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## Why would Kochs want to control Cato?

By Ezra Klein

It seems that the effort by billionaires Charles and David Koch to take control of the libertarian **Cato Institute** is going poorly. "We are not acting in a partisan manner, we seek no 'takeover' and this is not a hostile action," Charles Koch told Bloomberg News. When you are denying partisanship, takeover ambitions and hostile intentions in one sentence, you probably need to rethink your PR strategy.

The Koch brothers have long supported Cato, which they helped found in Washington in 1977. Recently, however, they have come to consider their creation politically unreliable. In a meeting with Robert Levy, the chairman of Cato's board of directors, they expressed their intention to remake the institute into a party organ that would aid their effort to unseat President Obama. To do so, however, they need control of the board. They intend to get it by suing the widow of William Niskanen, a recently deceased board member, for control of Niskanen's shares.

Whether they can pull off this coup is for the courts to decide. But the bigger question is: Why in the world would they want to?

In 2006, the first page of Cato's annual report included an admiring quote from, well, me. "The libertarian **Cato Institute** is the foremost advocate for small-government principles in American life," I wrote.

I am not exactly a libertarian. I'm a technocrat. I believe in the government's ability, and occasionally its responsibility, to help solve problems that the market can't or won't resolve on its own. I find much of Cato's hard-line libertarianism - to the point of purging Will Wilkinson and Brink Lindsey, libertarians who explored making common cause with liberals on select issues - naive, callous and occasionally absurd. And yet, it's among a handful of think tanks whose work I regularly read and trust.

That's because Cato is, well, "the foremost advocate for small-government principles in American life." It advocates those principles when Democrats are in power, and when Republicans are in power. When I read Cato's take on a policy question, I can trust that it is informed by more than partisan convenience. The same can't be said for other think tanks in town.

The Heritage Foundation, for instance, is a conservative think tank that professes to pursue goals similar to Cato's. Where Cato's motto is "individual liberty, free markets, and peace," Heritage's mission is the advancement of "conservative public policies based on the principles of free enterprise, limited government, individual freedom, traditional American values, and a strong national defense."

In practice, however, whatever the Republican Party wants, so does Heritage. In 1989, Heritage helped develop the idea of universal health care delivered by the private sector through an individual mandate. In the early 1990s, it helped Senate Republicans build that concept into a legislative alternative to President Bill Clinton's proposed reforms. In the early 2000s, Heritage worked with then-Governor Mitt Romney to implement the plan in Massachusetts. Then, when Obama won office and Democrats adopted Heritage's idea, Heritage promptly fell into step with the Republican Party and turned ferociously against it.

Similarly, when Rep. Paul Ryan (R-Wis.) was developing his budget and needed a friendly think tank to run the numbers, he turned to the Heritage Foundation. And boy, it made those numbers sprint. Heritage's analysis showed Ryan's budget driving down the unemployment rate to 2.8 percent. When the mockery that ensued proved too much for the think tank to bear, it quietly replaced the analysis with another that didn't include unemployment predictions.

On policy, I probably agree more frequently with the Heritage Foundation than with Cato. But I can't trust Heritage. I trust Cato. I don't agree with its health-care expert, Michael Cannon, who considers universal coverage an absurd and deleterious goal. But I take his analysis seriously, and his critiques have informed my thinking. I'm certainly more skeptical of single-payer programs than I would have been without having read his arguments.

Similarly, I never considered myself particularly concerned with executive power, but in his book "The Cult of the Presidency," Cato Vice President Gene Healy convinced me that "we begin by looking to the president as the solution to all our problems, and we end up believing he's the source of all our problems," contributing directly to Washington's dysfunction. That has grown into a recurring theme in my writing. This column, for example, bears Healy's imprint at the top. (I pause here to note that Cato is literally giving away Healy's book, and you should absolutely accept the offer.)

I never had very strong views on intellectual property, but Cato's Julian Sanchez - who is a friend - has convinced me that our intellectual-property system has become a protection racket for incumbent firms and is an impediment to innovation.

The list could go on, but the point is this: The Koch brothers' fortune is estimated at more than \$60 billion, a couple of thousand times Cato's annual operating budget. The brothers have started many advocacy organizations, many of which spend their time - and the Kochs' money - trying to influence the next election. They could begin another such group, one dedicated to providing campaign-season ammunition, without noticing the expense.

What's puzzling is why the Kochs started this campaign in the first place. It's easy enough to see what they hoped to achieve: They would quietly take control of Cato and then leverage its credibility to help elect a Republican president. Unfortunately for them, the cries from inside Cato made the "quietly" part impossible. But it would have been impossible in any case: Cato's credibility is derived from its independence; it wouldn't last long separated from it.

What the Kochs have in Cato is an advocacy organization that matters in the years between elections, even when the brothers' preferred candidate doesn't win, even to people who don't share their ideology. Cato is an organization that can have more than a marginal impact on elections. It can have a significant impact on policy and governance. That's a level of influence that even the Kochs can't buy. When two of the right wing's most influential funders don't recognize that, it should cheer liberals immensely.