

A Key Cog in Charles Koch's Master Plan:

How the Purportedly Unbiased George Washington University Regulatory Studies Center Advances an Agenda to Deregulate America

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Acknowledgments

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KEY FINDINGS

Of public comments submitted by RSC researchers between 2013 and 2018 that included recommendations that would affect the stringency or prevalence of regulation:

- 96 percent of the comments relating to the stringency of specific regulations recommended less regulation than the proposal or status quo.
- 100 percent of the comments relating to overarching regulatory policy recommended changes that would result in less regulation in the future.

Of 55 public comments submitted under the auspices of the RSC between 2013 and 2018:

- 75 percent of the comments were authored or coauthored by individuals with past or present affiliations with Koch-funded organizations.
- RSC authors with past or present ties to Koch-funded groups have been affiliated with a total of at least 28 Koch-funded entities. Eight of these authors have been affiliated with the Mercatus Center at George Mason University or other Koch-funded entities within George Mason, which is the hub of Koch's university initiative.

Although the RSC does not disclose its sources of funding in a detailed or comprehensive way, information that is available from various sources shows that:

- Key funders of the RSC include the Charles Koch Foundation, the libertarian Searle Freedom Trust Foundation and the ExxonMobil Foundation, each of which has given more than \$1 million to the center.
- The far-right Sarah Scaife Foundation contributed \$323,000 in 2017, in what appears to be its first contribution to the RSC.
- Other organizations contributing to the RSC include the U.S. Chamber of Commerce, the American Chemistry Council, the American Trucking Associations and the Business Roundtable.
- Individuals who have contributed to the RSC include one of the key drivers of the Trump administration's proposal to roll back automobile fuel economy standards; a lawyer in a seminal U.S. Supreme Court case challenging an EPA standard to combat air pollution; and former U.S. Sen. Phil Gramm and his wife Wendy Gramm, both of whom fought for antiregulatory policies that reportedly contributed to the Enron scandal and the 2008 financial crisis.

Public Citizen recommends that:

- George Washington University should either close the RSC or take steps to ensure that it is not merely serving as a cog in an industry-backed campaign to attack regulation.
- The University should disclose the details of the RSC's funding arrangements, including agreements it has signed with outside funders and promises it has made in funding proposals. These steps would help the public and policymakers evaluate whether there are any cases of the RSC acting in parochial interests of its funders and if the RSC's true purposes match its stated purposes.
- The University, as well as other universities that accept funding from special interests, should adopt robust policies on institutional conflicts of interest that would provide a reasonable assurance that researchers' decisions are not influenced by their departments' sources of funding.

INTRODUCTION

The Regulatory Studies Center, or RSC, is one of about 70 research centers and institutes operated by George Washington University, a school of 26,000 students located in the nation's capital.

The RSC purports to be a “leading source for applied scholarship in regulatory issues” and a training ground for those seeking to “ensure that regulatory policies are designed in the public interest.”¹ RSC Director Susan Dudley has described the center as providing “an objective, unbiased look at the regulatory system, with our academic credentials.”²

But evidence – including the content of RSC's work, the backgrounds of its researchers and the composition of its funders – reveals that the true purpose of the RSC is to provide scholarly rationales against government regulation, focusing on measures that would affect the fossil fuel industry, such as those to reduce pollution or combat climate change.

The RSC's primary output consists of written materials, including analyses of discrete regulatory proposals that are submitted to government agencies under the rubric of “public comments.” Although public comments submitted by RSC researchers carry a disclaimer that they represent the views of the individual researchers, not the RSC, they are remarkably consistent in the antiregulatory views they express.

When characterizing broad regulatory trends, RSC researchers habitually cite studies – some of dubious credibility – that feed a narrative that regulations are excessive and burdensome. Meanwhile, these researchers typically ignore or downplay the benefits of regulations or the dangers of under-regulating. These omissions are especially notable because the RSC was formed in 2009, just as the nation was crawling out of a catastrophic recession that was almost indisputably caused by gaps in the regulation of financial derivatives and a failure of regulators to enforce rules on mortgage lending.

The RSC appears to be influential. Many of the planks of President Donald Trump's deregulatory agenda were put forth by the RSC long before Trump's election. These include dramatically reducing the cost that the government attributes to carbon emissions.

The RSC does not generally disclose its sources of funding. But reports by other organizations, along with some cryptic disclosures by George Washington University and the RSC, show that its major donors include the charitable foundation operated by Charles Koch, who is the billionaire co-owner of petrochemical giant Koch Industries Inc. and financier of a sprawling political empire. Koch Industries is among the leading emitters of toxic waste and greenhouse gases in the United States, which means that it could benefit from the RSC's policy advocacy in Washington, D.C.³ Other RSC donors include oil companies, industry trade associations, and other foundations that support limited-government causes. Individuals who have donated include several prominent antiregulatory strategists and lawyers.

Susan Dudley – who is the RSC's founder and director, and served as the government's “regulatory czar” at the end of the George W. Bush administration⁴ – has called herself a “free-market environmentalist.”⁵ This is a view often associated with a libertarian philosophy that trusts market

¹ *About*, REGULATORY STUDIES CENTER (viewed on Feb. 28, 2019), <http://bit.ly/2EDnuq9>.

² *Can Regulations Come With Unintended Costs?* (video presentation) THE FEDERALIST SOCIETY (posted Oct. 29, 2017), at 10 seconds, <http://bit.ly/2Epk7SG>.

³ Eric Roston, *Just How Much Does Koch Industries Pollute? The amount of toxic waste generated by U.S. companies, and what happens to it, is hiding in plain sight*, BLOOMBERG (Jan. 20, 2016), <http://bit.ly/2EzXR8L>.

⁴ Public Citizen opposed Dudley's nomination as administrator of the Office of Information and Regulatory Affairs in 2007 and issued a report outlining the reasons. See, Gwynneth Anderson, Matt Pelkey and Genevieve Smith, *The Cost Is Too High: How Susan Dudley Threatens Public Protections*, PUBLIC CITIZEN AND OMB WATCH (September 2006), <http://bit.ly/2XtDK4C>.

⁵ Bob Davis, *In Washington, Tiny Think Tank Wields Big Stick on Regulation*, THE WALL STREET JOURNAL (July 16, 2004), <https://on.wsj.com/2GOBFet> and Susan Elaine Dudley Curriculum Vitæ, THE GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (viewed on Feb. 28, 2019), <http://bit.ly/2Sy9dyH>.

forces, rather than laws, to achieve desired results. Dudley has opposed standards to improve air quality throughout her career. Perhaps most famously, she once argued that the U.S. Environmental Protection Agency had scored a proposal to reduce air pollution too generously because it did not account for the benefits of smog that would be lost. In effect, she argued that smog should be valued for its potential to prevent skin cancer by blotting out the sun.⁶

Dudley has been affiliated with at least eight Koch-funded organizations besides the RSC, including one dedicated to infusing libertarian viewpoints into higher education. Dudley is not alone. More than half of the RSC authors who filed public comments between 2013 and 2018 have been affiliated with organizations funded by the Koch family. These authors accounted for 75 percent of the public comments that the RSC submitted in this time period.

The RSC fits into a much broader initiative that Charles Koch has fostered for more than four decades. In a 1974 speech, Koch outlined numerous avenues to “fight for free enterprise,” which, to Koch, meant stripping the government to its bare bones. Koch rated “the educational route the most vital and the most neglected” of the options he listed.⁷ “The educational method enables the businessman to work effectively without exposing himself to the same public criticism that the other methods, particularly politics, seem to evoke,” Koch said.⁸

Koch declared “the development of a well-financed cadre of sound proponents of the free enterprise philosophy the most critical need facing us at the moment.”⁹ In a 1976 speech, Koch’s political aide described a strategy of establishing academic centers that would be connected to universities – thus making use of the institutions’ reputations and resources – but remain under the control of their funders. Because “visible control” could evoke opposition, the aide recommended engaging in deceptive practices.¹⁰

“To keep control without creating such opposition, it would be necessary to use ambiguous and misleading names, obscure the true agenda, and conceal the means of control,” a former historian for Koch Industries paraphrased the aide as saying. “This is the method that Charles Koch would soon practice in his charitable giving and later in his political actions.”¹¹

By the mid-1990s, Charles Koch had become the chief patron of the libertarian movement and had played an intrinsic role in creating several major university centers, think tanks and advocacy groups.¹² An essay written in 1996 by Richard Fink, who had become Charles Koch’s chief strategist, laid out a blueprint for integrating different types of organizations to achieve policy changes. Fink conceived of a “structure of production of ideas” in which “intellectual raw materials” would be created through “research done by scholars at our universities.” The raw materials would be converted “into various types of products” by think tanks and policy groups and handed off to activist groups that would “press for the implementation of policy change.”¹³

Fink’s production line is in full gear today, and the RSC is a key cog within it.

⁶ Susan E. Dudley, *National Ambient Air Quality Standard for Ozone*, THE REGULATORY ANALYSIS PROGRAM CENTER FOR STUDY OF PUBLIC CHOICE, GEORGE MASON UNIVERSITY (March 12, 1997), <http://bit.ly/2VqLmTT>.

⁷ Charles Koch, *Anti-Capitalism & Business*, REASON (Dec. 1, 1975), <http://bit.ly/2IH8Wd6>.

⁸ *Id.*

⁹ *Id.*

¹⁰ Clayton Coppin, *STEALTH: THE HISTORY OF CHARLES KOCH’S POLITICAL ACTIVITIES* (unpublished, posted on the web site of UnKoch My Campus, December 2018), p. 56, <http://bit.ly/2Nww50c>.

¹¹ *Id.*, p. 56-57.

¹² *Koch and Americans for Prosperity/Citizens for a Sound Economy*, KOCH INDUSTRIES INC. (2010), <http://bit.ly/211C7bxaz>. Citizens for a Sound Economy was financed by dozens of corporations, including petroleum giant Exxon, tobacco-maker Philip Morris, as well as Koch Industries. See, *Corporate Shill Enterprise* (CSE), *A Public Citizen Report on Citizens for a Sound Economy: A Corporate Lobbying Front Group*, PUBLIC CITIZEN (Oct. 6, 2000), <http://bit.ly/2EReEsY>.

¹³ Richard Fink, *From Ideas to Action: The Role of Universities, Think Tanks, and Activist Groups*, PHILANTHROPY (Winter 1996), archived from the pages of the Institute for Humane Studies’ Learn Liberty program, <http://bit.ly/2UffQk0>.

Adam Brandon, who is president of the advocacy group FreedomWorks, wrote in 2018 that “research institutions, such as the Mercatus Center and the Regulatory Studies Center at George Washington University, work closely with the Heritage Foundation, American Enterprise Institute, and the Competitive Enterprise Institute to act as the brains of the conservative regulatory fight.” Activist groups like Club for Growth, Americans for Prosperity, and Young Americans for Liberty serve as “the muscles of the conservative movement” and take “the fight to Washington in the moments that matter most,” Brandon wrote.¹⁴

Today, the Koch network funds more than 50 university centers, along with dozens of think tanks and advocacy groups.¹⁵ Koch network leaders envision these groups working together in a “fully integrated” manner. “We’ve got a constellation of network organizations that are focused on applying what comes out of the universities to change the world,” said Charlie Ruger, director of investments for the Charles Koch Foundation. “That’s sort of the core of the partnership. Money plus the network.”¹⁶

The Koch educational initiative has trampled academic norms, as we document in Chapter VII of this report, which draws extensively on the findings of the watchdog group UnKoch My Campus. The Koch network has usurped universities’ independence in choosing their faculty, at times insisting on veto power. These Koch-funded faculty have inserted opinions that are antithetical to scientific consensus into curricula, such as teaching that man-made climate change is a fallacy. At times, Koch-funded researchers have engaged in advocacy work that is almost indistinguishable from lobbying.

Public Citizen holds longstanding institutional positions on regulations. We generally favor rules to promote safer cars and workplaces, cleaner air, and improved energy efficiency, as well as measures to prevent reckless gambling by Wall Street firms, predatory lending, and other abusive practices by the financial services industry. We believe that adoption of the sorts of policy proposals put forth by the RSC would make our society more polluted, hazardous and unequal.

We recognize – even celebrate – the rights of others to disagree with us. But it is not appropriate for George Washington University, or any university, to enable a corporate-funded, anti-regulatory group to masquerade as a neutral center of academic inquiry. George Washington University should assess whether the RSC should remain in operation and, if so, determine how to ensure that is not merely serving as a cog in an industry-backed campaign to attack regulation. At the conclusion of this report, we suggest steps for GWU and other universities to protect their integrity.

The practice of individuals who are funded by special interests representing themselves as independent scholars has the potential to deceive lawmakers and other public officials. U.S. Sen. Elizabeth Warren (D-Mass.) and U.S. Rep. Pramila Jayapal (D-Wash.) put forth legislation in the last Congress that would require disclosure of the sponsors of some research that is submitted as part of public comments.¹⁷ Proposals such as this might provide a guide to Congress, as well as state and local governments, for ways to unmask the special interests that lurk behind purported independent scholarship.

¹⁴ Adam Brandon, *Battling Regulation Takes Education and Action*, DONORS TRUST (Feb. 20, 2018), <http://bit.ly/2H4EOGa>.

¹⁵ Charles G. Koch Charitable Foundation Form 990 (2017), p. 49-199, <http://bit.ly/2UWqkzq>. (Only the downloaded version matches these page counts.)

¹⁶ *Successful Models of Programs in Private Enterprise*, panel discussion, Association of Private Enterprise Education (APEE), 2016 annual meeting, Las Vegas (April 5, 2016), p. 5, <http://bit.ly/2tlxWX0> and Charlie Ruger, LINKEDIN (viewed on April 12, 2019), <http://bit.ly/2Z9UWwE>.

¹⁷ *Anti-Corruption and Public Integrity Act*, S. 3357 (115th Congress) (introduced Aug. 21, 2018), <http://bit.ly/2wkZS4S> and *Anti-Corruption and Public Integrity Act*, H.R. 7140 (115th Congress) (introduced Nov. 15, 2018), <http://bit.ly/2HCOCXQ>.

I. BIAS: THE REGULATORY STUDIES CENTER'S PUBLIC COMMENTS AND OTHER WRITINGS OVERWHELMINGLY OPPOSE REGULATION

The primary public-facing work of the GW Regulatory Studies Center consists of written materials, such as public comments to regulatory agencies, working papers and articles in third-party publications.

A. The RSC's public comments overwhelmingly weigh against regulation

We limited our empirical analysis of the RSC's content to its public comments because these are much more uniform in structure than the RSC's other writings. We assessed comments from 2013, which is the earliest year for which public comments are indexed on the RSC's web site, through the end of 2018.

We approached this analysis by first assessing whether each comment addressed a discrete matter or overarching regulatory policies, including the process for developing regulations. [Table 1]

Table 1: Did the public comment concern a discrete regulatory proposal or did it concern regulatory policy?

Number of comments that addressed a discrete regulatory proposal	Number of comments that addressed overarching regulatory policies
39	16

* These regarded comments to the Office of Management and Budget on its annual report on costs and benefits that we did not deem to fit into either of the other two categories.

For the 39 comments that we deemed to regard a discrete matter, we judged whether the comment recommended an outcome that would be either 1) more stringent than proposed or existing, 2) less stringent than proposed or existing, or 3) did not apply. Of those that did apply, we concluded that the Regulatory Studies Center's researchers recommended less regulation than the proposal or status quo 96 percent of the time. [Table 2]

Table 2: Of those comments that addressed discrete regulatory proposals, did the comment recommend more or less regulation than the status quo?

RSC advises in favor of more regulation than status quo	RSC advises in favor less regulation	Does not apply
1	26	12*

* Examples included: comments that focused on aspects of proposed rule that were not relevant to stringency of regulation; cases in which we could not discern a recommendation's potential effect on stringency; and cases in which we deemed the prospective effect of the recommendation to be minimal.

Here are some examples of public comments that recommended less regulation:

- An RSC author submitted a comment opposing the Obama administration's proposal to increase fuel efficiency requirements for medium and heavy-duty vehicles.¹⁸ A separate RSC author later endorsed the Trump administration's proposal to cancel increases to fuel efficiency standards for cars and light trucks.¹⁹
- An RSC author submitted three comments that generally endorsed the Trump administration's proposal to weaken Obama administration rules to reduce power plant emissions (the Clean Power Plan, or CPP). Each of the comments concluded by saying "the CPP

¹⁸ Brian Mannix, *Public Interest Comment on EPA and NHTSA's Proposed Rule: Greenhouse Gas Emissions and Fuel Efficiency Standards for Medium and Heavy-Duty Engines and Vehicles – Phase 2*, THE GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (Oct. 2, 2015), <http://bit.ly/2EZr8Gu>.

¹⁹ Julian Morris, *Public Interest Comment: SAFE Vehicles Rule*, THE GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (Oct. 25, 2018), <http://bit.ly/2EE7Uuu>.

should be repealed as unsupported by a reasoned analysis of benefits and costs.”²⁰ An RSC author criticized the Obama administration’s mercury and air toxics standards rule.²¹

- An RSC author submitted comments opposing proposed energy efficiency standards for appliances and manufactured housing.²²
- An RSC author submitted a comment that opposed an Obama administration proposal to provide protections against fraud to those who borrow money to attend higher education institutions. The same author subsequently commented in favor of a Trump administration proposal to gut these Obama-era rules.²³
- An RSC author commented in opposition to a proposed rule of the Obama administration to restrict broadband carriers from collecting information on their customers Internet use.²⁴
- A pair of RSC authors submitted a comment opposing a proposal to require table saws to include a safety feature that causes their blades to instantly stop if touched by human flesh.²⁵

In one case, an RSC author submitted a comment that appeared to endorse an increase in regulation. In this instance an RSC author endorsed a proposal by the Food and Drug Administration to limit the nicotine content in combustible cigarettes to very low levels, provided that the FDA also “focus on reducing barriers to noncombustible sources of nicotine.”²⁶

Evaluation of the RSC’s public comments concerning regulatory policy

For the 14 RSC comments that we deemed to concern overarching regulatory policy, including the process for creating regulations, we judged whether the recommendations stood to influence the amount of regulation in the future and, if so, how. We concluded that the recommendations in 9

²⁰ Brian F. Mannix, *Public Interest Comment on the Environmental Protection Agency’s Proposed Rule, Emission Guidelines for Greenhouse Gas Emissions From Existing Electric Utility Generating Units; Revisions to Emission Guideline Implementing Regulations; Revisions to New Source Review Program*, THE GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (Oct. 30, 2018), <http://bit.ly/2VvpS8f>; Brian F. Mannix, *Public Interest Comment on the Environmental Protection Agency’s Proposed Rule, Repeal of Carbon Pollution Emission Guidelines for Existing Stationary Sources: Electric Utility Generating Units*, THE GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (April 26, 2018, 2018), <http://bit.ly/2INpzmN>; and Brian F. Mannix, *Public Interest Comment on the Environmental Protection Agency’s Proposed Rule, Emission Guidelines for Greenhouse Gas Emissions From Existing Electric Utility Generating Units; Revisions to Emission Guideline Public Interest Comment on the Environmental Protection Agency’s Proposed Rule Implementing Regulations; Revisions to New Source Review Program*, THE GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (Oct. 30, 2018), <http://bit.ly/2VvpS8f>.

²¹ Susan E. Dudley, *Public Interest Comment on the Environmental Protection Agency’s Proposed Supplemental Finding That it Is Appropriate and Necessary to Regulate Hazardous Air Pollutants from Coal- and Oil-Fired Electric Utility Steam Generating Units*, THE GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (Jan. 11, 2016), <http://bit.ly/2F0qld6>.

²² Sofie E. Miller, *Public Interest Comment on DOE’s Proposed Efficiency Standards for Commercial Heating and Cooling Equipment*, THE GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (Dec. 1, 2014), <http://bit.ly/2YNEwtF>; Sofie E. Miller, *Public Comment on DOE’s Energy Conservation Standards for Residential Central Air Conditioners and Heat Pumps*, THE GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (April 25, 2017), <http://bit.ly/2VgZhMn>; and Sofie E. Miller, *Public Comment on Energy Conservation Standards for Manufactured Housing*, THE GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (Aug. 16, 2016), <http://bit.ly/2OFTRYG>.

²³ Daniel R. Perez, *Public Comment on the Department of Education’s Proposed Rule on Student Assistance General Provisions, Federal Student Loans Programs and Teacher Education Assistance for College and Higher Education Grant Program*, THE GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (Aug. 2, 2016), <http://bit.ly/2Xly9qB> and Daniel R. Perez, *Public Interest Comment on the Department of Education’s Proposed Rule Student Assistance General Provisions, Federal Perkins Loan Program, Federal Family Education Loan Program, and William D. Ford Federal Direct Loan Program*, THE GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (Aug. 30, 2018), <http://bit.ly/2H0KD8C>.

²⁴ J. Howard Beales III, *Public Comment on Protecting the Privacy of Customers of Broadband and Other Telecommunications Services*, THE GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (May 27, 2016), <http://bit.ly/2H0KD8C>.

²⁵ Sofie E. Miller and Jacob Yarborough, *Public Interest Comment on the Consumer Product Safety Commission’s Proposed Rule Safety Standard Addressing Blade-Contact Injuries on Table Saws*, THE GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (July 26, 2017), <http://bit.ly/2Ubj4jL>.

²⁶ David Zorn, *Public Interest Comment on the U.S. Food & Drug Administration’s Advanced Notice of Proposed Rulemaking Tobacco Product Standard for Nicotine Level of Combusted Cigarettes*, THE GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (June 12, 2018), <http://bit.ly/2NyQYs4>.

comments would likely influence the amount of regulation in the future if they were implemented. In each of these cases, we judged that the recommendations would result in less regulation. [Table 3]

Table 3: Of those comments that covered regulatory policy issues, did the comment's recommendations weigh in favor of more or less regulation in the future?

RSC recommendation would likely result in more regulation in the future	RSC recommendation would likely result in less regulation in the future	Does not apply
0	9	7*

* Examples included comments that would not plainly affect the frequency or stringency of regulations, such as recommending increased reliance in the use of cost-benefit analysis in the rulemaking process. We recognize that some experts believe that changes such as these would affect the feasibility of rulemaking, but we refrained from grading these proposals out of caution.

Here are some examples:

- An RSC author submitted two public comments primarily concerned with the criteria and process for creating regulations concerning energy efficiency standards. The comments recommended that the U.S. Department of Energy consider adopting criteria under which it would not initiate a scheduled update to the energy efficiency standards of a given appliance.²⁷
- Several RSC team members jointly authored a public comment that offered a generally favorable review of a Trump administration executive order that called for agencies to eliminate two regulations for every one that they create.²⁸ (Public Citizen sued the administration over that executive order on the basis that repealing “two regulations for the purpose of adopting one new one, based solely on a directive to impose zero net costs and without any consideration of benefits, is arbitrary, capricious, an abuse of discretion, and not in accordance with law.”²⁹)
- Two comments submitted under the auspices of the RSC recommended methodologies that would lower the imputed social cost of carbon emissions (quantifying environmental and health harms) that the government applies when evaluating regulatory proposals.³⁰ Lowering the cost that is plugged into formulas would reduce the priority that the government places on reducing carbon emissions.

B. RSC working papers often dispute the benefits of air quality rules and recommend increased steps to make rules

The web site of the RSC lists more than 100 working papers and articles produced by its scholars and others who have written on its behalf. We noted several themes:

- Numerous papers took issue with the government's calculation of benefits of proposed regulations, especially concerning air quality. The RSC's researchers have consistently argued

²⁷ Sofie E. Miller, *Public Comment on DOE's Regulatory Burden Request for Information "Reducing Regulatory Burden,"* THE GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (Oct. 25, 2018), <http://bit.ly/2UtFicP> and Sofie E. Miller, *Public Interest Comment on the Department of Energy's Request for Information Reducing Regulation and Controlling Regulatory Costs,* GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (July 7, 2017), <http://bit.ly/2CdDb65>.

²⁸ Susan E. Dudley, Brian F. Mannix, Sofie E. Miller and Daniel R. Perez, *Public Interest Comment on the Office of Management and Budget's Interim Guidance Implementing Section 2 of the Executive Order of January 30, 2017, Titled "Reducing Regulation and Controlling Regulatory Costs,"* THE GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (Feb. 10, 2019), <http://bit.ly/2UkQGHT>.

²⁹ *Public Citizen et al. v. Donald Trump et al., Complaint for Declaratory and Injunctive Relief,* Filed in the U.S. District Court for the District of Columbia (Feb. 8, 2017), <http://bit.ly/2XPZqrD>.

³⁰ Art Fraas, Randall Lutter, Susan E. Dudley, Ted Gayer, John Graham, Jason F. Shogren, W. Kip Viscusi, letter to National Academies of Sciences, Engineering, and Medicine, as published in Arthur G. Fraas, *Should the Federal Regulatory Agencies Report Benefits to Americans from Mandated Reductions in Greenhouse Gas Emissions?* RESOURCES (Feb. 8, 2016), <http://bit.ly/2T5CaHD> and Brian Mannix and Susan Dudley, *Public Interest Comment on the Interagency Technical Support Document: Technical Update of the Social Cost of Carbon for Regulatory Impact Analysis under Executive Order No. 12866,* THE GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (Feb. 26, 2014), <http://bit.ly/2T48bzL>.

that government analysts have credited rules to reduce air pollution with providing greater public benefits than warranted.³¹

- Numerous papers critiqued the Obama administration's methodology for arriving at the cost of carbon emissions.³²
- Numerous papers endorsed changes to the process for creating regulations. One paper, signed by five RSC researchers, offered 10 proposals for the incoming Trump administration. The recommendations included requiring rules proposed by independent agencies to undergo centralized review within the executive branch; requiring proposed rules to undergo additional phases of analysis, such as for their potential effects on competition and innovation; and making a general request of the government to "improve the rigor of regulatory impact analyses."³³ Regulatory impact analyses involves steps undertaken during a rulemaking.

The process for creating a rule is already so cumbersome that the time to create a regulation has become longer than ever, as Public Citizen reported in 2016.³⁴ The RSC's proposals would further slow the rulemaking process.

Some long-delayed rulemakings undeniably stood to save lives once they took effect. For example, the U.S. Congress passed a law in 2008 requiring the U.S. Department of Transportation to finalize a rule by 2011 to improve rear visibility for automobiles. More than 200 people per year, mostly young children and elderly people, were being killed annually in backover accidents caused by blind spots. The deadline was missed and finalization of the rule was repeatedly delayed. Litigation brought forth by Public Citizen and others forced the DOT to act and issue the rule in 2014.³⁵

C. The Regulatory Studies Center has presented deceptive information

There is no reason to doubt that much that much of the work generated by the RSC's researchers is meticulously assembled and factually credible, even if the RSC's writers almost invariably arrive at antiregulatory conclusions.

But the RSC's writers have, at times, cited studies that lack credibility or have imparted information that simply is not factually accurate. Similarly, they have, at times, omitted plainly relevant information that, if included, would likely cause a reader to reach a different conclusion.

³¹ See, for example, Susan E. Dudley, *OMB's Reported Benefits of Regulation: Too Good to Be True?* REGULATION (Summer 2013), <http://bit.ly/2T5WMPL>; Susan E. Dudley, *The EPA's Implausible Return on its Fine Particulate Standard*, REGULATION (Spring 2013), <http://bit.ly/2T6BZvC>; Art Fraas and Randall Luster, *Uncertain Benefits Estimates for Reductions in Fine Particle Concentrations*, RISK ANALYSIS (Aug. 29, 2012), <http://bit.ly/2SyTVtu>; Susan E. Dudley, *Perpetuating Puffery: An Analysis of the Composition of OMB's Reported Benefits of Regulation*, THE GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (Aug. 14, 2012), <http://bit.ly/2VrUlnq>; Sofie E. Miller, *Whose Benefits Are They, Anyway? Examining the Benefits of Energy Efficiency Rules 2007-2014*, REGULATORY STUDIES CENTER (Sept. 2, 2015), <http://bit.ly/2H8sWDh>; Sofie E. Miller, *One Discount Rate Fits All? The Regressive Effects of DOE's Energy Efficiency Rule*, POLICY PERSPECTIVES (May 4, 2015), <http://bit.ly/2tF7rSC>; and Susan E. Dudley and Marcus Peacock, *Improving Regulatory Science: A Case Study of the National Ambient Air Quality Standards*, REGULATORY STUDIES CENTER (June 30, 2017), <http://bit.ly/2BY16pU>.

³² Susan E. Dudley, Brian F. Mannix, and Sofie E. Miller, *Making the Social Cost of Carbon More Social*, REGULATION (Winter 2013-2014), <http://bit.ly/2TcolBW>; Susan E. Dudley and Brian F. Mannix, *The Social Cost of Carbon*, THE FEDERALIST SOCIETY (July 24, 2014), <http://bit.ly/2ISLauK>; and Ted Gayer and W. Kip Viscusi, *Determining the Proper Scope of Climate Change Benefits*, REGULATORY STUDIES CENTER (June 3, 2014), <http://bit.ly/2NxfG3>.

³³ *Ten Regulatory Process Reforms President-Elect Trump Could Undertake*, REGULATORY STUDIES CENTER (Dec. 8, 2016), <http://bit.ly/2IHensQ>.

³⁴ MICHAEL TANGLIS, *Unsafe Delays: An Empirical Analysis Shows That Federal Rulemakings to Protect the Public Are Taking Longer Than Ever*, PUBLIC CITIZEN (June 28, 2016), <http://bit.ly/2VqUdEI>.

³⁵ Press release, Public Citizen, *Government Finally Issues Rear Visibility Safety Rule for Vehicles, Will Save Lives After Years of Needless Delay* (March 31, 2014), <http://bit.ly/2ViszdG>.

The RSC has presented deceptive and inaccurate information on the number of federal regulations

In support of a thesis that regulations are on the rise, RSC Director Susan Dudley has on numerous occasions written or testified that “every year” federal agencies “issue tens of thousands of new regulations.”³⁶ Dudley has made this claim in a commentary on the RSC’s web site,³⁷ in a blog for the U.S. Chamber of Commerce,³⁸ in testimony before U.S. Senate committees³⁹ and in a law review article.⁴⁰

The characterization that “tens of thousands” of regulations are issued annually far exceeds other experts’ assessments. Dudley does not provide helpful insight into the source of her claim. In one case, she footnoted it by referring to the count of pages published in the *Federal Register*.⁴¹

But page counts are not synonymous with the number of regulations. The number of final rule notices published in the *Federal Register* this century has ranged from about 3,000 to 4,000 a year. A 2015 report issued by the Congressional Research Service reported similar findings.⁴² Dudley herself wrote in 2013 that “federal agencies publish between 3,000 and 4,000 regulations each year.”⁴³

Even claiming that the government issues as many as 3,000 or 4,000 regulations a year is misleading unless additional context is provided. Getting to numbers that large requires including actions categorized as “Routine and Frequent” and “Informational/Administrative.”⁴⁴ These encompass actions, such as posting the times for drawbridge openings, that most people would not regard as regulations.⁴⁵ It turns out that under this all-encompassing measure, the number of regulations has generally fallen over the years – to less than half what it was in the mid-1970s. [Figure 1]

³⁶ Susan Dudley, *Accounting for the True Cost of Regulation: Exploring the Possibility of a Regulatory Budget*, Prepared Statement of Susan E. Dudley, hearing before the United States Senate Committee on the Budget and Committee on Homeland Security and Governmental Affairs (June 23, 2015), <http://bit.ly/2UgmRbp>.

³⁷ Susan E. Dudley, *Improving Regulatory Accountability: Lessons from the Past, Prospects for the Future*, THE GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (Feb. 17, 2015), <http://bit.ly/2XyGm0X>.

³⁸ *Id.*

³⁹ *Accounting for the True Cost of Regulation: Exploring the Possibility of a Regulatory Budget*, Prepared Statement of Susan E. Dudley, hearing before the United States Senate Committee on the Budget and Committee on Homeland Security and Governmental Affairs (June 23, 2015), <http://bit.ly/2UgmRbp>.

⁴⁰ Susan E. Dudley, *OMB’s Reported Benefits of Regulation: Too Good to Be True?* REGULATION (Summer 2013), <http://bit.ly/2tHu0WI>.

⁴¹ *Id.*

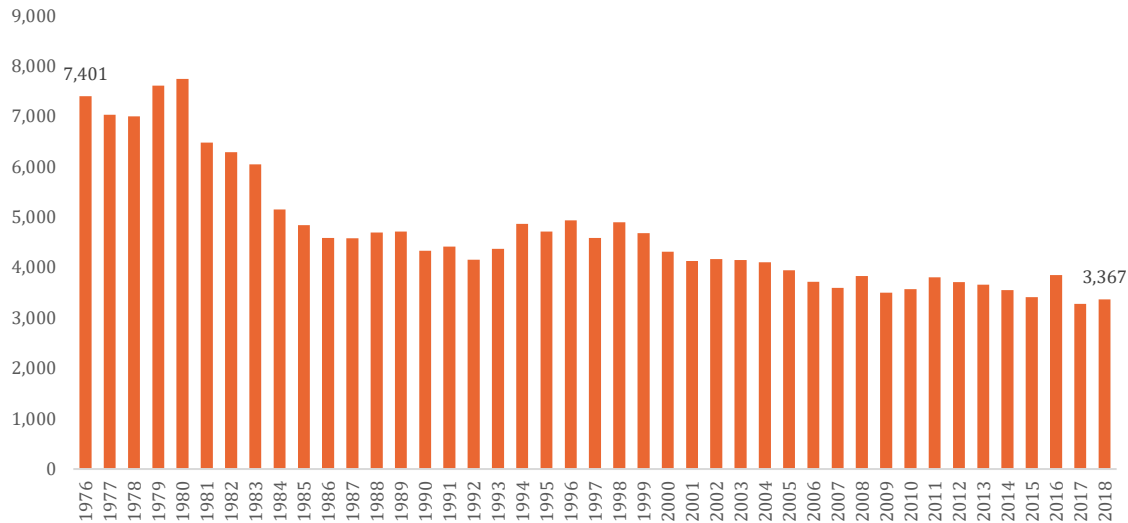
⁴² Maeve P. Carey, *Counting Regulations: An Overview of Rulemaking, Types of Federal Regulations, and Pages in the Federal Register*, CONGRESSIONAL RESEARCH SERVICE (Oct. 4. 2016), <http://bit.ly/2EmLo8a>.

⁴³ Susan E. Dudley, *OMB’s Reported Benefits of Regulation: Too Good to Be True?* REGULATION (Summer 2013), <http://bit.ly/2T5WMPL>.

⁴⁴ *Introduction to the Unified Agenda of Federal Regulatory and Deregulatory Actions*, REGINFO.GOV (viewed on March 2, 2010), <http://bit.ly/2VyY0Qj>.

⁴⁵ Maeve P. Carey, *Counting Regulations: An Overview of Rulemaking, Types of Federal Regulations, and Pages in the Federal Register*, CONGRESSIONAL RESEARCH SERVICE (Oct. 4. 2016), <http://bit.ly/2EmLo8a>.

