead  
communist







**"Capitalism is responsible for the *MURDER* of millions."**

			
Never in my life have I heard anything as dumb as what I just read. And I've been to Russia.	Murder is not voluntary, and thus not part of capitalism.	Given that is true, that number would be higher under a central planner.	Is that a fucking challenge?

***Hoppean Snake Memes***



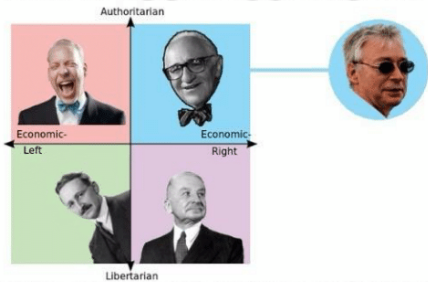
You're both pieces of shit, and I can prove it mathematically.



When all you want is freedom  
but they make it impossible



WHEN YOU'RE SO BASED...



YOU'RE COMPLETELY OFF THE CHART

#BasedHoppe #HHH HHH  
Physical Removal Service  
Hoppean Snake Memes

