

# NATIONAL REVIEW ONLINE

## *FreedomWorks Sides with Cato, Blames Kochs*

By Patrick Brennan  
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In the ongoing battle over control of the Cato Institute, one particular ally is an interesting toss-up: FreedomWorks, an economically-libertarian think tank originally founded in part by the Koch brothers, but also passionately committed to the non-partisan discourse of libertarianism.

But FreedomWorks has now taken a side, with Cato: Chairman Dick Arme, co-chairman C. Boyden Gray, and president Matt Kibbe have expressed deep support for the Cato Institute's independence, and strongly condemned the Kochs' actions. In a statement obtained by NATIONAL REVIEW [Online](#) (available [here](#)), they argue:

As representatives of FreedomWorks, a grassroots organization that fights for constitutionally limited government and individual freedom, we have grave concerns regarding the potential damage to the cause of liberty that will result from the dispute that has erupted between the Board of Directors of the Cato Institute and various parties at Koch Industries.

While we do not pretend to know all of the particulars of the dispute over ownership shares, it is clear that this hostile takeover bid, if successful, will do irreparable harm to the credibility of Cato . . .

It is our hope that the parties at Koch Industries will reconsider their ill-conceived actions so that Cato is there in the future, intact, aggressively holding both Democrats and Republicans to account for any and all efforts to grow the size and reach of government.

In an interview, FreedomWorks's president, Matt Kibbe, suggests that, regardless of the legal issues, the Kochs have sparked a civil war at an inopportune time, and they have created the problem, not Cato. He argues that "the story was created on the day that they filed the lawsuit. You can't put that genie back in the bottle. If Cato is to be saved, I think that independence needs to be reestablished." Thus, he suggests, "the Cato board had to do whatever it could to defend itself. The caricature of the Kochs, that they're this controlling, shadowy corporation is only fed by this shadowy lawsuit."

Kibbe also emphasizes their opinion of the crucial importance of the Cato Institute to the libertarian and free-market cause. In particular, they emphasize "if you just criticize Democrats when they violate limited government principles, I just think you're not credible, and that's what I think has been most powerful about Cato's positions over the years."

As alluded to in FreedomWorks's statement, Kibbe notes that the 2008 federal bailout was one such issue on which they broke with the Republican party, and enjoyed the support of the Institute, but few other organizations. He says he is "not aware of Koch-funded organizations that opposed the TARP bailout," noting that Americans for Prosperity did not oppose it at the time. Kibbe argues that it was "very difficult to find people to speak up at the time," and that he saw Cato as a key ally.

Kibbe also notes that "we're literally shaking our heads, particularly regarding the timing. It'd be as if George Soros decided to sue the Center for American Progress in the middle of a monumental debate about the size and scope of government." The Kochs have stated that they proposed a stand-still agreement, which was rejected by Ed Crane and Bob Levy, actions they claim actually indicate that Cato, not the Kochs, prefer to litigate during 2012, a battleground year. Kibbe responds, "to be honest with you, I haven't dug into the legal particulars."

FreedomWorks's president concludes that "we need to wait and see what the courts decide." But in the meantime, the media and political battle about the Kochs and Cato's independence will continue to rage, potentially damaging both their reputations, and Kibbe emphasizes, "I'm very concerned about the narrative, and that's why we've weighed in."