



## From Wall Street to Washington

By [Joseph Lawler](#)

April 27, 2015

Peter Goettler is new to Washington, but his ambitions for moving it toward libertarianism are lofty.

As the new president and CEO of the Cato Institute, he wants to extend the "Libertarian Moment" and boost the think tank's influence in the process.

Cato announced Goettler as its new head at the end of March. He had been a supporter of Cato for 15 years but otherwise was not well known in the capital.

His background is on Wall Street, not Washington. Goettler, pronounced "get-ler," retired in 2008 as head of investment banking for the Americas at Barclays, and only began moving his family into a West End residence in the District in March.

He started in the mid-1980s at the investment bank Salomon Bros., and then spent his career building up investment banking operations for several institutions, including Merrill Lynch. His work, the 52 year-old Massachusetts Institute of Technology double-graduate says, was "entrepreneurial, but within larger organizations," hiring people, building products, strategizing and motivating teams to take on established investment banking competitors.

Now he'll try to use that entrepreneurialism in a far different setting: The intersection of politics, policy and influence in the think tank world.

He replaced another former bank executive, John Allison, the former BB&T head who served as Cato's CEO for two and a half years. Allison managed the think tank's rocky transition from its original CEO, Ed Crane, amid tension between Crane and donors Charles and David Koch over the direction of the organization.

Revenue grew by nearly two-thirds during Allison's tenure, Cato boasts, and it expects \$36.3 million in revenue, mostly through fundraising, in 2015.

Goettler wants the organization to continue to grow and to broaden its reach in promoting libertarian ideas: Less government involvement in the economy, foreign policy restraint, liberalized immigration laws and less restrictive drug laws, among other civil liberty issues.

In an interview with the *Washington Examiner* in Cato's library, next to first editions of Adam Smith's *Wealth of Nations* and Ayn Rand's novels, Goettler described his background and his ambitions for Cato and the libertarian movement. What follows is an edited transcript of the conversation.

***Washington Examiner: Do you think coming from a non-political background is an advantage as CEO of the Cato Institute?***

**Peter Goettler:** I've always looked at myself as: I was a businessperson, that was my career, but I was always a serious amateur in the policy realm.

I've been a supporter of Cato for 15 years, and always interested in policy arguments. You know, one of the great things about Cato is that, as a long-time sponsor, I always felt that I was part of the team. Cato does a great job letting its partners know that they're not just donors, but they're participants in what we're trying to do. That meshed really well with my interest in policy, because I always had access to the scholars here.

As a CEO, you don't have to be a policy expert. We have a lot of policy experts. And obviously, I'm deeply involved in this stuff, I'm deeply interested in it, but I'm not trying to compete with our scholars. They're the stars. They're the experts. I need to be as expert as I can be in all of the policy areas that we're engaged in, which as you know are many, but I'm not looking to compete with, trying to be as smart as Michael Cannon in health care studies or Ilya Shapiro in Constitutional Studies, because that's not my role and that wouldn't be a good use of my time.

***Examiner: Have you always been consciously libertarian?***

**Goettler:** I've been consciously libertarian. I've always believed in the moral case for individual liberty. I think it's important that people are able to live their own lives and pursue their own happiness and their own dreams as free of government coercion as possible.

Another area where I've been an amateur student is history, particularly the Founding era. I think of the founding of the U.S. as kind of a libertarian event, the Constitution as a libertarian document. One of the reasons that I've had such a strong affinity for Cato is that I think there are certain areas where Cato has made me appreciate more elements of libertarian philosophy and libertarian policy positions that I think I always agreed with but perhaps I didn't place the right emphasis or priority on.

A story I've told in the last couple of weeks is: I became a sponsor of Cato right around the time of 9/11. I worked at Barclays Bank at the time and we were in a building downtown. Our building was probably the closest building to Ground Zero that wasn't structurally damaged in some way. And David Boaz [Cato's executive vice president] came to visit me about a week and half, two weeks after 9/11. He was one of my first visitors. And I took him upstairs to our

cafeteria, which was at the top of our building, and looked out over Ground Zero to show him. I remember quite distinctly David expressing a concern about what the response to the event would entail for civil liberties. He was worried about that.

At the time, I wouldn't say that was top of mind for me, it wasn't at the forefront of my consciousness. In the time since, I can see that his fears were very well-placed. That's an example of where I really learned something from Cato, that civil liberties are at least as important, or more important, than economic liberty.

***Examiner: How do you view the outlook for civil liberties and libertarianism? How do you assess your posture as a libertarian think tank?***

**Goettler:** We've seen, in recent years and decades, government growing very significantly. It seems to be an inexorable march into more and more corners of our lives, and spending growing, unfunded liabilities growing, regulation increasing. So against that backdrop, it's easy to be pessimistic. People are often pessimistic in the short term.

Long-term, I'm very optimistic, because I just think the case for liberty is so strong.

