

Cato board member faces spousal-abuse charge

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A board member at the libertarian Cato Institute is facing criminal charges of assaulting a family member in Texas, as his wife claims he held her down, choked her, head-butted her and bit her in the face, according to court documents of the May 2017 incident.

Preston Marshall, a 44-year-old investor who was involved in high-profile lawsuits over his family's estate with Anna Nicole Smith, pleaded not guilty to assaulting his wife. His wife, Anastasia Marshall, has initiated divorce proceedings.

Marshall has been on the Cato board since 2012, when he was appointed with the support of Charles and David Koch, who are major Cato funders.

Bob Levy, chairman of the board of the Cato Institute, said that "neither I nor Cato President Peter Goettler were aware of the criminal charges brought last year against Cato board member Preston Marshall" prior to an inquiry from POLITICO. "If Mr. Marshall is found guilty of these allegations, we will certainly call on him to step down from the board or, if necessary, ask the board of directors to remove him."

"Should he be found not guilty, any action in this regard will be dependent upon the evidence adduced at the trial regarding the allegations against him," Levy said, adding that he would ask Marshall to suspend board activities until after the results of the trial.

A Koch network official declined to comment for this story.

The allegation against Marshall is surfacing as the libertarian community has been debating sexual harassment in the movement, which emphasizes personal freedom. The Cato Institute maintains that its workplace culture has changed substantially in the years following the departure in 2012 of former President Ed Crane, who has been accused of sexually harassing female employees.

After POLITICO published a <u>story</u> detailing the allegations of three women against Crane, libertarians debated whether their movement was too tolerant of sexual harassment. Libertarians,

in the view of one former Cato employee, "believe in the right to ask" to proposition someone "and the right for someone to say no."

Marshall was arrested last May after his wife accused him of being both physically and verbally abusive. On one occasion, Anastasia Marshall alleges Preston Marshall held her down and choked her, then head-butted her and bit her in the face. A photo submitted in court allegedly shows Anastasia Marshall with injuries to her face from the alleged incident. Preston Marshall was arrested and charged with a misdemeanor for assault of a family member in court in Harris County, Texas. Anastasia Marshall filed for a divorce soon after her husband's arrest.

Both cases are still ongoing.

"I think it would be inappropriate to discuss the facts of the case while the criminal case was pending," said Preston Marshall's attorney in the criminal case, Robert A. Scardino. "I think Mr. Marshall would love to do an interview with you and answer all your questions, but on my advice he's not going to do that."

Wendy Burgower, an attorney representing Preston Marshall in the divorce, said he is now exercising regular visitation with his children. "He is not supervised," she said.

A lawyer representing Anastasia Marshall in the divorce proceedings declined to comment.

Marshall joined the board at Cato as a Koch brothers ally amid a power struggle for control of the think tank with Crane, who had been president since the 1970s. The Kochs added several new members, including Marshall, to the board in 2012 in an effort to exert greater control over the institute. Eventually, Crane left Cato and Charles Koch left the board. The Koch network continues to provide funding to the Cato Institute.

Anastasia Marshall reported the alleged assault by her husband the morning after it took place. According to court documents, she told a police officer that Preston Marshall had come home after drinking at the members-only Petroleum Club of Houston and woken up their children. After Anastasia Marshall told him not to disturb their children, they argued and Preston Marshall eventually pinned his wife to the ground.

"While on top of me he pressed his forearm against my throat with the weight of his upper body against my throat choking me and cutting off my ability to breath [sic]," Anastasia Marshall said in the affidavit. Preston Marshall "started head butting [her] repeatedly," and then bit her on the face, she said.

Marshall has also been physically violent toward her at other times, the affidavit said, and is verbally abusive.

"Preston Marshall is alcohol dependent and abusive. He frequently comes home late at night intoxicated and is verbally abusive when my children are at home," Anastasia Marshall said in the affidavit. She went on to recite a series of extremely graphic sexual epithets that he allegedly used.

While his criminal case and divorce have been pending, Preston Marshall has remained on the boards of institutions including Cato and the Institute for Energy Research, a Washington-based nonprofit research organization funded largely by the energy industry.

IER President Thomas Pyle said in a statement, "We were not aware of this allegation and have no comment at this time."

Marshall resigned last October from the board of the Kinkaid School, a prestigious private school in Houston, "for personal reasons," according to Kinkaid spokesperson Georgia Piazza.

Marshall's mother, Elaine Marshall, is the largest minority shareholder in Koch Industries. She and her late husband inherited the valuable stake from James Howard Marshall II, the late husband of Anna Nicole Smith. Elaine Marshall and her husband were for years involved in a legal battle with Smith, and later the executor of Smith's estate, over the inheritance.

Smith, a model and actress who died in 2007, married James Howard Marshall II in 1994, when he was 89 and she was 26. He died the following year.

Elaine Marshall, who is worth over \$16 billion, according to the Bloomberg Billionaires Index, is currently a board member of Koch Industries. Preston Marshall has remained on the board at Cato, which recently reiterated its commitment to maintain a harassment-free workplace after POLITICO reported on three women alleging harassment by Crane over a two-decade period, and a fourth who settled a harassment suit in 2012.

After the allegations against Crane, Goettler sent an internal <u>email</u> to all staff saying: "[W]e maintain a zero tolerance policy against sexual harassment at Cato. I want Cato to be a place where everyone can work in a secure and comfortable environment."

"Our board of directors is also strongly behind the above policies. They have been proactive and very supportive of our efforts," Goettler added.

But some others in the libertarian movement regarded the allegations against Crane as unsubstantiated. Crane remains president emeritus of Cato.

Joe Bast, co-founder of the Heartland Institute, defended Crane in a <u>blog post</u>. "Former employees sometimes want to get even with former employers or colleagues by making up stories of grievances that went unrecognized and unreported at the time. ... It would not be difficult for reporters seeking to disparage a great man to find at least a few willing to tell tales," Bast wrote.

Cato held one mandatory sexual harassment training in 2012, after Crane departed his post.

In a separate statement provided to POLITICO in response to the revelation about Marshall, Goettler said, "In light of the current environment, we are planning an additional seminar concerning expectations of employee behavior, with the goal of making perfectly clear to current and new employees that the Cato Institute does not tolerate harassment of any kind in the workplace."

Cato is also "updating [its] onboarding procedures to include a more vigorous review of Cato's zero tolerance policy," Goettler said.