



Memorandum

TO: BOARD OF DIRECTORS, SPONSORS, AND FRIENDS OF CATO
FROM: PETER GOETTLER 
DATE: JULY 23, 2021
SUBJECT: QUARTERLY UPDATE

“This has been a life-changing experience for me.”

That’s pretty good feedback from one of the teachers who attended in person our third annual Sphere Summit for educators. She’s not alone. Superlatives like this have been common from the teachers, curriculum designers, and administrators involved in the education initiatives of Cato’s Project Sphere: our effort to restore the civic culture of America and to promote in U.S. schools a fuller range of viewpoints, respectful exchange of those viewpoints, and defense of shared values and interests such as liberal democracy, the rule of law, and the Constitution.

This teacher also told me that the Sphere Summit was the best professional development event she’d attended in her entire career—something dozens of others have told me in the two years since we kicked off the project. And she said that she never misses any of the Sphere virtual seminars, including more than a dozen professional development and Sphere alumni events that have attracted hundreds of teachers in the past year, on subjects including free speech, the Constitution, executive power, group politics, and Cato books such as Marian Tupy’s optimistic *Ten Global Trends Every Smart Person Should Know* and Ryan Bourne’s introduction to economic reasoning, *Economics in One Virus*.

Project Sphere makes a big impact and is a major opportunity for Cato and our country. Scaling the effort is key to realizing its potential and is a top priority for our full-time Sphere staff under the direction of Senior Vice President for Initiatives Lesley Albanese. Allan Carey has been overseeing the educational program for the past 18 months, and he was recently joined by research associate and former Cato intern Allison Jaffee—who, among other things, will be building up Sphere’s social media presence. Sphere Summit 2019 attendee Caryn Rossiter was so enthusiastic about the program, like the teacher above, that she recently left a teaching career to take a new position at Cato! Caryn was most recently an advanced placement (AP) teacher (U.S. history, economics) and AP test reader from Dallas. Previously, she spent a few years at the Federal Reserve Bank of St. Louis directing educational programs for high school and college students.

The goal is to multiply our 1,500-strong teacher network over the next few years to reach hundreds of thousands—and eventually millions—of students. We’re so thankful to the many generous Cato Sponsors who are also enthusiastic about this initiative and whose support both makes it possible and is helping us push it to a higher level.

Stay tuned.

DEFENDING THE FREE ECONOMY

One of the messages I always deliver to the Sphere program educators is the risk to the economic well-being of all Americans posed by runaway spending and deficits and the increasingly frightening experiments we’re running in monetary policy. It’s a message that they—and all Americans—need to keep hearing.

The ranks of the free market’s defenders are thinning, particularly as more Republicans think about how economic interventions like industrial policy might help them win more working-class votes. And as David Boaz recently noted, “Biden’s got a lot of ideas—and they’re almost all bad.” But perhaps the worst is the idea that we can keep ramping up government spending, seemingly without limit, to buy votes.

It’s incumbent upon us to take every opportunity to stand up for capitalism and against government intervention in the economy. Over the next year we are continuing to invest in our strategic effort to defend the free economy. We aim to shift the Overton window on economics as we have done with other major projects in the past. Areas of focus will include industrial policy, entitlements and spending, economic inequality, minimum wage, infrastructure, and overregulation.

A BANNER YEAR FOR CATO BOOKS

Reports of the demise of books has been greatly exaggerated. Yes, there are important new ways to communicate ideas and reach large audiences, and—regrettably—fewer people, especially the young, are reading books. But we’re missing big if we think books don’t matter—especially to reach the influencers who can have a disproportionate impact on the climate of ideas. But also because the ways that people consume information today—short writeups and videos—are often ineffective in their ability to persuade or to change minds in a lasting way. So, yes—our arsenal needs to include media geared toward how information is consumed, but it also needs to reach people with vehicles that can be transformative in changing minds. And 2020 was an outstanding year for books authored by Cato’s experts.

I wrote you last year in our excitement about *Ten Global Trends Every Smart Person Should Know*, by Cato’s Marian Tupy and *Reason*’s Ron Bailey, which strikes a great balance as a serious book that nonetheless presents information in a bright, optimistic, and visual way. *Ten Global Trends* has since become Cato’s bestselling book, and as recently as late spring—eight months after it was published—it was within Amazon’s top 100 current sellers and #1 in its Globalization and Politics category. And as for influencing the influencers, Jordan Peterson hosted Marian on his podcast and told his social media followers about the book: “I would say that learning this material . . . has lifted some of the existential weight from me. Things aren’t as bad as they’re trumpeted to be. In fact, they’re quite a bit better, and they’re getting better, and so we’re doing a better job than we thought. . . . We are moving toward improving everyone’s life.”

The Economist named senior fellow Johan Norberg's *Open: The Story of Human Progress* one of its books of the year. If you haven't read it, you must: it'll give you more ammunition to defend the free economy and to make the case that the free and open society for which we advocate is the path to human flourishing. Meanwhile, the *Wall Street Journal* bestowed a similar "Best Books of 2020" honor on Libertarianism.org technology and innovation editor Paul Matzko's *The Radio Right: How a Band of Broadcasters Took on the Federal Government and Built the Modern Conservative Movement*. Paul's book highlights chilling attempts by the Kennedy administration, in concert with union leaders such as Walter Reuther, to use the levers of government to thwart the rise of conservative talk radio in the 1960s.

