

# REPUBLIC REPORT

INVESTIGATING HOW MONEY CORRUPTS DEMOCRACY



## *Meet The Lobbyists Helping Charles Koch Take Over The Cato Institute And Turn It Into Another Koch Front*

**Lee Fang** 3.6.2012 at 9:33 AM

The petrochemical billionaires David and Charles Koch are attempting a hostile takeover of the Cato Institute, one of the most respected libertarian think tanks in the world. After [news broke](#) last week that Charles Koch filed a lawsuit to seize control shares owned by the late William Niskanen, a series of articles came out over the weekend detailing the aggressive moves by the Koch brothers to, in the [words](#) of Cato president Ed Crane, “transform Cato from an independent, nonpartisan research organization into a political entity that might better support [Charles Koch’s] [partisan agenda](#).”

In addition to the lawsuit, the Koch brothers have been fighting to appoint loyalists to the Cato Institute board. Although Cato has been one of the strongest voices on the right regarding drug legalization, opposition to war, promoting privacy, praising the Occupy movement, and criticizing the Republican Party, the board members nominated by the Koch brothers do not seem to reflect those values:

– **Kevin Gentry**. Gentry serves as an executive at the Charles Koch Foundation responsible for handing out grants to think tanks, while [at the same time](#) working for Koch Industries Public Sector, the registered lobbying company that works to influence federal policy on behalf of Koch Industries. Gentry’s appointment was accepted at the Cato board.

– **Nancy Pfotenhauer**. Pfotenhauer has [worked](#) for Koch Industries directly since 1999, when she worked as the chief lobbyist for the company. In 2008, Pfotenhauer [served](#) as a spokesperson for the McCain campaign, defending the war in Iraq, and discriminatory policies like “Don’t Ask, Don’t Tell.” Now a spokesperson for Koch Industries, Pfotenhauer’s nomination was accepted on the Cato board.

– **John Hinderaker.** A writer for PowerLine Blog, Hinderaker has spent much of the last year [dutifully](#) repurposing Koch Industries press responses as vicious attacks on critics of the Koch brothers. He failed to disclose, however, that the [law/lobbying firm](#) he [works](#) for, Faegre and Benson, counts Koch Industries as a major client. Hinderaker is no libertarian: he supports the [Patriot Act](#), [torture](#), [warrantless wiretapping](#), the war in Iraq, and other neoconservative prerogatives. His nomination to Cato was [blocked](#).

– **Richard Fink.** Like Gentry, Fink works at the Charles Koch Foundation responsible for handing out grants to think tanks, while [at the same time](#) working for Koch Industries Public Sector, the registered lobbying company that works to influence federal policy on behalf of Koch Industries. Although Fink attended board meetings, and pushed for the Koch takeover of Cato, it is [not clear](#) if he was ever nominated to the board.

Koch also nominated several other Republican Party operatives and Koch Industries employees to the Cato board. Julian Sanchez, a Cato writer on technology issues, is [threatening](#) to leave the Institute if the Koch brothers are successful in their partisan take over.

As [I've reported](#), many of the front groups directly controlled by the Koch brothers work to boost the financial interests of Koch Industries, the oil, manufacturing, fracking, timber, pipeline and [commodity speculating](#) empire owned by David and Charles Koch. Koch Industries makes billions by [manipulating government](#) to ensure that they may [pollute](#) the environment without ever compensating those affected, that their refineries receive special tax breaks, that they win millions in government contracts, and use eminent domain to build pipelines.

Although Charles Koch helped [found](#) the Cato Institute in the 70s, he has maintained a nominal role since 1991. The fight to control Cato is yet another example of how a few wealthy plutocrats are able to snuff out intellectual independence and further their own selfish policies across the country.

According to Dave Weigel, David Koch [personally](#) told Cato's board chairman that his "principle [sic] goal was to defeat Barack Obama," and he needed intellectual control of the Cato Institute to help accomplish that goal.