Figure 1: Final Rule Documents Published in the Federal Register, 1976-2018



Source: Congressional Research Service (1976 to 2015); Public Citizen search of Federal Register (2016-2018)

The RSC maintains data on its web site on the number of “significant” rules published each year. These totals are far more modest, totaling less than 500 a year. “Economically significant” rules, which have a predicted impact of at least \$100 million annually, total less than 100 a year.⁴⁶

In summary, Dudley’s characterization of the number of regulations that are issued annually far exceeds official data, and the citations that she has provided do not offer clarification. Official totals are not only much lower, but include routine actions that do not rise to the level of what most people would deem regulations. These grand totals also are declining, contradicting Dudley’s underlying thesis that regulation is rising. An organization that is truly interested in educating the public about regulations would provide all of this context in its characterization of the scope of regulations.

The RSC has imparted deceptive analysis on the growth of regulatory spending

Both during her time at George Washington University and in a previous role at the Mercatus Center at George Mason University, Susan Dudley has partnered with the Weidenbaum Center at Washington University in St. Louis on an annual study of the “regulators’ budget” that tabulates the annual spending and number of employees at federal regulatory agencies since 1960.⁴⁷

Dudley and co-author Melinda Warren began a *Forbes* op-ed discussing their report for fiscal 2017, which capped the administration of President Barack Obama, by writing: “If you need evidence that the regulatory climate in the United States has changed since the 1960s, consider some statistics from a study released today.”⁴⁸ Their report, they wrote, showed regulatory spending rising from \$3.4 billion in 1960 to \$70 billion in 2017.

⁴⁶ *Economically Significant Final Rules Published by Presidential Year and Significant Final Rules Published by Presidential Year*, THE GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (viewed on March 1, 2019), <http://bit.ly/2tLcWiL>.

⁴⁷ See, for example, Susan Dudley and Melinda Warren, *Regulators’ Budget from Eisenhower to Obama: An Analysis of the U.S. Budget for Fiscal Years 1960 through 2017*, THE GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER and WASHINGTON UNIVERSITY IN ST. LOUIS WEIDENBAUM CENTER ON THE ECONOMY, GOVERNMENT, AND PUBLIC POLICY (May 2016), <http://bit.ly/2UmOYWw>.

⁴⁸ Susan E. Dudley and Melinda Warren, *From Eisenhower To Obama, This Is How Much Regulatory Spending Has Changed*, FORBES (May 17, 2016), <http://bit.ly/2T5Sqs3>.

This opening conveyed an impression that a staggering shift had occurred in the nation's regulatory climate. But, in their column, Dudley and Warren omitted key details from their underlying report that would have rendered their finding a lot less shocking.

Increases to spending for homeland security – on topics such as immigration, customs and the Transportation Security Agency – accounted for nearly half of the increase, according to data in Dudley and Warren's study. The authors did not include that fact in their column.⁴⁹

Dudley and Warren's quiet reliance on homeland security spending to make a case that regulation is rapidly growing is misleading. The increase in homeland security spending is hardly ever invoked by those who allege that regulation is excessive. For instance, when President Donald Trump criticizes "job-killing regulations," it is doubtful that he is referring to excessive spending on border control.⁵⁰

Also omitted from the op-ed was the fact that spending to regulate industries that were relatively minuscule in 1960 compared to their current size – such as commercial air travel and pharmaceuticals – accounted for a consequential portion of the topline increase.⁵¹

In their characterization of spending during the Obama administration, the authors stray into outright inaccuracy. They reported: "Agencies engaged in economic regulation (including those implementing the Dodd-Frank Act) received the bulk of the budget increases during President Obama's two terms."⁵² In fact, according to Dudley and Warren's report, increases to spending on homeland security during the Obama administration were more than 1.5 times the increases for economic regulation.⁵³ [Table 4]

Table 4: Agency detail of spending on federal regulatory activity (in billions of constant 2009 dollars) from Dudley-Warren 2016 report on the regulatory budget

	FY2010	FY2017	FY2010-FY2017 Increase
Social Regulation			
Consumer Safety and Health	\$7,531	\$8,863	\$1,332
Homeland security	\$23,902	\$28,371	\$4,469
Transportation	\$3,025	\$3,037	\$12
Workplace	\$2,058	\$2,028	-\$30
Environment and Energy	\$8,600	\$7,751	-\$849
Total social regulation	\$45,116	\$50,051	\$4,934
Economic Regulation			
Finance and banking	\$3,141	\$4,289	\$1,148
Industry-Specific regulation	\$1,256	\$1,443	\$187
General business	\$3,725	\$5,270	\$1,545
Total economic regulation	\$8,121	\$11,002	\$2,880
Total	\$53,237	\$61,053	\$7,814

Source: Dudley and Warren (2016)

⁴⁹ *Id.* The column did observe that "homeland security concerns were the main driver behind President [George W] Bush's dramatic increases in regulatory spending." But it did not explain that homeland security was a main driver for the increases in regulatory spending for the entire period studied.

⁵⁰ Juliet Eilperin, *Trump establishes task forces to eliminate 'job killing regulations'*, THE WASHINGTON POST (Feb. 24, 2017), <https://wapo.st/2TqPaHc>.

⁵¹ Susan E. Dudley and Melinda Warren, *From Eisenhower To Obama, This Is How Much Regulatory Spending Has Changed*, FORBES (May 17, 2016), <http://bit.ly/2T5Sqs3>.

⁵² *Id.*

⁵³ Susan Dudley and Melinda Warren, *Regulators' Budget from Eisenhower to Obama: An Analysis of the U.S. Budget for Fiscal Years 1960 through 2017*, THE GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER and WASHINGTON UNIVERSITY IN ST. LOUIS WEIDENBAUM CENTER ON THE ECONOMY, GOVERNMENT, AND PUBLIC POLICY (May 2016), Table A-2, <http://bit.ly/2UmOYWw>. Public Citizen contacted both Susan Dudley and Melinda Warren and informed them that we had identified this apparent error, as well as other ostensibly misleading aspects of their op-ed. We offered them the opportunity to respond. Neither did.

Meanwhile, according to data in Dudley and Warren's report, spending on "environment and energy" and "workplace safety" – topics that often animate antiregulatory warriors – actually declined during the Obama administration.⁵⁴ This fact would have offered news value because it runs counter to much of the rhetoric relating to the Obama administration. But it is not referenced in the *Forbes* column.

RSC researchers have promoted discredited studies on the overall costs of regulations

Lafayette College professors W. Mark Crain and Nicole V. Crain have published studies in recent years concluding that federal regulations impose annual costs in the United States of \$1.75 trillion (2010 study) and \$2 trillion (2014 study).⁵⁵

These figures, which dwarf most other estimates, have been cited countless times by policymakers and the press as if they reflect reality.⁵⁶ But the Crains' studies do not derive the bulk of their estimated totals by looking at actual regulations, and the method they do use is riddled with flaws.⁵⁷

The Crains' methodology for their 2010 report relied on comparing differences in countries' scores on the World Bank's Regulatory Quality Index to those countries' per capita gross domestic products. The Regulatory Quality Index is derived from surveys on the soundness of countries' regulatory climates.⁵⁸ The Crains concluded that better scores on the Regulatory Quality Index were correlated to higher GDP. Based on this, they concluded that "less stringent restrictions systematically enhance a country's aggregate economic activity." It was from these comparisons that the Crains arrived at the bulk of the regulatory costs they attributed to the United States.⁵⁹

But this methodology assumed that better scores on the Regulatory Quality Index were synonymous with "less stringent restrictions." This was not so. A manager of the Regulatory Quality Index wrote to the Crains that their interpretation "isn't a good characterization of what the [Regulatory Quality] Index measures – rather RQ seeks to measure perceptions of the overall quality of the regulatory environment, which is very different from simply measuring whether it is stringent or not."⁶⁰

The Regulatory Quality Index has consistently given Scandinavian countries – which are generally considered to be more highly regulated than United States – better Regulatory Quality Index scores than the United States. This fact pattern implies a contradictory conclusion within the Crains' framework that the United States would need to increase regulation to decrease regulatory costs.

The Crains did not appear interested in helping others unravel the paradox. They refused to share their underlying data with the Congressional Research Service or U.S. Government Accountability Office.⁶¹ The Congressional Research Service conducted its own analysis and concluded that "the regulatory

⁵⁴ *Id.*

⁵⁵ Nicole V. Crain and W. Mark Crain, *The Impact of Regulatory Costs on Small Firms*, SBA OFFICE OF ADVOCACY (September 2010), <http://bit.ly/2SUaqkk> and W. Mark Crain and Nicole V. Crain, *The Cost of Federal Regulation to the U.S. Economy, Manufacturing and Small Business*, NATIONAL ASSOCIATION OF MANUFACTURERS (Sept. 10, 2014), <http://bit.ly/2C2o3bA>.

⁵⁶ See, for example, Robb Mandelbaum, *Questions on a Study of the Cost of Federal Regulation*, THE NEW YORK TIMES (April 20, 2013), <https://nyti.ms/2SVTFEd>.

⁵⁷ Curtis W. Copeland, *Analysis of an Estimate of the Total Costs of Federal Regulations*, CONGRESSIONAL RESEARCH SERVICE (April 6, 2011), <http://bit.ly/2EF42t3> and *Regulatory Quality*, WORLD BANK GROUP U.S. (viewed on April 16, 2019), <http://bit.ly/2Inguki>.

⁵⁸ Nicole V. Crain and W. Mark Crain, *The Impact of Regulatory Costs on Small Firms*, SBA OFFICE OF ADVOCACY (September 2010), <http://bit.ly/2SUaqkk>.

⁵⁹ *Id.*

⁶⁰ Curtis W. Copeland, *Analysis of an Estimate of the Total Costs of Federal Regulations*, CONGRESSIONAL RESEARCH SERVICE (April 6, 2011), <http://bit.ly/2EF42t3>.

⁶¹ *Id.* and *Small Business Administration Office of Advocacy Needs to Improve Controls over Research, Regulatory, and Workforce Planning Activities*, U.S. GOVERNMENT ACCOUNTABILITY OFFICE (July 2014), <http://bit.ly/2XklXLf>.

quality index had no discernable independent effect on GDP per capita.”⁶² Other analyses have alleged myriad flaws with the Crains’ studies.⁶³

The RSC has publicized the Crains’ studies with little critical analysis. The RSC permitted the Crains to promote their 2010 study on its web page. “We have developed a more comprehensive and rigorous analysis that estimates not only the total cost of regulation, but which parts of our economy bear them,” the Crains wrote.⁶⁴ (The Crains were briefly listed as scholars for the RSC about the time that their 2010 study was published although their study was issued by the U.S. Small Business Administration, not the RSC.⁶⁵)

In a 2012 book, Dudley and Jerry Brito characterized the Crains’ 2010 study as “one of the few efforts to develop a comprehensive estimate” on regulatory costs. Dudley and Brito wrote that the study’s “methodology has been questioned” but offered no elaboration.⁶⁶ Dudley later touted the Crains’ 2014 follow-up study, which used essentially the same methodology, as one that “offers a new lens with which to evaluate regulatory impacts and is an important contribution to this body of literature.”⁶⁷

Separately, the Regulatory Studies Center’s Howard Beales, Brian Mannix, Dudley and five other writers co-authored a 2017 report titled “Government Regulation: The Good, The Bad, & The Ugly” for the Federalist Society’s Regulatory Process Working Group, which Dudley chairs.⁶⁸ The report cited (without caveats) Crain & Crain’s \$2 trillion estimate on the cost of regulations, then intoned, “other research suggests the drag on economic growth could be twice that much, about \$4 trillion per year, or \$13,000 for every man, woman, and child in the United States.”⁶⁹ That “other research” was a study published by the Mercatus Center that derived its result by comparing the count of words like “shall”

⁶² Curtis W. Copeland, *Analysis of an Estimate of the Total Costs of Federal Regulations*, CONGRESSIONAL RESEARCH SERVICE (April 6, 2011), <http://bit.ly/2EF42t3>.

⁶³ See, for example, Richard W. Parker, *The Faux Scholarship Foundation of the Regulatory Rollback Movement*, ECOLOGY LAW QUARTERLY (forthcoming), <http://bit.ly/2IOI2Ey>; John Irons and Andrew Green, *Flaws call for rejecting Crain and Crain model Cited \$1.75 trillion cost of regulations is not worth repeating*, ECONOMIC POLICY INSTITUTE (July 19, 2011), <http://bit.ly/2C6CivK>; Sidney A. Shapiro, Ruth Ruttenberg and James Goodwin, *Setting the Record Straight: The Crain and Crain Report on Regulatory Costs* (February 2011), <http://bit.ly/2SNvy85>; and Lisa Heinzerling and Frank Ackerman, *The \$1.75 Trillion Lie*, MICHIGAN JOURNAL OF ENVIRONMENTAL & ADMINISTRATIVE LAW (2012).

⁶⁴ Nicole Crain and Mark Crain, *Regulatory Policy Commentary: What do Regulations Cost?* GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (archived web page from Dec. 7, 2010), <http://bit.ly/2NEovB7>.

⁶⁵ *GW Regulatory Studies Scholars*, GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (archived web page from Nov. 6, 2010), <http://bit.ly/2tEXGDY>. Public Citizen sent an e-mail to W. Mark Crain asking the time frame for which he was a scholar for the Regulatory Studies Center. This was his response: “My recollection is that when the Center was formed at GWU around 2010, the director contacted me and asked if I would be interested in being part of an informal hub of scholars working on regulatory matters. The purpose was to connect and share common interests. There was no obligation on either part, and I received no compensation or funding from the Center. I enjoy their news alerts and other information they provide. The exact dates escape me.” (E-mail from W. Mark Crain to author (April 7, 2019).) We also offered W. Mark Crain the chance to review our summary of the criticisms of his and Nicole Crain’s 2010 report and asked him to relay that offer to Nicole Crain. He did not respond.

⁶⁶ Susan E. Dudley and Jerry Brito, *REGULATION: A PRIMER* (Second Edition) (Published by the George Washington University Regulatory Studies Center and The Mercatus Center: August 2016), p. 15, <http://bit.ly/2Hhb6Po>.

⁶⁷ Susan E. Dudley, *New study finds federal regulation costs over \$2 trillion per year and disproportionately affects small businesses*, GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (Sept. 10, 2014), <http://bit.ly/2Vwvm2f>.

⁶⁸ Howard Beales, Jerry Brito, J. Kennerly Davis Jr., Christopher DeMuth, Donald Devine, Susan Dudley (Chair), Brian Mannix, John O. McGinnis, *Government Regulation: The Good, The Bad, & The Ugly*, FEDERALIST SOCIETY REGULATORY TRANSPARENCY PROJECT (June 12, 2017), <http://bit.ly/2tL38VG>. For documentation of Susan Dudley as chair of the group, see, *Regulatory Process Working Group*, REGULATORY TRANSPARENCY PROJECT, FEDERALIST SOCIETY (viewed on April 30, 2019), <http://bit.ly/2USEU7n>.

⁶⁹ The *Government Regulation: The Good, The Bad, & The Ugly* report includes the following disclaimer. “This paper was the work of multiple authors. No assumption should be made that any or all of the views expressed are held by any individual author. In addition, the views expressed are those of the authors in their personal capacities and not in their official/professional capacities.” Public Citizen’s view is that scholars should accept accountability for projects to which they lend their names and that their writing, when it relates to their areas of expertise, is core to their professional work. Protocols allowing scholars to disseminate information without accepting accountability would seem to provide them a license to publish deceptive or inaccurate information.

and “must” in federal regulatory code to trends in economic growth.⁷⁰ Patrick A. McLaughlin, one of the co-authors of that paper, was previously a visiting scholar at RSC.⁷¹

The shall/must study is something of a touchstone for antiregulatory pundits. In their 2016 *Forbes* op-ed on the size of regulators’ budgets Susan Dudley and Melinda Warren mentioned that economists are concerned about stagnation in technological progress, and speculated that growth in regulation might provide an explanation.⁷² They provide a link as supporting evidence. But the link did not connect to the work of an economist. Instead, it went to an op-ed written by a law professor and libertarian blogger, InstaPundit founder Glenn Reynolds.⁷³ In the op-ed, Reynolds blamed excessive regulation for stifling innovation and making us poorer. The most tangible evidence Reynolds cited to support his claim was the Mercatus Center study that arrived at a \$4 trillion annual cost of regulations based on the prevalence of words like “shall” and “must” in the federal regulatory code.⁷⁴

We did find one study on the correlation between regulation and economic growth that was published under the auspices of the RSC. That March 2012 study, written by Tara M. Sinclair and Kathryn Vesey, compared employment and economic growth data to data in the RSC’s annual report on the regulators’ budget. The researchers found no correlation. “We must emphasize that we found basically no evidence that the regulators’ budget has anything other than a zero effect on GDP and employment,” the authors wrote.⁷⁵ In Public Citizen’s review, we found no instance in which anybody associated with the RSC has subsequently referenced Sinclair and Vesey’s finding that there is no correlation between the regulators’ budget and GDP or employment.

D. The RSC Ignores Facts and Findings That Contradict Its Antiregulatory Outlook

The RSC presents a distorted view because its researchers omit relevant information that would cast regulation in a more favorable light. This section provides some examples.

The RSC’s writings do not contemplate that actual compliance costs are typically lower than government forecasts

A refrain in the writing of the RSC is that government officials slant their analyses of proposed regulations to make them look unrealistically appealing. RSC researcher Brian Mannix, for instance, wrote in 2017, “regulatory agencies have been expending real resources without a budget constraint. In such an environment, their incentive is to exaggerate the net benefits of regulation, and to commandeer a growing share of the private economy.”⁷⁶

⁷⁰ Bentley Coffey, Patrick A. McLaughlin and Pietro Peretto, *The Cumulative Cost of Regulations*, MERCATUS CENTER (April 2016), <http://bit.ly/2Haozri>. Alex Tabarrok, a professor of economics at George Mason University, and a co-author published a study in January 2018 that used a version of the same database to try to answer a similar question. They found no correlation between regulations and economic growth. See, Nathan Goldschlag Alex Tabarrok, *Is regulation to blame for the decline in American entrepreneurship?* ECONOMIC POLICY (January 2018), <http://bit.ly/2Jlaeof>.

⁷¹ Patrick A. McLaughlin, CV (viewed on Feb. 28, 2019), <http://bit.ly/2GPKwN4>. Two of the three authors who worked on the study yielding the \$4 trillion estimated cost of regulations based on word counts previously published a paper concluding that there exists a “positive, non-spurious, and robust correlation between the winning percentage of the Washington Redskins football team and bureaucratic output, measured by pages published in the Federal Register.” See, Bentley Coffey, Patrick A. McLaughlin and Robert D. Tollison, *Regulators and Redskins*, PUBLIC CHOICE (March 17, 2011), <http://bit.ly/2EDVwur>. Public Citizen inquired to McLaughlin and one of his co-authors as to whether that study was to be taken seriously. McLaughlin e-mailed to Public Citizen, “tongue pretty firmly planted in cheek for that piece.”

⁷² Susan E. Dudley and Melinda Warren, *From Eisenhower To Obama, This Is How Much Regulatory Spending Has Changed*, FORBES (May 17, 2016), <http://bit.ly/2T5Sqs3>.

⁷³ Glenn Harlan Reynolds, *Why we still don’t have flying cars*, USA TODAY (May 12, 2016), <http://bit.ly/2EDluxe>.

⁷⁴ *Id.* (Follow the link.)

⁷⁵ Tara M. Sinclair and Kathryn Vesey, *Regulation, Jobs, and Economic Growth: An Empirical Analysis*, REGULATORY STUDIES CENTER (March 2012), <http://bit.ly/2T4lpeT>.

⁷⁶ Brian F. Mannix, *Shining a Light on Regulatory Costs*, GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (April 4, 2017), <http://bit.ly/2Xttt8y>. See also, for example, Susan E. Dudley, *Reading Past The Headline In OMB’s Report To Congress*, FORBES (Feb. 27, 2018), <http://bit.ly/2BWbYES> and Susan E. Dudley, *Reforming Regulation*, CATO INSTITUTE (Nov. 25, 2014), <http://bit.ly/2NxEUHP>.

Rarely, if ever, have researchers at the RSC speculated in their writing that the estimated compliance costs for regulations might typically exceed actual compliance costs. But that may be the case. Resources for the Future, a group that analyzes economic policy decisions through a lens of economic research, studied this question empirically and concluded in 2010, "EPA and other regulatory agencies tend to overestimate the total costs of regulations."⁷⁷

Resources for the Future's writers put forth several explanations for why the costs to comply with regulations might typically be lower than expected. Among them: government officials are limited in the degree to which they can project technological innovation; and industry, which has an incentive to exaggerate costs, is often the source of the data that the government uses to generate cost estimates.⁷⁸

The RSC's attacks on efficiency standards ignore the big picture

RSC Director Susan Dudley and her team have consistently targeted appliance efficiency standards. But they appear to have missed the success story surrounding these initiatives that can be seen in retrospect.

Consider washing machine standards. When Dudley was at the Mercatus Center at the end of the administration of President Bill Clinton, the Mercatus Center commissioned an entire survey of 1,997 people on the washing machine rule. They asked, for instance, whether respondents supported a "regulation that would effectively eliminate top-loading washing machines."⁷⁹ (The majority of respondents did not support such a thing.) A few years later, Dudley lamented, "When you go to replace your old washing machine in a couple of years, you will likely pay at least \$400 more for a new low-flow washing machine model, also mandated by the DOE."⁸⁰ More recently, Dudley cited the washing machine standard as a chief exhibit of ways that regulations harm people in unintended ways. She even opined that washing machine efficiency standards could force people to rely on a Laundromat or go without food and other basics.⁸¹

It turned out that, contrary to the premise in the Mercatus Center's poll, the Clinton-era washing machine standard did not effectively ban top-loading washers, nor impose an extra \$400 in costs. Top-loading washing machines from well-known brands can be purchased today for \$400 to \$500, *total*.⁸² Many other appliances are also available in wide selections at lower costs than before.

"Modern home appliances are cheaper, better, and more energy-efficient than ever before," wrote Mark J. Perry of the American Enterprise Institute in 2015. "The 'good old days' for most American consumers are happening right now."⁸³

Not only are they cheaper, especially after adjusting for inflation, but they cost far less to operate. Perry reported that air conditioners' energy consumption had declined 30 percent since 1981, refrigerators' consumption 65 percent and washing machines' consumption nearly 75 percent. "The dramatic improvements in energy efficiency that have taken place over the last three decades translate into significant energy cost savings for American households," he wrote.⁸⁴

⁷⁷ Winston Harrington, Richard Morgenstern and Peter Nelson, *How Accurate Are Regulatory Cost Estimates?* RESOURCES FOR THE FUTURE (March 5, 2010), <http://bit.ly/2GRCEur>.

⁷⁸ *Id.*

⁷⁹ Addendum to Public Interest Comment on the Department of Energy's Proposed Clothes Washer Efficiency Standards, MERCATUS CENTER REGULATORY STUDIES PROGRAM (undated but references contents of a survey conducted on Nov. 28, 2000), <http://bit.ly/2UkA6YA>.

⁸⁰ Susan E. Dudley, *A Regulated Day in the Life*, REGULATION (Summer 2004), <http://bit.ly/2EkpMt1>.

⁸¹ *Can Regulations Come With Unintended Costs?* (video presentation) THE FEDERALIST SOCIETY (posted Oct. 29, 2017), at 54 seconds, <http://bit.ly/2EpK7SG>.

⁸² See, for example, washing machines offered on the web site of Home Depot on April 29, 2019, <https://imgur.com/a/5kRDcyG>.

⁸³ Mark J. Perry, *For home appliances, the 'good old days' are now: They're cheaper, better and more energy efficient than ever before*, AMERICAN ENTERPRISE INSTITUTE (Jan. 6, 2015), <http://bit.ly/2K2h5tp>.

⁸⁴ *Id.*

It is highly doubtful that these gains would have been achieved if not for efficiency standards that were passed in the mid-1970s.⁸⁵ For example, electricity consumption in California, which had been rising steadily, flatlined almost as quickly as that state's first-in-the-nation appliance efficiency standard was passed in 1974.⁸⁶

The RSC's writings rarely acknowledge the benefits of regulations

The RSC has often likened regulations to a "hidden tax."⁸⁷ What readers of RSC writings will rarely find on its pages is any acknowledgement that regulations provide priceless benefits, like clean air. Consider the assessment of Boyden Gray, a frequent critic of regulations, on air quality rules. "We have come a long way since the days when, as a federal judge once described, 'the air in the Los Angeles basin was so thick with smog that a mountain, or even a nearby mountain range, could simply disappear,'" Gray wrote in 2016. "That's what the Clean Air Act was designed to remedy, and it has worked."⁸⁸

If the philosophy of the Regulatory Studies Center were applied when the Clean Air Act and its subsequent amendments were being debated, the mountains would still be hidden.

The RSC's writings do not examine the potential of regulations to spur innovation

The pages of the RSC of allege that regulation has inhibited innovation. But researchers at the RSC rarely, if ever, explore the proposition that regulation prompts innovation. The case for regulation stimulating innovation is that it gives industries an incentive to develop new methods to meet requirements efficiently, and examples are abundant.

In just one example, as Public Citizen documented in a 2011 report on this topic, the aerosol industry financed a decade-long campaign challenging science showing that chlorofluorocarbons, or CFCs, were depleting the ozone layer. But its efforts to block regulation were unsuccessful. In 1977, one day after issuance of a rule ordering CFC propellants to be phased out, the inventor of the original aerosol system announced that he had developed a CFC-free system that improved on the incumbent method. The industry, which had been ravaged by bad publicity, soon experienced a resurgence. "Doomsayers were ready to write their obituary, and many consumers think they have been banned. But far from being dead or banned, aerosols are making a comeback," *Chemical Week* wrote in 1979.⁸⁹

In our research for this report, we did not come across any instances in which RSC researchers postulated that regulation could have a beneficial effect on the private sector by encouraging innovation. But one RSC researcher did speculate that adversity can prompt innovation – so long as the challenge is administered to government workers.

"Declining budgets at U.S. regulatory agencies could improve performance," the RSC's Marcus Peacock argued in 2016. "A dedicated and optimistic rethinking of a system or program in the face of scarcity is called frugal innovation," Peacock wrote. "This attitude has also been called 'Yankee ingenuity,' 'doing a MacGyver,' or, in India, 'jugaad' (pronounced joo-GOD) after a colloquial Hindi word meaning 'a clever fix.'"⁹⁰

⁸⁵ *History and Impacts*, U.S. DEPARTMENT OF ENERGY (viewed on April 7, 2019), <http://bit.ly/2UDcQII>.

⁸⁶ *Id.* and *California's Energy Efficiency Success Story: Saving Billions of Dollars and Curbing Tons of Pollution*, NRDC FACT SHEET (July 2013), <https://on.nrdc.org/2Kf83cB>.

⁸⁷ Susan Dudley, *Can Fiscal Budget Concepts Improve Regulation?* NEW YORK UNIVERSITY JOURNAL OF LEGISLATION AND PUBLIC POLICY (2016), <http://bit.ly/2Xwl18G>.

⁸⁸ Boyden Gray, *Time for Trump's EPA pick to rein in the agency*, WASHINGTON EXAMINER (Dec. 28, 2016), <https://washex.am/2Swmat6>.

⁸⁹ Negah Mouzoon and Taylor Lincoln, *The Unsung Hero in American Innovation*, chapter within REALITY CHECK: THE FORGOTTEN LESSONS OF DEREGULATION AND UNSUNG SUCCESSES OF SENSIBLE SAFEGUARDS (Public Citizen: April 3, 2013), <http://bit.ly/2VlrolQ>.

⁹⁰ Marcus Peacock, *How Declining Budgets at U.S. Regulatory Agencies Could Improve Performance*, GEORGE WASHINGTON REGULATORY STUDIES CENTER (September 2016), <http://bit.ly/2Ennjhg>.

The reality is that American industry has demonstrated remarkable ability over the years to adapt to new regulatory requirements. That is one reason that doomsday forecasts attached to regulatory proposals almost always end up being wrong.⁹¹ If the RSC's true purpose were to inform the public about the effects of regulations, it would acknowledge that regulations often prompt innovation or, as Peacock might put it, "Yankee ingenuity."

The RSC's writings do not explore areas in which the U.S. may be under-regulated

The RSC's researchers almost never explore areas in which the United States may be under-regulated. This is somewhat ironic because the RSC was created while the United States was reeling from the financial crisis of 2007 and 2008. That crisis was almost indisputably caused by insufficient regulation of financial derivatives combined with insufficient enforcement of mortgage lending rules.

"Those of us who have looked to the self-interest of lending institutions to protect shareholders' equity, myself especially, are in a state of shocked disbelief," said then-Federal Reserve board chairman Alan Greenspan in 2008, as the markets cratered. Greenspan is a devotee of Ayn Rand and an ardent believer in markets' ability to self-regulate. But, when pressed with evidence from the unfolding financial crisis, Greenspan realized that he had placed excessive faith in self-regulation.⁹²

⁹¹ See, for example, Negah Mouzoon and Taylor Lincoln, *The Unsung Hero in American Innovation*, chapter within REALITY CHECK: THE FORGOTTEN LESSONS OF DEREGULATION AND UNSUNG SUCCESSES OF SENSIBLE SAFEGUARDS (Public Citizen: April 3, 2013), <http://bit.ly/2VlroIQ>.

⁹² Edmund L. Andrews, *Greenspan Concedes Error on Regulation*, THE NEW YORK TIMES (Oct. 23, 2008), <https://nyti.ms/2GTxcXQ>.

II. THE SCHOLARS: PEOPLE WITH PAST OR PRESENT TIES TO KOCH-FUNDED ENTITIES PRODUCE THE BULK OF THE REGULATORY STUDIES CENTER'S WORK

The organization Talent Market, a staffing service that “promotes liberty by providing talent for critical roles within the free-market nonprofit sector,” lists the George Washington RSC as a client, along with a long list of other Koch-funded groups.⁹³ Talent Market is a project of DonorsTrust, a foundation espousing libertarian views that, along with a sister fund, has received at least \$20 million from Koch-controlled entities.⁹⁴

The executive director of Talent Market previously worked for the Charles Koch Foundation, where she developed its internship program.⁹⁵ Talent Market has received funding directly from the Charles Koch Foundation, including \$50,000 that the foundation disclosed on its 2017 tax form.⁹⁶ Talent Market states that its services are provided for free to institutions that “primarily focus on reducing the size and scope of government.”⁹⁷

The RSC may post job listings with progressive job posting entities, as well. But the backgrounds of the researchers retained by the RSC, particularly those who produce the bulk of its work, suggests that the RSC hires with a decidedly conservative bias.

A. The majority of public comments submitted by the RSC have been written by authors with ties to Koch-funded entities

We tabulated 55 public comments, involving 30 authors, that have been submitted under the auspices of the RSC between 2013 and 2018.⁹⁸ Seventeen of those 30 authors (57 percent) have been affiliated at some point for the Mercatus Center, the Charles Koch Foundation or a separate group that has received funding from the Koch family. [Table 5] These 17 authors have been affiliated with a total of at least 28 Koch-funded organizations.

Table 5: Authors of public comments filed under the auspices of the Regulatory Studies Center, 2013 to 2018

No. of RSC public comment authors with background at Koch-funded organization	No. of RSC public comment authors, total	Pct. of RSC public comment authors with Koch background
17	30	57%

Forty-one of the 55 public comments (75 percent) submitted by the RSC from 2013 to 2018 included at least one author who has been affiliated with the Mercatus Center, the Charles Koch Foundation, or a separate group that has received funding from the Koch family. [Table 6]

⁹³ *About*, TALENT MARKET (viewed on Feb. 28, 2019), <http://bit.ly/2Vs5BQG>; *Our Clients*, TALENT MARKET (viewed on Feb. 28, 2019), <http://bit.ly/2VrNnPF>; and *Our Team*, TALENT MARKET (viewed on Feb. 28, 2019), <http://bit.ly/2EK7EKG>.

⁹⁴ *Knowledge and Progress Fund*, DESMOG BLOG (viewed on April 3, 2019), <http://bit.ly/2uKxLv7>; Knowledge and Progress Fund Form 990 (2015); and Charles Koch Foundation 990 Forms, 2010-2017. For connection between DonorsTrust and Donors Capital Fund, see, for example, DonorsTrust Form 990 (2016), p. 146 on pdf reader.

⁹⁵ *Our Team*, TALENT MARKET (viewed on Feb. 28, 2019), <http://bit.ly/2EK7EKG>.

⁹⁶ Charles G. Koch Charitable Foundation Form 990 (2017), p. 81 on pdf reader count.

⁹⁷ *About*, TALENT MARKET (viewed on Feb. 28, 2019), <http://bit.ly/2Vs5BQG>.

⁹⁸ The Regulatory Studies Center's web site includes public comments dating back to 2013. The listings for 2013 appear to be incomplete. We found a few comments from 2013 that were not listed under the Public Comments tab, and we included them in our analysis. The Web page for the RSC lists about 15 team members, including a few students, and about 40 people it categorizes as “Scholars.” These individuals consist of members of the RSC's core team, other faculty at George Washington University, faculty at other universities, and some people who are not affiliated with a university. Most, but not all, of the authors of public comments submitted by the RSC are listed as among its scholars.

Table 6: Public comments filed under the auspices of the Regulatory Studies Center, 2013 to 2018

No. of RSC public comments authored by person with ties to a Koch-funded organization	No. of public comments submitted by RSC, total	Pct. of RSC comments authored by a person with Koch background
41	55	75%

B. Summary of Koch-funded organizations with which RSC authors have been affiliated

Here we summarize some of the connections between the authors of RSC studies and Koch-funded organizations. These connections are described in more detail in Appendix A. Koch funded outlets are listed in bold here.

Koch-funded entities with which RSC Director Susan Dudley has been affiliated (current or past) include the **Mercatus Center** at George Mason University, the hub of Charles Koch's education-based initiatives; the **Association of Private Enterprise Education**, which engages in strategies and networking activities to infuse libertarian principles into higher education; the **Federalist Society**, one of the most influential conservative policy groups; the **National Federation of Independent Businesses (NFIB) Small Business Legal Center**, which was the lead plaintiff in the lawsuit seeking to repeal the Patient Protection and Affordable Care Act, otherwise known as Obamacare;⁹⁹ **Regulation** magazine, published by the libertarian, Koch-founded Cato Institute;¹⁰⁰ **Strata Policy**, a Utah-based policy group that has fought renewable fuel standards around the country;¹⁰¹ and the **U.S. Chamber of Commerce**.¹⁰²

Other Koch-funded entities with which other RSC researchers have been affiliated include: The **American Enterprise Institute**, the **Bill of Rights Institute**, the **Cato Institute**, the **Center for Market Processes** (a predecessor of the Mercatus Center), the **Charles Koch Institute**, the **Charles Koch Foundation**, **CSE Foundation**, **Foundation for Economic Education**, the **Institute for Humane Studies**, the **Institute for Justice**, the **Property & Environment Research Center**, the **Reason Foundation** and the **Tax Foundation**.

Eight RSC researchers have been affiliated with the Mercatus Center or other Koch-funded entities within George Mason University.

Notably, the Kochs were intrinsic in forming and developing many of the groups listed above, including the Cato Institute, Mercatus Center (and predecessor Center for Market Studies), Institute for Humane Studies, Institute for Justice, CSE Foundation, and, of course, the Charles Koch Institute and Charles Koch Foundation.