Among other notes, Alex Nowrasteh and Benjamin Powell's *Wretched Refuse? The Political Economy of Immigration and Institutions* was reviewed in *The Economist* and will be used in several universities beginning this fall, while Ryan Bourne's debut book, *Economics in One Virus*, reached #1 on Amazon's Capitalism and Free Enterprise list and was named one of the best books of the summer by the *Financial Times*. And as mentioned, Ryan's book was the subject of one of our Sphere professional development events for teachers.

Looking forward, we've got some great projects on the horizon. For example, Cato's first graphic novel is being created and will be published in 2022. The goal is to produce a serious libertarian book suitable for an intellectual audience and in keeping with Cato's standards for rigor and principle—but in a format accessible to everyone from experts to laypeople to college students to precocious middle-schoolers.

TRANSFORMING CATO EVENTS

For years more people have been watching Cato events online than in person, and our online audience has experienced dramatic growth during the pandemic, *despite* incredibly stiff competition from an entire world gone remote. We've now got plans to optimize Cato's events for online viewing—where the vast majority of our audience is.

We're undertaking a cost-effective overhaul of the stage and technology elements of Cato's Hayek Auditorium to produce state-of-the-art online events with multiple camera angles, moving cameras, split-screen technology for graphics, and much more. No more viewing live events online from a camera in the back of the room, trying to make out the graphics on the screen at the front. In addition to transforming our events, this will transform the auditorium stage into a state-of-the-art video production facility to take our multimedia capabilities to a higher level, which is consistent with our strategic goal of producing a broader portfolio of engaging content in a variety of forms, including content for classroom use. The new facility should be online in early 2022.

BRIEFLY...

Is housing in the United States more expensive today than in past decades? According to research by **Marian Tupy** and Gale Pooley published in the Simon Project at HumanProgress.org, U.S. housing has become much more affordable over the past 40 years. *Forbes.com* covered these findings from the Simon Project in a column published on June 25 with an introduction written by Steve Forbes

himself. . . . In case you missed it, George Will's column in the *Washington Post* published on June 30 covers the work of Cato's **Randal O'Toole**, who has long exposed federal spending on trains as fruitless cash dumps. With President Biden proposing another \$80 billion in taxpayer money for Amtrak, Will's column is a helpful reminder that when government chooses winners and losers, we end up with services that are less efficient and more expensive. . . . The Cato Institute and limited constitutional government had a pretty good year in the Supreme Court. Cato filed amicus ("friend of the court") briefs in 14 cases, tied for the most with the American Civil Liberties Union, and the Court ruled as we recommended in 10. Notable wins included the property rights case *Cedar Point Nursery v. Hassid* and the donor privacy case *Americans for Prosperity Foundation v. Bonta*. For more on the Court's recent term, and a look at the next term, watch Cato's 20th Annual Constitution Day symposium on September 17. . . . Cato's fight to abolish the Jones Act continues to gain steam. Following a conversation between Cato's **Colin Grabow** and the staff of Sen. Mike Lee (R-UT), Lee spoke out against the Passenger Vessel Services Act (PVSA)—essentially the Jones Act but for the transportation of passengers instead of cargo—and introduced a bill to repeal the law as well as two others to reform it (which drew plaudits from the *Wall Street Journal* editorial board). In May, Lee introduced a bill to repeal the Jones Act—with Rep. Tom McClintock (R-CA) introducing companion legislation in the House of Representatives—and discussed his disdain for both the Jones Act and PVSA on a recent episode of the *Cato Daily Podcast*. And there may be more to come, with Lee's office indicating to Cato staff that the Utah senator plans to introduce legislation later this year targeting the Foreign Dredge Act of 1906, which essentially applies Jones Act-style protectionism to dredging. . . . Cato's prominent role in the battlefield of ideas can be felt across all policy areas, but in recent years our message of foreign policy restraint has grown in popularity. Stephen Wertheim, historian and research scholar at the Carnegie Endowment for International Peace, recently praised the Cato Institute on Twitter for helping to popularize restraint in foreign policy: "A decade ago, I could not have imagined such a prominent debate between primacy and restraint would take place. . . . @CatoFP is the think-tank pioneer of restraint. Scholars there said it all when it was all unpopular." . . . The world can certainly use more libertarians, and thanks to a baby boom at the Cato Institute, we're happy to do our part in filling those ranks! I recently announced the birth of **William Yeatman's** baby boy, Mickey, as well as **Maria Santos Bier** and immigration policy analyst **David Bier's** son, Ezekiel. Since then, we've welcomed four new babies to the Cato family: our director of media relations **Corie Whalen** had her first son, Maximilian Rudolph; director of immigration studies **Alex Nowrasteh** and his wife welcomed a baby girl, Clara Elizabeth; senior fellow **Mustafa Akyol** and his wife had a baby boy, Danin; and senior digital outreach manager **Kat Murti** and her husband welcomed their baby boy, Frederick Ramaswami Navamurti. At the Cato Institute, we devote our lives to securing greater individual freedom so that our sons and daughters may grow up in a world that is happier, freer, and more libertarian than the one we inherited. I, for one, couldn't be prouder to be a part of that mission. . . . I hope to see you in person for the Milton Friedman Prize Dinner and the Cato Club Retreat (open this year to Benefactor Sponsors) in Washington, DC, from September 30 to October 3. This will be our first in-person Sponsor event in over a year, and we are so excited to see you all again!