

The Crane Chronicles Part I: How and Why Ed Crane Pushed the Koch Brothers Conspiracy Theory

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The most striking fact to emerge from the now-<u>public</u> <u>dispute</u>over the future of the libertarian Cato Institute is that the ludicrous Koch brothers conspiracy theory--a favorite refrain of the Obama campaign and the extreme left--was apparently fueled by Cato president Ed Crane in his bid to maintain control of the institution.

Crane has not shied away in recent days from using the mainstream mediarrarely sympathetic to the libertarian or conservative causes--to argue his side of the dispute, which centers around the structure and composition of the Cato Institute's board. Now, it has emerged that Crane had been a key source for Jane Mayer--one of the most rabidly anti-conservative journalists in America--in an August 2010 *New Yorker* profile that elevated the Koch brothers conspiracy theory from the fringe to the mainstream.

Having trashed the Kochs and the Tea Party, Crane then used that ostensibly independent, negative portrayal as ammunition in an effort to consolidate his power within Cato.

In the run up to the historic 2010 Republican sweep in the midterm congressional elections, many on the left and in the mainstream media attempted to derail the Tea Party-led victory. At the center of the left's crosshairs were Charles and David Koch, heartland entrepreneurs who have donated significant time and resources to libertarian and conservative causes. In particular, the Kochs have donated in excess of \$30 million to the nation's first libertarian think tank, the Cato Institute, which they helped create in 1977.

In many ways, the culmination of the left-media attack on the Kochs was Mayer's 9,966-word feature article in the August 30, 2010, issue of the *New Yorker*. Mayer's bona fides as an assassin for the left were well-established by that time; indeed, Mayer does not really even pretend to be a balanced journalist. In 1995, she skyrocketed to left-wing darling status when she co-authored a book attacking Supreme Court Justice Clarence Thomas by attempting to prop up Anita Hill and her sensational charges. Later, during the second Iraq War, Mayer titillated liberals with tales of President George W. Bush's supposed penchant for "torture." When *Washington Post* columnist and former speechwriter for President Bush Marc Thiessen subsequently wrote a bestselling book about the enhanced interrogation program, entitled *Courting Disaster*, Mayer savaged Thiessen in a book review for the *New Yorker*. (Thiessen wrote a devastating response, demonstrating various inaccuracies and Mayer's misleading reporting overall.)

Mayer's hit piece on the Kochs in the *New Yorker* was just the kind of unnamed-source hatchet job for which she had become infamous. The article, which purported to explain in Illuminati-style fashion the "Kochtopus"--an allegedly nefarious and wide-ranging vast rightwing conspiracy made up of myriad "tentacles" extending into every facet of public policy--sent the Beltway buzzing. (As an aside, Mayer's *New Yorker* article trashing the Kochs is now said to be the genesis for a forthcoming book on the Kochs.) When the late Andrew Breitbart tweeted about Mayer's article, he wrote: "Must extend congrats to *New Yorker*'s Jane Mayer for dutifully artificially inseminating leftist minds w Pavlovian anti-Koch dementia." Anti-Koch hysteria has reached such heights that, the Kochs have been the targets of death threats, as well as cyber attacks from the "Anonymous" hacker collective, in addition to routine media attacks and inaccuracies.

Liberals quickly morphed Mayer's *New Yorker* article into an electoral bludgeon designed to slow the Tea Party, smear Charles and David Koch, and make them social and political pariahs. The article garnered 117,000 Facebook shares, 8,499 tweets on Twitter, and was dubbed by Media Matters as a "landmark exposé" that represented the most significant attack on the Tea Party in 2010 (though, at the ballot box at least, an ineffective one). The *Weekly Standard*'s Matthew Continetti noted in a cover story entitled "The Paranoid Style In Liberal Politics: The Left's Obsession With The Koch Brothers" that the Mayer article had been a left-wing sensation that "became a sort of Rosetta Stone for Koch addicts. It was

the template for any liberal wanting someone to blame for all the trouble in the world. Mayer had unlocked the secrets of the Kochtopus."

Not surprisingly, MSNBC's Rachel Maddow also picked up Mayer's meme and featured the writer on her TV program to paint the Kochs as radicals who were "off the deep end."