The degree of cross-affiliation that the Regulatory Studies Center's researchers have with Koch funded groups is extraordinary. The fact that such a high percentage of the RSC's staff members have been affiliated with Koch-funded groups supports a conclusion that the RSC is a participant in the Koch strategy to use investments in higher education to change public policy. [See Figure 2, next page]

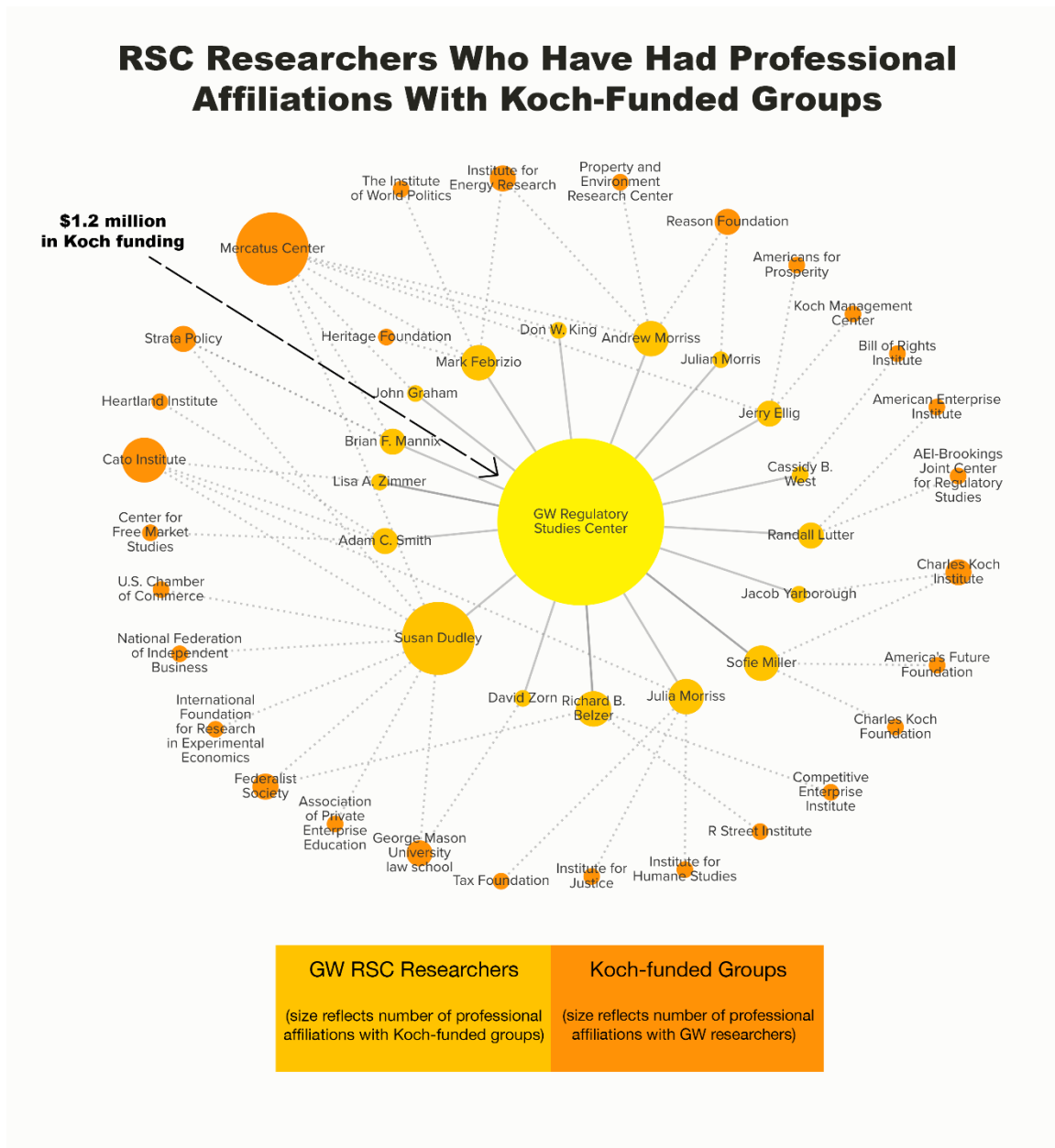
⁹⁹ Susan Elaine Dudley Curriculum Vitæ, THE GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (viewed on Feb. 28, 2019), <http://bit.ly/2Sy9dyH> and *National Federation of Independent Business et al. v. Sebelius, Secretary of Health and Human Services, et al.*, 567 U.S. 519 (2012), <http://bit.ly/2tO4nDG>.

¹⁰⁰ *About Regulation Magazine*, CATO INSTITUTE (viewed on Feb. 29, 2019), <http://bit.ly/2EmChE4>.

¹⁰¹ *Strata 2016 Annual Review*, STRATA POLICY (undated, viewed on Feb. 28, 2019), <http://bit.ly/2NAw63H>.

¹⁰² Susan Elaine Dudley Curriculum Vitæ, THE GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (viewed on Feb. 28, 2019), <http://bit.ly/2Sy9dyH>.

Figure 2



Source: Public Citizen analysis of the backgrounds of RSC researchers.
Graphic by Taylor Lincoln and Bret Thompson.

III. THE FUNDERS: KOCH FOUNDATION AND OTHER OPPONENTS OF REGULATION DOMINATE KNOWN DONORS TO THE RSC

In a column written for the libertarian foundation DonorsTrust in February 2018, FreedomWorks President Adam Brandon discussed investment options for “donors looking to fight the regulatory state.”

Brandon explained under the heading of “education” that “research institutions such as the Mercatus Center and the Regulatory Studies Center at George Washington University, work closely with the Heritage Foundation, American Enterprise Institute, and the Competitive Enterprise Institute to act as the brains of the conservative regulatory fight.”¹⁰³ Each of these entities is a well-known conservative organization and each has received substantial funding from the Koch-controlled entities.¹⁰⁴ The organization that the author of that column works for, FreedomWorks, is a spin-off of Citizens for a Sound Economy, which was founded by the Koch brothers.¹⁰⁵

The RSC does not provide a comprehensive list of its funders, does not provide any specificity on the amount of money given by its donors, and declined Public Citizen’s request for this information. The most specific information on the RSC’s funders in this report was derived from combing through private foundations’ tax forms, which are a matter of public record. Other information was gleaned from the quarterly newsletters of the GW Trachtenberg School of Public Policy and Public Administration, which houses the RSC. At least twice, these newsletters have listed donors specifically to the RSC, although without providing the amounts given. In addition, the RSC has listed the sponsors of a project that it operates called the GW Regulation and Innovation Roundtable.

The available information, while incomplete, reveals certain themes. Most of the RSC funders that can be identified are either foundations that specialize in funding libertarian causes; trade associations and corporations that are well known for holding anti-regulatory positions; or individuals who are affiliated with anti-regulatory groups or have performed anti-regulatory work.

A. Contributions to the Regulatory Studies Center reported by foundations

Searle Freedom Trust

An archived web page of the RSC from June 2010 said “RSC was made possible by an initial grant from the Searle Freedom Trust.”¹⁰⁶ Between 2009 and 2017, the RSC received more than \$1.1 million from this foundation, according to tax filings by Searle Freedom Trust. [Table 7]

The Searle Freedom Trust was formed by Daniel C. Searle, grandson of the founder of G.D. Searle and Co., which developed the artificial sweetener NutraSweet and the first birth control pill.¹⁰⁷ Daniel C. Searle died in 2007, but not before establishing a foundation with a “decisively libertarian” mission, according to *Inside Philanthropy*, with “economic freedom and individual liberty front and center.”¹⁰⁸

Inside Philanthropy reported in 2016 that recent Searle grants had included \$3 million to the American Enterprise Institute “to publish analyses of the impacts of government regulation on economic growth” and \$175,000 to the Competitive Enterprise Institute “to compile research questioning the scientific

¹⁰³ Adam Brandon, *Battling Regulation Takes Education and Action*, DONORS TRUST (Feb. 20, 2018), <http://bit.ly/2H4EOGa>.

¹⁰⁴ Koch funding of most of these groups is documented here, *Conservative Transparency*, AMERICAN BRIDGE 21ST CENTURY FOUNDATION (viewed on March 5, 2019), <http://bit.ly/2TkhLi0>. Koch paid for the creation of the Mercatus Center and continued to fund it. See, for example, Daniel Schulman, *Charles Koch's Brain*, POLITICO (September/October 2014), <https://politi.co/2VrovYc>.

¹⁰⁵ *Koch and Americans for Prosperity/Citizens for a Sound Economy*, KOCH INDUSTRIES INC. (2010), <http://bit.ly/2C7bxaz>.

¹⁰⁶ *About the George Washington University Regulatory Studies Center*, THE GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (archived page from June 4, 2010), <http://bit.ly/2Vv9BA2>.

¹⁰⁷ Jube Shiver Jr., *Monsanto to Acquire G. D. Searle & Co. in \$2.7-Billion Cash Deal*, LOS ANGELES TIMES (July 19, 1985), <https://lat.ms/2TbsxHc>.

¹⁰⁸ Rick Docksai, *Conservative Intellectuals Love This Foundation. Here's Why*, INSIDE PHILANTHROPY (Feb. 12, 2016), <http://bit.ly/2T6lmTH>.

consensus on climate change.”¹⁰⁹ The Cato Foundation received \$225,000 to “publish a series of studies on financial regulation by researchers Bruce Yandle and Adam C. Smith.”¹¹⁰ Smith, who is listed as an RSC scholar, is the director of the Koch-funded Center for Free Market Studies at the Charlotte, N.C., campus of Johnson and Wales University,¹¹¹ a private university best known for its culinary school.¹¹²

Kimberly O. Dennis, the president and CEO of the Searle Freedom Trust Foundation, also is chairman of the board of DonorsTrust foundation and is a past member of the board of visitors at George Mason University.¹¹³ She also is a board member of the Koch-funded Center for Growth and Opportunity at Utah State University.¹¹⁴

Table 7: Grants to the Regulatory Studies Center from the Searle Freedom Trust

Donor	Year	Amount
Searle Freedom Trust	2009	\$62,500 ¹¹⁵
Searle Freedom Trust	2010	\$437,000 ¹¹⁶
Searle Freedom Trust	2011	\$168,000 ¹¹⁷
Searle Freedom Trust	2013	\$80,000 ¹¹⁸
Searle Freedom Trust	2014	\$100,000 ¹¹⁹
Searle Freedom Trust	2015	\$100,000 ¹²⁰
Searle Freedom Trust	2016	\$100,000 ¹²¹
Searle Freedom Trust	2017	\$125,000 ¹²²
Total		\$1,172,500

Charles Koch Foundation

A second major donor to the RSC is the Charles Koch Foundation. According to the foundation's tax forms, it gave the George Washington University \$1.2 million between 2010 and 2017. Gifts from 2010 to 2014 ranged from \$15,000 to \$116,000. In August 2015, the RSC announced receipt of “a generous grant supporting the RSC's mission from the Charles Koch Foundation.”¹²³ The press release did not reveal the size of the grant.¹²⁴ Based on the Koch foundation's annual tax report for 2015, that gift was likely a commitment of \$417,335.¹²⁵ [Table 8]

Unlike the other foundations that give to the RSC, the Charles Koch Foundation's gifts are listed on its tax forms as provided to George Washington University, not to the RSC. The addresses listed on the

¹⁰⁹ *Id.*

¹¹⁰ *Id.*

¹¹¹ Adam C. Smith, CV (viewed on March 1, 2019), <http://bit.ly/2SwTu3b>; *Embracing a Bold Vision for Culinary Education*, JOHNSON AND WALES UNIVERSITY (annual report for 2015-2016), <http://bit.ly/2INzkCf>; and *Scholars*, GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (viewed on May 1, 2019), <http://bit.ly/2VahsqY>.

¹¹² Harry Painter, *Not all academics are leftists, as a recent classical liberal gathering proves*, THE JAMES G. MARTIN CENTER FOR ACADEMIC RENEWAL (Aug. 25, 2014), <http://bit.ly/2GQflHD>.

¹¹³ Kimberly O. Dennis (brief bio), PROPERTY AND ENVIRONMENT RESEARCH CENTER (viewed on March 1, 2019), <http://bit.ly/2VwAC6i> and Robin Herron, *Board of Visitors Elects Leadership, Welcomes President Cabrera*, NEWS AT MASON (in-house news service at George Mason University) (July 3, 2012), <http://bit.ly/2SE9NuQ>.

¹¹⁴ *About the board members*, THE CENTER FOR GROWTH AND OPPORTUNITY (viewed on March 2, 2019), <http://bit.ly/2Uf5Cag>.

¹¹⁵ Searle Freedom Trust Form 990 (2009), p. 60 on pdf reader page count.

¹¹⁶ Searle Freedom Trust Form 990 (2010), p. 66 on pdf reader page count.

¹¹⁷ Searle Freedom Trust Form 990 (2011), p. 19 on pdf reader page count.

¹¹⁸ Searle Freedom Trust Form 990 (2013), p. 24 on pdf reader page count.

¹¹⁹ Searle Freedom Trust Form 990 (2014), p. 18 on pdf reader page count.

¹²⁰ Searle Freedom Trust Form 990 (2015), p. 23 on pdf reader page count.

¹²¹ Searle Freedom Trust Form 990 (2016), p. 22 on pdf reader page count.

¹²² Searle Freedom Trust Form 990 (2016), p. 24.

¹²³ *In the News*, GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (Aug. 24, 2015), <http://bit.ly/2SEzrzC>.

¹²⁴ Press release of Trachtenberg School of Public Policy and Public Administration, *GW Regulatory Studies Center Receives Grant* (Aug. 24, 2015), <http://bit.ly/2J1md01>.

¹²⁵ Charles G. Koch Charitable Foundation Form 990 (2015), p. 22 on pdf reader page count.

Koch Foundation's tax forms roughly alternate between the Regulatory Studies Center's address and the university's main address.

Table 8: Grants to George Washington University from the Charles Koch Foundation

Donor	Year	Amount
Charles Koch Foundation	2010	\$15,000 ¹²⁶
Charles Koch Foundation	2011	\$86,120 ¹²⁷
Charles Koch Foundation	2012	\$116,000 ¹²⁸
Charles Koch Foundation	2013	\$50,000 ¹²⁹
Charles Koch Foundation	2014	\$60,000 ¹³⁰
Charles Koch Foundation	2015	\$417,335 ¹³¹
Charles Koch Foundation	2016	\$322,035 ¹³²
Charles Koch Foundation	2017	\$132,035 ¹³³
		\$1,198,525

It happens that the gift in 2015 was listed as sent to the main address for the university. But 2015 also was the one year in which the RSC announced that it had received a gift from the Charles Koch Foundation, and a "generous" one, at that. The university has acknowledged that two other gifts from the Charles Koch Foundation to GMU went to the Regulatory Studies Center.¹³⁴

Several times, we asked George Washington University and the Charles Koch Foundation for clarification on whether the gifts to the university primarily went to the RSC or to other departments within the university. We did not receive a response. Based on the available information, we suspect that these the gifts predominantly or entirely went to the RSC.

ExxonMobil

The RSC has received funding from the foundation controlled by ExxonMobil, the world's largest petroleum company, as well as from the corporation itself. The ExxonMobil Foundation gave \$927,000 to the RSC between 2013 and 2017. [Table 9]

Table 9: Grants to the Regulatory Studies Center from the ExxonMobil Foundation

Donor	Year	Amount
ExxonMobil Foundation	2013	\$195,000 ¹³⁵
ExxonMobil Foundation	2014	\$207,000 ¹³⁶
ExxonMobil Foundation	2015	\$200,000 ¹³⁷
ExxonMobil Foundation	2016	\$200,000 ¹³⁸
ExxonMobil Foundation	2017	\$125,000 ¹³⁹
Total		\$927,000

¹²⁶ Charles G. Koch Charitable Foundation Form 990 (2010), p. 22 on pdf reader page count.

¹²⁷ Charles G. Koch Charitable Foundation Form 990 (2011), p. 51 on pdf reader page count.

¹²⁸ Charles G. Koch Charitable Foundation Form 990 (2012), p. 23 on pdf reader page count.

¹²⁹ Charles G. Koch Charitable Foundation Form 990 (2013), p. 46 on pdf reader page count.

¹³⁰ Charles G. Koch Charitable Foundation Form 990 (2014), p. 21 on pdf reader page count.

¹³¹ Charles G. Koch Charitable Foundation Form 990 (2015), p. 22 on pdf reader page count.

¹³² Charles G. Koch Charitable Foundation Form 990 (2016), p. 42 on pdf reader page count.

¹³³ Charles G. Koch Charitable Foundation Form 990 (2017), p. 73 on pdf reader page count.

¹³⁴ Ryan Lasker, *Koch Foundation gave \$62,000 to GW for business school and regulatory studies*, THE GW HATCHET (Nov. 8, 2015), <http://bit.ly/2SM1ME9> and Nicola Licata, *\$100,000 donation from Koch brothers supported research fellowships, internships at GW*, THE GW HATCHET (April 14, 2014), <http://bit.ly/2C1xQOZ>.

¹³⁵ Exxon-Mobil Foundation Form 990 (2013), p. 88 on pdf reader count.

¹³⁶ Exxon-Mobil Foundation Form 990 (2014), p. 92 on pdf reader count.

¹³⁷ Exxon-Mobil Foundation Form 990 (2015), p. 76 on pdf reader count.

¹³⁸ Exxon-Mobil Foundation Form 990 (2016), p. 62 on pdf reader count.

¹³⁹ *Health and Environment*, portion of 2017 Worldwide Giving Report, EXXONMOBIL (Aug. 30, 2018), <https://exxonmobil.co/2ZNWgWl>.

Sarah Scaife Foundation

The Sarah Scaife Foundation said in its annual report for 2017 that it provided \$323,000 to the GW Regulatory Studies Center that year. [Table 10] This foundation was built into prominence by Richard Mellon Scaife, a billionaire heir to the Mellon family fortune whom some view as the funding father of the modern conservative movement.¹⁴⁰

Richard Mellon Scaife died in 2014, but the family's support for conservative causes continued.¹⁴¹ In its 2017 annual report, the Sarah Scaife Foundation reported giving to numerous entities that are also recipients of Koch family support, including the American Enterprise Institute, Cato Institute, Competitive Enterprise Institute, Daily Caller News Foundation, the Federalist Society, the Institute for Justice, and the Mercatus Center.¹⁴²

Table 10: Grants to the Regulatory Studies Center from the Sarah Scaife Foundation

Donor	Year	Amount
Sarah Scaife Foundation	2017	\$323,000 ¹⁴³

DonorsTrust

DonorsTrust has reported contributing a modest amount of money to the RSC. In a 2016 interview, DonorsTrust President Lawson Bader told *Inside Philanthropy* that the goal of the organization was to “safeguard the intent of libertarian and conservative donors” and to ensure that funds are used only to promote “liberty through limited government, responsibility, and free enterprise.”¹⁴⁴

Because contributors to DonorsTrust are anonymous, *Mother Jones* dubbed it the “Dark money ATM of the conservative movement.”¹⁴⁵ DonorsTrust's web site promises as much. “You wish to keep your charitable giving private, especially gifts funding sensitive or controversial issues. Set up a DonorsTrust account and ask that your gifts remain anonymous,” its web site says.¹⁴⁶

As mentioned in the preceding section of this report, Koch-controlled entities have given at least \$20 million to DonorsTrust.

Koch family-funded entities to which Donors Trust contributed in 2017 included the American Legislative Exchange Council, the American Enterprise Institute, the Bill of Rights Institute, the Cato Institute, the Competitive Enterprise Institute, the Federalist Society, and the Mercatus Center.¹⁴⁷ DonorsTrust provided \$14,000, total, to RSC in 2013 and 2014, according to the organization's tax forms. [Table 11]

¹⁴⁰ Robert G. Kaiser, *Money, Family Name Shaped Scaife*, THE WASHINGTON POST (May 3, 1999), <https://wapo.st/2ZPdAKT>.

¹⁴¹ Robert D. McFadden, *Richard Mellon Scaife, Influential U.S. Conservative, Dies at 82*, THE NEW YORK TIMES (July 4, 2014), <https://nyti.ms/2V4Xjmh>.

¹⁴² 2017 Annual Report, SARAH SCAIFE FOUNDATION (undated; viewed on May 1, 2019), <http://bit.ly/2V4XvSx>.

¹⁴³ *Id.*

¹⁴⁴ David Callahan, *Inside Donors Trust: What This Mission-Driven DAF Offers Philanthropists on the Right*, INSIDE PHILANTHROPY (March 3, 2016), <http://bit.ly/2Es5Flh>.

¹⁴⁵ Adam Kroll, *Exposed: The Dark-Money ATM of the Conservative Movement*, MOTHER JONES (Feb. 5, 2013), <http://bit.ly/2NzFqVH>.

¹⁴⁶ *Frequently Asked Questions, DonorsTrust* (viewed on April 2, 2019), <http://bit.ly/2VdMMkz>.

¹⁴⁷ Donors Trust Inc. Form 990 (2017).

Table 11: Grants to the Regulatory Studies Center From DonorsTrust

Donor	Year	Amount
DonorsTrust	2013	\$7,000 ¹⁴⁸
DonorsTrust	2014	\$7,000 ¹⁴⁹
Total		\$14,000

U.S. Chamber of Commerce Foundation

We found one record of the U.S. Chamber of Commerce Foundation disclosing a contribution to the RSC – of \$10,000 in 2015. [Table 12] “We supported the George Washington University Regulation and Innovation Roundtable,” the Chamber Foundation wrote on its 2015 tax form.¹⁵⁰

Table 12: Grants to the Regulatory Studies Center From the U.S. Chamber of Commerce Foundation

Donor	Year	Amount
U.S. Chamber Foundation	2015	\$10,000 ¹⁵¹

The RSC may have separately received a grant from the U.S. Chamber of Commerce. The LinkedIn page of Regulatory Studies Center Policy Analyst Zhouan (Zoey) Xie lists among her RSC duties: “Collaborate on a U.S. Chamber’s grant on regulatory oversight within the executive branch of the U.S. federal government.”¹⁵² In the tax forms of the U.S. Chamber of Commerce and its affiliates for 2015 to 2017, Public Citizen did not locate mention of funding to the RSC besides the aforementioned payment to support the Regulation and Innovation Roundtable. The RSC, as best as research for this report could determine, has not disclosed the existence of the grant to which Xie referred.

B. Donors reported by GWU Trachtenberg School of Public Policy and Public Administration

The newsletter of the George Washington University Trachtenberg School of Public Policy and Public Administration, which houses the RSC, periodically lists donors on an acknowledgements page. At least twice, it has provided a breakout of those who gave specifically to the RSC.¹⁵³

Here we list certain donors that have been disclosed. The donors are listed in a more comprehensive fashion, and with more detail on their backgrounds, in Appendix B.

Large organizations listed in these acknowledgements include:

- The **American Chemistry Council**, **American Trucking Associations** and **Business Roundtable**.¹⁵⁴

Individuals and small firms listed have included:

- Former Sen. **Phil Gramm** (R-Texas) and his wife, **Wendy Lee Gramm**. Both Gramms were prominent antiregulation forces in the late-1990s and early-2000s. Wendy Gramm in the late-1990s created the Regulatory Studies Program at the Mercatus Center at George Mason University, for which Dudley worked and later became director.¹⁵⁵

¹⁴⁸ Donors Trust Inc. Form 990 (2013), p. 93 on pdf reader count.

¹⁴⁹ Donors Trust Inc. Form 990 (2014), p. 126 on pdf reader count.

¹⁵⁰ U.S. Chamber of Commerce Foundation (2015), p. 36.

¹⁵¹ *Id.*

¹⁵² Zhouan (Zoey) Xie, LINKEDIN (viewed on Feb. 28, 2019), <http://bit.ly/2GUBsq6>.

¹⁵³ TRACHTENBERG SCHOOL OF PUBLIC POLICY AND PUBLIC ADMINISTRATION (newsletter) (Spring 2010), <http://bit.ly/2ThNAHD> and *The Trachtenberg Experience*, TRACHTENBERG SCHOOL OF PUBLIC POLICY & PUBLIC ADMINISTRATION (Fall/winter 2013), <http://bit.ly/2XuY1Xt>.

¹⁵⁴ *Id.*

¹⁵⁵ Bob Davis, *In Washington, Tiny Think Tank Wields Big Stick on Regulation*, THE WALL STREET JOURNAL (July 16, 2004), <https://on.wsj.com/2GOBFet>.

- **Robert R. Gasaway**, who was a co-author of a brief on behalf of the American Trucking Associations in a seminal U.S. Supreme Court case in which industry appellants challenged ozone standards set by the Environmental Protection Agency.¹⁵⁶
- **Federal Focus Inc.**, a for-profit group led by lobbyist **James Tozzi**.¹⁵⁷ Tozzi in the 1990s led an effort to create a law that permitted challenges to regulations based on the quality of data used to justify them. In the early-2000s, Tozzi invoked this law, known as the Data Quality Act, to cast doubt on studies showing that weed killer Atrazine caused frogs to bear both male and female sex organs.¹⁵⁸
- **Jeffrey A. Rosen**, who became deputy secretary of the U.S. Department of Transportation during the Trump administration, and is now deputy attorney general.¹⁵⁹ Rosen reportedly was one of the most fervent advocates of the Trump administration's 2018 proposal to freeze automobile fuel efficiency standards.¹⁶⁰ Rosen in 2015 co-authored an article advocating for the United States to adopt a "regulatory budget" limiting new regulations.¹⁶¹ Trump enacted such a proposal within days of his inauguration.¹⁶²
- **David D. Smith**. This contributor likely refers to the executive chairman of Sinclair Broadcast Group, owner of numerous local television stations. Sinclair drew controversy in 2018 for ordering local news anchors to read a script parroting the rhetoric of Donald Trump on "the troubling trend of irresponsible, one-sided news stories plaguing our country."¹⁶³

The RSC separately lists donors, again without detail on amounts given, on a web page it maintains for its "GW Regulation and Innovation Roundtable." These donors include many of the institutions listed above, plus the **American Forest and Paper Association**, **Chevron**, **Duke Energy**, the **National Association of Manufacturers**, **Pfizer**, and others.¹⁶⁴

¹⁵⁶ Brief of respondents *American Trucking Associations Inc., Chamber of Commerce of the United States, et al.* in *Christine Todd Whitman, Administrator of Environmental Protection Agency, et al. v. American Trucking Associations Inc., et al.* 531 U.S. 457 (2001), <http://bit.ly/2SxWBYH>.

¹⁵⁷ For Tozzi connection to Federal Focus, see, Federal Focus Inc. Form 990 (2016), p. 6. For documentation of Tozzi's lobbyist capacity, search U.S. Senate lobbying disclosure database, <http://bit.ly/2uFiD8w>.

¹⁵⁸ Chris Mooney, *Paralysis by Analysis*, THE WASHINGTON MONTHLY (May 1, 2004), <http://bit.ly/2Tsfp00>; *Chemical Industry Pressures EPA to Protect Herbicide, not Wildlife*, UNION OF CONCERNED SCIENTISTS (undated), <http://bit.ly/2SyUyUb>; and Rick Weiss, 'Data Quality' Law Is Nemesis Of Regulation, THE WASHINGTON POST (Aug. 16, 2004), <https://wapo.st/2Xxmifi>.

¹⁵⁹ Kevin Johnson, *Jeffrey Rosen, Transportation official, nominated as Justice Department's second-in-command to replace Rod Rosenstein*, USA TODAY (Feb. 19, 2019), <http://bit.ly/2Ttne5A> and *U.S. Senate Confirms Jeffrey Rosen as No. 2 Justice Department Official*, THE NEW YORK TIMES (May 16, 2019), <https://nyti.ms/2QrNY2k>.

¹⁶⁰ Coral Davenport, *Top Trump Officials Clash Over Plan to Let Cars Pollute More*, THE NEW YORK TIMES (July 27, 2018), <https://nyti.ms/2TuopCj>.

¹⁶¹ Jeffrey Rosen and Brian Callanan, *THE REGULATORY BUDGET REVISITED*, ADMINISTRATIVE LAW REVIEW (Sept. 2014), <http://bit.ly/2Efkin6>.

¹⁶² Executive Order 13771 (Jan. 30, 2017), <http://bit.ly/2T9TPxR>.

¹⁶³ Al Tompkins, *13 J-school deans and chairs issue letter of concern to Sinclair*, POYNTER (April 6, 2018), <http://bit.ly/2Ik0GZ> and Callum Borchers, *The Fix Analysis: Sinclair is fighting back but only hurting itself*, THE WASHINGTON POST (April 5, 2018), <https://wapo.st/2U9eoGV>. Because Smith is a common surname, Public Citizen contacted David D. Smith's office several times to ask if he is the RSC contributor to which the university's public policy school referred. We received no response.

¹⁶⁴ *Regulation & Innovation Roundtable*, GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (viewed on Feb. 28, 2019), <http://bit.ly/2EEXB9y>.

IV. A CENTER OF INFLUENCE: THE RSC APPEARS TO PLAY A SIGNIFICANT ROLE IN SHAPING DEREGULATORY AGENDA

In 1998, Wendy Lee Gramm, a board member for the newly formed James Buchanan Center at George Mason University, sent out a fundraising letter touting the Buchanan Center's influence. The Buchanan Center, she said, "reaches out to key, influential policymakers – U.S. Senators, Congressmen and state legislators, legislative staff and regulators" on how to "apply free market principles to public policy work," Gramm wrote, as reported by Nancy MacLean in her 2017 book, *Democracy in Chains*, a National Book Award finalist.¹⁶⁵

Gramm, the wife of then-U.S. Sen. Phil Gramm of Texas, continued: "With its close proximity to Washington, D.C., the Buchanan Center is uniquely positioned to advance freedom ... to the very people who'll make a difference."¹⁶⁶ James Buchanan, the Nobel Prize economist for whom the Buchanan Center was named, was incensed at the letter, MacLean reported. The advocacy, Buchanan told Richard Fink, "verges on fraud and surely, at a minimum amounts to exploitation of me, of you, of [the James Buchanan Center] and the university."¹⁶⁷ To address Buchanan's concerns, the university separated Buchanan's program from George Mason's outreach programs. This might explain the university's decision in 1999 to rebrand its think tank as the Mercatus Center, named after the Greek word for "market."¹⁶⁸

The advocacy continued. The Mercatus Center Regulatory Studies Program, with Gramm as director and Susan Dudley as deputy director, coordinated industry lobbyists' opposition to regulatory proposals at the end of Bill Clinton's presidency. Its web site featured a "Reg Radar" and reported tips called in from lobbyists, making it required reading for K Street lobbyists.¹⁶⁹

Shortly after President George W. Bush took office in 2001, the administration requested nominations for regulations to eliminate or modify. The Mercatus Center submitted 44 entries on topics including "rules governing energy-efficient air conditioners and renovations to electric-utility plants."¹⁷⁰ The Mercatus Center accounted for 14 of the 23 rules that the administration ended up targeting.¹⁷¹ The government official who chose the hit list had recently been on the Mercatus Center's advisory board.¹⁷²

The George Washington Regulatory Studies Center, which Dudley formed in 2009, maintains a lower advocacy profile than the Mercatus Center Regulatory Studies Program. But the programs share many similarities, aside from their overlapping names. In its early days, the RSC also promised a "Reg Radar," although we did not find evidence that the radar was active.¹⁷³ The RSC's description of its work contains understated echoes of Wendy Gramm's 1998 pitch for the Buchanan Center. "With our location just a few blocks from the White House and Capitol Hill, the GW RSC is a hub for academic institutions around the country, and brings fresh ideas and analysis to policy makers in Washington," it says.¹⁷⁴ The RSC appear to be influential. Much of the Trump administration's deregulatory agenda consists of proposals put forth by the RSC prior to Trump's election.

¹⁶⁵ Nancy MacLean, *DEMOCRACY IN CHAINS* (Penguin Random House: 2017), p. 199.

¹⁶⁶ *Id.*, p. 200

¹⁶⁷ *Id.*, p. 201

¹⁶⁸ *Id.*, p. 202 and *History and Timeline*, MERCATUS CENTER (viewed on March 10, 2019), <http://bit.ly/2UdOFx6>.

¹⁶⁹ Bob Davis, *In Washington, Tiny Think Tank Wields Big Stick on Regulation*, THE WALL STREET JOURNAL (July 16, 2004), <https://on.wsj.com/2GOBFet>.

¹⁷⁰ *Id.*

¹⁷¹ *Id.*

¹⁷² *Id.* and Hearing Before the Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs of the Committee on Government Reform, U.S. House of Representatives (March 12, 2002), <http://bit.ly/2SL0MyI>.

¹⁷³ *Reg Radar*, THE GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (archived web page from June 3, 2010), <http://bit.ly/2VG7AB0>.

¹⁷⁴ *About*, THE GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (viewed on March 10, 2019), <http://bit.ly/2EDnuq9>.

A. The Trump administration has embraced the RSC's call to reduce the cost that regulators attribute to carbon emissions

In 2013, the RSC's Dudley, Brian Mannix and Sofie Miller endorsed creating a uniform cost to be applied to carbon emissions in the government's cost-benefit calculations for rulemakings. But the trio objected strenuously to the number – \$41.1 per metric ton – at which the Obama administration had arrived.¹⁷⁵

"If the United States were using a carbon tax to address climate change, this would amount to a trillion-dollar tax increase over the next decade," they wrote. "Instead, that trillion dollars will be placed on the scale of cost-benefit analysis, weighing in favor of expanded regulation ..."¹⁷⁶

They objected to the Obama administration's decision to take into account in its cost calculation the benefits that people would realize around the world from reductions in U.S. carbon emissions. Dudley expressed similar objections in 2017. "Statutes like the Clean Air Act were not designed to deliver foreign aid, imposing costs on Americans to deliver benefits abroad," Dudley wrote.¹⁷⁷ (In contrast, some have pointed out that carbon emissions differ from harms addressed by most other regulations because carbon travels freely around the world. Based on this, they argue that global effects of carbon emissions should be included.¹⁷⁸)

The RSC's side has won within the Trump administration. A *New York Times*' review of regulatory proposals found that the Trump administration was assuming a cost of carbon of \$1 to \$7 per ton, a fraction of the figure adopted by the Obama administration.¹⁷⁹

The practical significance of using a domestic versus global cost of carbon can be seen in the Regulatory Studies Center's rationale for claiming that energy efficiency standards are not justified. The calculated benefits of energy efficiency rules often are segregated between "private" benefits, which regard the cost savings that consumers will realize from their products being cheaper to operate, and "social" benefits, which regard the benefits that members of society will enjoy due to reduced pollution.

Miller and others at the RSC argue that using private benefits to justify an energy efficiency rulemaking is not legitimate because they believe the choice on whether to choose more or less efficient products, with their associated tradeoffs, should be left solely to consumers.¹⁸⁰ (The RSC's rationale in this context does not take into account that efficiency standards are likely to prompt creation of more efficient products for consumers to choose from, but that point is separate from the one discussed here.)

