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An Unforgivable Act in the World of Koch: Talking to the New Yorker

In the bitter back and forth between the Koch brothers and the leaders of the Cato Institute, [David Koch](#) has sent out the latest volley.

Koch, a longtime contributor and board member of Cato who has not spoken publicly since the Kochs sued the institute, accuses CEO, Ed Crane, of a “rule or ruin” strategy.

“He will either be allowed to rule Cato in the way he wants for as long as he wants, or he will try to ruin it,” Koch said in a [prepared statement](#). Koch and his brother, [Charles Koch](#), say they want Cato to become more effective while staying true to core principles.

It’s not clear what principles they believe are being violated by the current leadership. Differences appear to center more on control and personal differences between the Kochs and Crane.

A major complaint by Koch is that Crane’s vocal opposition has thrust the dispute into the public sphere. Yet the brothers’ lawsuit, filed in Kansas earlier this month, did that.

Another is that the publicity is giving fuel to the Kochs’ opponents, including groups such as Common Cause, which has called on the Internal Revenue Service to investigate the power struggle at Cato.

Koch also rejects criticism by Crane and Cato Chairman Robert Levy that too many of the think tank's board members have ties to the brothers or to their company, Koch Industries.

“Ironically,” said Koch, “this could be said of most libertarians, given our decades-long track record of supporting individuals and institutions committed to freedom.”

The friction clearly is greatest between Crane and the brothers.

Koch acknowledges in his statement that he spoke with Levy last fall about the need to replace Crane as quickly as possible.

“I further stated that I would withhold my contributions until I was convinced that Cato would honor its commitments and begin to treat others, including board members, with dignity and respect,” Koch said.

One of Crane's greatest transgressions appears to be that he spoke with journalist Jane Mayer for a [2010 New Yorker article](#) about the brothers.

Koch accuses Crane of “providing negative background on an article that was highly critical of Charles and me. This one-sided and politically motivated piece was driven by Obama supporters at the Center for American Progress as an attempt to prevent us from effectively opposing the administration's anti-libertarian agenda.”

Mayer described the Kochs as having “repeatedly funded stealth attacks on the federal government, and on the Obama Administration in particular.”

Her piece also noted David Koch's complaint that the “radical press” was using his family as “whipping boys,” a grievance that was apparently exacerbated by the New Yorker coverage.

As Koch's statement made its way around the web, the Cato board [added new members](#), giving a more comfortable majority to those who don't support the Kochs.

See [Koch's full statement](#).