

## Koch Brothers Takeover of Cato Institute Upsets the Fellows

By: [masaccio](#) Wednesday March 7, 2012 5:18 pm

The Cato Institute is supposed to be an independent libertarian think tank. It was created by the Koch Brothers, David and Charles, in 1974, and expanded with the addition of two other men, Ed Crane and William Niskanen in 1976, when it changed to its current name. Niskanen died, and the Kochs are trying to gain control. Gaius Publius at AmericaBlog has been all over this, [here](#), [here](#), and [here](#). He sees it as the consolidation of a sprawling think tank empire, which sounds right to me.

Cato, along with the Heritage Foundation was created in the aftermath of the [Powell Manifesto](#) urging the Chamber of Commerce to coordinate the creation of groups to defend the free enterprise system. According to Powell:

*The day is long past when the chief executive officer of a major corporation discharges his responsibility by maintaining a satisfactory growth of profits, with due regard to the corporation's public and social responsibilities. If our system is to survive, top management must be equally concerned with protecting and preserving the system itself.*

Powell, later a Supreme Court Justice, thought it was wrong that corporations should operate with due regard to responsibilities to the public and society. The oligarchy happily agreed, and soon an array of groups were organized to crush the notion that rich people have any responsibility other than making money.

If your goal is to justify absolute selfishness, and total disregard of the demands of a decent society, in favor of increasing the wealth of the rich, where would you turn for a philosophical justification? After all, the march of history has been unevenly in the opposite direction ever since the French decapitated thousands of aristocrats. Of course, you would turn to Ayn Rand, and her objectivist philosophy.

The US has a long history of proliferating religions. We get schisms within traditional religions, as the splits of the [Presbyterians](#) into PCA and PCUSA and others. There are regular returns to fundamentalism, like [Traditionalist Catholics](#). But we are best known for our creation of new Churches out of the imagination of visionaries; Joseph Smith, for example, or Mary Baker Eddy, or L. Ron Hubbard.

And, of course, Ayn Rand. Corey Robin wrote an essay for The Nation called [Garbage and Gravitas](#), which is included in his excellent book [The Reactionary Mind](#): [cont'd.]

*St. Petersburg in revolt gave us Vladimir Nabokov, Isaiah Berlin and Ayn Rand. The first was a novelist, the second a philosopher. The third was neither but thought she was both.*

She teaches that great men are always assaulted by the moochers and leaches, including government bureaucrats, intellectuals, and dying businesses fighting to maintain their hegemony. Only after an epic struggle against overwhelming odds does greatness appear and triumph.

You can see why Charles and David Koch would like Rand. Their father, Fred Koch, [created a new](#) and more efficient thermal cracking process for making gasoline. He was forced out of business when the existing oil companies sued him for patent infringement (weaklings!). Eventually he got rich, and passed a giant private business on to Charles and David.

Rand's ideas don't translate into a palatable political program, as David Koch found out in 1980 when he ran for Vice-President on the Libertarian Party ticket. Their [platform promised](#):

*... to end Social Security, minimum-wage laws, gun control, and all personal and corporate income taxes; it proposed the legalization of prostitution, recreational drugs, and suicide. Government should be reduced to only one function: the protection of individual rights.*

He got clobbered. It became the great goal of the Cato Institute to put lipstick on this pig, and they have done a pretty good job over the years.

The Kochs' control games are upsetting some of their employees. Jerry Taylor, a Senior Fellow, and Julian Sanchez, a Research Fellow, have gone public with their complaints. [Taylor says](#) that Cato will not stay true to its fundamental principles of individual liberty, free markets, and peace into the future. Sanchez goes even farther: [he announced](#) that if the Kochs are successful, he will quit.

I can't see why either of them care. They hold themselves out to be libertarian, a philosophy founded on total rejection of altruism. Most people think selfishness is an unattractive quality. Sanchez and Taylor have found a place where touting the virtues of selfishness is lucrative.

Maybe they should reject the pointless task of prettifying Objectivist Philosophy. They could focus on the wonders of the free market, protection of individual rights and peace forever. The first requires them to admit they are merely Republican apologists; in which case, why not stay? If their real concern is protecting individual rights and peace, they're out of luck. Both of the legacy parties and their owners are dismantling individual rights and practicing war. Taylor and Sanchez would have to admit that they are progressives, accept it and move left.

Now that's a real philosophical conundrum.