Even if private benefits are ruled out, an energy efficiency standard might exhibit net benefits based on social benefits, alone. But if social benefits are limited to those realized by people within the United States, the task becomes much more difficult. Here is an example: A rule proposed in 2014 to improve the efficiency of commercial heating and cooling equipment was projected to achieve overall benefits of more than \$5 billion versus costs of just \$507 million over 30 years – meaning that the projected benefits exceeded costs by nearly a factor of 10. The projected social benefits, alone, were triple the total projected costs. But, because 90 percent of those social benefits would be realized by people

¹⁷⁵ Susan E. Dudley, Brian F. Mannix, and Sofie E. Miller, *Making the Social Cost of Carbon More Social*, REGULATION (Winter 2013-2-14), <http://bit.ly/2TcoIBW>.

¹⁷⁶ *Id.*

¹⁷⁷ Susan E. Dudley, *President Trump Takes on The Social Cost of Carbon*, FORBES (March 30, 2017), <http://bit.ly/2NAdQaG>.

¹⁷⁸ See, for example, Kian Mintz-Woo, *Two Moral Arguments for a Global Social Cost of Carbon*, ETHICS, POLICY AND THE ENVIRONMENT (March 13, 2018), <http://bit.ly/2HpRAiY>.

¹⁷⁹ Brad Plumer, *Trump Put a Low Cost on Carbon Emissions. Here's Why It Matters*, THE NEW YORK TIMES, (Aug. 23, 2018), <https://nyti.ms/2NDmepZ>.

¹⁸⁰ See, for example, Sofie E. Miller, *Whose Benefits Are They, Anyway? Examining the Benefits of Energy Efficiency Rules 2007-2014*, REGULATORY STUDIES CENTER (Sept. 2, 2015), <http://bit.ly/2H8sWDh> and Brian F. Mannix and Susan Dudley, *The Limits of Irrationality as a Rationale for Regulation*, JOURNAL OF POLICY ANALYSIS AND MANAGEMENT (May 13, 2015), <http://bit.ly/2H7Yqt8>.

outside the United States, Miller deemed them inappropriate to include.¹⁸¹ After Miller ruled private benefits and non-U.S. social benefits out of order, the math allowed her to conclude that the rulemaking was not justified.¹⁸²

B. The Trump administration has acted on the RSC's call to minimize "co-benefits" as justifications to regulate

For years, the RSC has objected to the EPA's reliance on "co-benefits" to justify its regulations. A co-benefit is an effect that is not the primary topic of a rulemaking but results from it, nonetheless. A particular target of Dudley's has been the EPA's 2011 Mercury and Air Toxics Standards (MATs) rule, which aimed to reduce emissions of mercury from coal burning power plants. It took effect in 2015.¹⁸³

Dudley objected to the economic justification for the rule relying on benefits other than reductions in mercury emissions. "The claimed \$33-\$90 billion per year in economic benefits and 11,000 premature deaths avoided are derived by counting co-benefits that arise not directly from reducing toxic emissions, but from reductions in PM_{2.5} and carbon emissions that the EPA's models predict will happen as beneficial side effects of the controls that will be required by the rule," Dudley wrote in 2013.¹⁸⁴ PM_{2.5} refers to microscopic pollutants that can cause asthma, heart disease, lung cancer and other adverse health effects.¹⁸⁵ Mercury emissions, which the rule expressly targeted, declined 69 percent between 2014 and 2016.¹⁸⁶

The Trump administration announced in a June 2018 press release that it would change the way that co-benefits are assessed.¹⁸⁷ In December 2018, the administration initiated a proceeding that would revalue the costs and benefits of the mercury rule, potentially opening the door to a legal challenge of it.¹⁸⁸ "The EPA's equal reliance on the particulate matter (PM) air quality co-benefits projected to occur as a result of the reductions in [hazardous air pollutants] was flawed," the Trump EPA wrote.¹⁸⁹

C. The Trump administration has followed the RSC's recommendation to change the process for setting efficiency standards

Opposition to proposals to improve efficiency standards were a regular feature of pieces by the Regulatory Studies Center's Sofie Miller prior to her 2018 departure to the U.S. Department of Energy, and have been a longstanding theme in Dudley's work. The federal government appears to have acted on the RSC's recommendations.

Miller has submitted public comments opposing energy efficiency standards for manufactured housing, residential air conditioners and heat pumps, and commercial heating and cooling equipment, as well as two more general comments calling on the U.S. Department of Energy to take a harder look

¹⁸¹ Sofie E. Miller, *Public Interest Comment on the Department of Energy's Proposed Rule Energy Conservation Program: Energy Conservation Standards for Small, Large, and Very Large Air-Cooled Commercial Package Air Conditioning and Heating Equipment*, THE GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (Dec. 1, 2014), <http://bit.ly/2YNEwtE>.

¹⁸² *Id.*

¹⁸³ *Benchmarking Air Emissions of the 100 Largest Electric Power Producers in the United States*, MJ BRADLEY (June 2018), <https://on.nrdc.org/2SFvc7e>.

¹⁸⁴ Susan E. Dudley, *OMB's Reported Benefits of Regulation: Too Good to Be True?* REGULATION (Summer 2013), <http://bit.ly/2T5WMPL>.

¹⁸⁵ *Fine Particles (PM 2.5) Questions and Answers*, New York State Department of Health (viewed on April 8, 2019), <https://on.ny.gov/2WTQcIG>.

¹⁸⁶ *Benchmarking Air Emissions of the 100 Largest Electric Power Producers in the United States*, MJ BRADLEY (June 2018), <https://on.nrdc.org/2SFvc7e>.

¹⁸⁷ Press release, Environmental Protection Agency, *EPA Administrator Pruitt Proposes Cost-Benefit Analysis Reform* (June 7, 2018), <http://bit.ly/2VuapLN>.

¹⁸⁸ Kathiann M. Kowalski, *EPA proposal would put federal mercury rules on shakier legal ground*, ENERGY NEWS (Jan. 10, 2019), <http://bit.ly/2Ihnm4>.

¹⁸⁹ *National Emission Standards for Hazardous Air Pollutants: Coal- and Oil-Fired Electric Utility Steam Generating Units – Reconsideration of Supplemental Finding and Residual Risk and Technology Review, Proposed rule*, ENVIRONMENTAL PROTECTION AGENCY (Dec. 27, 2018), <http://bit.ly/2GRI4GV>.

at the success of existing standards before revisiting them.¹⁹⁰ Miller recommended that the Department of Energy consider establishing setting “a threshold for consumer net costs beyond which standards are considered economically unjustified” and avoid enacting standards via an expedited process known as direct final rules.¹⁹¹

In an October 2017 report, Energy Secretary Rick Perry wrote that the administration would review the process by which appliance standards are developed. Among the possibilities that Perry reported the department was considering were “voluntary, non-regulatory, and market-based alternatives to standards-setting,” taking more time than is currently permitted between standards reviews for individual appliances, and refraining from enacting standards via direct final rules.¹⁹²

In May 2018, Miller was hired as a senior adviser at the U.S. Department of Energy in the office that handles efficiency standards.¹⁹³ In February 2019, the Energy Department issued a proposed update to its “process rule” that regards procedures to set energy efficiency standards. Among its recommendations was “to define a significant energy savings threshold for updating energy conservation standards.” Sofie Miller was listed as the public contact on the proposed rule.¹⁹⁴

D. The Trump administration has appointed a RSC scholar to key science panels

Louis Anthony (Tony) Cox Jr. is listed as a scholar for the RSC.¹⁹⁵ In 2015, Cox submitted a comment under the auspices of the RSC criticizing the EPA’s proposed air quality standard on ozone as unwarranted.¹⁹⁶

Cox disclosed in a December 2016 letter to the editor of a journal that his consulting firm, Cox Associates, had over the previous three years:

received funding from the American Petroleum Institute and the American Chemistry Council and their members and from the **Regulatory Studies Center at George Washington University**, to investigate methods and to develop software for improved causal analytics for use in health effects research, including the health effects of crystalline silica, ozone, and fine particulate matter.¹⁹⁷ [emphasis added]

¹⁹⁰ Sofie E. Miller, *Public Comment on DOE’s Regulatory Burden Request for Information, “Reducing Regulatory Burden,”* GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (July 11, 2016), <http://bit.ly/2IKUG3d>; Sofie E. Miller, *Public Comment on Reforming DOE’s “Process Rule” for Energy Efficiency Standards,* GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (March 2, 2018), <http://bit.ly/2FYqbDH>; Sofie E. Miller, *Public Interest Comment on the Department of Energy’s Proposed Rule Energy Conservation Program: Energy Conservation Standards for Residential Central Air Conditioners and Heat Pumps,* GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (April 25, 2017), <http://bit.ly/2VgZhMn>; Sofie E. Miller, *Public Interest Comment on the Department of Energy’s Proposed Rule Energy Conservation Standards for Manufactured Housing,* GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (April 26, 2016), <http://bit.ly/2OFTRYG>; and Sofie E. Miller, *Public Interest Comment on the Department of Energy’s Proposed Rule Energy Conservation Program: Energy Conservation Standards for Small, Large, and Very Large Air-Cooled Commercial Package Air Conditioning and Heating Equipment,* GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (Dec. 1, 2014), <http://bit.ly/2YNEwtF>.

¹⁹¹ Sofie E. Miller, *Public Comment on Reforming DOE’s “Process Rule” for Energy Efficiency Standards,* GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (March 2, 2018), <http://bit.ly/2FYqbDH>.

¹⁹² *Final Report on Regulatory Review Under Executive Order 13783,* U.S. DEPARTMENT OF ENERGY (May 30, 2017), <http://bit.ly/2UauK2d>.

¹⁹³ Sofie Miller, LINKEDIN (viewed on March 3, 2019), <http://bit.ly/2GTyRNd> and Mark Hand, *Trump stacks key renewable energy office with former Koch officials,* THINK PROGRESS (June 22, 2018), <http://bit.ly/2UmnHnm>.

¹⁹⁴ *Energy Conservation Program for Appliance Standards: Proposed Procedures for Use in New or Revised Energy Conservation Standards and Test Procedures for Consumer Products and Commercial/Industrial Equipment,* U.S. DEPARTMENT OF ENERGY (Feb. 3, 2019), <http://bit.ly/2I68ILz>.

¹⁹⁵ *Scholars,* GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (viewed on May 1, 2019), <http://bit.ly/2VahsqY>.

¹⁹⁶ Louis Anthony (Tony) Cox Jr., *Public Interest Comment on the Environmental Protection Agency’s Proposed Rule: National Ambient Air Quality Standards for Ozone,* GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (March 17, 2015), <http://bit.ly/2VyjrkP>.

¹⁹⁷ Louis A. Cox Jr., *Concentration – Response Associations Used to Estimate Public Health Benefits of Less Pollution Are Not Valid Causal Predictive Models* (letter to the editor), ANNALS ATS (December 2016), <http://bit.ly/2BZB59L>.

Cox was appointed in November 2017 as chair of the Clean Air Scientific Advisory Committee (CASAC), which was established by the Clean Air Act amendments of 1977.¹⁹⁸ Cox was nominated to the position by the U.S. Chamber of Commerce, which is a funder of the RSC.¹⁹⁹

Cox also was appointed to serve on the EPA's Science Advisory Board,²⁰⁰ the duties of which include reviewing the quality and relevance of the scientific and technical information being used by the EPA or proposed as the basis for Agency regulations.²⁰¹

Getting one of its scholars appointed to lead one of the EPA's most important science panels and as a member of another must represent a win for the RSC.

E. The Trump administration enacted the RSC's call for a "regulatory budget"

At least as early as 2011, Dudley began touting the idea of a "regulatory budget," or "regulatory PAYGO," which would require agencies to eliminate a regulation of equivalent significance for every new regulation they issue.²⁰² While the idea of a regulatory budget was proposed decades ago, it had mostly been dormant until recently. Dudley published an article discussing this proposal in 2016 in the *N.Y.U. Journal of Legislation and Public Policy*.²⁰³

Weeks before the 2016 election, Republican presidential nominee Donald Trump pledged that he would eliminate two regulations for every one created.²⁰⁴ In December 2016, during the President-elect Trump's transition period, RSC Professor Marcus Peacock issued a white paper outlining options to enact this proposal.²⁰⁵

Trump issued an executive order 10 days into his presidency stipulating that two regulations should be eliminated for every one issued.²⁰⁶ (As mentioned earlier, Public Citizen sued over that executive order.)

¹⁹⁸ *Members of the Science Advisory Board*, ENVIRONMENTAL PROTECTION AGENCY (viewed on March 1, 2019), <http://bit.ly/2NFwTAl>; *Request for Nominations of Candidates to the EPA's Clean Air Scientific Advisory Committee (CASAC) and the EPA Science Advisory Board (SAB)*, A Notice by the Environmental Protection Agency, FEDERAL REGISTER (June 27, 2017), <http://bit.ly/2SBubgh>; and Juliet Eilperin *EPA's new science advisers add more industry experts, conservatives to the mix*, THE WASHINGTON POST (Nov. 4, 2017), <https://wapo.st/2INa7I9>.

¹⁹⁹ Scott Waldman, *EPA science adviser allowed industry group to edit journal article*, E&E NEWS (Dec. 10, 2018), <http://bit.ly/2XrE049>.

²⁰⁰ *Members of the Science Advisory Board*, U.S. ENVIRONMENTAL PROTECTION AGENCY (viewed on March 1, 2019), <http://bit.ly/2NBVRAN> and Sean Reilly and Kevin Bogardus, *EPA unveils new industry-friendlier science advisory boards*, E&E NEWS (Nov. 3, 2017), <http://bit.ly/2H8wBRn>.

²⁰¹ *EPA Science Advisory Board (SAB): What the SAB is authorized to do*, U.S. ENVIRONMENTAL PROTECTION AGENCY (viewed on April 2, 2019), <http://bit.ly/2CQNVro>.

²⁰² Susan E. Dudley, *Regulatory Pay-Go*, THE GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (Feb. 7, 2011), <http://bit.ly/2EFU7DP>.

²⁰³ Susan Dudley, *Can Fiscal Budget Concepts Improve Regulation?* NEW YORK UNIVERSITY JOURNAL OF LEGISLATION AND PUBLIC POLICY (2016), <http://bit.ly/2Xwl18G>.

²⁰⁴ *Donald Trump's Contract with the American Voter*, DONALD J. TRUMP FOR PRESIDENT 2016 (Oct. 22, 2016), <http://bit.ly/2IGKY1I>.

²⁰⁵ Marcus Peacock, *Implementing a Two-for-One Regulatory Requirement in the U.S.*, GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (Dec. 7, 2016), <http://bit.ly/2XyvTDd>.

²⁰⁶ Executive Order 13771 (Jan. 30, 2017), <http://bit.ly/2T9TPxR>.

V. SHROUDED: THE RSC KEEPS DETAILS OF ITS FUNDING SECRET

Revelations that prominent economists were on the payrolls of financial institutions in the lead up to the 2008 financial crisis prompted the economics profession to adopt some disclosure and ethics reforms. The RSC does not operate in accordance with these new protocols. Moreover, the RSC will need to go beyond the letter of the economics profession's protocols in order to fulfill the intentions behind them.

A. The Regulatory Studies Center's disclosure of its funding is sporadic and cryptic

Public Citizen asked the RSC if it would provide details on its sources of funding and its agreements with funders. The RSC declined both invitations. It provided this statement:

The GW Regulatory Studies Center receives various types of funding, including gifts and grants that may be publicly announced, private or anonymous. Many major supporters, such as members of the RSC's Regulation and Innovation Roundtable, are listed on the RSC's website. Any time research is directly supported by an outside group, it is clearly identified in accordance with the RSC's policy on research integrity. For example, see footnote 2 on this paper, sponsored by the U.S. Department of Agriculture.²⁰⁷

Occasionally, researchers for the RSC who are not on faculty at George Washington University have acknowledged receiving support from the RSC.²⁰⁸ These disclosures appear to recognize the propriety of disclosing income sources in academic work. But, because a reader would not know who funds the RSC, they do not fulfill the purpose of disclosure. We did not find examples of RSC researchers acknowledging receipt of funding from private sector special interests, even though we know that such contributions exist.

If the RSC sought to fulfill the purposes of disclosure, it would reveal the contributions it receives from private, special interests, as well as public sector sources.

Aside from fulfilling the intent underlying disclosure protocols, such disclosure would be consistent with the RSC's reverence for markets. RSC Director Susan Dudley has recognized the phenomenon of asymmetric information – in which one party to a transaction has significantly less information than the other – as an impediment to well-functioning markets.²⁰⁹ The RSC's failure to disclose its donors leaves it with far more information on the factors that may influence its work than the policy makers and members of the public who consume that work. This hampers the functioning of the “marketplace of ideas,” which the RSC regularly promotes.²¹⁰

B. Empirical and anecdotal evidence shows a correlation between funding and research outcomes

The importance of researchers disclosing funding sources is important because funding can provide incentives that influence researchers' work. This is true as a matter of common sense and has been confirmed in empirical analysis.

²⁰⁷ E-mailed statement from George Washington University Regulatory Studies Center to author (forwarded to author by George Mason University Office of Media Relations) (Jan. 29, 2019). Statement refers to: Susan E. Dudley, Lydia Holmes, Peter Linquiti, Brian Mannix, Daniel R. Pérez, Aryamala Prasad and Zhoudan Xie, *Transatlantic Agriculture & Regulation Working Paper Series: No. 1*, GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (Sept. 20, 2017), <http://bit.ly/2H8SYX2>.

²⁰⁸ See, for example, Ted Gayer and W. Kip Viscusi, *Determining the Proper Scope of Climate Change Benefits*, GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (June 3, 2014), <http://bit.ly/2NxfgG3>. Gayer and Viscusi reported that they “appreciate support for this project from the George Washington University Regulatory Studies Center.” See also, Adam C. Smith, *Utilizing Behavioral Insights (Without Romance) An Inquiry into the Choice Architecture of Public Decision-Making*, University of Missouri School of Law Scholarship Repository (2017), <http://bit.ly/2Dfqwjh>. Smith wrote that he “gratefully acknowledges Susan Dudley and the George Washington Regulatory Studies Center for their support of this research.”

²⁰⁹ Susan E. Dudley and Jerry Brito, *REGULATION: A PRIMER* (Second Edition) (Published by the George Washington University Regulatory Studies Center and the Mercatus Center: August 2016), p. 13, <http://bit.ly/2Hhb6Po>.

²¹⁰ The Regulatory Studies Center issues a “Regulation Digest,” a publication distributed by e-mail that includes a “Marketplace of Ideas” consisting of output on regulations issued by various organizations, <http://bit.ly/2HFS9Vn>.

In a 2003 study published in *JAMA* examining 1,140 biomedical research papers, researchers concluded that industry-sponsored studies were 3.6 times more likely than non-industry-sponsored studies to reach conclusions favorable to the industry.²¹¹ In a 2010 study published in the *Archives of Internal Medicine*, researchers compared findings of industry-funded and non-industry-funded research testing a therapy to stimulate red blood cell production. Of 34 studies that were not industry funded, 32 found that the therapy could promote malignancy. Of 10 studies that were industry funded, zero found that the drug could have that effect.²¹²

Film producer Charles Ferguson studied the correlation between funding sources and outcomes of economic studies for “Inside Job,” his 2010 Academy Award winning documentary on the financial crisis. “You can’t find very many examples, in fact I haven’t found a single one, of people making statements contrary to the financial interests of the people who are paying them,” Ferguson said.²¹³

Ferguson’s documentary chronicled the activities of Glenn Hubbard, dean of the Columbia University Graduate School of Business and former chairman of President George W. Bush’s Council of Economic Advisors.²¹⁴ The documentary observed that Hubbard had been paid \$250,000 a year as a director of insurance company MetLife, sat on the boards of firms in the mortgage lending industry, and had consulted for financial services companies. In 2004, Hubbard co-authored an influential paper that praised financial derivatives for reducing volatility in the economy.²¹⁵ Financial derivatives ended up being at the heart of the financial meltdown that ravaged the economy in 2008.

The documentary also discussed the case of Frederic Mishkin, a professor at the Columbia Business School who served on the Federal Reserve Board from 2006 to 2008. Mishkin “was paid \$124,000 by the Icelandic Chamber of Commerce to write a paper praising its regulatory and banking systems, two years before the Icelandic banks’ Ponzi scheme collapsed,” Ferguson wrote.²¹⁶

C. Protocols in the economics profession call for increased disclosure

The revelations in “Inside Job” and an increasing awareness that economists’ work can influence policies that wreak havoc upon the lives of ordinary people prompted some reflection within members of the economics profession on its ethics protocols.

Economics has long been unusual among professional disciplines for lacking a code of ethics.²¹⁷ The controversy surrounding the financial crisis prompted the American Economic Association (AEA), the foremost professional organization in the field, to pursue an ethics code.²¹⁸ “Integrity demands honesty, care, and transparency ... and disclosure of real and perceived conflicts of interest,” said the code, which was completed in 2018.²¹⁹ The AEA also developed an updated policy for submission to its six journals, including the *American Economic Review*. Among the policy’s planks:

- “Every submitted article should state the sources of financial support for the particular research it describes. If none, that fact should be stated.”²²⁰

²¹¹ Karen Peart, *Financial Conflicts of Interest Can Influence Biomedical Research Outcomes*, YALE RESEARCHERS SHOW, YALE SCHOOL OF MEDICINE (Jan. 21, 2003), <http://bit.ly/2GU1IRC>.

²¹² Sharon Batt and Adriane Fugh-Berman, *Disclosing Corporate Funding Is Not Nearly Enough*, THE CHRONICLE OF HIGHER EDUCATION (Feb. 25, 2018), <http://bit.ly/2SCLxOG>.

²¹³ Oscar-Winning ‘Inside Job’ Director Attacks Economists’ Ties to Financial Sector, PBS NEWSHOUR (May 4, 2011), at 2 minutes, 41 seconds, <http://bit.ly/2Szvcpe>.

²¹⁴ *Id.*, at 2 minutes, 59 seconds.

²¹⁵ Excerpt from “Inside Job” (2010), <http://bit.ly/2HludaK>.

²¹⁶ Charles Ferguson, *Larry Summers and the Subversion of Economics*, THE CHRONICLE OF HIGHER EDUCATION (Oct. 3, 2010), <http://bit.ly/2NBvMSu>.

²¹⁷ Craig Silverman, *Economists lack an ethics code, which poses challenges for journalists covering them*, POYNTER (Sept. 19, 2011), <http://bit.ly/2Ec6ve5>.

²¹⁸ AEA Code of Professional Conduct, AMERICAN ECONOMIC ASSOCIATION (adopted April 20, 2018), <http://bit.ly/2EBOg0Q>.

²¹⁹ Disclosure Policy, AMERICAN ECONOMIC ASSOCIATION (viewed on March 1, 2019), <http://bit.ly/2EGmbXK>.

²²⁰ *Id.*

- “Each author of a submitted article should identify each interested party from whom he or she has received significant financial support, summing to at least \$10,000 in the past three years [...] An ‘interested’ party is any individual, group, or organization that has a financial, ideological, or political stake related to the article.”²²¹ (Public Citizen did not find any cases of RSC researchers disclosing personal income from sources besides the RSC.)
- “Each author should disclose any paid or unpaid positions as officer, director, or board member of relevant non-profit organizations or profit-making entities.”²²² (Public Citizen did not find any examples of such disclosure by RSC researchers.)

Importantly, the AEA’s call for disclosure extends beyond papers submitted to it. It calls for economists to adhere to its recommended disclosure practices in relation to all of their publications and presentations, including “testimony before federal and state legislative committees and other agencies.”²²³ Accompanying its disclosure policy, the AEA has provided guidance that strongly weighs in favor of disclosure in cases of ambiguity. At the top, it writes:

In cases of uncertainty regarding whether to disclose a particular relationship, a guiding principle should be the answer to the question: “Would I or my institution or a reasonable person be embarrassed if I had not disclosed this relationship and it was subsequently discovered by a journalist, colleague or university administrator?” If the answer to this question is ‘yes,’ the relationship should be disclosed.²²⁴

D. The economics profession’s protocols are relevant to the Regulatory Studies Center

The evolving protocols for economists are relevant to the RSC because the analyses that RSC’s researchers conduct are rooted in economics. The group’s director, Susan Dudley, identifies herself as an economist. The standing description next to a column she writes for *Forbes* is: “I apply economic insights to improve regulations and their effects.”²²⁵

The RSC’s work incorporates concepts of the discipline of law and economics, which George Mason University’s law school, with the help of Koch funding, played a major role in developing.²²⁶ A pioneer in this field was Henry G. Manne, who operated law and economics programs at several universities before bringing his program to George Mason University in 1986. He became dean of George Mason’s law school and served in that position through 1997.²²⁷

E. The economics profession’s protocols on disclosing *institutional* conflicts are unclear

Although the American Economic Association tightened disclosure protocols in the wake of the financial crisis, its new policy did not provide clear guidance on disclosure of potential institutional conflicts of interest. The AEA policy is mostly silent on the question of whether researchers would need to disclose outside sources of funding that their employer uses to fund their salaries.

The AEA does call for individuals to disclose sources of outside funding even when publishing papers that do not relate to those funders’ areas of concern. In a hypothetical with some relevance to the RSC, the AEA includes the following example in its guidance:

Q: During the past three years I have received funding from a foundation that has a pro-market ideology. My paper examines the effects of marginal tax rates on desirable outcomes, but was not funded by this

²²¹ *Id.*

²²² *Id.*

²²³ *Id.*

²²⁴ *Disclosure Examples*, AMERICAN ECONOMIC ASSOCIATION (viewed on March 1, 2019), <http://bit.ly/2UAjo7L>.

²²⁵ Susan Dudley, *Tick Tock, Trump’s Regulatory Clock*, FORBES (Feb. 5, 2019), <http://bit.ly/2C3xkjo>.

²²⁶ See, for example, Nicholas Fandos, *University in Turmoil Over Scalia Tribute and Koch Role*, THE NEW YORK TIMES (April 28, 2016), <https://nyti.ms/2U7nbbP> and John J. Fialka, *How Koch Industries Tries To Influence Judicial System*, THE WALL STREET JOURNAL (Aug. 9, 1999), <https://on.wsj.com/2UfZi6G>.

²²⁷ *In Memoriam: Henry G. Manne (1928-2015)*, BRIAN LEITER’S LAW SCHOOL REPORTS (Jan. 20, 2015), <http://bit.ly/2VAOFYB>.

foundation. Do I need to disclose the funding I have received from this foundation even though it is was not related to the current project?

A: YES. The foundation would constitute an 'interested party'; you should disclose your relationship even if the funding was not for this specific paper.²²⁸

Public Citizen asked the American Economic Association if researchers should disclose the details of outside funding to their institutions. Here is the AEA's response:

The disclosure policy is designed to guide potential authors about what could be perceived as a financial conflict of interest. The policy is not designed as an exhaustive list for the author. Therefore, it is at the discretion of the author to determine whether financial support of any kind could be perceived as representing a conflict of interest with respect to research being conducted. In general, these types of policies, including that of the National Bureau of Economic Research, indicate that it is preferable to err on the side of disclosure.²²⁹

George DeMartino is an economist at the University of Denver who outlined the case for the economics profession to adopt a field of professional economics ethics in his 2011 book "The Economist's Oath: On the Need for and Content of Professional Economic Ethics." Public Citizen asked DeMartino if scholars at the RSC should disclose the existence of contributions to their Center that help fund its work. "If their salaries and the viability of their institution depend in any way on that funding, even if it just augments its income, under the spirit of what the AEA says, of course it should be disclosed," DeMartino told Public Citizen.²³⁰

F. Universities' disclosure practices remain spotty, at best

Universities are not racing to disclose details of their outside funding. Public Citizen contacted 16 academic centers that have reportedly received funding from the Koch network. We asked: 1. If they disclose their sources of funding? 2. Would they provide copies of agreements with outside donors? 3. Do they have policies to require faculty whose compensation substantially relies on one or a few funders to disclose the existence of that support? Only three of the institutions contacted provided detailed responses.²³¹ None answered affirmatively to question three.

We also asked the leader of the Penn Program on Regulation at the University of Pennsylvania, which has not been reported as receiving money from the Koch network, if it discloses outside funding sources. That program reports a mission quite similar to the one stated by the Regulatory Studies Center. It says it provides "rigorous, balanced analysis from multiple disciplines to bear on important regulatory policy problems and alternative strategies to solve them, as well as on the processes of making and implementing regulation."²³² Cary Coglianese, director of the Penn Program on Regulation, e-mailed Public Citizen that the Penn Program does not accept corporate contributions. When it receives contributions from foundations, it discloses them, Coglianese wrote.²³³

G. The Koch network says it has embraced disclosure but its policy is ridden with loopholes

Charlie Ruger, director of investments for the Charles Koch Foundation, said at the Association of Private Enterprise Education conference in 2016, "We're all for the idea of transparency, we've got

²²⁸ *Disclosure Examples*, AMERICAN ECONOMIC ASSOCIATION (viewed on March 1, 2019), <http://bit.ly/2UAjo7L>.

²²⁹ E-mail from the American Economic Association to author (Nov. 6, 2018).

²³⁰ Interview by author with George DeMartino (Nov. 5, 2018).

²³¹ Only one school, the University of Kentucky, provided a copy of an agreement signed with a donor. The University of Utah indicated that it would track down specific agreements if we requested them. Winston-Salem University provided detailed information on the contributions from the Koch Foundation. From the rest we heard either no response, were notified that our e-mail had been forwarded to a different department (which, in turn, did not respond), or were sent assurances that they abide with university policies or state public records laws.

²³² *About Us*, PENN PROGRAM ON REGULATION (viewed on March 2, 2019), <http://bit.ly/2C1jiku>.

²³³ Cary Coglianese, director of the Penn Program on Regulation, e-mail to author (Feb. 19, 2019).

nothing to hide, you know, there's nothing untoward happening."²³⁴ But Ruger's next words singled out the group UnKoch My Campus and hardly embraced transparency:

Our position on that is, no, don't give them anything they ask for, 'til they, 'til they go through that process. It makes them look foolish that they file lawsuits, they hire attorneys, and then they get nothing. Any they're going to, over time, I think they're learn, this is an inappropriate use of open records laws. But we don't wanna just give them something for free. It's, what they're about is not transparency.²³⁵

Steve Gohmann, who directs the Koch-supported Schnatter Center for Entrepreneurship and Free Enterprise at University of Louisville, supported that strategy. "Well, perhaps if you drag 'em on longer and longer and make them spend more on attorney fees, it then becomes real expensive for them to get something like, like our agreement," Gohmann said in response to Ruger.²³⁶

The Koch network's official position has softened somewhat. In July 2018, the Charles Koch Foundation announced that it would disclose the details of future multiyear agreements with universities.²³⁷ That pledge, however, did not apply to previous agreements, nor to one-year agreements. The exception for one-year contracts may be significant because Koch network leaders have articulated a strategy of limiting contracts to one year to ensure that the money they contribute serves the purpose they intend. As of February 2019, the Charles Koch Foundation had posted only 15 agreements.²³⁸ Public Citizen asked the Charles Koch Foundation numerous times for details on its contributions to the GW Regulatory Studies Center and heard no response.

H. The utility of disclosure is limited

Comprehensive disclosure of outside sources of funding to university programs should occur as a matter of course. That disclosure should identify the sources of money, the amounts given and the contractual terms underlying the gifts. These disclosures would assist the public and policy makers in evaluating articles and other information disseminated by these programs.

But merely adhering to such disclosure protocols does not release universities from responsibilities to ensure that their programs and centers act in accordance with proper academic standards. Likewise, the public should not take rest easy even if universities disclose the contractual details of their outside funding arrangements.

Bethany Letiecq, a George Mason University professor who has been critical of that university's relationship with the Koch network, explained that inappropriate agreements can exist even if contract terms are not alarming. Once outside funders have "captured" a university by putting their people in place, they do not need the assurance of contract language, Letiecq told Public Citizen. Similarly, Chapman University economist Daniel Kovenock, said that untoward agreements can exist with "wink and a nod," even if offending language is not included in a contract. Kovenock resigned his position on a faculty-review position in a dispute over two hiring decisions for Koch-funded positions.²³⁹

Former George Washington University President Stephen Trachtenberg, the person for whom the university's public policy school is named, took a common sense approach to questions about money flowing into universities from outside sources. "Most people who give money have some idea in mind about what their money will accomplish," he said.²⁴⁰

²³⁴ *Establishing a Successful Academic Center*, panel discussion, Association of Private Enterprise Education, 2016 annual meeting (April 5, 2016), p. 20, transcript posted by UnKoch My Campus, <http://bit.ly/2UgRc9M>.

²³⁵ *Id.*

²³⁶ *Id.*

²³⁷ Melissa Korn, *Charles Koch Foundation to Publish Future University Grant Agreements*, THE WALL STREET JOURNAL (July 24, 2018), <https://on.wsj.com/2H6qVHL>.

²³⁸ *Our Grant Agreements*, CHARLES KOCH FOUNDATION (viewed on March 1, 2018), <http://bit.ly/2BZW78d>.

²³⁹ Margot Roosevelt, *\$5 million to Chapman University from billionaire Charles Koch sparks an uproar*, THE ORANGE COUNTY REGISTER (June 8, 2018), <http://bit.ly/2IISBoz>.

²⁴⁰ Richard Bernstein, *UnKoch My ... Happiness Studies?* REALCLEAR INVESTIGATIONS (July 10, 2017), <http://bit.ly/2SEBNOY>.

VI. ETHICS POLICY GAPS: GW UNIVERSITY DOES NOT APPEAR TO HAVE SUFFICIENT SAFEGUARDS TO PREVENT CONFLICTS OF INTEREST

Neither the RSC's in-house ethics policy nor the George Washington University's policy appears to provide much protection against institutional conflicts of interest.

A. The Regulatory Studies Center's policy on research integrity is vague

The RSC maintains a "Policy on Research Integrity" on its web site. It reads in full:

The George Washington University Regulatory Studies Center, as part of the George Washington University, is subject to University policies regarding integrity of research and conflict of interest. The GW Regulatory Studies Center scholars independently pursue high quality research to illuminate regulatory theory, policy, and practice; the Center does not take institutional positions on issues. To maintain its independence and the quality and integrity of its products, the GW Regulatory Studies Center does not accept funding that stipulates predetermined results or that limits dissemination of its scholarly activity or research. While the Center occasionally files public comments on specific regulations, it does so from the perspective of the public interest, and will not accept direct funding for individual comments.²⁴¹

This policy leaves open the possibility that the RSC may accept funding to study specific areas even if not specific comments. Meanwhile, the RSC's actual work product, including its consistent anti-regulatory positions and adherence to certain principles, casts doubt on whether it truly adheres to its pledge not to adopt institutional positions or conduct substantially preordained research.

B. GWU's policy on conflicts of interest does not appear to address institutional conflicts

The RSC pledges to adhere to GW University's "Policy on Research Integrity." But that policy primarily concerns personal affairs. Prohibited activities include faculty expending excessive time on work outside their duties for the university; faculty having a financial stake in entities that could be affected by their research; and faculty depriving the university of financial gains that rightfully belong to it.²⁴²

We did not find any language would guard against university departments or centers accepting gifts that could create incentives to conduct research that violates the spirit of academic. Public Citizen asked the university if it had safeguards against institutional conflicts of interest, such as maintaining conflict-of-interest committees. We did not receive a response.

