


CATO

Memorandum

TO: BOARD OF DIRECTORS, SPONSORS, AND FRIENDS OF CATO
FROM: PETER GOETTLER 
DATE: OCTOBER 14, 2020
SUBJECT: QUARTERLY UPDATE

I recently received an uplifting email message from one of our generous Cato Club 200 members. In closing, he told me: “Thank you for all you do for promoting liberty. You have every reason to be proud of Cato’s impact and accomplishments.” The only thing with which I’d quibble is we should *all* be proud of the commitments we’re making to preserve and expand liberty in America and around the world. Because Cato is truly a community, and the generous Sponsors who make this mission possible are so critical to the effort.

And as part of this community, we’re all privileged to meet some extraordinary people. We’re inspired by them. We learn from them. We become friends. And when they pass from the scene, we feel a sharp sense of personal loss. It makes us keenly aware that the ranks of liberty’s defenders have been diminished, inspiring us to work even harder—the better to honor the contributions they’ve made.

Earlier this year, Cato lost a dear friend, Evvy Goyanes. Evvy; his wife, Elena; and their family have been steadfast contributors of financial support, advice, and friendship to Cato. Evvy took a special interest in how ideas are conveyed, ranging from his work as a highly accomplished amateur photographer to his eagerness to communicate the message of liberty. Without question, his passion was bringing liberty’s ideas to the young. Evvy did more research than anyone I know to learn what makes today’s younger generations tick. How do they consume information? How can we best reach them? By what will they be persuaded? I’ll miss everything Evvy gave me: suggestions, praise, criticism, and friendship.

This summer the Cato community also lost one of our emeritus directors, Frank Bond. As a businessman, Frank was ahead of his time: building the first publicly traded, multistate health and fitness chain. In this respect, he was like Steve Jobs—he knew what we wanted before we did. Later a successful real estate developer, Frank dedicated to Cato 26 years of generous support and service on the Institute’s board. But beyond his dedication to liberty, Frank was larger than life. His *Baltimore Sun* obituary says he “was known to those who knew him best as a master of the grand gesture (from surprise cars to surprise weddings)—‘a wielder of wow!’” Please see tributes to Frank at www.cato.org/blog/rip-frank-bond and www.atlassociety.org/post/in-memory-of-frank-bond.

Our sincerest condolences to the Goyanes and Bond families, and may Evvy and Frank rest in peace.

PANDEMICS AND POLICY

Kudos to colleagues across the Institute who, under the leadership of vice president Gene Healy, are making sure the right lessons are learned from the pandemic. Trenchard & Gordon Society member and Cato director Jay Lapeyre encouraged us early in the COVID-19 episode to control the narrative of the pandemic from the standpoints of policy, government failure, and liberty. Gene picked up this idea and ran with it, envisioning an online digest that would cover things from all angles.

The project, Pandemics and Policy, was launched in September. The COVID-19 pandemic has upended our daily lives and transformed the political terrain, with government at all levels exercising emergency powers rarely seen outside the context of total war. With so much at stake, we saw the need for a calm, realistic guide to policies that can stem the damage while avoiding permanent transformation of American life and law—providing an issue-by-issue road map out of danger and back to normalcy.

Please visit the Pandemics and Policy site at www.cato.org/pandemics-policy. We already have nearly a dozen analyses out with at least a dozen more to come. The research includes a case study of government failure and covers elements of the pandemic as varied as education, health care regulation reform, the case against protectionism, protecting privacy in contact tracing, and the Constitution and state police powers. The economics subjects will run the gamut of wage and price controls, economic recovery, monetary policy, state bailouts, and more.

ECONOMICS IN ONE VIRUS

Our colleague Ryan Bourne has produced an innovative and insightful book expected to hit the shelves early next year. Rather than *Economics in One Lesson*, Ryan uses the lens and experiences of the pandemic to explain a full range of economics concepts and lessons in *Economics in One Virus*. Many Americans have fallen ill, and many others have lost loved ones. But we're also watching and living as the pandemic drives lockdowns, bailouts, boosts in unemployment insurance, test shortages, mask wearing, and government failures of planning and response. And what's better than real-life experience to teach more people about incentives, externalities, economic welfare, regulatory tradeoffs, moral hazard, and public choice theory?

