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Scrum and Koch

THE LOOMING court battle for control of the **Cato Institute**, the libertarian-conservative think tank, exposes just how fragile the independence of these Washington-based institutions can be. Cato was co-founded, and has been lavishly funded, by the multi-billionaire Koch brothers, who are known for both charitable interests (such as MIT's Koch Institute) and bitterly partisan politics (such as their financial backing of the Tea Party movement). Their industrial empire, spanning oil, chemicals, cattle, fertilizer, paper mills, and more, is subject to extensive government regulation. But the Koch brothers, Charles and David, have maintained that their political donations are primarily motivated by faith in the free-enterprise system, not a desire to tip the regulatory scales in their favor.

Now, they are suing Cato President Ed Crane and the widow of the institute's former chairman, William Niskanen, to gain greater control. Currently, the four equal shares of the non-profit institute belong to Charles Koch, David Koch, Crane, and the estate of Niskanen, who died in October. The Koch brothers believe the terms of the ownership give them the first right of refusal to buy Niskanen's share, effectively gaining a controlling interest. The suit, declared Crane, is an effort to ``transform Cato into a political entity that might better support [Charles Koch's] partisan agenda . . . We consider it a hostile takeover."

Washington think tanks play major roles in regulatory matters. They operate in a similar realm to universities, but without the protections on academic freedom. While Cato and its brethren - the Heritage Foundation and American Enterprise Institute on the right, the Brookings Institution and others on the left - depend on donations from ideological supporters, they've generally succeeded in preserving the integrity of their work.

That matters a lot, because in today's big-money lobbying culture, businesses can essentially buy their own experts and even phony grass-roots movements (so-called Astroturf groups) to push their regulatory agendas. The studies used by Congress to regulate industries are verified only by the honesty of the institutions that produce them. Cato and its brethren may have ideological agendas, but don't routinely twist the facts to suit their funders.

Whatever the legal merits of Charles Koch's suit, Cato is better off under Crane, simply because he doesn't have a \$98-billion-per-year industrial empire to oversee. Washington think tanks fall short of universities in assuring the independence of their research, but they aren't corporate shells, either. That fragile membrane of public protection must be preserved.