C. Guides exist for limiting risks posed by potential institutional conflicts

A 2009 study on conflicts of interest in medical research that was funded by the National Institutes of Health addressed institutional conflicts. Although "institutional conflicts of interest have generally received less attention than individual conflicts of interest," the study said, "risks to core missions posed by institutional conflicts of interest can be as serious as those created by individual conflicts."²⁴³

The study's authors recommended that centers of medical research cede authority over questions of institutional conflicts of interests to their boards or equivalent panels. The study recommended that the boards appoint a standing committee of individuals who have no potential conflicts related to the institution, including at least one person who has no association with the institution. It recommended that the oversight committee report annually to the board and that the board make the report public, with redactions for confidential information.²⁴⁴

²⁴¹ *Policy on Research Integrity*, GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (viewed on Feb. 28, 2019), <http://bit.ly/2SusiBX>.

²⁴² *Policy on Conflicts of Interest and Commitment for Faculty and Investigators*, GEORGE WASHINGTON UNIVERSITY (March 9, 2016), <http://bit.ly/2TmzWn6>.

²⁴³ *Institutional Conflicts of Interest*, chapter within CONFLICT OF INTEREST IN MEDICAL RESEARCH, EDUCATION, AND PRACTICE (National Academies Press: 2009), <http://bit.ly/2NzxALy>.

²⁴⁴ *Id.*

VII. "FULLY INTEGRATED": HOW THE KOCH UNIVERSITY INITIATIVE OPERATES

The GW Regulatory Study Center is just one of dozens of Koch-funded university centers. This chapter describes the extraordinary scope of the Koch university initiative and how it fits into the even more expansive Koch political universe. We also explain how leaders of the Koch network and the recipients of its largesse strategize to maximize the impact of the university programs in a manner that is "fully integrated."

We are able to describe the Koch network's strategies largely because of documents that critics have obtained through public records requests, and from audio recordings of Koch network leaders discussing their methods in vivid detail. The most dogged collector of information on the Koch network is the group UnKoch My Campus, which was formed, in part, by students from around the country who came together after becoming concerned about the Koch network's influence on their campuses.

Fittingly, one of the richest troves of recordings was taken by a staff member of UnKoch My Campus at an annual meeting of the Association of Private Enterprise Education, a Koch-funded networking group that seeks to infuse libertarian views into higher education.²⁴⁵

Many of the Koch network's practices run afoul of academic norms. Most fundamentally, Koch-funded university programs start with a conclusion that limited-government systems are superior, and work backwards from there. This approach is directly contrary to the academic ethos of pursuing conclusions based on the evidence.

A. The Koch university initiative is enormous, growing, and fits into an even more staggering political universe

As of 2014, the Koch network was helping to fund 24 university-based research centers, which was about double the number of centers it was supporting a couple of years earlier.²⁴⁶ That figure grew to 53 major university centers by 2016.²⁴⁷

Spending by the Charles Koch Foundation and other Koch family foundations on university programs – including projects that are not full-fledged university centers – jumped from less than \$13 million in 2012 to \$50 million in 2016 to \$62 million in 2017. [Figure 3] These foundations provided funding to 296 campuses in 2017. Since 2005, they have funded programs on at least 500 campuses.²⁴⁸

The Koch network leverages its contributions by partnering with like-minded donors. The university programs it supports receive only about 40 percent of their funding from Koch-branded donors, according to Charlie Ruger, director of investments for the Charles Koch Foundation.²⁴⁹ Koch network allies contribute the remainder.²⁵⁰

²⁴⁵ *Conservative Transparency*, AMERICAN BRIDGE 21ST CENTURY FOUNDATION (downloaded on March 5, 2019), <http://bit.ly/2TkhLi0>.

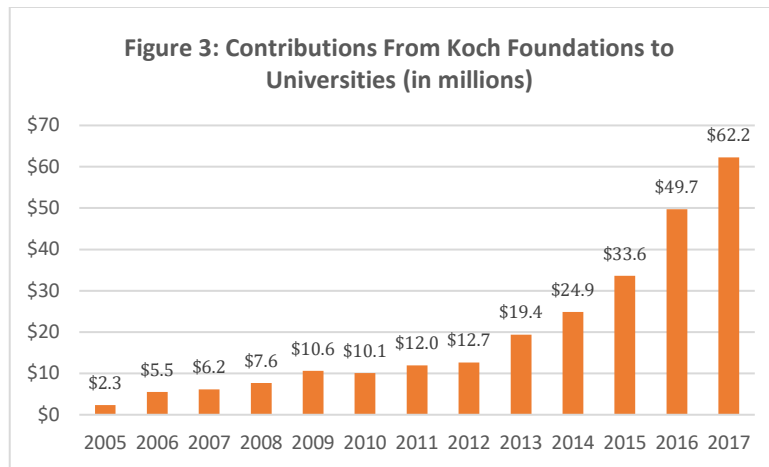
²⁴⁶ *Leverage Science and the Universities*, panel discussion of 2014 Koch Freedom Partners donor summit, Transcript from recordings obtained by "The Undercurrent" (June 15, 2014), <http://bit.ly/2Vs6Yiq> and Ryan Stowers, LINKEDIN (viewed on April 13, 2019), <http://bit.ly/2DodXT9>.

²⁴⁷ *Successful Models of Programs in Private Enterprise*, panel discussion, Association of Private Enterprise Education (APEE), 2016 annual meeting (April 5, 2016), p.3, transcript posted by UnKoch My Campus, <http://bit.ly/2tJxWX0> and *Establishing a Successful Academic Center*, panel discussion, Association of Private Enterprise Education, 2016 annual meeting (April 5, 2016), p.2, transcript posted by UnKoch My Campus, <http://bit.ly/2UgRc9M>.

²⁴⁸ *Koch's 2017 Spending: Growth and Loss*, UNKOCH MY CAMPUS (Jan. 3, 2019), <http://bit.ly/2EKugdT>.

²⁴⁹ *Successful Models of Programs in Private Enterprise*, panel discussion, Association of Private Enterprise Education (APEE), 2016 annual meeting (April 5, 2016), p. 6, transcript posted by UnKoch My Campus, <http://bit.ly/2tJxWX0> and Charlie Ruger, LINKEDIN (viewed on April 12, 2019), <http://bit.ly/2Z9UWwE>.

²⁵⁰ *Successful Models of Programs in Private Enterprise*, panel discussion, Association of Private Enterprise Education (APEE), 2016 annual meeting (April 5, 2016), p. 6, transcript posted by UnKoch My Campus, <http://bit.ly/2tJxWX0>.



Source: Based on data provided to Public Citizen by Greenpeace. See methodology in footnote.²⁵¹

The Koch-funded university projects make up just a part of the Kochs' sprawling network of advocacy groups, think tanks, electioneering initiatives and other change agents. The Kochs created or were instrumental in developing several prominent organizations including the libertarian Cato Institute,²⁵² the Institute for Justice,²⁵³ the Institute for Energy Research and affiliated American Energy Alliance,²⁵⁴ the K-12 curriculum-generating Bill of Rights Institute,²⁵⁵ and Americans for Prosperity,²⁵⁶ which acted as a coordinator of the 2009 Tea Party movement.²⁵⁷

The list of organizations that the Kochs have supported reads like a directory of conservative policy groups in the United States. They include the American Enterprise Institute,²⁵⁸ Americans for Tax Reform,²⁵⁹ the Competitive Enterprise Institute,²⁶⁰ the *Daily Caller* online newspaper,²⁶¹ the Federalist Society,²⁶² the Heritage Foundation,²⁶³ the Independent Women's Forum,²⁶⁴ the Manhattan Institute for Policy Research,²⁶⁵ the National Federation of Independent Business (NFIB),²⁶⁶ the Property and

²⁵¹ Includes contributions from the Charles Koch Foundation, Charles Koch Institute, the Claude R. Lambe Charitable Foundation, the Fred C. & Mary R. Koch Foundation and the David H. Koch Charitable Foundation. The totals include money contributed to six non-profits that are not legally connected to universities but have extremely close relationships with them. They include Institute for Humane Studies (IHS) at George Mason University; the Mercatus Center at George Mason University; the Thurgood Marshall College Fund; the Jack Miller Center; and Strata Policy, which works in conjunction with Utah State University. See, *Koch's 2017 Spending: Growth and Loss* (Jan. 3, 2019), <http://bit.ly/2EKugdT>.

²⁵² Luke Mullins, *The Battle for the Cato Institute*, WASHINGTONIAN (May 30, 2012), <http://bit.ly/2BXNniV>.

²⁵³ *IJ Thanks Its Cornerstone Supporters*, INSTITUTE FOR JUSTICE (Nov. 2001), <http://bit.ly/2BXUrw2>.

²⁵⁴ Lee Fang, *Charles Koch Personally Founded Group Protecting Oil Industry Hand-Outs, Documents Reveal*, REPUBLIC REPORT (Aug. 29, 2014), <https://bit.ly/2Upuyw4>.

²⁵⁵ Charles G. Koch, *Chairman of the Board*, KOCH INDUSTRIES (viewed on March 1, 2019), <http://bit.ly/2VoaXwu>.

²⁵⁶ *Koch and Americans for Prosperity/Citizens for a Sound Economy*, KOCH INDUSTRIES INC. (2010), <http://bit.ly/211C7bxaz>.

²⁵⁷ See, for example, Alexander Hertel-Fernandez, Caroline Tervo, Theda Skocpol, *How the Koch brothers built the most powerful rightwing group you've never heard of*, THE GUARDIAN (Sept. 26, 2018), <http://bit.ly/2NP0dVg>.

²⁵⁸ *Conservative Transparency*, AMERICAN BRIDGE 21ST CENTURY FOUNDATION (downloaded on March 5, 2019), <http://bit.ly/2TkhLi0>.

²⁵⁹ *Id.*

²⁶⁰ *Id.*

²⁶¹ *Id.*

²⁶² *Id.*

²⁶³ *Id.*

²⁶⁴ *Id.*

²⁶⁵ *Id.*

²⁶⁶ *Id.*

Environment Research Center,²⁶⁷ R Street Institute,²⁶⁸ the Reason Foundation,²⁶⁹ and the Tax Foundation, to name a few.²⁷⁰

The Koch Foundation also is a major contributor to the American Legislative Exchange Council (ALEC),²⁷¹ a group that furnishes draft legislation to state legislatures on topics such as requiring voter identification, supporting "stand your ground" gun rights, and opposing renewable energy standards.²⁷² The Koch network also supports the Atlas Network, which bills itself as "a nonprofit organization connecting a global network of more than 475 free-market organizations in over 90 countries to the ideas and resources needed to advance the cause of liberty."²⁷³

The section of the Charles Koch Foundation's 2017 tax form that listed the groups it supported that year is more than 150 pages long.²⁷⁴

The family also created Freedom Partners Chamber of Commerce, an alliance of billionaires and other special interests that has spent so much money to influence elections that it has threatened to displace the official Republican Party as the chief strategist in Republican politics.²⁷⁵

B. The university centers are key cogs in the Koch network's "integrated structure of production for social change"

By the mid-1990s, the building blocks of the Koch political empire were already in place, although the Kochs were not yet household names. Charles Koch had financed the creation of a think tank at George Mason University that would become known as the Mercatus Center, and he was funding at least two other programs at George Mason. By then, he and brother David Koch also had created the libertarian Cato Institute and a corporate-funded lobbying shop called Citizens for a Sound Economy, a facet of which later evolved into Americans for Prosperity.²⁷⁶

Coordinating these elements was Richard Fink, who met Charles Koch in the late-1970s while he was a graduate student focused on Austrian economics, a theory that places great faith in the ability of markets to regulate themselves.²⁷⁷ With the help of a check from Charles Koch, Fink formed the Center for Market Processes, which would later become the Mercatus Center.²⁷⁸

Fink explained in a 1996 essay how different types of groups could work together to change public policies. Fink borrowed from the "structure of production" of consumer goods that had been described by Friedrich Hayek, whom libertarians place on the highest pedestal among the Austrian school economists. Fink conceived of a "structure of production of ideas" in which "intellectual raw materials" would be created through "research done by scholars at our universities." These "raw materials" would

²⁶⁷ *Id.*

²⁶⁸ Charles G. Koch Charitable Foundation Form 990 (2017), p. 108 on pdf reader count.

²⁶⁹ *Conservative Transparency*, AMERICAN BRIDGE 21ST CENTURY FOUNDATION (downloaded on March 5, 2019), <http://bit.ly/2TkhLi0>.

²⁷⁰ *Id.*

²⁷¹ *Id.*

²⁷² Tarini Parti, 'Dark money': ALEC wants image makeover: The goal is to reduce negative perceptions about anonymous contributions, POLITICO (July 30, 2015), <https://politi.co/2NRhzRj> and Juliet Eilperin, Climate skeptic group works to reverse renewable energy mandates, THE WASHINGTON POST (Nov. 24, 2012), <https://wapo.st/2H9Jhro>.

²⁷³ Front page of Atlas Network web site (viewed on Feb. 28, 2019), <https://www.atlasnetwork.org>. For Koch network contributions, see *Conservative Transparency*, AMERICAN BRIDGE 21ST CENTURY FOUNDATION (downloaded on March 5, 2019), <http://bit.ly/2TkhLi0>.

²⁷⁴ Charles G. Koch Charitable Foundation Form 990 (2017), p. 49-199, <http://bit.ly/2UWqkzq>. (Only the downloaded version matches these page counts.)

²⁷⁵ See, for example, Nicholas Confessore, Koch Brothers' Budget of \$889 Million for 2016 Is on Par With Both Parties' Spending, THE NEW YORK TIMES (Jan. 26, 2015), <https://nyti.ms/2VP7BCZ>.

²⁷⁶ *Koch and Americans for Prosperity/Citizens for a Sound Economy*, KOCH INDUSTRIES INC. (2010), <http://bit.ly/211C7bxaz>. Citizens for a Sound Economy was financed by dozens of corporations, including petroleum giant Exxon, tobacco-maker Philip Morris, as well as Koch Industries. See, *Corporate Shill Enterprise (CSE), A Public Citizen Report on Citizens for a Sound Economy: A Corporate Lobbying Front Group*, PUBLIC CITIZEN (Oct. 6, 2000), <http://bit.ly/2EBEeSY>.

²⁷⁷ Daniel Schulman, *Charles Koch's Brain*, POLITICO (September/October 2014), <https://politi.co/2VrovYc>.

²⁷⁸ *Id.* and *History and Timeline*, MERCATUS CENTER (viewed on Feb. 28, 2019), <http://bit.ly/2UdOFx6>.

be converted "into various types of products" by think tanks and policy groups. Those products, in turn, would be handed off to activist groups that would "press for the implementation of policy change."²⁷⁹

The themes in Fink's 1996 essay can be heard in presentations that Koch network leaders have given in recent years.

The Mercatus Center had the "largest collection ... of free-market faculty that exists anywhere at any university anywhere in the world," Brian Hooks, then the executive director of the Mercatus Center, said at a 2014 retreat of Koch-network donors. "What that means is that these guys are producing research that groups in this network can rely on to advance economic freedom every single day. In practical terms, we put out about 1,600 relevant studies that are integrated ..."²⁸⁰

Koch Foundation Vice President Kevin Gentry tied a bow around it all at that 2014 retreat. "So the network is fully integrated," Gentry said. "It's not just work at the universities with the students, but it's also building state-based capabilities and election capabilities, and integrating this talent pipeline."²⁸¹

"We've got a constellation of network organizations that are focused on applying what comes out of the universities to change the world," Charles Koch Foundation investments director Charlie Ruger said at the 2016 conference of the Association of Private Enterprise Education. "And so, that's sort of the core of the partnership. Money plus the network."²⁸²

In a separate presentation the same day, Ruger said: "The centers are driving new talent and new ideas into what we consider to be sort of an integrated structure of production for social change."²⁸³

Ruger explained that the centers had outreach directors on staff to "leverage" the work of scholars "over and over and over again."²⁸⁴

These efforts can extend to "arranging state legislative testimony" so Koch-funded researchers "have a seat [at] the table in public policy. It's about, you know, helping wring every last drop of liberty-advancing value out of every single activity that happens at every single one of these centers," Ruger said.²⁸⁵

The GW Regulatory Studies Center maintains an outreach director. He previously served in a similar capacity for the Mercatus Center.²⁸⁶ Researchers for the GW Regulatory Studies Center have testified before government panels – primarily U.S. House and Senate committees – at least a dozen times since 2015.²⁸⁷

²⁷⁹ Richard Fink, *From Ideas to Action: The Role of Universities, Think Tanks, and Activist Groups*, PHILANTHROPY (Winter 1996). An edited version of this article can be found in online archives, <http://bit.ly/2vanmll>.

²⁸⁰ *Leverage Science and the Universities*, panel discussion of 2014 Koch Freedom Partners donor summit, Transcript from recordings obtained by "The Undercurrent" (June 15, 2014), <http://bit.ly/2Vs6Yiq>.

²⁸¹ *Id.*

²⁸² *Successful Models of Programs in Private Enterprise*, panel discussion, Association of Private Enterprise Education (APEE), 2016 annual meeting (April 5, 2016), p. 5 and Charlie Ruger, LINKEDIN (viewed on April 12, 2019), <http://bit.ly/2Z9UWwE>.

²⁸³ *Establishing a Successful Academic Center*, panel discussion, Association of Private Enterprise Education, 2016 annual meeting (April 5, 2016), p. 2, transcript posted by UnKoch My Campus, <http://bit.ly/2UgRc9M>.

²⁸⁴ *Successful Models of Programs in Private Enterprise*, panel discussion, Association of Private Enterprise Education, 2016 annual meeting (April 5, 2016), p. 4, transcript posted by UnKoch My Campus, <http://bit.ly/2tlxWX0>.

²⁸⁵ *Id.*

²⁸⁶ Bryce Chinault, GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (viewed on Feb. 28, 2019), <http://bit.ly/2Vt114C>.

²⁸⁷ See, *Testimony*, GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (viewed on March 6, 2019), <http://bit.ly/2H5y1gb>.

C. "Training the next generation of the freedom movement": Using college campuses as recruiting grounds

Koch network leaders appear to place greater emphasis on nurturing the next generation of libertarian advocates than any other priority. Their primary objective is to put students on a path to tenured professorships, although they also welcome other outcomes, including entry into the government.

"These programs also act as a talent pipeline," Ryan Stowers, director of higher education for the Charles Koch Foundation, said at the 2014 Koch network retreat. "Professors refer the most passionate students from these programs and graduate programs, so ... they're training the next generation of the freedom movement. So this cycle constantly repeats itself, and you can see the multiplier effect it's had on our network since 2008."²⁸⁸

The Koch network expects the leaders of university programs it funds to identify students who have libertarian outlooks who can be groomed for a career of scholarship or advocacy work.

The Charles Koch foundation's contract with the Initiative for Public Choice and Market Process at the College of Charleston said: "As you know, our goal is to support your work educating and identifying students who are interested in the ideas of a free society in order to encourage them to pursue related continuing education and /or career opportunities." The contract included notice that success in this endeavor "will factor substantially into our evaluation of future funding requests."²⁸⁹

The Koch Foundation's contract with the College of Charleston asked the Charleston program to "submit names and permanent e-mail addresses (preferably not ending in '.edu') of students to it. "Contact information will be used to notify students of opportunities through both the Koch Foundation and the Institute for Humane Studies," the Koch Foundation wrote.²⁹⁰

Derek Yonai, director of the Center for Free Enterprise at Florida Southern College showed how this works. He recommended setting up book and movie clubs to interest students. "Then hopefully get them involved in the liberty movement, through FEE (Foundation for Economic Education), IHS (Institute for Humane Studies), KIP (Koch Internship Program), or if they've already done KIP, then eventually into KAP (Koch Associate Program)," Yonai said at the 2016 conference of the Association of Private Enterprise Education.²⁹¹

Seeking to change students' ideological views is a goal of the Koch network, and those who run it have measured their success in doing so. Professor Bradley K. Hobbs even convened "Koch Movie Nights" when he held an academic chair at Florida Gulf Coast University that was funded in part by the Charles Koch foundation. One of the movies Hobbs screened was the world premiere of the documentary "Not Evil Just Wrong," which challenged climate change theory.²⁹² Hobbs is now a faculty member at Clemson University, where he is part of the Koch-funded Institute for the Study of Capitalism.²⁹³

One of Hobbs' annual reports at Florida Gulf Coast University included documenting the number of students reached through various initiatives, including movie nights, the local chapter of the group Students for Liberty, and a program to distribute copies of Ayn Rand's "Atlas Shrugged." Most of Hobbs'

²⁸⁸ *Leverage Science and the Universities*, panel discussion of 2014 Koch Freedom Partners donor summit, Transcript from recordings obtained by "The Undercurrent" (June 15, 2014), <http://bit.ly/2Vs6Yiq>.

²⁸⁹ *Influence over Student Activities*, UNKOCH MY CAMPUS (viewed on March 1, 2019), <http://bit.ly/2GVVOz6>.

²⁹⁰ *Id.*

²⁹¹ *Being an Intellectual Entrepreneur*, panel discussion, Association of Private Enterprise Education annual meeting (April 6, 2016), p 13, transcript posted by UnKoch My Campus, <http://bit.ly/2VuBEQd>.

²⁹² *Report on the Activities of the BB&T Distinguished Professorship of Free Enterprise at Florida Gulf Coast University*, FLORIDA GULF COAST UNIVERSITY (2009-2010), <http://bit.ly/2Xlo25C> and Jason Anderson, "Not Evil Just Wrong" challenges environmental claims, THE (TORONTO) STAR (Oct. 18, 2009), <http://bit.ly/2SNleQ3>.

²⁹³ *Faculty and Staff*, Bradley Hobbs, CLEMSON INSTITUTE FOR THE STUDY CAPITALISM (viewed on March 8, 2019), <http://bit.ly/2EGFz6O>.

estimates for his efforts hovered in the range of 40 to 80 students reached.²⁹⁴ At the 2014 Koch network donors conference, Charles Koch Foundation higher education director Ryan Stowers reported that the network was funding 5,000 scholars, and he estimated that those scholars would influence 80 million students.²⁹⁵ Moreover, Stowers said, "we've actually found a way to do this at a far greater number, much faster, and that's through online education."²⁹⁶

In "Dark Money," an exhaustive review of the Koch family published in 2016, author Jane Mayer described how progress was measured at the George Mason University Institute for Humane Studies:

The aim of the IHS was to cultivate and subsidize a farm team of the next generation's libertarian scholars. Anxious at one point that the war of ideas was proceeding too slowly, Charles [Koch] reportedly demanded better metrics with which to monitor students' political views. To the dismay of some faculty members, applicants' essays had to be run through computers in order to count the number of times they mentioned the free-market icons Ayn Rand and Milton Friedman. Students were tested at the beginning and the end of each week for ideological improvement.²⁹⁷

Benjamin Powell, who directs the Koch-funded Free Market Institute at Texas Tech University,²⁹⁸ offered in a grant application to employ similar methods. "We could measure how much [faculty] change their students' views by administering a quiz on the students' public policy beliefs at the beginning and end of each semester to see how their views change after having been exposed to these faculty members (I've done this in some of my own classes)," the application stated.²⁹⁹

At least one Koch-funded program regards some professors at other universities as "trusted faculty" who act as "agents" to cause social change. In a 2017 grant application to the Charles Koch Foundation, the Institute for Humane Studies proposed steps to dramatically increase the number of libertarian professors training students. "The pace of growth in our academic pipeline is too slow to realize the magnitude of change we seek," the Institute wrote, as it proposed experiments intended to build its impact to "10X+ and 100X+ our current level."³⁰⁰

"Imagine, for example, what our graduate student-support capability might look like if hundreds of trusted faculty at PhD-granting institutions acted as our agents," the proposal continued. "Not only would they help us grow the pool of CL talent, they would also be in a position to deploy their local knowledge to tailor support in specific ways, substantively advancing the career potential of individual students."³⁰¹ CL stands for "classical liberalism," a synonym for "libertarian."³⁰²

Students who share the Koch network's viewpoints are likely to receive favorable treatment, such as mentorship, funding and job placement assistance.

Bruce Benson, chair of the economics department at Florida State University, explained this in a 2007 e-mail to a colleague that outlined the pros and cons of a funding proposal that his department had received from the Charles Koch Foundation. "Koch's idea is to make mentors available to students who share their views about markets and government," Benson wrote. "Students like this can then be

²⁹⁴ *Report on the Activities of the BB&T Distinguished Professorship of Free Enterprise at Florida Gulf Coast University*, FLORIDA GULF COAST UNIVERSITY (2009-2010), <http://bit.ly/2Xlo25C>.

²⁹⁵ *Leverage Science and the Universities*, panel discussion of 2014 Koch Freedom Partners donor summit, Transcript from recordings obtained by "The Undercurrent" (June 15, 2014), <http://bit.ly/2Vs6Yiq>. Stowers' back-of-the-envelope math might have been a bit off, but it left no doubt as to the intent of the Koch network.

²⁹⁶ *Id.*

²⁹⁷ Jane Mayer, *DARK MONEY: THE HIDDEN HISTORY OF THE BILLIONAIRES BEHIND THE RISE OF THE RADICAL RIGHT* (Doubleday: 2016), p. 149.

²⁹⁸ Naveena Sadasivam, *Hostile Takeover*, TEXAS OBSERVER (Sept. 26, 2016), <http://bit.ly/2ILSB7e>.

²⁹⁹ *Id.*

³⁰⁰ *IHS FY17 Mid-Year Proposal to the Charles Koch Foundation*, internal Institute for Humane Studies document provided to Public Citizen.

³⁰¹ *Id.*

³⁰² See, *What Is Libertarian*, INSTITUTE FOR HUMANE STUDIES (viewed on Feb. 28, 2019), <http://bit.ly/2TolFpi>.

assisted in networking (for jobs, and for other sorts of support), and be advised as they pursue research projects by a group of faculty who share their general views..."³⁰³

A faculty member at the George Mason law school – which in 2016 received \$10 million from the Charles Koch Foundation and \$20 million more in an anonymous gift brokered by the Federalist Society – expressed interest in placing students with preferred ideologies in federal judicial clerkships.³⁰⁴

"We are hoping to place Scalia Law alumni who are current members of our Fed Soc student chapter, alumni who were active in Fed Soc, and other Scalia Law conservative and libertarian alums in federal clerkships," GMU law school professor J.W. Verret wrote to Anna Francis (who runs GMU law's judicial clerkship program) and Jonathan Bunch (who is the Federalist Society's vice president and director of external relations).³⁰⁵

D. Using their own publications to boost the libertarians' careers

In his 1974 speech laying out strategies to use universities as levers to elevate libertarian ideas, Charles Koch mentioned "arranging publication and distribution of scholarly books."³⁰⁶ Today, that strategy is used for books and other publications. It serves to disseminate the ideas in the book or article and to assist the careers of authors by bolstering their publication statistics.

In a presentation titled "Being a Liberty-Advancing Academic" at the 2016 Association of Private Enterprise Education conference, Mercatus Center program director Peter Boettke³⁰⁷ recommended using libertarian journals to boost publication statistics. "Just think about, in your own head, the journals here: the *Journal of Private Enterprise*, *Independent Review* ...," Boettke said. "You can basically get tenure, not publishing in the same journal twice, in a bunch of journals [where] the editors are actually very predisposed towards classical liberalism."³⁰⁸

Researchers at the GW Regulatory Studies Center have been published in numerous periodicals operated by entities and editors with ties to the Kochs.

Susan Dudley, Marcus Peacock and Brian Mannix have been published in the *Supreme Court Economic Review*,³⁰⁹ which is sponsored by the Law and Economics Center at the George Mason University School of Law.³¹⁰ Charles Koch is a longtime supporter of the George Mason Law and Economics Center.³¹¹

While she was a senior policy analyst for the Regulatory Policy Center, Sofie Miller published an article in the *Federalist Society Review*, which is the journal of the Federalist Society's law and regulation practice group.³¹² RSC Director Susan Dudley has served since 2009 on the executive committee of the

³⁰³ E-mail from Bruce Benson to Don Schlagenhauf (Nov. 29, 2007), <http://bit.ly/2GVtxst>.

³⁰⁴ Press release, George Mason University Antonin Scalia Law School, *Mason Receives \$30 Million in Gifts, Renames Law School After Justice Antonin Scalia* (March 31, 2016), <http://bit.ly/2T7985B> and Erica L. Green and Stephanie Saul, *What Charles Koch and Other Donors to George Mason University Got for Their Money*, THE NEW YORK TIMES (May 5, 2018), <https://nyti.ms/2TsECHH>.

³⁰⁵ Angela Woolsey, *GMU law school under scrutiny for possible Federalist Society ties*, FAIRFAX COUNTY TIMES (May 11, 2018), <http://bit.ly/2ToRT3N%20> and J.W. Verret, e-mail to Anna Francis and Jonathan Bunch, *Subject: Intro between Fed Soc and the Scalia Law Clerkship Coordinator* (June 5, 2017), <http://bit.ly/2T7dRc4>.

³⁰⁶ Charles Koch, *Anti-Capitalism & Business*, REASON (Dec. 1, 1975), <http://bit.ly/2IH8Wd6>.

³⁰⁷ Peter J. Boettke, GEORGE MASON UNIVERSITY COLLEGE OF HUMANITIES AND SOCIAL SCIENCES (viewed on March 2, 2019), <http://bit.ly/2tMXkLm>.

³⁰⁸ *Being a Liberty-Advancing Academic*, panel discussion, Association of Private Enterprise Education, 2016 annual meeting (April 4, 2016), p. 23, transcript posted by UnKoch My Campus (April 4, 2016), <http://bit.ly/2F5UFlD>.

³⁰⁹ Susan E. Dudley and Marcus Peacock, *Improving Regulatory Science*, SUPREME COURT ECONOMIC REVIEW (2016), <http://bit.ly/2BY16pU> and Brian Mannix, *Benefit-Cost Analysis as a Check on Administrative Discretion*, SUPREME COURT ECONOMIC REVIEW (2016), <http://bit.ly/2Ualnih>.

³¹⁰ See, for example, SUPREME COURT ECONOMIC REVIEW, Volume 20 (2012), <http://bit.ly/2FQditl>.

³¹¹ See, for example, Nicholas Fandos, *University in Turmoil Over Scalia Tribute and Koch Role*, THE NEW YORK TIMES (April 28, 2016), <https://nyti.ms/2U7nbbP> and John J. Fialka, *How Koch Industries Tries To Influence Judicial System*, THE WALL STREET JOURNAL (Aug. 9, 1999), <https://on.wsj.com/2UfZi6G>.

³¹² Sofie E. Miller, *The Risks of Regulating in the Dark*, FEDERALIST SOCIETY REVIEW (Jan. 18, 2017), <http://bit.ly/2VqumNh>.

administrative law and regulation practice group of the Federalist Society.³¹³ The Federalist Society has received more \$2.8 million since 2000 from Koch family foundations.³¹⁴

While a researcher at the Regulatory Policy Center, Patrick McLaughlin co-authored a lighthearted paper that purported to show a relationship between the winning percentage of the Washington Redskins football team and the number of pages published in the Federal Register. That article was published in the journal *Public Choice*.³¹⁵ The editor of *Public Choice* since 2005 has been William F. Shughart II,³¹⁶ who is the "Senior Editor and Director of Koch Scholars" at Utah State University.³¹⁷

RSC scholar Adam C. Smith in 2014 co-authored a book with Bruce Yandle titled alleging that regulation stems from an unhealthy alliance between reformers and special interests. The book was published by the Cato Foundation, which Charles Koch founded.³¹⁸

RSC scholars also have frequently written for *Regulation*, a periodical for which Dudley serves as an editorial advisory board member that is published by the Cato Foundation.³¹⁹

The RSC's Sofie Miller and Brian Mannix published a chapter criticizing energy efficiency regulations in a 2016 book on behavioral economics. The editor of that book was Sherzod Abdukadirov, who was at the time a fellow in the Program for Economic Research on Regulation at the Mercatus Center.³²⁰

Dudley in 2012 co-authored a book *Regulation: A Primer*, with Jerry Brito, a senior research fellow at the Mercatus Center.³²¹ That book updated an original version that Dudley wrote in 2005 for Mercatus.³²² As mentioned earlier, Charles Koch provided the funding to create the Mercatus Center.³²³

E. Koch-funded programs train judges and attorneys general

Among those whom the leaders of Koch-funded programs aim to influence are public officials and potential future public officials. After the election of Donald Trump, leaders of the Law and Economics program at George Mason University scurried to develop materials for judges and attorneys general.

"The election of Donald Trump presents a historic opportunity for a new president to reshape the federal judiciary, reform the regulatory state, promote economic growth, and restore constitutional federalism," the Law and Economics program wrote in a \$2.6 million funding proposal. "To take advantage of this once-in-a-generation opportunity to shape the contours of federal law for decades to

³¹³ Susan Elaine Dudley Curriculum Vitæ, GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (viewed on Feb. 28, 2019), <http://bit.ly/2Sy9dyH>.

³¹⁴ *Conservative Transparency*, AMERICAN BRIDGE 21ST CENTURY FOUNDATION (downloaded on March 5, 2019), <http://bit.ly/2TkhLi0>.

³¹⁵ Bentley Coffee, Patrick A. McLaughlin and Robert D. Tollison, *Regulators and Redskins*, PUBLIC CHOICE (March 17, 2011), <http://bit.ly/2EDVwur>.

³¹⁶ William Franklin Shughart II, CV (viewed on March 1, 2019), <http://bit.ly/2GTU3Cu>.

³¹⁷ *Id.*

³¹⁸ Adam Smith and Bruce Yandle, *BOOTLEGGERS AND BAPTISTS* (Cato Institute: 2014), <https://amzn.to/2XGTAsz>.

³¹⁹ For documentation of Susan Dudley's role at the publication, see, *About Regulation Magazine*, CATO INSTITUTE (viewed on Feb. 29, 2019), <http://bit.ly/2EmCHe4>. For documentation of Regulatory Studies Center researchers writing for the publication, see, for example, Daniel Perez, *Obama's Midnight*, REGULATION (Spring 2016), <http://bit.ly/2theuAw>; Sofie E. Miller, *The Disappearing Benefits of Energy Efficiency*, REGULATION (Spring 2016), <http://bit.ly/2tjclil>; Brian F. Mannix, *CAFE and the Tension Between Optimization and Competition in Rulemaking*, REGULATION (Winter 2015-2016), <http://bit.ly/2N4y1NW>; Joseph Cordes and Blake Taylor, *The CPSC's Off-Road Adventure*, REGULATION (Spring 2015), <http://bit.ly/2TJ39oG>; Susan E. Dudley and Melinda Warren, *Tight Budgets Constrain Some Regulatory Agencies But Not All*, REGULATION (Fall 2014), <http://bit.ly/2SLIkLO>; Jeff Bennett and Susan E. Dudley, *Australia's Regulatory Bonfire*, REGULATION (Fall 2014), <http://bit.ly/2RVfF2K>; and Susan E. Dudley, *OSHA's Long-Awaited Crystalline Silica Rule*, REGULATION (Spring 2014), <http://bit.ly/2N0ugZN>.

³²⁰ Sherzod Abdukadirov (editor), *NUDGE THEORY IN ACTION: BEHAVIORAL DESIGN IN POLICY AND MARKETS* (Palgrave Macmillan: 2016), <https://amzn.to/2tDxgb> and Sherzod Abdukadirov, *Former Research Fellow*, MERCATUS CENTER (viewed on April 13, 2019), <http://bit.ly/2PaMZSL>.