We're excited about Ryan's creative approach. It perfectly complements the goal of Pandemics and Policy to set the narrative of the pandemic. But it also promises to bring an understanding of economic and market concepts—how the world really works—to a huge audience. We're laying plans to supplement *Economics in One Virus* with a suite of multimedia content that will help vastly increase its reach. Our late supporter Evan Scharf would be pleased, for this is exactly what he envisioned when he endowed the Cato chair Ryan now holds: the R. Evan Scharf Chair for the Public Understanding of Economics.

THE BEST OF TIMES? RIGHT NOW!

If the headlines ever get you down, please visit [Cato's HumanProgress.org](http://Cato'sHumanProgress.org) for a dose of optimism. When you see the gains in prosperity, health, life expectancy, and so much more, you'll correctly conclude that there's never been a better time to be alive than today. Why is this message such an important part of our mission? Because we need to show that those who say liberty and free enterprise aren't working simply don't know what they're talking about!

Our latest salvo in this effort is what we call Cato's first "coffee-table book": *Ten Global Trends That Every Smart Person Should Know (and Many Others You Will Find Interesting)* by Cato's Marian Tupy and Reason's Ron Bailey. The beautifully designed book is full of sharp graphics and photographs illustrating the unambiguously favorable trends in wealth, poverty, nutrition, resources, conservation, democracy, safety, peace, and more. Kudos to Guillermina Sutter Schneider and Luis Ahumada for their outstanding design contributions. And congratulations to Marian and Ron on the book. It hit #1 on Amazon's bestseller list in "Globalization & Politics" shortly after release, and *Financial Advisor* featured a review suggesting that wealth managers buy the book as a holiday gift for clients. With the first printing exhausted, a second is already on the way. All Sponsors at Patron level and up will receive a copy, and please consider buying more for your local schools, libraries, offices, and others. We're planning to provide classroom copies to many of the teachers participating in Cato's Project Sphere.

62%

Is this paragraph heading cryptic to you? To millions of Americans, it's not. We recently released the latest report by research fellow and director of polling Emily Ekins on her Cato Summer 2020 Survey. Its headline finding is a story of self-censorship in America: 62% of respondents agree that the political climate these days prevents them from saying things they believe because others find those things offensive.

Emily is accustomed to her work getting lots of attention. When we released her report titled *The State of Free Speech and Tolerance in America* three years ago, it drove what was then the largest internet traffic day in Cato's history. But this latest study has garnered an even higher profile.

It's already been cited nearly 250 times in print and broadcast media by commentators across the full range of the ideological spectrum: from David Brooks in the *New York Times* to Cass Sunstein in *Bloomberg* and Jeff Jacoby in the *Boston Globe*, to Rush Limbaugh on his radio program. The 62% finding was quoted on Twitter by sources as varied as President Trump and Thomas Chatterton Williams. (Williams had only recently instigated the "Letter on Justice and Open Debate" in *Harper's Magazine*, in which over 100 prominent signatories decried that the "free exchange of information and ideas, the lifeblood of a liberal society, is daily becoming more constricted.") And *The Economist* published an article and full graphic on the results.

Such exposure has helped the 62% finding be treated as conventional wisdom. For instance, a colleague shared an article from the internet that simply began, "A whopping 62% of Americans are afraid to share some of their political views because somebody might be offended." By galvanizing concerns shared by Americans across the spectrum on the critical issue of free speech—at a time when it is under unrelenting attack—Emily's research has had big impact.

SPHERE SUMMIT FOR TEACHERS

This summer we had planned to build on 2019's successful Sphere Summit for teachers by expanding to two conferences for up to 400 middle- and high-school educators. When the pandemic scuttled those plans, we shifted to a remote three-day conference. The online format didn't stop the Summit from being, once again, a home run.

Hundreds of teachers joined and were engaged, open-minded, positive on Cato, and intrigued about libertarianism. As they did last year, many told us it was the best professional development conference they'd ever attended.

