



Koch Brothers Sue over Control of Cato Institute

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By Dan Weil

Activist conservative donors Charles Koch and David Koch have sued over control of the Cato Institute, the free-market think tank based in Washington, D.C., [Politico](#) reports.

The research house was started in 1974 as the Charles Koch Foundation. The name was changed to Cato in 1976, and the Koch brothers have offered regular financial support.

Until last year, the think tank had four equity partners: Charles Koch; David Koch; Edward Crane, Cato's president; and William Niskanen, who died in October. Niskanen, Cato's chairman emeritus, was formerly acting chairman of President Ronald Reagan's Council of Economic Advisers.

The Koch brothers maintain that the shareholder agreement clearly indicates there should now be only three shareholders, Koch officials told Politico. But Crane maintains that Niskanen's one-quarter stake should go to his widow, Kathryn Washburn.

"We've proposed a stand-still agreement and third-party mediation," Wes Edwards, deputy general counsel of Koch Companies Public Sector, told Politico. "We feel that we've been refused. ... We haven't alleged any wrongdoing or sought any damages. This is not about money. We view this as a matter of shareholder rights."

The Kochs filed their suit in the district court of Johnson County, Kan., where Cato is incorporated.