³²¹ Susan E. Dudley and Jerry Brito, *REGULATION: A PRIMER* (Second Edition) (Published by the George Washington University Regulatory Studies Center and the Mercatus Center: August 2016), <http://bit.ly/2Hhb6Po>.

³²² Susan E. Dudley, *PRIMER ON REGULATION* (Mercatus Center: November 2005), <http://bit.ly/2UcsSWI>.

³²³ See, for example, Daniel Schulman, *Charles Koch's Brain*, POLITICO (September/October 2014), <https://politi.co/2VrovYc>.

come, the Law and Economics Center has launched a Federal Judges Initiative and an Attorneys General Initiative to develop special courses and curricula expressly designed to educate the new federal judges who will be appointed over the coming years."³²⁴

The proposal said that the Law and Economics Center for four decades had "provided the classroom where federal and state judges, state AGs, and other legal professionals have been trained in basic economics, accounting, statistics, regulatory analysis, and other disciplines." The prospectus said that judges understanding the "interplay of economics and law" are more likely to support the "free enterprise system."³²⁵

Henry G. Manne, a pioneer in the field of law and economics, was holding seminars to train judges long before he arrived as dean of George Mason University's law school in 1986.³²⁶ At George Mason, Manne continued a program of providing all-expenses-paid economics seminars to state and federal judges. The Kochs contributed \$1,000 toward each judge's roughly \$5,000 per trip cost, according to a 1999 article in *The Wall Street Journal*. Judges from states where Koch Industries' business was focused were well represented among those attending a seminar that had recently occurred, the *Journal* reported.³²⁷

That specific program ended in 1999. By then, nearly half of all federal judges had passed through it. Researchers in 2018 concluded that judges who attended the Manne's programs became more likely to rule against the EPA or National Labor Relations Board, than they previously had been, while they began imposing longer prison sentences.³²⁸

F. The Koch network seeks to place students in the government

Placing ideologically aligned advocates in the government is another way the Koch network seeks to wield influence.

Koch funding has facilitated a pathway from the GW Regulatory Studies Center to the nerve center of regulations in the federal government. The RSC sponsors a "Regulatory Studies Center OIRA Fellowship," in which a George Washington University student works as an intern in the Office of Information and Regulatory Analysis, which is the federal regulatory oversight office that RSC Director Susan Dudley led during the final two years of the George W. Bush administration.³²⁹ The students are not paid by the government, but receive a substantial stipend from the university.³³⁰ Those stipends are financed by grants from the Charles Koch Foundation.³³¹

Sofie Miller is both a product and nurturer of the Koch-network's "talent pipeline." Miller worked for three months in 2010 as an intern in the RSC before landing a position as a senior policy analyst and research fellow at the Charles Koch Foundation, where she served from 2010 to 2012. From there, Miller returned to the RSC as a senior analyst and became one of the RSC's most prolific writers, often

³²⁴ *Law and Economics Center: Federal Judges and Attorneys General Initiatives*, GEORGE MASON UNIVERSITY SCHOOL OF LAW, LAW AND ECONOMICS CENTER (undated; produced sometime in 2017).

³²⁵ *Id.*

³²⁶ Fred Barbash, *Big Corporations Bankroll Seminars for U.S. Judges*, THE WASHINGTON POST (Jan. 20, 1980), <https://wapo.st/2EL0vZ7>.

³²⁷ John J. Fialka, *How Koch Industries Tries To Influence Judicial System*, THE WALL STREET JOURNAL (Aug. 9, 1999), <https://on.wsj.com/2UfZi6G>.

³²⁸ Elliott Ash, Daniel L. Chen, Suresh Naidu, *Ideas Have Consequences: The Impact of Law and Economics on American Justice* (Oct. 22, 2018), <http://bit.ly/2T7EM7Z>. See also, Henry N. Butler, *The Manne Programs in Economics for Federal Judges*, *Case Western Reserve Law Review* (1999), <http://bit.ly/2EHLIFi>; and David Dayen, *Corporate-Funded Judicial Boot Camp Made Sitting Federal Judges More Conservative*, THE INTERCEPT (Oct. 23, 2018), <http://bit.ly/2Vv7egu>.

³²⁹ *Regulatory Studies OIRA Fellowship*, GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (posting for Fall 2016 fellowship), <http://bit.ly/2XC7890>.

³³⁰ *Id.* According to a 2016 advertisement, the fellowship paid \$10,500 for 13 weeks of half-time work, which would extrapolate to \$84,000 for a year, working full time.

³³¹ Nicola Licata, *\$100,000 donation from Koch brothers supported research fellowships, internships at GW*, THE GW HATCHET (April 14, 2014), <http://bit.ly/2C1x0OZ>.

producing papers that criticized energy efficiency standards. Meanwhile, Miller has worked as a mentor for the Charles Koch Institute and the Koch-funded America's Future Foundation.³³²

After six years at the RSC, Miller took a position as a senior adviser at the U.S. Department of Energy's Office of Energy Efficiency and Renewable Energy. Miller works for Daniel Simmons, who arrived at the DOE after serving as a vice president of the Koch-created and funded Institute for Energy Research and its sister organization, the American Energy Alliance.³³³ In 2016, the American Energy Alliance called for the elimination of the energy efficiency office that Simmons now leads.³³⁴ Simmons also previously worked as a research fellow at the Mercatus Center and as director of the Natural Resources Task Force of the Koch-funded American Legislative Exchange Council.³³⁵

Numerous alumni of Koch-funded organizations have entered the Trump administration, many joining the Department of Energy, as documented by Public Citizen in a 2017 report³³⁶ and by ProPublica in a comprehensive study of all Trump administration political appointees.³³⁷ In an example of how the Koch network's influence began before Trump was inaugurated, Thomas Pyle, president of the American Energy Alliance and the Institute for Energy Research, oversaw the Trump transition team in charge of the Department of Energy.³³⁸

At least two employees of the Institute for Energy Research followed Daniel Simmons to the DOE. One was Alex Fitzsimmons, who became Simmons' chief of staff. While at the Institute for Energy Research, Fitzsimmons praised coal as a source of electricity and argued that wind energy is impractical.³³⁹ Fitzsimmons also previously acted as the spokesman for Fueling U.S. Forward, a Koch-created project that was dedicated to "winning the hearts and minds" in favor of fossil fuels,³⁴⁰ and issued videos that criticized subsidies for electric cars and alleged that electric cars are dirty.³⁴¹

At least three staff members from the Texas Public Policy Foundation, which has attacked rules to police pollution from coal power plants,³⁴² have joined the Trump administration.³⁴³ Koch-controlled entities giving to the Texas Public Policy Foundation include Koch Industries and the Claude R. Lambe Charitable Foundation. Donors Trust, a foundation to which the Koch family has contributed heavily,³⁴⁴ also has contributed to it,³⁴⁵ as have ExxonMobil, Chevron and the Searle Freedom Trust³⁴⁶

³³² *Sofie Miller*, LINKEDIN (viewed on March 3, 2019), <http://bit.ly/2GTyRNd> and *Conservative Transparency*, AMERICAN BRIDGE 21ST CENTURY FOUNDATION (downloaded on March 5, 2019), <http://bit.ly/2TkhLi0>.

³³³ *Sofie Miller*, LINKEDIN (viewed on March 3, 2019), <http://bit.ly/2GTyRNd>; Mark Hand, *Trump stacks key renewable energy office with former Koch officials*, THINK PROGRESS (June 22, 2018), <http://bit.ly/2UmnHnm>; and Lee Fang, *Charles Koch Personally Founded Group Protecting Oil Industry Hand-Outs, Documents Reveal*, REPUBLIC REPORT (Aug. 29, 2014), <https://bit.ly/2Upuyw4>.

³³⁴ *Top 8 Ways to Rein in DOE Spending*, AMERICAN ENERGY ALLIANCE (April 2015), <http://bit.ly/2tVlkfI>.

³³⁵ Maxine Joselow, *Is George Mason the new Trump U?* E&E NEWS (July 17, 2018), <http://bit.ly/2G3niBo>.

³³⁶ Alan Zibel, *How the Koch Brothers' Agenda Has Infiltrated the Trump Administration*, PUBLIC CITIZEN (Nov. 30, 2017), <http://bit.ly/2Kbllld>.

³³⁷ Derek Kravitz, Al Shaw and Isaac Arnsdorf, *What We Found in Trump's Drained Swamp: Hundreds of Ex-Lobbyists and D.C. Insiders*, PROPUBLICA (March 7, 2018), <http://bit.ly/2wb0ZIL>.

³³⁸ Hannah Northey, *Fossil fuel promoter settles into renewable energy office*, E&E NEWS (July 12, 2017), <http://bit.ly/2G2SPTW>.

³³⁹ *Alex Fitzsimmons talks Chinese wind on BBC*, YOUTUBE (Jan. 9, 2014), <http://bit.ly/2G1wki5>.

³⁴⁰ *Fueling U.S. Forward's Alex Fitzsimmons and Charlie Drevna sit down to discuss the future of American Energy*, RED STATE (Facebook video) (Aug. 13, 2016), at about 9 minutes, <http://bit.ly/2Uw157U>.

³⁴¹ Ben Jervey, *Koch-Funded Fueling U.S. Forward Shuts Down, But Koch Attacks on Clean Energy Continue*, DESMOG (Oct. 19, 2017), <http://bit.ly/2YTMphh>.

³⁴² Forrest Wilder, *Revealed: The Corporations and Billionaires That Fund the Texas Public Policy Foundation*, TEXAS OBSERVER (April 24, 2012), <http://bit.ly/2I2nenl>.

³⁴³ Alan Zibel, *How the Koch Brothers' Agenda Has Infiltrated the Trump Administration*, PUBLIC CITIZEN (Nov. 30, 2017), <http://bit.ly/2Kbllld>.

³⁴⁴ For connections of Knowledge and Progress Fund to Kochs, see, for example, *Knowledge and Progress Fund*, DESMOG BLOG (viewed on April 3, 2019), <http://bit.ly/2uKxLv7> and *Knowledge and Progress Fund Form 990* (2015). For connection between DonorsTrust and Donors Capital Fund, see, for example, *DonorsTrust Form 990* (2016), p. 146 (on pdf reader).

³⁴⁵ Listing of donors revealed by inadvertently released tax form as published by the Texas Observer (Aug. 24, 2012), <http://bit.ly/2FRlie9>.

³⁴⁶ *Id.*

Kathleen Hartnett White is a senior fellow at the Texas Public Policy Foundation who once said that carbon dioxide should be treated as the "gas of life" instead of as a pollutant. She was nominated by President Trump to serve as the director of the White House Council of Environmental Quality. Her nomination was withdrawn, however.³⁴⁷

Other former employees of Koch-funded organizations to join the Trump administration include Mark Calabria, former director of financial regulation studies at the Cato Institute, who became chief economist for Vice President Mike Pence; Marc Short, former president of Freedom Partners Chamber of Commerce, who became White House legislative affairs director, then became chief of staff to Vice President Mike Pence;³⁴⁸ Brian Blase, a former economist at the Mercatus Center, who became special assistant to the president for health care policy; and Neomi Rao, the founding director of the Center for the Study of the Administrative State at George Mason University's Antonin Scalia Law School. She left the Center for the Study of the Administrative State to become administrator of the Office of Information and Regulatory Affairs.³⁴⁹

In a May 2017 letter to prominent conservative C. Boyden Gray, George Mason law school Dean Henry N. Butler requested \$4.5 million to add Gray's name to the Center for the Study of the Administrative State and to an endowed professorship of administrative law. Butler's description of the "purpose" of the endowed professorship provides insight how he interprets the "study" of the administrative state. The endowed professor chair would "help me entice Neomi to return home to Scalia law after she *dismantles the administrative state* while serving at OIRA," Butler wrote in an e-mail to Gray.³⁵⁰ [emphasis added]

Rao, however, was nominated and confirmed to serve as a judge for the U.S. Court of Appeals for the District of Columbia. She replaced Bret Kavanaugh,³⁵¹ who was confirmed to the U.S. Supreme Court last year. Kavanaugh recently joined the faculty at the George Mason law school.³⁵²

G. "Constrained hiring": Koch foundations influence universities' hiring decisions

Universities receiving funding from the Koch network entities have often ceded influence over hiring decisions to the Koch network.

Florida State University

In about 2007, the Charles Koch Foundation submitted to Florida State University's economics department a plan for a \$7 million program. The foundation offered to provide some of the money itself and to help the department raise the remainder from others from Koch network allies.³⁵³ But the proposal carried many strings that would infringe on the university's independence.

Florida State economics department chairman Bruce Benson is a libertarian who has identified himself as an "anarcho-capitalist."³⁵⁴ Despite holding views similar to those touted by the Kochs, Benson was concerned about the conditions that the Koch Foundation tied to its funding proposal.

³⁴⁷ Alan Zibel, *How the Koch Brothers' Agenda Has Infiltrated the Trump Administration*, PUBLIC CITIZEN (Nov. 30, 2017), <http://bit.ly/2KbiId> and Lisa Friedman, *Trump to Withdraw Nomination of Climate Skeptic as Top Environmental Adviser*, THE NEW YORK TIMES (Feb. 4, 2018), <https://nyti.ms/2G4RkVv>.

³⁴⁸ <https://www.nytimes.com/2019/02/19/us/politics/marc-short-pence-chief-staff.html>

³⁴⁹ Alan Zibel, *How the Koch Brothers' Agenda Has Infiltrated the Trump Administration*, PUBLIC CITIZEN (Nov. 30, 2017), <http://bit.ly/2KbiId>.

³⁵⁰ E-mail from Henry Butler to C. Boyden Gray (May 9, 2017), as published by UnKoch My Campus, <http://bit.ly/2TV5cFj> and <http://bit.ly/2I7jzFj>.

³⁵¹ Karen Zraick, *Neomi Rao Will Replace Brett Kavanaugh on Key Appeals Court*, THE NEW YORK TIMES (March 13, 2019), <https://nyti.ms/2VxpmXq>.

³⁵² Quint Forgy, *Justice Kavanaugh to join faculty at George Mason's Scalia Law School*, POLITICO (March 23, 2019), <https://politi.co/2UBua0R>.

³⁵³ Memo from Florida State University economics chair Bruce Benson to staff (November 2007), <http://bit.ly/2T5gqM4>.

³⁵⁴ Bruce L. Benson, *Chair, Department of Economics*, FLORIDA STATE UNIVERSITY (viewed on Feb. 28, 2019), <https://fla.st/2ECgVEd>.

"Note that Charles Koch is a libertarian, as are his brothers," Benson wrote in a memo to faculty outlining the potential costs and benefits of the proposal. "The proposal is, therefore, not to just give us money to hire anyone we want and fund any graduate student that we choose. There are constraints, as noted below." He continued:

Constrained hiring: As we all know, there are no free lunches. Everything comes with costs. In this case, the money for faculty lines and graduate students is coming from a group of funding organizations with strong libertarian views. These organizations have an explicit agenda. They want to expose students to what they believe are vital concepts about the benefits of the market and the dangers of government failure, and they want to support and mentor students who share their views. Therefore, they are trying to convince us to hire faculty who will provide that exposure and mentoring. If we are not willing to hire such faculty, they are not willing to fund us.³⁵⁵

Florida State took the money, and accepted at least \$3.9 million from Koch family interests through 2017.³⁵⁶ In the first year of the program, the Koch foundation reportedly rejected nearly 60 percent of the candidates that Florida State faculty recommended for positions in the Koch-funded program.³⁵⁷

Clemson University

A 2009 agreement with Clemson University stipulated that the Charles Koch Foundation would need to review hiring offers. "Prior to the extension of any offer for the Donor Supported Professorship Position, [Clemson Professor] Bradley Thompson shall present the candidate's credentials to CGK Foundation," the agreement said.³⁵⁸ That candidate should advance research on the "study of capitalism and its ties to prosperity, social progress and human well-being."³⁵⁹

George Mason University.

Since 1990, representatives of the foundations of Charles and David Koch have sat on the committee to oversee a professorship that those foundations funded at George Mason University.³⁶⁰ A separate agreement from 2003 outlined the terms for a faculty-chair position at George Mason supported by a pledge from the trust of the St. Louis businessman Menlo F. Smith.³⁶¹ That agreement stipulated that five people would serve on the selection committee to name a chairholder: the president of the Mercatus Center, the chair of the economics department, two people chosen by George Mason officials, and one "member designated by Menlo F. Smith or his descendants."³⁶²

These relationships were revealed in response to a public records request by the group Transparent GMU, a student organization that works in partnership with UnKoch My Campus. In response to the revelations in the documents, George Mason University President Angel Cabrera said that the university had agreed to inappropriate terms.

"As a result of a FOIA request, last week I was made aware of a number of gift agreements that were accepted by the university between 2003 and 2011 and raise questions concerning donor influence in

³⁵⁵ Memo from Florida State University economics chair Bruce Benson to staff (November 2007), <http://bit.ly/2T5ggM4>.

³⁵⁶ *Charles Koch University Funding Database*, POLLUTER WATCH, a project of Greenpeace USA (viewed on Feb. 28, 2019), <http://bit.ly/2NCMCaw>.

³⁵⁷ Kris Hundley, *Billionaire's role in hiring decisions at Florida State University raises questions*, TAMPA BAY TIMES (May 9, 2011), <http://bit.ly/2Nvyvzi>.

³⁵⁸ *CKG Foundation Grant Agreement to help support the Clemson Institute for the Study of Capitalism* (signed by Richard Fink, Oct. 20, 2009, and by Clemson University Provost Don Helms, <http://bit.ly/2EMOjQ0>). See also, *Institutional Conflicts of Interest in Academia, Model Policies to Protect Against Donor Interference*, UNKOCH MY CAMPUS (2018), <http://bit.ly/2TpWVx1>.

³⁵⁹ *Id.* See also, Dan Berrett, *Not Just Florida State*, INSIDE HIGHER ED (June 28, 2011), <http://bit.ly/2IK6ylW>.

³⁶⁰ George Mason University Foundation Inc. Memorandum of Understanding (1990), <http://bit.ly/2BRFBaf>.

³⁶¹ Nell Gluckman, *George Mason's President Says Some Donor Agreements Fell 'Short' of Academic Standards*, THE CHRONICLE OF HIGHER EDUCATION (April 30, 2018), <http://bit.ly/2tI0mPh>.

³⁶² *Id.*

academic matters," Cabrera wrote in an e-mail to faculty.³⁶³ Cabrera said that all but one of the agreements had already ended, and the remaining one had been dissolved.³⁶⁴

Utah State University

The Center for Growth and Opportunity at Utah State University was created in conjunction with a \$25 million gift from the Charles Koch Foundation.³⁶⁵ A 2017 agreement called for Utah State to hire six new faculty members (three with tenure) to be affiliated with the Growth and Opportunity project.³⁶⁶ The agreement gave the board of the Growth and Opportunity Center veto power over the hiring decisions.³⁶⁷

The Center for Growth and Opportunity's five-person board includes an executive director of the Charles Koch Institute;³⁶⁸ a George Mason University economist for whom a separate Koch-funded academic center is named;³⁶⁹ and a person who sits on the board of the Koch-funded DonorsTrust foundation and is president of the Koch-allied Searle Freedom Trust foundation.³⁷⁰

The Center for Growth and Opportunity operates in Logan, Utah, near offices of the group Strata Policy, which has received at least \$3.2 million from the Charles Koch foundation,³⁷¹ as well as money from other conservative entities, including the Searle Freedom Trust foundation and the Koch-created and funded Institute for Energy Research.³⁷²

The founder of Strata, Randy T. Simmons, was formerly "Charles G. Koch Professor of Political Economy" and managed a "Koch Scholars program" at Utah State.³⁷³ Simmons is the father of Daniel Simmons, the former vice president of the Koch-funded Institute for Energy Research who now runs the U.S. Department of Energy's Office of Energy Efficiency and Renewable Energy.³⁷⁴

In 2018, 19 staffers were listed on the web site of the Center for Growth and Opportunity. Of those, 13 previously worked for Strata Policy, according to a report by the Center for Biological Diversity and UnKoch My Campus.³⁷⁵

Strata Policy's 2016 annual report listed the GW Regulatory Studies Center's Susan Dudley and Brian Mannix as academic fellows, and Dudley as a visiting scholar.³⁷⁶ The Regulatory Studies Center's logo is included in a 2016 report on water management in the West that was authored by Strata's Randy T. Simmons, supported by three student researchers. The study concludes by promoting private, rather

³⁶³ E-mail from George Mason University President Angel Cabrera to all salaried and nonstudent wage employees at George Mason, *Subject: A Message From President Angel Cabrera* (April 27, 2018), as posted by UnKoch My Campus, <http://bit.ly/2IWf3L5>.

³⁶⁴ *Id.*

³⁶⁵ Kevin Opsahl, *USU Huntsman-Koch taskforce ramping up*, HJ NEWS (March 12, 2018), <http://bit.ly/2Xvqht9>.

³⁶⁶ *Insidious Gift: How the Koch Foundation's \$25 Million Donation to Utah State University Aims to Dismantle Protections for America's Public Lands*, UNKOCH MY CAMPUS AND CENTER FOR BIOLOGICAL DIVERSITY (Oct. 23, 2018), <http://bit.ly/2XUHNai>.

³⁶⁷ *Id.*

³⁶⁸ *About the board members, Derek Johnson*, THE CENTER FOR GROWTH AND OPPORTUNITY (viewed on March 2, 2019), <http://bit.ly/2Uf5Cag>.

³⁶⁹ Margot Roosevelt, *\$5 million to Chapman University from billionaire Charles Koch sparks an uproar*, THE ORANGE COUNTY REGISTER (June 8, 2018), <http://bit.ly/2IISBoz>.

³⁷⁰ *About the board members*, THE CENTER FOR GROWTH AND OPPORTUNITY (viewed on March 2, 2019), <http://bit.ly/2Uf5Cag> and Kimberly O. Dennis (brief bio), PROPERTY AND ENVIRONMENT RESEARCH CENTER (viewed on March 1, 2019), <http://bit.ly/2VwAC6i>.

³⁷¹ *Charles Koch University Funding Database*, POLLUTER WATCH, a project of Greenpeace USA (viewed on Feb. 28, 2019), <http://bit.ly/2NCMCAw>.

³⁷² *Suspicious relationship between the Koch brothers and Utah university raises eyebrows*, THINK PROGRESS (Aug. 17, 2017), <http://bit.ly/2H800y8>.

³⁷³ *Id.* and *Charles Koch University Funding Database*, POLLUTER WATCH, a project of Greenpeace (viewed on Feb. 28, 2019), <http://bit.ly/2NCMCAw>.

³⁷⁴ *Suspicious relationship between the Koch brothers and Utah university raises eyebrows*, THINK PROGRESS (Aug. 17, 2017), <http://bit.ly/2H800y8>.

³⁷⁵ *Insidious Gift: How the Koch Foundation's \$25 Million Donation to Utah State University Aims to Dismantle Protections for America's Public Lands*, UNKOCH MY CAMPUS AND CENTER FOR BIOLOGICAL DIVERSITY (Oct. 23, 2018), <http://bit.ly/2XUHNai>.

³⁷⁶ *Strata 2016 Annual Review*, STRATA POLICY (viewed on Feb. 28, 2019), <http://bit.ly/2NAw63H>.

than public, management of water districts. "Smaller, private organizations tend to be better than large public ones at balancing economic and environmental uses," the report said.³⁷⁷

The report included an orphan asterisk followed by disclaimer that: "This report reflects the views of the author and does not represent an official position of The George Washington University Regulatory Studies Center." Other than noting that "author appreciates comments on earlier drafts from Susan Dudley & others," the report provides no indication of the Regulatory Studies Center's role in its production or why the RSC's logo is printed within it.³⁷⁸

H. "Ramming through some of the curricular kind of stuff": The Koch network shapes curricula to influence students

Curricula represent another facet of university operations that the leaders Koch network centers have sought to influence. Troy University George Crowley, for example, said: "We've had an administration that has kind of let us get away with a lot, as far as hiring people very rapidly and ramming through some of the curricular kind of stuff."³⁷⁹ Crowley works for Troy University's Johnson Center for Political Economy, which was founded in 2010 with grants from the Charles Koch Foundation and others.³⁸⁰

A student who studied in a Koch-funded program at Florida State University reported: "We learned that [economist John Maynard] Keynes was bad, the free-market was better, that sweatshop labor wasn't so bad, and that the hands off regulations in China were better than those in the U.S." Florida State students also were assigned a text book co-authored by Russell Sobel that taught that "climate change wasn't caused by humans and isn't a big issue," according to *New Yorker* writer Jane Mayer in her book, "Dark Money."³⁸¹

Sobel has had affiliations with the Koch-funded Mercatus Center, Cato Institute, Tax Foundation, and Koch-funded academic programs at Troy University, Hampden-Sydney College in Virginia, and West Virginia University.³⁸² Sobel was also an editor of "Unleashing Capitalism," a 2007 book that argued that mine safety laws are harmful because they result in reduced wages.³⁸³ That book was published by the Public Policy Foundation of West Virginia which, according to the *Charleston Gazette*, was funded by the Charles Koch Foundation.³⁸⁴

The Koch network itself produces curricula through various entities. The contents of these curricula provide a window into the philosophy that guides the Koch network. Even adherents of libertarianism might find some of the materials jarring.

One set of instructional materials is branded "Common Sense Economics,"³⁸⁵ which is produced by the Koch-funded Gus A. Stavros Center at Florida State University.³⁸⁶ In this passage, under "Fun Readings," author Dwight Lee praises corporations for routinely sacrificing the lives of their customers:³⁸⁷

³⁷⁷ Randy T. Simmons, *Managing Water In The West: Private And Public*, STRATA (2016), <http://bit.ly/2NzUiDz>.

³⁷⁸ *Id.*

³⁷⁹ *Being an Intellectual Entrepreneur*, panel discussion, Association of Private Enterprise Education, 2016 annual meeting (April 6, 2016), p. 6, transcript posted by UnKoch My Campus, <http://bit.ly/2VuBEQd>.

³⁸⁰ *Id.*, p. 3.

³⁸¹ Jane Mayer, *DARK MONEY: THE HIDDEN HISTORY OF THE BILLIONAIRES BEHIND THE RISE OF THE RADICAL RIGHT* (Doubleday: 2016), p. 364-365.

³⁸² *Id.*, p. 422-423 and *CGK Foundation Grant Agreement to help support the West Virginia College of Business and Economics* (signed between Oct. 20, 2009, and Oct. 28, 2009, by individuals including Richard H. Fink, president of the Charles G. Koch Charitable Foundation and E. Jane Martin, interim provost and vice president for academic affairs, West Virginia University), <http://bit.ly/2UjVz4x>.

³⁸³ Paul J. Nyden, *WVU business center partly funded by Kochs*, CHARLESTON GAZETTE-MAIL (Feb. 25, 2014), <http://bit.ly/2TkTfMT>.

³⁸⁴ *Id.*

³⁸⁵ *Make Economics Fun*, COMMON SENSE ECONOMICS (viewed on Feb. 28, 2019), <https://commonsenseeconomics.com/>.

³⁸⁶ *About Common Sense Economics*, GUS A. STAVROS CENTER, FLORIDA STATE UNIVERSITY (viewed on Feb. 28, 2019), <https://fla.st/2EjuB60>. For Koch ties to Gus A. Stavros Center, see, THE FLORIDA STATE UNIVERSITY FALL 2009 YEAR END REPORT TO ALUMNI AND FRIENDS, <http://bit.ly/2DalUuN>.

³⁸⁷ *Fun Readings*, COMMON SENSE ECONOMICS (viewed on Feb. 28, 2019), <http://bit.ly/2Xuz3Yg>.

The charge that sways juries and offends public sensitivities, and helps explain the large awards, is that greedy corporations sacrifice human lives to increase their profits. Is this charge true? Of course it is. But this isn't a criticism of corporations; rather it is a reflection of the proper functioning of a market economy. Corporations routinely sacrifice the lives of some of their customers to increase profits, and we are all better off because they do. That's right, we are lucky to live in an economy that allows corporations to increase profits by intentionally selling products less safe than could be produced.³⁸⁸

Tawni Ferrarini, a senior research fellow at the Koch-funded Hammond Institute for Free Enterprise at Lindenwood University near St. Louis,³⁸⁹ explained that the Common Sense Economics was being implemented in Lindenwood's education department for the training of teachers, as well as in the Ferguson, Mo., school district.³⁹⁰

Influencing K-12 curricula is a Koch-network objective. In 2009, the Charles Koch Foundation launched a program to teach classes on entrepreneurship to students in poor school districts. Details and strategies relating to this program were discussed in a shared Google document that was inadvertently left open to the public and discovered by reporters for the *Huffington Post*.³⁹¹

The program was provided for free in school districts where at least 40 percent of students qualified for free or reduced-price lunches. In Topeka, Kansas, for instance, the program's leaders agreed to train one of the district's teachers per year and conduct classes in the school system's classrooms. Students were offered the opportunity to receive scholarships and start-up capital to pursue entrepreneurial ideas.³⁹²

While the program aimed to teach students to become entrepreneurs, its curriculum was laced with libertarian dogma. For instance, students were taught that the New Deal did not bring us out of the Great Depression; that minimum wage laws and public assistance programs hurt the poor; that unions do not protect workers; and that the government, not businesses, caused the 2008 recession.³⁹³

The program's planners saw their effort as "inspired by" the Bill of Rights Institute, a Koch-created group in Arlington Va., that creates K-12 curricula relating to the U.S. Constitution.³⁹⁴ The Bill of Rights Institute received more than \$6 million from Koch family entities between 2000 and 2017.³⁹⁵

Another curricula-producing program that the Koch network finances is called Learn Liberty. A producer of content for Learn Liberty is Benjamin Powell, who is director of the Koch-funded Free Market Institute at Texas Tech University at Texas Tech University, and an executive board member and former president of the Association of Private Enterprise Education.³⁹⁶

Powell has produced videos that defend sweat shops and legalized child labor, and argue against laws to ban sexual harassment.

In one video, Powell describes sweatshops in unvarnished terms: extremely low pay and appalling working conditions. But he argues that the alternatives for employees of sweat shops are worse. In time, countries could evolve toward having higher standards of living, he aid. To get there, Powell turned to libertarian stand-bys. "Countries have to get their institutions right – things that protect

³⁸⁸ Dwight R. Lee, *Sacrificing Lives for Profits* (2000) (posted on Common Sense Economics web site, viewed March 1, 2019), <http://bit.ly/2SDVG90>.

³⁸⁹ Dr. Tawni Ferrarini, LINDENWOOD UNIVERSITY (viewed on April 8, 2019), <http://bit.ly/2Kk51nH>.

³⁹⁰ *Establishing a Successful Academic Center*, panel discussion, Association of Private Enterprise Education, 2016 annual meeting (April 5, 2016), p. 31, transcript posted by UnKoch My Campus, <http://bit.ly/2UgRc9M>.

³⁹¹ Christina Wilkie and Joy Resmovits, *Koch High: How The Koch Brothers Are Buying Their Way Into The Minds Of Public School Students*, HUFFINGTON POST (July 16, 2014), <http://bit.ly/2I821I4>.

³⁹² *Id.*

³⁹³ *Id.*, and Jane Mayer, *DARK MONEY: THE HIDDEN HISTORY OF THE BILLIONAIRES BEHIND THE RISE OF THE RADICAL RIGHT* (Doubleday: 2016), p. 365.

³⁹⁴ See, *Our Story*, BILL OF RIGHTS INSTITUTE (viewed on April 8, 2019), <http://bit.ly/2GbekRB>.

³⁹⁵ *Conservative Transparency*, AMERICAN BRIDGE 21ST CENTURY FOUNDATION (downloaded on March 5, 2019), <http://bit.ly/2TkhLi0> and Charles Koch Foundation 990 forms, 2015-2017.

³⁹⁶ Benjamin Powell, CV (viewed on March 1, 2018), <http://bit.ly/2EndAb0>.

private property, the rule of law, and give economic freedom," he said.³⁹⁷ Powell used much the same line of argument in a video arguing in favor of legalized child labor.³⁹⁸

In his 2014 book "Out of Poverty," Powell argued against laws prohibiting sexual harassment laws because "laws that would effectively eliminate sexual harassment would lower wages."³⁹⁹ Employees who endure a risk of sexual harassment, in contrast, are able to reap a wage premium, he wrote.⁴⁰⁰

The Learn Liberty page also includes arguments for ending public education,⁴⁰¹ doing away with environmental laws,⁴⁰² and questioning the necessity of regulating monopolies.⁴⁰³

In 1980, David Koch stood as the vice presidential nominee for the Libertarian Party. That year's Libertarian platform called for eliminating Social Security; Medicare; Medicaid; the Occupational Safety and Health Administration; the Environmental Protection Agency; the Department of Energy; the Consumer Product Safety Commission; the Federal Aviation Administration; the Food and Drug Administration; public schools; labor laws; campaign finance laws; all taxes; and all programs aimed at assisting the poor.⁴⁰⁴

That list is so radical that it almost sounds preposterous. But many of the tenets of the 1980 libertarian platform can be found in recent Koch-funded curricula.

I. "The framing is absolutely critical": The Koch network's shift to "wellness"

With its tremendous spending and development of a sophisticated data operation, the Koch network by 2012 was close to displacing the official Republican Party as the strategic leader of the GOP's electoral efforts.⁴⁰⁵ Koch-coordinated entities spent more than \$400 million in the 2012 election cycle, much of it coming from anonymous sources.⁴⁰⁶ But President Obama won reelection that year, nonetheless, representing a crushing defeat to the Koch network. The Koch network subsequently conducted an analysis that included more than 170,000 public opinion polls over 20 years to figure out how to avoid a repeat performance.⁴⁰⁷

The Koch network's analysis yielded the conclusion that voters overwhelmingly believed that Republicans did not care about ordinary people. Even more concerning for the Kochs, the analysis showed that voters making up the decisive middle third of the electorate are concerned about fairness across society and about people who are less fortunate than themselves.⁴⁰⁸ This is a type of thinking that many adherents of libertarianism – a philosophy that celebrates self-interest – find distasteful.

³⁹⁷ *The Unbelievable Truth about Sweatshops*, LEARN LIBERTY (May 12, 2011), <http://bit.ly/2GOymDq>.

³⁹⁸ *Does Child Labor Help Children in Poverty?* LEARN LIBERTY (May 7, 2016), <http://bit.ly/2VtS9vI>. Powell has been ridiculed by critics for expressing what appear to be extremely calloused views. It should be noted, however, that Powell cited *New York Times* columnist Paul Krugman making essentially the same argument, at least regarding child labor policies in developing countries. Krugman is generally regarded as a progressive. See, Paul Krugman, *Reckonings; Hearts And Heads*, THE NEW YORK TIMES (April 22, 2001), <https://nyti.ms/2Vwi0TE>.

³⁹⁹ Benjamin Powell, *OUT OF POVERTY*, (Cambridge University Press: 2014), p. 69, <http://bit.ly/2T96bpV>.

⁴⁰⁰ *Id.*

⁴⁰¹ Kevin Currie-Knight, *Why education isn't a public good – and why government doesn't have to provide it*, LEARNLIBERTY.ORG (Jan. 18, 2017), <http://bit.ly/2IKZ9mk>.