We again delivered presentations on key issues such as free speech and civil society, and expert panels gave the full range of viewpoints on a variety of key—and often contentious—policy topics. Teachers also attended workshops led by educational experts from a variety of organizations such as Heterodox Academy, FIRE (Foundation for Individual Rights in Education), the Bill of Rights Institute, izzit.org, Stossel in the Classroom, and the National Constitution Center.

The feedback from teachers was inspiring! I hope it also makes our Sponsors, without whose generosity the program wouldn't be possible, proud. Here's a sample:

- “I had no exposure to libertarian thought . . . I will definitely be taking what I learned back to the classroom!”
- “We feel strongly Cato is the best professional development resource for teachers seeking to navigate the current political rapids in the classroom. You have helped our own school tremendously.”
- “This is the best professional development exercise I've ever participated in.”
- “In more than 15 years as an educator, I have seldom been as inspired by any conference.”

We'll keep you posted as we continue growing the program. This fall we're cohosting events with the civics education-focused organization iCivics and a few well-known independent schools, establishing a teacher advisory board, developing classroom content based on Cato's HumanProgress.org, and laying plans to grow our teacher conferences. Exciting stuff!

BRIEFLY . . .

A fully overhauled Libertarianism.org website debuted this summer. Often website revamps pre-empt a drop in traffic as established users rebel or adjust to the new look and feel. But L.org pageviews are up 75 percent in the third quarter versus last year. Please send your friends, children, and grandchildren to check out the “What Is a Libertarian?” button at the top of the new home page . . . We've boosted Cato's crucial work to defend markets and free enterprise from their growing ranks of adversaries. Senior policy scholars joining this year include **Jennifer Schulp** as director of financial regulation studies and senior fellow **Scott Lincicome**. Despite both joining while Cato's working remotely, they've hit the ground running . . . Speaking of remote work, the Institute has continued operating at a high level during the pandemic, while most of us remain working from home. We miss being together in the office, particularly the impromptu discussions and idea generation it fosters. But we're staying well connected, and productivity is strong. We like to focus on what we're accomplishing, rather than just measuring output. But output is nonetheless a good measure of how we're doing with telework. During the six months of the pandemic, Cato op-ed placements are up over 15 percent; blog posts are up nearly 30 percent; and long-form studies are up over 20 percent (versus the same period in 2019). Meanwhile we've held more events with even larger online audiences, and our meetings with policymakers and staff have increased markedly. And all this while tackling new projects like *Pandemics and Policy* . . . As are many of you, we're getting creative with our Zoom backdrops. We've got some great Cato-themed backdrops from Freedom HQ, such as the **Ken and Frayda Levy** Liberty Garden and the book display from the **George M. Yeager** Conference Center. My own background of Celtics banners in the Boston Garden has been quietly (sheepishly?) tucked away after the Celts folded

in the conference finals . . . 94 percent of educators participating in the Sphere Summit say the conference provided them with knowledge and applications they'll use in the classroom, while 99 percent would recommend the Sphere Summit to other educators . . . Are there legitimate arguments to prevent families from choosing the education that works best for their children? Opponents of school choice offer many objections, but for decades they've mainly repeated myths either because they did not know any better or perhaps to protect the government schooling monopoly. **Neal McCluskey**, director of Cato's Center for Educational Freedom, and coeditor Corey DeAngelis (a Cato alum now at the Reason Foundation) present essays debunking a dozen of the most pernicious myths in their book, *School Choice Myths: Setting the Record Straight on Education Freedom* . . . Senior fellow **Mustafa Akyol**'s study "Freedom in the Muslim World" caught the eye of *The Economist*, which featured a map on the topic . . . Welcome, **Lucas! Cynthia** and I celebrated our first grandchild, as daughter **Emmy** and her husband, **Jaryth Bollinger**, brought 7 lb., 3 oz. Lucas into the world on September 25. For years I've said we work for liberty so that our children and grandchildren live in a country at least as free as the one our forebears gave to us. This mission has more meaning than ever, now . . . Senior fellow **Johan Norberg**'s cover story in the UK's *Spectator* highlights "The Covid Trap: Will Society Ever Open Up Again?" . . . We miss visiting with many of you during our out-of-town events and meetings. Please stay safe and well, and we hope to be back on the road before long.