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Koch Brothers, Cato Institute Settle Dispute

Charles Koch and David Koch, the energy magnate brothers known for bankrolling anti-Democrat causes, won't take over the Cato Institute, the well-known libertarian Washington think tank, according to a settlement announced Monday.

Charles Koch, who co-founded Cato in 1974, and his brother filed two lawsuits this year to assert more control over the ideological – though not partisan – think tank.

The settlement forces out current CEO Ed Crane, another Cato co-founder, and replaces him with John Allison, the former CEO of BB&T Corp. Mr. Crane will retire within the next six months.

The Koch brothers are well known for their funding of conservative causes. They are perhaps most known this election cycle for their ties to Americans for Prosperity, a conservative advocacy group that plans to spend hundreds of millions of dollars against President Barack Obama and other Democrats.

Cato will now be governed by a 16-member board that will include David Koch, three members of his choosing, and Mr. Allison, who gets to pick up to two members.

Correction: Cato's board will have 16 members. The initial version of this post said it would have 12 members.