⁴⁰² Roger Meiners, *How Dirty Laws Trash The Environment*, LEARN LIBERTY (July 24, 2014), <http://bit.ly/2ItEgwH>.

⁴⁰³ See, Lynne Kiesling, *Should Government Regulate Monopolies?* LEARN LIBERTY (Feb. 29, 2012), <http://bit.ly/2GiH9fD>.

⁴⁰⁴ *1980 National Platform*, LPEDIA (viewed on March 3, 2019), <http://bit.ly/2Ue3EHC>. See also, *What do the Koch Brothers Want*, web page of Sen. Bernie Sanders (Vt.) (viewed on March 3, 2019), <http://bit.ly/2Tr2QBP>.

⁴⁰⁵ See, for example, Jane Mayer, *DARK MONEY: THE HIDDEN HISTORY OF THE BILLIONAIRES BEHIND THE RISE OF THE RADICAL RIGHT* (Doubleday: 2016), p. 312 and 368.

⁴⁰⁶ Lee Fang, *The Koch Brothers Spent Twice as Much on the 2012 Election as the Top Ten Unions Combined*, THE NATION (March 7, 2014), <http://bit.ly/2T6numQ>.

⁴⁰⁷ Jane Mayer, *DARK MONEY: THE HIDDEN HISTORY OF THE BILLIONAIRES BEHIND THE RISE OF THE RADICAL RIGHT* (Doubleday: 2016), p. 358.

⁴⁰⁸ Richard Fink, *The Long-Term Strategy: Engaging the Middle Third*, presentation at Koch Freedom Partners donor summit (June 15, 2014), as posted within *Koch Grand Strategist Lays Out Long-Term Strategy*, LADY LIBERTINE (Sept. 2, 2014), <http://bit.ly/2vbiDqI>, transcript based on audio obtained by "The Undercurrent."

But in service of his self-interest, which relies on allaying the suspicions of the middle third, Charles Koch set aside any philosophical reservations and launched a program on "wellbeing."

Richard Fink, the Kochs' political strategist, was apologetic when he told billionaire attendees of a 2014 retreat about the plan to win over the middle third. "This is going to sound a little strange, so you'll have to bear with me for this," Fink said. Fink explained that there was a perception of big business as "greedy" and not caring about the "underprivileged." To "freedom fighters" like Fink, this was nothing to feel guilty about. Fink explained that when he saw someone on the street, he said, "Listen, get off your ass, and work hard like we did. We did it; you can do it, okay?"⁴⁰⁹

But, Fink said, "what this middle third sees is something very different." As such, he indicated that actions would need to be taken to earn their "respect and good feeling."⁴¹⁰

A person recorded Fink's presentation, as well as those of other events at the retreat, and provided the recordings to Lauren Windsor, who posted them on her Internet political broadcast, "The Undercurrent."

Speaking at the same 2014 retreat, James Otteson, then a senior fellow at Wake Forest's Center for the Study of Capitalism, explained his plans to open a "Eudaimonia" Institute at Wake Forest.⁴¹¹ Eudaimonia is Aristotle's term for "flourishing." Otteson recounted winning support for the proposal from a colleague with strong Democratic Party allegiances. If Otteson had told his colleague that his plan was to produce reports on economic freedom, Otteson speculated, "this would have been exactly the sort of person who probably would have been leading the charge against it."⁴¹² But calling it "eudemonia" won an instant supporter.

"Who can be against wellbeing?" Otteson asked. "The framing is absolutely critical."⁴¹³

To kick off its wellbeing initiative, the Charles Koch Foundation made a \$25 million donation to the United Negro College Fund in 2014.⁴¹⁴ It also commenced an initiative for criminal justice reform and myriad outreach efforts to minority communities.⁴¹⁵

This campaign, according to reporting by *Politico's* Kenneth P. Vogel, included, "... everything from turkey giveaways, GED training and English-language instruction for Hispanic immigrants to community holiday meals and healthy living classes for predominantly African American groups to vocational training and couponing classes for the under-employed."⁴¹⁶

In 2016, Wake Forest University followed through on Otteson's plan to establish a "Eudaimonia Institute," with the help of \$4.2 million in funding commitments, mostly from the Charles Koch Foundation.⁴¹⁷ Fracking business owners Liz and Chris Wright, of Colorado, pitched in \$500,000. They wrote prior to making that gift that they supported the Kochs' political movement because they believe the "free market ... is the surest way to raise everyone's standard of living."⁴¹⁸

⁴⁰⁹ *Id.*

⁴¹⁰ *Id.*

⁴¹¹ James R. Otteson, BB&T CENTER FOR THE STUDY OF CAPITALISM (viewed on April 13, 2019), <http://bit.ly/2v30gTh>.

⁴¹² *Leverage Science and the Universities*, panel discussion of 2014 Koch Freedom Partners donor summit, Transcript from recordings obtained by "The Undercurrent" (June 15, 2014), <http://bit.ly/2Vs6Yiq>.

⁴¹³ EXCLUSIVE AUDIO: Koch Bros Aim for College Campuses, posted by The Undercurrent (Oct. 30, 2015), YOUTUBE, at 21 minutes and 40 seconds, <http://bit.ly/2UghkRq>.

⁴¹⁴ Sean Sullivan, *Koch brothers donate \$25 million to United Negro College Fund*, THE WASHINGTON POST (June 6, 2014), <https://wapo.st/2UjdcEz>.

⁴¹⁵ Tim Mak, *Koch Bros to Bankroll Prison Reform*, DAILY BEAST (Jan. 13, 2015), <http://bit.ly/2FOqU8Q>.

⁴¹⁶ Kenneth P. Vogel, *The Kochs' war on poverty*, POLITICO (Dec. 14, 2015), <https://politi.co/2H9IXsG>.

⁴¹⁷ Katie Neal, *WFU receives \$4.2 million to further study of human flourishing*, WAKE FOREST NEWS (Sept. 8, 2016), <http://bit.ly/2Eq89lp>.

⁴¹⁸ Chris and Liz Wright, *We want to help the poor, as do the Koch brothers*, DENVER POST (Oct. 17, 2014), <https://dpo.st/2NE2lct>.

Although Otteson hoped the Eudaimonia branding would immunize his new institute from criticism, it did not. In April 2017, the Wake Forest faculty senate passed a resolution calling on the university to reject the Koch money. "Due to the Charles Koch Foundation's unprecedented effort and documented strategy to co-opt higher education for its ideological, political and financial ends, the Committee moves that Wake Forest University prohibit all Koch network funding for any of its centers or institutes," the resolution read.⁴¹⁹

The university did not take the faculty senate's advice.

J. "A pretty effective way to protect these investments": How the Koch network maintains control of university centers

With their unconventional methods and objectives, Koch network leaders and those who operate Koch-funded college programs understandably live with concern that the university administrators who have invited them onto their campuses might have second thoughts. Consequently, the Koch network's leaders have devised strategies to prevent to prevent what they call "capture" by university leaders.

These strategies include creating boards that are populated with allies and using the purse strings to keep universities on a short leash.

At the 2016 Association of Private Enterprise Education conference, program leaders described creating advisory boards that provide an illusion of oversight but do not perform a substantive function.

"Since I'm getting a new dean, I've decided I'd better have an advisory board in place ... And so I put Ben Powell on, and Scott Beaulier. So they're probably in my court, I think ..." said Stephan Gohmann, head of the Koch-funded Schnatter Center for Entrepreneurship and Free Enterprise at the University of Louisville. "And really the advisory board, all they're gonna do is look at the annual report and say, 'yeah, it looks good.' ... So it's really just a protection thing for me."⁴²⁰

Gohmann continued: "You just want to have some people that are in your court ... and *you* want to set it up. Don't, don't let somebody tell you to set it up, because if somebody tells you to set it up then it's their choice of who's on the board, not yours."⁴²¹

(Gohmann could likely rest assured that he had people in his court. Powell, whose work is discussed above, is the director of the Koch-funded Free Market Institute at Texas Tech University and a board member of the Koch-funded Association for Private Enterprise Education.⁴²² Beaulier, who received his Ph. D. in economics from George Mason University in 2004,⁴²³ previously served as a Professor of Capitalism at a Koch-funded program at Mercer University in Macon, Ga.,⁴²⁴ then was executive director of the Koch-funded Johnson Center for Political Economy at Troy University,⁴²⁵ then served as executive director of the Koch-funded Center for the Study of Capitalism at Arizona State University.⁴²⁶ He is now dean of the College of Business at North Dakota State University. NDSU recently announced a pledge

⁴¹⁹ Jay Ford and Doug Beets, *Why the WFU faculty senate opposes Koch funding*, WINSTON-SALEM JOURNAL (April 19, 2017), <http://bit.ly/2VxLJNL>.

⁴²⁰ *Establishing a Successful Academic Center*, panel discussion, Association of Private Enterprise Education, 2016 annual meeting (April 5, 2016), p. 28, transcript posted by UnKoch My Campus, <http://bit.ly/2UgRc9M>.

⁴²¹ *Id.*

⁴²² Benjamin Powell, CV (viewed on March 1, 2018), <http://bit.ly/2EndAb0>.

⁴²³ Scott A. Beaulier, Ph. D., CV (viewed on April 13, 2019), <http://bit.ly/2ZaK072>.

⁴²⁴ Beaulier CV and Mark Vanderhoek, *Center for Undergraduate Research in Public Policy Awarded Grant for Lectures, Travel*, MERCER UNIVERSITY (Sept. 29, 2009), <http://bit.ly/2V15FKY>.

⁴²⁵ Beaulier CV.

⁴²⁶ Beaulier CV and Colleen Flaherty, *\$5 Million for 'Freedom Centers'*, INSIDE HIGHER ED (April 25, 2016), <http://bit.ly/2InXu5x>.

of \$10 million from the Charles Koch Foundation to help fund an interdisciplinary institute to be administered by the business school.⁴²⁷)

After Gohmann explained to the audience at the 2016 APEE conference that Powell and Beaulier were on his board, an unidentified audience member spoke up. "I learned that I got wind that my center was going to end up having a board, unbeknownst to me ... I quickly decided to put together my own advisory board," the audience member said, indicating that he had put Ben Powell on the board of his center, just as Gohmann had.

The audience member recalled Powell asking him how much work he would need to do. "I'm like, 'none,' It's just whenever something weird comes up, I just want to vet it through all of you and get the consensus of, 'that's crazy,' and then feed that back up," he said.⁴²⁸

"Look, we've got to protect what we're doing, and I need to pack as many resources around us. Especially if I can bring in scholars from afar who can give that, sort of, third party objectivity, that would sort of push back against any sort of capture," the audience member continued.⁴²⁹

Howard Wall, director of the Hammond Institute for Free Enterprise at Lindenwood University near St. Louis, said that John Hammond, the founder of his institute, was serving as treasurer of that Institute's board of directors. Hammond is authorized to select the other two board members, according to Wall. If Hammond passes away, his son will ascend to the board and get to pick the two other two members.

"So, we're good for a little while, I suppose" Wall said.⁴³⁰

Partnering with local figures who have influence, such as those who serve on universities' boards of trustees, is another way that Koch network leaders ensure that their funding is used as they intend. Charlie Ruger, director of investments for the Charles Koch Foundation, cited the example of John Schnatter, the founder of Papa John's pizza chain. Schnatter has partnered with the Koch network on at least three university centers, including one at the University of Louisville. At the time Ruger spoke, Schnatter served on the University of Louisville board of trustees.⁴³¹

"You can't buy the relationships that come with being on the board of trustees at a university," Ruger said. "If the university starts to violate donor intent, it's great to be able to call up a donor partner and say 'Hey, John Schnatter, the university is doing this thing with my resources.'" ⁴³²

Koch network leaders have refined their use of purse strings as a leashes to keep the programs they fund on track.

"Everything we do is on an annual basis," the Koch Foundation's Ruger said. Ruger suggested that the foundation makes longer-term plans with university centers, but doles out payments in short-term installments. "If it does anything else with [the money], you know, 'best of luck, but the next check isn't coming,'" Ruger said.⁴³³

The foundation also seeks contract language to ensure that its chosen representative has full control over the money that the foundation provides the university.

⁴²⁷ NDSU launches a \$50 million Challey Institute for Global Innovation and Growth, NDSU NEWS (March 7, 2019), <http://bit.ly/2DdIcMl>.

⁴²⁸ *Establishing a Successful Academic Center*, panel discussion, Association of Private Enterprise Education, 2016 annual meeting (April 5, 2016), p. 29, transcript posted by UnKoch My Campus, <http://bit.ly/2UgRc9M>

⁴²⁹ *Id.*

⁴³⁰ *Id.*

⁴³¹ Morgan Watkins, *John Schnatter resigns from University of Louisville board of trustees*, LOUISVILLE COURIER JOURNAL (July 11, 2018), <http://bit.ly/2XA97L1>.

⁴³² *Successful Models of Programs in Private Enterprise*, panel discussion, Association of Private Enterprise Education, 2016 annual meeting (April 5, 2016), p. 6-7, transcript posted by UnKoch My Campus, <http://bit.ly/2tjxWX0>.

⁴³³ *Id.*, p. 6.

"The money is at the control and supervision of the center director and we want that person's name in the agreement," Ruger said. "And so we want to empower people with the ideas and say 'look, if anyone except Steve Gohmann ends up in control of these funds, the next check is not going to be on the way.' And ... we find that to be a pretty effective way to protect these investments."⁴³⁴

If the experience of Howard J. Wall, at Lindenwood University in St. Louis is representative, outside donors might not experience too much frustration as long as they contribute enough money. "Well, we are the 800 pound gorilla on campus because our grant from the Koch foundation was the largest in the university's history," Wall said. "At least once, someone asked me 'why don't you do this?' ... And I said, 'I'll give you two million reasons why I'm not gonna do that. So that's the 800 pound gorilla.'"⁴³⁵

K. Are the Koch-funded university programs just lobbyists in disguise?

In his report on Charles Koch's political activities, one-time Koch Industries historian Charles Coppin wrote that the George Mason University Mercatus Center was "a lobbying group disguised as a disinterested academic program." This, Coppin said, allowed Koch to enjoy a tax deduction "for financing a group, which for all practical purposes is a lobbying group for his corporate interest."⁴³⁶

The issue Coppin raised is not purely academic. The money that the Koch network provides to universities comes from charitable foundations. By law, charities must not be "organized or operated for the benefit of private interests such as designated individuals, the creator or his family."⁴³⁷

Koch network leaders envision their university centers taking direct action to influence policy. An example of Koch-funded projects seeking to influence policy outcomes unfolded earlier this decade in Kansas. Researchers from at least five Koch-funded organizations, including a researcher who previously worked for Koch Industries' public affairs group, pressed for legislation that would repeal a requirement that Kansas utilities generate 20 percent of their electricity from renewable sources.⁴³⁸ The repeal bill, the "Electricity Freedom Act," was a product model legislation drafted by the Heartland Institute and the American Legislative Exchange Council, both of which have received Koch funding.⁴³⁹

The Beacon Hill Institute, which operated out of the economics department at Suffolk University in Boston,⁴⁴⁰ issued about 20 state-specific reports from 2011 to 2013 claiming that renewable fuel portfolio requirement would cost consumers money.⁴⁴¹ In 2012, the Beacon Hill Institute produced a report in conjunction with the Kansas Policy Institute that concluded that electricity costs for families and businesses in Kansas would skyrocket if that state's renewable fuel mandate were left in place.⁴⁴²

The chairman of the board of the Kansas Policy Institute was, and remains, George Pearson.⁴⁴³ Charles Koch hired Pearson in 1969 to oversee his political and philanthropic effort, according to the reporting

⁴³⁴ *Id.*, p. 4.

⁴³⁵ *Establishing a Successful Academic Center*, panel discussion, Association of Private Enterprise Education, 2016 annual meeting (April 5, 2016), p. 11, transcript posted by UnKoch My Campus, <http://bit.ly/2UgRc9M>.

⁴³⁶ Jane Mayer, *DARK MONEY: THE HIDDEN HISTORY OF THE BILLIONAIRES BEHIND THE RISE OF THE RADICAL RIGHT* (Doubleday: 2016), p. 149.

⁴³⁷ *Organizations organized and operated for religious, charitable, scientific, testing for public safety, literary, or educational purposes, or for the prevention of cruelty to children or animals*, 26 CFR § 1.501(c)(3)-1, <http://bit.ly/2TDvf7N>.

⁴³⁸ Jonathan Shorman, *KU institute director testified against renewable energy standards after Koch-funded research on standards*, TOPEKA CAPITAL-JOURNAL (Sept. 1, 2015), <http://bit.ly/2NBCKXE>.

⁴³⁹ Juliet Eilperin, *Climate skeptic group works to reverse renewable energy mandates*, THE WASHINGTON POST (Nov. 24, 2012), <https://wapo.st/2H9Jhro>.

⁴⁴⁰ Laura Krantz, *Suffolk University cuts ties with conservative research group*, BOSTON GLOBE (Dec. 2, 2015), <http://bit.ly/2EnPo8v>.

⁴⁴¹ *Renewable Portfolio Standards: Cost Benefit Analysis (2015)*, THE BEACON HILL INSTITUTE (listing of reports on web site, viewed on March 1, 2019), <http://bit.ly/2UfeoWf>.

⁴⁴² David G. Tuerck, Paul Bachman and Michael Head, *The Economic Impact of the Kansas Renewable Portfolio Standard*, KANSAS POLICY INSTITUTE AND THE BEACON HILL INSTITUTE (July 2012), <http://bit.ly/2NzWgnp>.

⁴⁴³ *Board of Trustees*, KANSAS POLICY INSTITUTE (archived page from Aug. 7, 2012), <http://bit.ly/2XvGSNc> and *Board of Trustees*, KANSAS POLICY INSTITUTE (page viewed on April 12, 2019), <http://bit.ly/2Uc1OG9>.

of Daniel Schulman in "Sons of Wichita," a Koch family history.⁴⁴⁴ It was Pearson who gave the 1976 speech, as summarized in the Introduction of this report, that described Charles Koch's blueprint to use universities as agents for social change.⁴⁴⁵

In 2013, an economist from the Beacon Hill Institute testified before the Kansas state legislature that the state's renewable fuel standard would raise consumers' electric bills by 45 percent.⁴⁴⁶ Presenting before the same House committee that day were representatives of the Heartland Institute, the Kansas Policy Institute and the Kansas chapter of Americans for Prosperity, the Koch-founded advocacy group.⁴⁴⁷

In 2014, Art Hall, the sole employee of the Koch-funded Center for Applied Economics at the University of Kansas, testified against the Kansas renewable fuel standards to a state Senate Committee. Documents that emerged later as a product of an open-records request revealed that the Fred and Mary Koch Foundation, funded by Koch Industries, had given Hall's center at least \$430,000.⁴⁴⁸ "A substantial portion" of the Center for Applied Economics' budget in 2013 had paid for "background research on Renewable Portfolio Standard," according to an e-mail that Hall wrote to Laura Hands, who managed his grant. Hands was Koch Industries' community affairs director.⁴⁴⁹

Hall was chief economist for Koch Industries' public affairs group from 1997 to 2004, when he formed the Center for Applied Economics. In his testimony to the Kansas state Senate, he did not disclose his connections to the Kochs. Hall sued to block the open records request that eventually resulted in much of the information about his funding sources becoming public. A Koch foundation paid the legal bills for that legal fight.⁴⁵⁰

Separate from the spate of Koch-funded researchers testifying before the Kansas state Senate in 2014, Ryan Yonk, a research fellow at Utah State University's Koch-funded Institute of Political Economy, testified before a Kansas state Senate panel in 2015. Yonk argued that renewable energy standards inhibit job growth.⁴⁵¹ During the hearing, Yonk was asked the source of his funding, but a committee chairman ruled the question out of order. Yonk acknowledged after the hearing that his employer had received Koch funding.⁴⁵²

The Beacon Hill Institute, which provided much of research underlying the attacks on the Kansas renewable energy mandate, also sought to spearhead a campaign to roll back a joint effort by states in the Northeast to reduce carbon emissions. It submitted a funding request to the Searle Freedom Trust

⁴⁴⁴ Daniel Schulman, *SONS OF WICHITA: HOW THE KOCH BROTHERS BECAME AMERICA'S MOST POWERFUL AND PRIVATE DYNASTY* (Grand Central Publishing: 2014), p. 98.

⁴⁴⁵ Clayton Coppin, *Stealth: The History of Charles Koch's Political Activities* (unpublished, posted on the web site of UnKoch My Campus, December 2018), p. 54, <http://bit.ly/2Nww50c>.

⁴⁴⁶ Michael Head, research economist for Beacon Hill Institute, testimony before Kansas House Energy & Environment Committee, *The Economic Impact of the Kansas Renewable Portfolio Standard and Review of "The Economic Benefits of Kansas Wind Energy"* (Feb. 14, 2013), <http://bit.ly/2tZ2OCU>.

⁴⁴⁷ Derrick Sontag, Kansas State Director, Americans for Prosperity, testimony before Kansas House Energy & Environment Committee (Feb. 14, 2018), <http://bit.ly/2tZ2OCU>; James Taylor, senior fellow at the Heartland Institute, testimony before Kansas House Energy & Environment Committee (Feb. 14, 2013), <http://bit.ly/2tZ2OCU>; and James Franko, vice president and policy director for Kansas Policy Institute, testimony before Kansas House Energy & Environment Committee (Feb. 14, 2013), <http://bit.ly/2tZ2OCU>.

⁴⁴⁸ Jonathan Shorman, *KU institute director testified against renewable energy standards after Koch-funded research on standards*, TOPEKA CAPITAL-JOURNAL (Sept. 1, 2015), <http://bit.ly/2NBCKXE>.

⁴⁴⁹ *Id.*

⁴⁵⁰ *Id.* and Frank Morris, *Groups Warn of Dangers With Funding of Universities by Koch Brothers*, NATIONAL PUBLIC RADIO (Dec. 22, 2014), <https://n.pr/2HaOMpE>.

⁴⁵¹ Bryan Lowry, *Kansas Senate chairman cuts off questions about Koch funding at energy hearing*, THE WICHITA EAGLE (March 10, 2015), <http://bit.ly/2VviKZq>.

⁴⁵² *Id.*

for a plan aimed at achieving “media recognition, dissemination to stakeholders, and legislative activity that will pare back or repeal” the Regional Greenhouse Gas Initiative, *The Guardian* reported.⁴⁵³

The plan was not funded. Informed of the proposal by a reporter, a Suffolk University vice president said the proposal was not consistent with the university’s mission.⁴⁵⁴ In 2015, the university and think tank announced they were severing ties.⁴⁵⁵

The policy positions put forth by Koch-funded researchers are remarkably similar to the interests that one would impute to Koch Industries and its owners. These researchers disproportionately focus on issues of concern to the petrochemical industry, such as combatting rules that would reduce pollution and greenhouse gas emissions, or would increase the use of renewable energy.

One of the most fervent political campaigns ever waged by a Koch-created group was Citizens for a Sound Economy’s efforts in the early 1990s to defeat a proposal by President Bill Clinton’s to tax all energy sources. Koch political strategist Richard Fink, who founded Citizens for a Sound Economy, admitted that the campaign was motivated by Koch Industries’ business interests. “Our belief is that the tax, over time, may have destroyed our business,” Fink said in 1994.⁴⁵⁶

Koch Industries was the fourth highest releaser of toxic waste into the environment (distinct from toxic waste that is recycled or treated) in the United States, and the 12th biggest emitter of greenhouse gases in 2014.⁴⁵⁷ Koch Industries has a history as a notorious violator of environmental laws, and has shown disregard for other laws, as well. For example:

- A Koch Industries compliance officer reported to authorities in the mid-1990s that the company was emitting nearly 150 times as much benzene as it had reported, and had pressured her to falsify records. Koch Industries later pleaded guilty, agreeing to pay \$10 million in criminal fines.⁴⁵⁸
- Koch Industries unlawfully allowed 3 million gallons of oil from more than 300 oil spills to leak into waterways, the EPA announced in 2001, as it levied a \$30 million civil fine. That was, at the time, the largest civil fine ever paid for violation of a federal environmental law.⁴⁵⁹ Koch Industries’ employees “lie about everything, and they get away with it because they’re a private company,” Angela O’Connell, the lead federal prosecutor in the case, told journalist Jane Mayer years later. “They obstructed every step of discovery ... You can’t believe anything they say. They definitely don’t play the game the way other companies do.”⁴⁶⁰
- Koch Industries intentionally mismeasured nearly 25,000 oil purchases from federal and American Indian property, a jury ruled in 1999. The case was based on a whistleblower tip provided by Bill Koch, who was at the time engaged in litigation against his brothers Charles and David.⁴⁶¹ Dozens of former Koch Industries gaugers – those who measure oil – testified in the case that cheating was a normal business practice at the company. “We in the company

⁴⁵³ Suzanne Goldenberg, *US Free-market research group’s climate proposal denounced by host university*, THE GUARDIAN (Dec. 5, 2013), <http://bit.ly/2Uifv7q>.

⁴⁵⁴ *Id.*

⁴⁵⁵ Laura Krantz, *Suffolk University cuts ties with conservative research group*, BOSTON GLOBE (Dec. 2, 2015), <http://bit.ly/2EnPo8y>.

⁴⁵⁶ Tim Dickinson, *Inside the Koch Brothers’ Toxic Empire*, ROLLING STONE (Sept. 24, 2014), <http://bit.ly/2EoBO19>.

⁴⁵⁷ Eric Roston, *Just How Much Does Koch Industries Pollute? The amount of toxic waste generated by U.S. companies, and what happens to it, is hiding in plain sight*, BLOOMBERG (Jan. 20, 2016), <http://bit.ly/2EzXR8L>.

⁴⁵⁸ Asjlynn Loder and David Evans, *Koch Brothers Flout Law Getting Richer With Iran Sales*, BLOOMBERG (Oct. 3, 2011), <http://bit.ly/2V08TxZ>.

⁴⁵⁹ Press release, U.S. Environmental Protection Agency, *Koch Industries To Pay Record Fine For Oil Spills In Six States* (Jan. 13, 2000), <http://bit.ly/2TqKVw2>.

⁴⁶⁰ Jane Mayer, *DARK MONEY: THE HIDDEN HISTORY OF THE BILLIONAIRES BEHIND THE RISE OF THE RADICAL RIGHT* (Doubleday: 2016), p. 127.

⁴⁶¹ *Koch Defrauded U.S., Jury Rules*, REUTERS (as published in LOS ANGELES TIMES), (Dec. 24, 1999), <https://lat.ms/2Hchur6>.

referred to it as the 'Koch Method' because it was a system for cheating the producer out of oil," one of the gaugers said.⁴⁶²

- Two teenagers were incinerated in 1996 by an explosion that was sparked from butane leaking from a corroded Koch Industries' pipeline. Koch Industries managers knew that the pipeline had deteriorated and had quit using it for three years. But they put it back into service to increase profits. A jury, infuriated by Koch Industries' willful misconduct, awarded the survivors of the victims \$296 million, which was at the time the largest wrongful death award in U.S. history.⁴⁶³

Charles Koch acknowledged in his 2007 book that his company had a poor record of adhering to regulations. But Koch seemed to blame the existence of rules for the problem rather than his company's failure to follow them. "We were caught unprepared by the rapid increase in regulation," Koch wrote. "While business was becoming increasingly regulated, we kept thinking and acting as if we lived in a pure market economy."⁴⁶⁴

Koch's words juxtaposed with Koch Industries' conduct calls into question whether a "pure market" economy would be as marvelous as the Kochs and their allies promise. It's doubtful that many people would favor a system in which businesses are given unbridled freedom to pour chemicals into waterways or leave pipelines at risk of explosions.

Regardless of whether the public would choose a "pure market" economy, university leaders should ask themselves if they are comfortable being used as tools in the Kochs' unending quest to foist one upon the rest of us.

⁴⁶² *Blood and Oil: Brothers Feud Exposes Allegations of Fraud*, 60 MINUTES (Nov. 27, 2000), <https://cbsn.ws/2Xx3cpN>.

⁴⁶³ Jane Mayer, *DARK MONEY: THE HIDDEN HISTORY OF THE BILLIONAIRES BEHIND THE RISE OF THE RADICAL RIGHT* (Doubleday: 2016), p. 130.

⁴⁶⁴ Asjlynn Loder and David Evans, *Koch Brothers Flout Law Getting Richer With Iran Sales*, BLOOMBERG (Oct. 3, 2011), <http://bit.ly/2V08TxZ>. See, Charles G. Koch, *THE SCIENCE OF SUCCESS: HOW MARKET-BASED MANAGEMENT BUILT THE WORLD'S LARGEST PRIVATE COMPANY* (John Wiley & Sons: 2007), p. 19, <http://bit.ly/2GR7FyI>.

CONCLUSION AND RECOMMENDATIONS

The one-sided work of the GW Regulatory Studies Center, as well as that of other Koch-funded academic centers, is not appropriate. These projects not only flout academic customs by seeking to affirm preordained conclusions, but also benefit from the reputational status afforded the universities that host them.

That is what Charles Koch intended. But universities have a responsibility to avoid acting as accomplices to schemes like this. Government officials, meanwhile, could benefit from better understanding of the motivations of those who seek to influence them.

Recommendations to George Washington University regarding the RSC

George Washington University should assess whether the RSC should remain in operation. If it decides to continue the program, it should take steps to ensure that the RSC is not merely serving as a cog in an industry-backed campaign to attack regulation. These steps should include establishing an effective policy to prevent institutional conflicts of interests, as discussed below in our recommendations to universities.

The university should disclose the contents of all past contractual agreements between the RSC and outside funders. The university also should disclose the applications for funding that the RSC has submitted to outside funders. These steps will reveal if there are any cases of the RSC acting in parochial interests of its funders and will enable evaluation of whether the RSC's true purposes match its stated purposes.

Recommendations for all universities

1. Universities should adopt policies to guard against institutional conflicts of interest. These policies should provide a reasonable assurance that researchers' decisions are not influenced by their departments' sources of funding.

Elements of institutional conflict-of-interest policies should include:

- Prohibiting outside funders from having any input over the personnel of programs they fund;
- Requiring disclosure of financial contributions, as well as any contract terms surrounding those contributions;
- Prohibiting the acceptance of money from pass-through entities in a manner that could disguise the true source of funding;
- Prohibiting the acceptance of money from donors whose business interests could reasonably stand to benefit from the outcomes of the funded work; and
- Establishing a conflict-of-interest oversight committee (or multiple committees organized by subject matter) similar to the recommendations for health research that were issued by the National Academies in 2009.⁴⁶⁵ Such oversight committees should consist of some members who have no ties to the university. The oversight committees should issue a report annually on each department's adherence to the institutional conflict-of-interest policy. The report should be available to the public and easily obtainable.

2. Universities should tighten conflict-of-interest policies for individuals to require researchers to disclose their paid and unpaid affiliations in recent years with any other organizations that could

⁴⁶⁵ CONFLICT OF INTEREST IN MEDICAL RESEARCH, EDUCATION, AND PRACTICE, chapter 8 (National Academies Press: 2009), <http://bit.ly/2NzxALy>.

plausibly be deemed relevant to their work for the university. The details of their compensation should be disclosed.

Recommendations to the U.S. Congress, and state and local governments

The practice of individuals who are funded by special interests representing themselves as independent scholars has the potential to deceive lawmakers and other public officials. U.S. Sen. Elizabeth Warren (D-Mass.) and U.S. Rep. Pramila Jayapal (D-Wash.) put forth legislation in the last Congress that would require disclosure of the sponsors of some research that is submitted as part of public comments.⁴⁶⁶ Proposals such as this might provide a guide to Congress, as well as state and local governments, for ways to unmask the special interests that lurk behind purported independent scholarship.

⁴⁶⁶ *Anti-Corruption and Public Integrity Act*, S. 3357 (115th Congress) (Introduced Aug. 21, 2018), <http://bit.ly/2wkZS4S> and *Anti-Corruption and Public Integrity Act*, H.R. 7140 (115th Congress) (introduced Nov. 15, 2018), <http://bit.ly/2HCOCXQ>.

APPENDIX A: REGULATORY STUDIES CENTER AUTHORS WITH PAST OR PRESENT AFFILIATIONS WITH KOCH-FUNDED OUTLETS

Here is a brief summary of authors with connections to Koch-funded groups who have submitted comments under the auspices of the Regulatory Studies Center. Susan Dudley, the director of the program, is listed first. The rest are listed alphabetically.

Susan Dudley

Dudley has been affiliated with numerous Koch-funded entities. Dudley worked from 1998 through January 2007 for the **Mercatus Center**, a think tank affiliated with George Mason University.⁴⁶⁷ She served as director of Mercatus Center's Regulatory Studies Program from 2003 through the end of her tenure there.⁴⁶⁸ "Mercatus" means "market" in Latin, and the name reflects the philosophy that guides the group's work.⁴⁶⁹ Dudley also served as an adjunct professor of law at the George Mason University law school. Charles Koch provided the initial funding for the Mercatus Center⁴⁷⁰ and is a member of the Mercatus Center's board of directors.⁴⁷¹ Koch family entities have provided George Mason University with nearly \$130 million just since 2005.⁴⁷²

Dudley served as an executive committee member of the **Association of Private Enterprise Education (APEE)** from 2005 to 2007 and from 2010 to 2012.⁴⁷³ APEE reports on its web site that it teaches that "markets work and that maximum societal benefits come from individuals' efforts to achieve their own goals with minimal governmental interference."⁴⁷⁴ The Charles Koch Foundation donated \$330,500 to APEE from 2006 to 2017.⁴⁷⁵ APEE in 2005 presented Charles Koch with an award it bestows on those who are "representative of the best that the free-enterprise system produces."⁴⁷⁶

Dudley has served since 2009 on the executive committee of the administrative law and regulation practice group of the **Federalist Society**, a highly influential conservative group that is perhaps best known for identifying prospective conservative judges and Supreme Court justices.⁴⁷⁷ The Federalist Society has received more \$3.8 million since 2000 from the Koch family foundations.⁴⁷⁸

Prior to her tenure as administrator of OIRA, Dudley served on the board of the **International Foundation for Research in Experimental Economics**.⁴⁷⁹ The organization describes itself as "recognizing the importance of market-oriented solutions founded on property rights."⁴⁸⁰ IFREE was

⁴⁶⁷ Susan Elaine Dudley Curriculum Vitae, GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (viewed on Feb. 28, 2019), <http://bit.ly/2Sy9dyH>.

⁴⁶⁸ *Id.*

⁴⁶⁹ *About*, MERCATUS CENTER (viewed on Feb. 28, 2019), <http://bit.ly/2IHkpcF>.

⁴⁷⁰ Daniel Schulman, *Charles Koch's Brain*, POLITICO (September/October 2014), <https://politi.co/2VrovYc> and Bob Davis, *In Washington, Tiny Think Tank Wields Big Stick on Regulation*, THE WALL STREET JOURNAL (July 16, 2004), <https://on.wsj.com/2GOBFet>.

⁴⁷¹ Board of Directors, MERCATUS CENTER (viewed on Feb. 28, 2019), <http://bit.ly/2SuDzSV>.

⁴⁷² Charles Koch University Funding Database, POLLUTER WATCH, a project of Greenpeace (viewed on Feb. 28, 2019), <http://bit.ly/2NCMCAw>.

⁴⁷³ Susan Elaine Dudley Curriculum Vitae, GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (viewed on Feb. 28, 2019), <http://bit.ly/2Sy9dyH>.