You also have to try to take a global perspective. I think the U.S. is really important, because of the size of the country, the size of our economy, our history and heritage of freedom and what that's meant to the rest of the world.

But it's also equally important to consider the global perspective. When you do that the last few decades have been pretty amazing time, and it's easy to be upbeat when you see how many people are living more freely than they did 25, 30 years ago.

I kind of came of age, grew up in the '70s. I was 10 years old in 1973, and 16 years old in 1979. When you think of the Iron Curtain dividing Europe, all these people living essentially in communist slavery, what China looked like at the time, we really have to remind ourselves that the world is very different now than it was and part of that's because people have a desire to be free.

It's easy to get pessimistic short-term, and that's probably important because that gives us great energy for the fight. But long-term the way you get energy is believing that you're going to win. And I think we're going to win.

***Examiner: What is the role of Cato in accelerating that? Do you need a major political party that is libertarian? Do you need academia to be more libertarian? Do you need bipartisan consensus? How does it work?***

**Goettler:** I think the exact opposite of what you said at first. We definitely don't need a political party. Cato needs to remain non-partisan and will remain non-partisan.

I think that's pretty critical, because — you've lived in Washington now, and you've covered a lot of policy. You can see, when you're in a partisan framework, how difficult it is to change someone's mind.

Once you're sitting on one side of the table and you're a member of one party and someone's sitting on the other of the table and a member of another party, your ability to change someone's mind or persuade them of your point of view becomes very limited.

Cato has a great tradition of not just intellectual quality, but also intellectual integrity that I think is a really powerful weapon in persuading people of our point of view and hopefully moving the terms of the policy debate.

The fact that we have significant areas of agreement and significant areas of disagreement with each party puts us in a pretty unique position.

I think the reason for that is because our philosophy is very internally consistent. When you look at the packaging of issue positions or policy positions in the parties, there isn't really a consistent philosophical or ideological thread that binds them together the way that libertarianism does.

***Examiner: What about the flipside of that: The phenomenon of libertarians having a tendency to write off people who are not consistent, saying "this isn't part of libertarianism." How do you maintain a big tent?***

**Goettler:** We don't want to write anyone off. We want to convince them.

Again, that gets back to why I'm optimistic long-term. Because I do think it's an internally consistent philosophy, and that's really necessary when you think of anyone evaluating their own position, I think that's pretty important.

***Examiner: Who do you look to as intellectual guides?***

**Goettler:** One would be Hayek. One of the central elements of Hayek is recognizing the limits of any one individual's knowledge, the fact that knowledge is diffused throughout society. I think an acknowledgement of that is an important element of our philosophy. Emergent order as compared to top-down planning, similar to the framework of the debate or the issue in *Road to Serfdom*.

How far back can I go? Thomas Jefferson has always been an inspiration. Really because of the breadth of his knowledge.

Obviously there's a lot of focus on Jefferson's significant flaws. The fact that he was a slave owner. I should be pretty careful about how we characterize this. But his ideas, which were very libertarian ideas, which were radical at the time, were necessary to achieve what was the greatest libertarianism accomplishment, which was the Emancipation, the end of slavery.

*Examiner: I know you're still new, but is there anything you can say now about Cato doing things differently? Any new areas you're getting into, any new practices?*

**Goettler:** This is really easy, because this is something I talked about with all the staff on my first day.

It goes with being Hayekian and recognizing what you don't know and knowledge is diffused and to get to the best solutions you need to collaborate to pull those divergent bits of knowledge and expertise together.

I think it's always good when you bring someone in from the outside to have a fresh perspective on the organization, as long as that person doesn't think that they know it all.

There's a lot of expertise and experience and knowledge in this building. That's ultimately the power of Cato. I want to work with all of the people who have that knowledge and expertise to figure out if we're doing things the right way, are there better things we could do. Obviously I have some ideas in that regard, but I really want to want to spend time with people internally.

As you mentioned at the outset, I don't come from the policy world. I don't come from the think tank world, so there are definitely some things I need to learn to help me think about some of these issues more deeply.

Probably sounds like a cop-out answer, doesn't it?

*Examiner: It's not a cop-out.*

**Goettler:** We still want to grow. There's a term that's been used a lot recently — the Libertarian Moment.

I don't want a libertarian moment. I want it to last a long time, so that it's a lot more than a moment. I think Cato will be important in that.

Cato's greatest achievement is really the mainstreaming of libertarianism, I think. What I'm hoping is that it becomes a virtuous circle, that the mainstreaming of libertarianism and libertarianism becoming a legitimate political philosophy increases the profile of libertarianism, and brings more people to what we're doing.

That allows Cato to grow, because we'll hopefully attract people who will be willing to share their resources with us. So we can hopefully continue to grow rapidly, that helps increase Cato's profile, hopefully that helps us bring more people to our team. So, virtuous circle.