Mayer's article was, of course, more than an assault on the Kochs; it was a proxy attack on the the conservative and libertarian movements writ large, and the Tea Party in particular, which was falsely portrayed as a Koch-sponsored Astroturf movement. It now appears that Mayer's attack was also a false flag operation, in which the *New Yorker* attacked the Tea Party on behalf of an insider with an ax to grind--Ed Crane himself.

Of particular interest to liberals at the time was a damning quote in Ms. Mayer's piece attributed to "a top Cato Institute official" who smeared Charles Koch as being an intellectual phony who "thinks he's a genius. He's the emperor, and he's convinced he's wearing clothes." Because Mayer had quoted Crane in the prior paragraph, many seasoned political readers immediately began to wonder whether Crane himself had been the source of Mayer's cutthroat quote. But there was, at that time, no way to prove it.

Mayer's *New Yorker* article prompted a September 2010 phone call between David Koch and Crane. According to a source with direct knowledge of the call, Crane alleged that the damage to the Koch brothers' reputation had been so severe and had generated so much intense (and negative) media scrutiny that the Cato Institute's association with the Kochs had now become a liability. To remedy that, Crane said that Cato's shareholder arrangement should be scrapped. Specifically, Crane said the Kochs ought to forfeit their shareholder rights. Furthermore, Crane proposed radically altering Cato's existing governance structure to that of a "self-perpetuating" board.

During the phone call, David Koch asked Crane whether he had participated with Jane Mayer in her article for the *New Yorker*. Crane initially acknowledged to talking to Mayer, "but only on background." Later he admitted he was also the source for the unattributed quotes. According to a recent <u>statement</u> released by David Koch, "When confronted about this, Ed initially claimed he only spoke briefly and favorably about us."

However, in an interview with Slate published last week, Crane confirmed that he not only collaborated with Mayer, but that he was, in fact, also the source for the quote (emphasis added):

Crane: Jane knows I'm pissed at her. I told her that off the record. I told her at the top of the interview. First off she says, I'm doing a story on the libertarian impact on the Tea Party movement. I was suspicious of that to begin with. Within five minutes, it's clear that she wants to do a hatchet job on the Kochs.

That is, quite simply, a stunning revelation. Ed Crane is not naïve. He knew exactly with whom he was speaking--on or off the record. Surely, he knew exactly what Mayer's view of the Tea Party and the conservative and libertarian movements was and would be--he has admitted as much to Slate. Crane could not have believed that speaking with a Mayer about the inner workings of the libertarian movement would serve Cato's mission.

On the contrary, it would appear that Crane deliberately gave political ammunition to a nemesis. David Koch concluded in his recent statement: "As Ed [Crane] has shown, he will partner with anyone – including those that oppose Cato and what it stands for – to further his personal agenda at the expense of others working to advance a free society."

Libertarians and conservatives had already been troubled by the widely reported, ruinous strategy Crane has pursued in his bid for control of the Cato board. His "my way or the highway" approach to resolving the current shareholder dispute has, once again, handed the left a weapon with which to bash libertarian and conservative causes and donors.

As Erick Erickson of RedState writes:

What Crane has decided to do is burn down the remains of Cato's reputation to try to save his own power. The shareholder document is straight forward....In other words, they were willing to have the fight, but wanted to put it off until after the political season is over. But Ed Crane wants this happening in the political season so he can take advantage of a liberal media predisposed to be against two of Barack Obama's political opponents.

People on the right should frown upon those sorts of actions. If Cato is to die, it will be because of Ed Crane's leadership, not because of the Koch Brothers.

From the evidence now available, it would appear that Crane's strategy had long been in the works. He had collaborated with Jane Mayer on her hyperbolic hit against Cato's shareholders--the Kochs--in an apparent effort to create a media sensation and an internal crisis at Cato in order to wrest power from the Kochs and to consolidate his own control. Moreover--and as will be clear from subsequent articles--it appears that the increasingly public feud at Cato is being led by the personal agenda of a single man: Ed Crane.

Many in the libertarian movement are struck by the irony that one of its most respected leaders has become an exemplar of the libertarian warning that power corrupts.

At the very moment when the nation is yearning for strong, principled conservative leadership to combat Barack Obama, Crane has apparently chosen to end his career at Cato--and to endanger Cato itself--in a petty and self-serving game of brinksmanship.