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Why I Fear a Koch Takeover Of the Cato Institute

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This coming October will mark 19 years that I have been a scholar with the Cato Institute. During that time, much has happened in the U.S. and around the world. Presidents have come and gone. Democrats and Republicans have exchanged control of Congress. New issues have arisen, and old ones have taken on new life. But throughout it all, I have been proud to have been associated with an organization that I regard as an uncompromising force for individual liberty.

That is why I view with alarm the recent move by Charles and <u>David Koch</u> to take active control of Cato.

I certainly have no personal animosity toward the Kochs. One cannot overstate their efforts over the years to make this country a better and freer place. And for those efforts, they have been horribly and unfairly maligned by much of the media. The Cato Institute would never have existed without their generosity and support, especially in the early years. In the late 1990's, I spoke at a number of Kansas events arranged in part by Charles Koch. And in my limited interactions with David Koch, I have always found him gracious and genuinely interested in my work.

However, I strongly believe that Cato's effectiveness is due in large part to its reputation for independence, and its willingness to skewer sacred cows on both sides of the political aisle without regard to partisan consequences. I have often joked that Cato had at least one position that was guaranteed to infuriate everyone in <u>Washington</u>. But that same iconoclastic insistence on taking the pro-freedom position and letting the chips fall where they may, also earned us a bipartisan respect that is rare in these politically polarized times.

Several years ago a survey of Capitol Hill staffers found that the Cato Institute was the second most trusted think tank by both Republicans and Democrats. Republicans, unsurprisingly, rated the Heritage Foundation number one, while Democrats favored the Brookings Institution (groups like the Center for American Progress did not yet exist), but both groups trusted Cato.

This did not occur by happenstance. Rather, it is the result of an internal culture carefully crafted and nurtured by Ed Crane and the Cato board over the years. It is a result of hiring scholars that are not only experts in their fields but are committed to liberty rather than partisan politics. And, it is the result of an ongoing atmosphere where scholars routinely chide each other for "going Washington," or getting to caught up in the political battles of the day.

Does that mean that we sometimes sacrifice short-term effectiveness? Perhaps. But there are many organizations in town that focus on the political fight in today's news cycle. Of course if Cato were that type of organization, we never would have begun talking about personal Social <u>Security</u> accounts 30 years ago. We never would have pushed for health savings accounts. We would not have made the case for tax credits as a route to school choice. We would not have written about the dangers of an individual mandate for health insurance, at a time when other "free market" think tanks were supporting the idea.

On these and countless other issues, Cato talked about issues long before they were part of the political zeitgeist. But in doing so, we laid the groundwork for the eventual mainstreaming of these ideas. I believe that is an important role, and I am glad to be part of it.

Would that change if the Kochs takeover Cato. I think so. Certainly our reputation for independence would be diminished. Democrats and liberals will have a much harder time working with us, even on issues where we agree.

But more important, I believe that there would be increased pressure for Cato to forgo the long-term vision for the sake of short term partisan conflict. This doesn't mean that there would be orders from the Koch's to take this or that position or to address this or that issue. Nothing I have seen suggests that they desire that sort of direct control.

Rather, I believe that there would be a subtle but important alteration of Cato's culture. The temptations of Washington are insidious. I have seen other scholars and even entire think tanks compromise their principles out of a

desire to seem "relevant" or to "be in the room" when a particular piece of legislation is written. To resist that siren song requires constant vigilance.

During my 19 years with Cato, that vigilance was sparked by Ed Crane and Cato's board of directors. I can't help believe that things would have been different in a Koch-controlled organization with a board dominated by the heavily partisan non-libertarians that the Koch's have recently appointed.

Maybe there are ways that Cato can be more effective in the short-term without compromising its independence and long-term vision. But personally I would prefer to work for an organization that errs on the side of principle. I don't know that that will be possible if the Koch's succeed in their takeover.

Michael Tanner is a senior fellow at the Cato Institute.