⁴⁷⁴ Welcome to APEE, THE ASSOCIATION OF PRIVATE ENTERPRISE EDUCATION (viewed on March 6, 2019), <http://bit.ly/2H7D0IA>.

⁴⁷⁵ Analysis provided to Public Citizen by Greenpeace, which has analyzed Koch family foundations' disclosure reports.

⁴⁷⁶ Herman W. Lay Memorial Award, THE ASSOCIATION OF PRIVATE ENTERPRISE EDUCATION (viewed on Feb. 28, 2019), <http://bit.ly/2Ti5JVL>.

⁴⁷⁷ Susan Elaine Dudley Curriculum Vitae, GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (viewed on Feb. 28, 2019), <http://bit.ly/2Sy9dyH>.

⁴⁷⁸ Conservative Transparency, AMERICAN BRIDGE 21ST CENTURY FOUNDATION (downloaded on March 5, 2019), <http://bit.ly/2TkhLiQ> and Charles Koch Foundation 990 Forms, 2015-2017.

⁴⁷⁹ Susan E. Dudley, Administrator, Office of Information and Regulatory Affairs, OFFICE OF MANAGEMENT AND BUDGET (brief bio) (viewed on Feb. 28, 2019), <http://bit.ly/2IHHLbZ>.

⁴⁸⁰ A Tribute to IFREE: Ten Years of Contributions to Experimental Economics, INTERNATIONAL FOUNDATION FOR RESEARCH IN EXPERIMENTAL ECONOMICS (undated), <http://bit.ly/2H6EqXL>.

founded by Vernon Smith,⁴⁸¹ an economist who was previously recruited to George Mason with the help of a \$3 million Koch Foundation grant.⁴⁸² As of 2011, IFREE had received \$440,000 from Koch family foundations.⁴⁸³

Dudley has served on the board of the **National Federation of Independent Business Small Business Legal Center** (formerly known as the Legal Foundation) since 2005, with the exception of a two-year hiatus while she was administrator of OIRA.⁴⁸⁴ The NFIB was the lead plaintiff in the legal effort to invalidate the Patient Protection and Affordable Care Act, the 2010 health care reform law that is otherwise known as Obamacare.⁴⁸⁵ Freedom Partners, a group created by the Koch brothers, gave at least \$2.5 million to the NFIB in 2012.⁴⁸⁶ Repealing Obamacare has been a chief priority of Koch-network organizations since its passage.⁴⁸⁷

Dudley is member of the editorial advisory board of *Regulation* magazine,⁴⁸⁸ which is published by the libertarian **Cato Institute**. Charles Koch co-founded the Cato Foundation in 1977⁴⁸⁹ and the Koch family had contributed more than \$30 million to it through 2014.⁴⁹⁰

Dudley was a visiting scholar in summer 2016 at **Strata Policy**,⁴⁹¹ a think tank in Logan, Utah, that has received at least \$3.1 million from the Charles Koch Foundation.⁴⁹² Strata Policy's annual report for 2016 also listed Dudley as a fellow at the organization.⁴⁹³ Strata Policy proposes repeal or modification of: rules that regulate emissions from industrial facilities, rules that set efficiency standards for vehicles and appliances, and rules that require reporting on greenhouse gas emissions.⁴⁹⁴ Strata's researchers have produced reports arguing that renewable fuel standards in various states raise costs for consumers.⁴⁹⁵

Dudley has been a member of the **U.S. Chamber of Commerce's Regulatory Affairs Committee** since 2003, with the exception of her time as OIRA administrator.⁴⁹⁶ Freedom Partners, the Koch brothers-coordinated group, contributed \$3 million to the U.S. Chamber of Commerce in 2012.⁴⁹⁷

⁴⁸¹ Susan E. Dudley, *Administrator, Office of Information and Regulatory Affairs*, OFFICE OF MANAGEMENT AND BUDGET (brief bio) (viewed on Feb. 28, 2019), <http://bit.ly/2IHHlbZ>.

⁴⁸² Press release, George Mason University, *George Mason Celebrates Naming of Nobel Laureate* (archived web page from Sept. 3, 2003), <http://bit.ly/2Cupksa>.

⁴⁸³ Tony Carrk, *The Koch Brothers: What You Need to Know About the Financiers of the Radical Right*, AMERICAN PROGRESS ACTION FUND (April 2011), <http://bit.ly/2IHICzN>.

⁴⁸⁴ Susan Elaine Dudley *Curriculum Vitae*, GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (viewed on Feb. 28, 2019), <http://bit.ly/2Sy9dyH>.

⁴⁸⁵ *National Federation Of Independent Business et al. v. Sebelius, Secretary Of Health And Human Services, et al.*, 567 U.S. 519 (2012), <http://bit.ly/2tO4nDG>.

⁴⁸⁶ Chris Frates, *Koch Bros.-backed group gave millions to small business lobby*, CNN (Nov. 21, 2013), <https://cnn.it/2SsrLij>.

⁴⁸⁷ Leigh Ann Caldwell, *Koch Network 'Disappointed' in Health Care Bill, Targets Midterm Elections*, NBC NEWS (June 25, 2017), <https://nbcnews.to/2NyaTHQ>.

⁴⁸⁸ *About Regulation Magazine*, CATO INSTITUTE (viewed on Feb. 29, 2019), <http://bit.ly/2EmChE4>.

⁴⁸⁹ Luke Mullins, *The Battle for the Cato Institute*, WASHINGTONIAN (May 30, 2012), <http://bit.ly/2BXNniV>.

⁴⁹⁰ Eric Lichtblau, *Cato Institute and Koch Brothers Reach Agreement*, THE NEW YORK TIMES (June 25, 2012), <https://nyti.ms/2T5QHmx>.

⁴⁹¹ *Strata 2016 Annual Review*, STRATA POLICY (undated, viewed on Feb. 28, 2019), <http://bit.ly/2NAw63H>.

⁴⁹² *Conservative Transparency*, AMERICAN BRIDGE 21ST CENTURY FOUNDATION (downloaded on March 5, 2019), <http://bit.ly/2TkhLi0> and Charles Koch Foundation 990 Forms, 2015-2016.

⁴⁹³ *Id.*

⁴⁹⁴ Paul Georgia, *Ripe for Review: An Index of Regulations That Should Be Reviewed or Modified*, STRATA (July 2017), <http://bit.ly/2SyB2Hd>.

⁴⁹⁵ *Strata 2016 Annual Review*, STRATA POLICY (undated, viewed on Feb. 28, 2019), <http://bit.ly/2NAw63H>. See also, for example, Randy T. Simmons, Ryan M. Yonk, Tyler Brough, Ken Sim and Jacob Fishbeck, *Renewable Portfolio Standards: Kansas*, INSTITUTE OF POLITICAL ECONOMY, UTAH STATE UNIVERSITY (February 2015), <http://bit.ly/2l6LqXk>; and Randy T. Simmons, Ryan M. Yonk, Tyler Brough, Ken Sim and Jacob Fishbeck, *Renewable Portfolio Standards: North Carolina*, STRATA (February 2015), <http://bit.ly/2NSLxV6>.

⁴⁹⁶ Susan Elaine Dudley *Curriculum Vitae*, GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (viewed on Feb. 28, 2019), <http://bit.ly/2Sy9dyH>.

⁴⁹⁷ Robert Maguire and Viveca Novak, *Koch Group's IRS Report Unlocks A Few Mysteries*, OPENSECRETS NEWS (Sept. 18, 2013), <http://bit.ly/2TIRi6N>.

Other researchers submitting public comments under the auspices of the Regulatory Studies Center include:

Richard Belzer

Belzer was a staff economist at OIRA (1988 to 1998) and has worked for several conservative entities that have received funding from the Koch Brothers. Belzer is a fellow at the **R Street Institute**, a group that promotes “free markets and limited, effective government.”⁴⁹⁸ He is a member of the Regulatory Transparency Project of the **Federalist Society**.⁴⁹⁹ And he is a contributor to the **Competitive Enterprise Institute**,⁵⁰⁰ for which he has written a report criticizing the methodology of the biannual EPA report on carcinogens. Each of these entities has received substantial funding from the Koch family.⁵⁰¹

In 2018, Belzer submitted a comment under the auspices of the Regulatory Studies Center to the Food Safety and Inspection Service that criticized its proposed rule on egg products inspections.⁵⁰²

Also in 2018, Belzer authored a comment to the EPA on behalf of Fitzgerald Glider Kits LLC, a Tennessee company that took advantage of a loophole in the law by rebuilding and selling heavy-duty truck engines that did not comply with current emissions standards.⁵⁰³ Fitzgerald’s refurbished trucks cause up to 55 times as much air pollution as those that meet modern standards, according to reporting by *The New York Times*. The Obama administration set tight limits on the number of these trucks that could be produced. Scott Pruitt, the EPA administrator for President Donald Trump, moved to eliminate the Obama-administration restrictions. But Pruitt’s successor, Andrew Wheeler, reversed that decision.⁵⁰⁴

Jerry Ellig

Ellig has been a research professor at the Regulatory Studies Center since July 2018.⁵⁰⁵ He has submitted a public comment to the Internal Revenue Service recommending less-sweeping restrictions on the ability of federal tax filers to take deductions for state and local taxes.⁵⁰⁶

Ellig was a senior research professor at the **Mercatus Center** from 1996 to 2001 and from 2004 to 2018. Prior to those stints, he was a management consultant for the **Koch Management Center**, a project of the **Charles Koch Institute**, in 1992 and 1993. Overlapping that work, he was associate director of the **Center for Market Processes**, later renamed the Mercatus Center, from 1989 to 1995.⁵⁰⁷ He was a researcher and economist for **CSE Foundation** from 1985 to 1989.⁵⁰⁸ CSE Foundation

⁴⁹⁸ *About R Street*, R STREET INSTITUTE (viewed on Feb. 28, 2019), <http://bit.ly/2ThKROk>.

⁴⁹⁹ *Richard Burton Belzer*, CV (viewed on Feb. 28, 2019), <http://bit.ly/2EGp7nj>.

⁵⁰⁰ *Richard B. Belzer*, COMPETITIVE ENTERPRISE INSTITUTE (Feb. 28, 2019), <http://bit.ly/2tHY30o>.

⁵⁰¹ *Conservative Transparency*, AMERICAN BRIDGE 21ST CENTURY FOUNDATION (downloaded on March 5, 2019), <http://bit.ly/2TkhLiO> and Charles G. Koch Charitable Foundation Form 990 (2017), p. 108 on pdf reader count.

⁵⁰² *Richard B. Belzer, Public Interest Comment on the Food Safety and Inspection Service’s proposed rule on Egg Products Inspection Regulations* (May 8, 2018), GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER <http://bit.ly/2NC1wql>.

⁵⁰³ *Richard B. Belzer, Draft Strawman Regulatory Impact Analysis for Repeal of Emission Requirements for Glider Vehicles, Glider Engines, and Glider Kits* (comment submitted on behalf of Fitzgerald Glider Kits LLC) (May 15, 2018), <http://bit.ly/2VINBHQ>.

⁵⁰⁴ *Lisa Friedman, New E.P.A. Chief Closes Dirty-Truck Loophole Left by Scott Pruitt*, THE NEW YORK TIMES (July 27, 2018), <https://nyti.ms/2XvO9fX>.

⁵⁰⁵ *Jerry Ellig*, LINKEDIN (viewed on Feb. 28, 2018), <http://bit.ly/2Vr6vwX> and *Jerry Ellig, Curriculum Vitae* (December 2016), <http://bit.ly/2EnP0Xp>.

⁵⁰⁶ *Jerry Ellig, Public Interest Comment on the Internal Revenue Service Proposed Rule Contributions in Exchange for State or Local Tax Credits*, GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (Oct. 11, 2018), <http://bit.ly/2TAjCyo>.

⁵⁰⁷ *Jerry Ellig, Curriculum Vitae* (December 2016), <http://bit.ly/2EnP0Xp> and *History and Timeline*, MERCATUS CENTER (viewed on Feb. 28, 2019), <http://bit.ly/2UdOFx6>.

⁵⁰⁸ *Id.*

was a wing of **Citizens for a Sound Economy**, which was created by Charles Koch, David Koch and Koch network strategist Richard Fink.⁵⁰⁹ It later became **Americans for Prosperity**.⁵¹⁰

Mark Febrizio

Febrizio is a policy analyst at the George Washington University Regulatory Studies Center. He previously was a fellow at the **Mercatus Center**,⁵¹¹ worked for the **Institute for Energy Research** through the **Koch Associate Program**, and interned for the **Heritage Foundation** and **The Institute of World Politics**.⁵¹² Febrizio has submitted at least one public comment under the auspices of the Regulatory Studies Center. The comment concerned the Trump administration's proposed update to regulations implementing the National Environmental Policy Act.⁵¹³

Ted Gayer

Gayer is director of the economic studies program and at the Brookings Institution.⁵¹⁴ Gayer served as a fellow at the **Property and Environment Research Center**, based in Bozeman, Mont., in 2006.⁵¹⁵ PERC describes itself as "a nonprofit institute dedicated to improving environmental quality through property rights and markets." It champions "free market environmentalism."⁵¹⁶ PERC has received at least \$368,000 from Koch family foundations since 2006.⁵¹⁷ Gayer was a scholar with the **American Enterprise Institute** (AEI) from 2004 to 2007.⁵¹⁸ AEI has received more than \$2.8 million from Koch family foundations since 1998.⁵¹⁹

Gayer was one of seven authors, including Susan Dudley, who submitted a letter in 2016 to the National Academy of Sciences committee in charge of assessing the proper price of carbon emissions. The letter urged the committee to determine the cost of U.S. carbon emissions that is borne solely by Americans. When the letter was sent, an interagency government task force had arrived at a price of carbon emissions based the costs that U.S. carbon emissions impose upon people globally, including in the United States.⁵²⁰ Gayer co-authored along with W. Kip Viscusi a paper under the auspices of the Regulatory Studies Center arguing that factoring global benefits into rulemakings to address climate change would represent a "dramatic shift" in policy.⁵²¹

Gayer and Viscusi also co-authored a paper in 2013 for the **Mercatus Center** arguing that energy efficiency standards on appliances and automobiles are based on "the unsupported assumption that consumers and firms are irrational and that energy efficiency should be the paramount concern."⁵²²

⁵⁰⁹ Daniel Schulman, *Charles Koch's Brain*, POLITICO (September/October 2014), <https://politi.co/2VroyYc> and *Koch and Americans for Prosperity/Citizens for a Sound Economy*, KOCH INDUSTRIES INC. (2010), <http://bit.ly/2C7bxaz>.

⁵¹⁰ *Americans for Prosperity/Citizens for a Sound Economy*, KOCH INDUSTRIES INC. (2010), <http://bit.ly/2C7bxaz>.

⁵¹¹ Mark Febrizio, GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (viewed on Feb. 28, 2019), <http://bit.ly/2NynlHl>.

⁵¹² Mark Febrizio, MERCATUS CENTER (viewed on May 2, 2019), <http://bit.ly/2PEAyPW> and *Conservative Transparency*, AMERICAN BRIDGE 21ST CENTURY FOUNDATION (downloaded on March 5, 2019), <http://bit.ly/2TkhLi0>.

⁵¹³ Mark Febrizio, *Public Interest Comment on the Council on Environmental Quality's Advance Notice of Proposed Rulemaking Update to the Regulations for Implementing the Procedural Provisions of the National Environmental Policy Act*, GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (Aug. 17, 2018), <http://bit.ly/2HcT5AV>.

⁵¹⁴ Ted Gayer, CV (Feb. 3, 2018), <https://brook.gs/2Tx8fZ7>.

⁵¹⁵ *Id.*

⁵¹⁶ *The Tough Questions*, PROPERTY AND ENVIRONMENT RESEARCH CENTER (March 1, 2019), <http://bit.ly/2XxPfPh>.

⁵¹⁷ *Property and Environment Research Center (PERC) Koch Industries Climate Denial Front Group*, GREENPEACE (summary of contributions from Koch family foundations to group) (viewed on Feb. 28, 2019), <http://bit.ly/2VyGEDx>.

⁵¹⁸ Ted Gayer, CV (Feb. 3, 2018), <https://brook.gs/2Tx8fZ7>.

⁵¹⁹ *American Enterprise Institute (AEI) Koch Industries Climate Denial Front Group*, (summary of contributions from Koch family foundations to group) (viewed on Feb. 28, 2019), <http://bit.ly/2ThM884>.

⁵²⁰ Art Fraas, Randall Lutter, Susan E. Dudley, Ted Gayer, John Graham, Jason F. Shogren, W. Kip Viscusi, letter to National Academies of Sciences, Engineering, and Medicine, as published in Arthur G. Fraas, *Should the Federal Regulatory Agencies Report Benefits to Americans from Mandated Reductions in Greenhouse Gas Emissions?* RESOURCES (Feb. 8, 2016), <http://bit.ly/2T5CaHD>.

⁵²¹ Ted Gayer and W. Kip Viscusi, *Determining the Proper Scope of Climate Change Benefits*, REGULATORY STUDIES CENTER (June 3, 2014), <http://bit.ly/2NxfgG3>.

⁵²² Ted Gayer and W. Kip Viscusi, *Overriding Consumer Preferences with Energy Regulations*, MERCATUS CENTER (June 30, 2013), <http://bit.ly/2NAos9F>. (Originally published in *Journal of Regulatory Economics*.)

John Graham

Graham is dean of the School of Public and Environmental Affairs at Indiana University.⁵²³ He preceded Susan Dudley as administrator of OIRA, a title Graham held from 2001 to 2006. (Public Citizen opposed Graham's nomination to OIRA.⁵²⁴) Graham is known as an advocate of using cost-benefit analysis to evaluate regulations. He once served as a member of the board of advisers of the **Mercatus Center**.⁵²⁵ Graham was a co-author of the letter to the National Academy of Sciences (mentioned above) recommending that it price the domestic-only benefits of reducing carbon emissions.⁵²⁶

Don W. King

King is a visiting scholar at the Regulatory Studies Center, an emeritus professor of neurology at the Medical College of Georgia, and a senior scholar at the **Mercatus Center**.⁵²⁷ In 2010, King published a working paper under the auspices of the Regulatory Studies Center that recommended replacing public health care programs (such as Medicare and Medicaid) with private support that recipients could use to purchase health insurance or health services.⁵²⁸ King also submitted a public comment under the auspices of the RSC on the Office of Management and Budget's Draft 2013 Report to Congress on the Benefits and Costs of Federal Regulations.⁵²⁹

Randall Lutter

Lutter is a professor of public policy at the University of Virginia who has written dozens of papers for academic journals, as well as pieces for think tanks and legal briefs.⁵³⁰ He was an economist for OIRA during the Clinton administration and an economist for the president's Council of Economic Advisors during a portion of that service. He was deputy commissioner for policy and planning at the Food and Drug administration during the George W. Bush administration. Lutter currently is a visiting fellow with the group Resources for the Future. He was previously a scholar with the **American Enterprise Institute** and a fellow with the **AEI-Brookings Joint Center for Regulatory Studies**. The AEI-Brookings Joint Center for Regulatory Studies, which operated from 1997 until about 2006, received \$1.9 million the Koch family controlled Claude R. Lambe Charitable Foundation.⁵³¹

Lutter submitted a comment under the auspices of the Regulatory Studies Center to the Food and Drug Administration in 2017 on the topic of regulating genetically edited animals.⁵³² Lutter also has co-authored, along with other Regulatory Studies Center scholars, studies on regulatory cooperation between the United States and Europe.⁵³³ He was a signer of the letter cosigned by Susan Dudley and

⁵²³ John Graham, CV (viewed on March 13, 2019), <http://bit.ly/2u3Hhsh>.

⁵²⁴ Laura MacCleery, *Safeguards At Risk: John Graham and Corporate America's Back Door to the Bush White House*, PUBLIC CITIZEN (March 2001), <http://bit.ly/2Uzl11j>.

⁵²⁵ Hearing Before the Subcommittee On Energy Policy, Natural Resources And Regulatory Affairs of the Committee on Government Reform House Of Representatives (March 12, 2002), <http://bit.ly/2SL0MyI>.

⁵²⁶ Art Fraas, Randall Lutter, Susan E. Dudley, Ted Gayer, John Graham, Jason F. Shogren, W. Kip Viscusi, letter to National Academies of Sciences, Engineering, and Medicine, as published in Arthur G. Fraas, *Should the Federal Regulatory Agencies Report Benefits to Americans from Mandated Reductions in Greenhouse Gas Emissions?* RESOURCES (Feb. 8, 2016), <http://bit.ly/2T5CaHD>.

⁵²⁷ Don W. King, MERCATUS CENTER (viewed on March 16, 2019), <http://bit.ly/2TLURAB> and Don W. King, *Regulatory Studies Center, Universal Insurance or Affordable Care?* (June 20, 2010), <http://bit.ly/2T7i4gd>.

⁵²⁸ Don W. King, *Regulatory Studies Center, Universal Insurance or Affordable Care?* (June 20, 2010), <http://bit.ly/2T7i4gd>.

⁵²⁹ Don King, *Public Interest Comment on the Office of Management and Budget's Draft 2013 Report to Congress on the Benefits and Costs of Federal Regulations*, GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (July 31, 2013), <http://bit.ly/2lj2rMD>.

⁵³⁰ Randall Lutter, CV (viewed on March 1, 2019), <https://at.virginia.edu/2IIPotK>.

⁵³¹ E-mail from William Richards, Brookings Institution director of communications for economics studies, to author (April 22, 2019). For documentation of Koch family control of the Claude R. Lamb Foundation, see, for example, Jane Mayer, *Covert Operations*, THE NEW YORKER (Aug. 23, 2010), <http://bit.ly/2laza5n>.

⁵³² Randall Lutter, *How to Regulate Genome-Edited Animals? A Comment on FDA's Proposed Guidance*, GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (June, 19, 2017), <http://bit.ly/2VG2vsB>.

⁵³³ US-EU, *Regulatory Cooperation: Lessons & Opportunities*, REGULATORY STUDIES CENTER (April 2016), <http://bit.ly/2Vlzpi2>.

others (and referenced above) asking the National Academy of Sciences to calculate the benefits that Americans alone would realize by reducing greenhouse gas emissions.⁵³⁴

Brian Mannix

Mannix has been a research professor at the Regulatory Studies Center since 2010.⁵³⁵ He has written at least 12 public comments under the auspices of the RSC since 2014, primarily on topics involving environmental emissions.

Mannix was associate administrator for policy, economics and innovation at the Environmental Protection Agency from 2005 to 2009. Prior to working for the EPA, Mannix worked as a senior fellow at the **Mercatus Center**.⁵³⁶ Mannix was listed as an academic fellow at the Koch-funded think tank **Stratus** in that organization's 2016 annual report.⁵³⁷

Sofie Miller

Miller was a regulatory policy intern at the Regulatory Studies Center in 2010 before being hired as a policy analyst by the **Charles G. Koch Charitable Foundation**, where she served for nearly two years. She returned to the Regulatory Studies Center in 2012 as a senior analyst, and worked for six years in that capacity.⁵³⁸ Under the auspices of the RSC, she filed at least 16 public comments, several of which expressed opposition to proposed energy efficiency standards for appliances. In May 2018, Miller joined the U.S. Department of Energy as a senior advisor.⁵³⁹ Miller also is listed as a contributor to the **Federalist Society**.⁵⁴⁰ On her LinkedIn page, Miller lists herself as having served as a mentor for the **Charles Koch Institute** and the Koch-funded **America's Future Foundation**.⁵⁴¹

Julian Morris

Morris is a senior fellow and former vice president of research for the **Reason Foundation**, a group that says it "advances a free society by developing, applying, and promoting libertarian principles, including individual liberty, free markets, and the rule of law."⁵⁴² David Koch is a trustee of Reason.⁵⁴³ Koch family entities provided the Reason Foundation with at least \$3.4 million from 1997 to 2014.⁵⁴⁴

Morris submitted a public comment under the auspices of the RSC in 2018 endorsing a proposal by the EPA and National Highway Transportation Safety Administration to halt scheduled increases in fuel efficiency requirements for automobiles.⁵⁴⁵

Morris previously was executive director of the Institute of Economic Affairs, a British think tank that describes itself as "the UK's original free-market think-tank."⁵⁴⁶ While there, Morris issued a paper

⁵³⁴ Art Fraas, Randall Lutter, Susan E. Dudley, Ted Gayer, John Graham, Jason F. Shogren, W. Kip Viscusi, letter to National Academies of Sciences, Engineering, and Medicine, as published in Arthur G. Fraas, *Should the Federal Regulatory Agencies Report Benefits to Americans from Mandated Reductions in Greenhouse Gas Emissions?* RESOURCES (Feb. 8, 2016), <http://bit.ly/2T5CaHD>.

⁵³⁵ Brian Mannix, LINKEDIN (viewed on March 1, 2019), <http://bit.ly/2NzMNfE>.

⁵³⁶ *Id.*

⁵³⁷ *Strata 2016 Annual Review*, STRATA POLICY (viewed on Feb. 28, 2019), <http://bit.ly/2NAw63H>.

⁵³⁸ Sofie Miller, LINKEDIN (viewed on March 3, 2019), <http://bit.ly/2GTyRNd>.

⁵³⁹ *Id.*

⁵⁴⁰ Sofie E. Miller, THE FEDERALIST SOCIETY (viewed on March 1, 2019), <http://bit.ly/2NFyer1>.

⁵⁴¹ Sofie Miller, LINKEDIN (viewed on March 3, 2019), <http://bit.ly/2GTyRNd>.

⁵⁴² Julian Morris, INTERNATIONAL CENTER FOR LAW AND ECONOMICS (viewed on March 1, 2019), <http://bit.ly/2T897TU>; Julian Morris, Senior Fellow, Reason Foundation (viewed on May 2, 2019), <http://bit.ly/2VaTNH7>; and *About Reason Foundation*, REASON FOUNDATION (viewed on March 1, 2019), <http://bit.ly/2UdMf3>.

⁵⁴³ *Reason Trustees and Officers*, REASON FOUNDATION (viewed on March 13, 2019), <http://bit.ly/2BvVF2>.

⁵⁴⁴ *The Reason Foundation: Koch Industries Climate Denial Front Group*, GREENPEACE (viewed on March 1, 2019), <http://bit.ly/2SBuVSG>.

⁵⁴⁵ Julian Morris, *Public Interest Comment on The National Highway Traffic Safety Administration and The Environmental Protection Agency Proposed Rule The Safer Affordable Fuel-Efficient (SAFE) Vehicles Rule for Model Years 2021–2026 Passenger Cars and Light Trucks*, GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER, (Oct. 23, 2018), <http://bit.ly/2TtbPTk>.

⁵⁴⁶ Julian Morris, INTERNATIONAL CENTER FOR LAW AND ECONOMICS (viewed on March 1, 2019), <http://bit.ly/2T897TU> and *About Us*, INSTITUTE OF ECONOMIC AFFAIRS (viewed on May 2, 2019), <http://bit.ly/2IViPmY>.

questioning the legitimacy of climate change science.⁵⁴⁷ More recently, Morris has acknowledged the existence of man-made climate change but expressed doubt that it would be harmful. “The effects of climate change are unknown – but the benefits may well be greater than the costs for the foreseeable future,” he wrote.⁵⁴⁸

In 2018, Morris became the executive director of the International Center for Law and Economics.⁵⁴⁹ This organization was founded by Geoffrey Manne, the son of Henry G. Manne. Henry Manne was a pioneer in the discipline of law and economics, dean of the George Mason University law school, and a longtime favorite of Charles Koch.⁵⁵⁰ The International Center for Law and Economics often collaborates with Koch-funded programs at George Mason University.⁵⁵¹

Andrew Morriss

Andrew Morriss is the dean of the recently formed School of Innovation at Texas A&M University.⁵⁵² Morriss has been a senior fellow the **Property and Environment Research Center** (PERC) in Bozeman, Mont., since 1999. Morriss also has been a senior scholar at the **Mercatus Center** since 2005 and a fellow at the **Reason Foundation** since 2012.⁵⁵³ He is a contributor to the **Federalist Society**.⁵⁵⁴ He has been a senior fellow at the **Institute for Energy Research** since 2006.⁵⁵⁵

Morriss has co-authored at least two pieces with Dudley, including one public comment, questioning the proposal of the Occupational Safety and Health Administration (OSHA) to regulate exposure to silica, which can cause silicosis, an incurable lung disease that leads to disability and death, according to OSHA.⁵⁵⁶ In 2006, Morriss and Dudley authored a lengthy article questioning the need for regulation of silica exposure and cast doubt on the need for worker safety standards, altogether.⁵⁵⁷ Employees’ demands for higher wages to perform riskier jobs “provides financial incentives for employers to protect the health and safety of employees, even in the absence of government requirements,” they wrote.⁵⁵⁸

Morriss in 2012 gave a speech on green energy to the **Acton Institute**, a Michigan-based think tank that seeks to promote “a free and virtuous society characterized by individual liberty and sustained by religious principles.”⁵⁵⁹ Morriss argued in that presentation that the policies to promote “energy out of

⁵⁴⁷ *Climate Change: Challenging the Conventional Wisdom*, INSTITUTE OF ECONOMIC AFFAIRS (Dec. 1, 1997), <http://bit.ly/2GTg2lQ>.

⁵⁴⁸ Julian Morris, *Climate Change, Catastrophe, Regulation and the Social Cost of Carbon*, REASON FOUNDATION (March 2018), <http://bit.ly/2C0cGkf>.

⁵⁴⁹ Julian Morris, INTERNATIONAL CENTER FOR LAW AND ECONOMICS (viewed on March 1, 2019), <http://bit.ly/2T897TU>.

⁵⁵⁰ Geoffrey Manne, INTERNATIONAL CENTER FOR LAW AND ECONOMICS (viewed on March 1, 2019), <http://bit.ly/2BZlAi9>; *Our Mission*, INTERNATIONAL CENTER FOR LAW AND ECONOMICS (viewed on March 1, 2019), <http://bit.ly/2UmfxLm>; and John J. Fialka, *How Koch Industries Tries To Influence Judicial System*, THE WALL STREET JOURNAL (Aug. 9, 1999), <https://on.wsj.com/2UfZj6G>.

⁵⁵¹ See, for example, *The Anti-Economics Trend In Technology Regulation: Lessons For Economists & Legal Scholars*, program guide for conference sponsored by the Institute for Humane Studies at George Mason University and International Center for Law and Economics (JUNE 20, 2018), <http://bit.ly/2Tmuxv0> and David Dayen, *Google's insidious shadow lobbying: How the Internet giant is bankrolling friendly academics – and skirting federal investigations*, SALON (Nov. 24, 2015), <http://bit.ly/2NBvGtW>.

⁵⁵² Press release of Bryan (Texas) Rotary, Andrew P. Morriss '18; *Introduction to the Texas A&M School of Innovation* (Jan. 23, 2019), <http://bit.ly/2C0W1Nx>.

⁵⁵³ Andrew Pettit Morris, CV (viewed on March 1, 2019), <http://bit.ly/2BUyqhh>.

⁵⁵⁴ Andrew P. Morris, THE FEDERALIST SOCIETY (March 1, 2019), <http://bit.ly/2H6l7AU>.

⁵⁵⁵ Andrew Morris, HEARTLAND INSTITUTE (viewed on April 22, 2019), <http://bit.ly/2lOPlkW>.

⁵⁵⁶ Susan E. Dudley and Andrew P. Morriss, *Public Comment on The Occupational Safety and Health Administration's Proposed Standards for Occupational Exposure to Respirable Crystalline Silica* (Dec. 4, 2013), <http://bit.ly/2Syex5e> and Susan E. Dudley and Andrew P. Morris, *Will the Occupational Safety and Health Administration's Proposed Standards for Occupational Exposure to Respirable Crystalline Silica Reduce Workplace Risk?* RISK ANALYSIS (March 23, 2015), <http://bit.ly/2UB80Zk>. For description of risks of silica exposure, see, *Protecting Workers From Silica Hazards in the Workplace*, OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION (viewed on April 7, 2019), <http://bit.ly/2UFVh2>.

⁵⁵⁷ Andrew Morriss and Susan E. Dudley, *Defining What to Regulate: Silica and the Problem of Regulatory Categorization*. ADMINISTRATIVE LAW REVIEW (2006), <http://bit.ly/2Syex5e>.

⁵⁵⁸ *Id.*

⁵⁵⁹ *Who We Are*, ACTON INSTITUTE (viewed on March 13, 2019), <http://bit.ly/2F1CHAE>.

sunlight and wind,” while alluring, are immoral because of the costs.⁵⁶⁰ The Acton Institute has received more than \$650,000 from Koch family entities.⁵⁶¹

Julia Morriss

Julia Morriss was a Koch Summer Fellow Program intern at the Regulatory Studies Center in 2014. She authored at least two public comments that called for agencies to outline plans in proposed rules to review the effectiveness of those rules later on.⁵⁶² Prior to her time with the Regulatory Studies Center, Julia Morriss worked for several groups that were funded or created by the Koch family. She was a government affairs intern at the **Cato Institute**, a **Koch Internship Program** intern for the **Tax Foundation**, a marketing/communications intern at the **Institute for Human Studies**, and a communications intern at the Institute for Justice. She later worked as a research assistant at the Cato Institute.⁵⁶³

Adam C. Smith

Smith is a scholar for the Regulatory Policy Center. In 2011, he authored a paper under the auspices of the Regulatory Studies Center criticizing the application of behavioral economics in regulation.⁵⁶⁴ Smith is the director of the **Center for Free Market Studies** at the Charlotte, N.C., campus of Johnson and Wales University,⁵⁶⁵ a private university best known for its culinary school.⁵⁶⁶ The Center received a \$170,000 grant from the Charles Koch Foundation in 2015.⁵⁶⁷

Smith is a policy advisor to the **Heartland Institute**,⁵⁶⁸ which has received at least \$25,000 from the Charles G. Koch Foundation.⁵⁶⁹

Smith also writes for **Foundation for Economic Education**, a libertarian think tank that has received funding from the Charles Koch Foundation, including \$228,000 in 2017.⁵⁷⁰

Smith collaborated with Bruce Yandle, who is his grandfather,⁵⁷¹ and on a book, published by the **Cato Institute**, updating Yandle's longstanding series “Bootleggers and Baptists.”⁵⁷² This theory postulates that regulations result from a unholy alliance between those who seek the betterment of society with those who would exploit regulations for their own gain. Smith has likened Obamacare to prohibition.⁵⁷³

⁵⁶⁰ Andrew Morriss, *The False Promise of Green Energy*, ACTON INSTITUTE (video presentation) (May 1, 2012), at 26 minutes, 56 seconds, <http://bit.ly/2IOYaFw>.

⁵⁶¹ *Conservative Transparency*, AMERICAN BRIDGE 21ST CENTURY FOUNDATION (downloaded on March 5, 2019), <http://bit.ly/2TkhliQ>.

⁵⁶² Julia Morriss, *Public Interest Comment on the Department of Education's Proposed Rule: Violence Against Women Act*, GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (July 17, 2014), <http://bit.ly/2XyWLCw> and Julia Morris, *Public Interest Comment on the Board of Governors of the Federal Reserve System's Proposed Rule: Concentration Limits on Large Financial Companies*, GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (July 2, 2014), <http://bit.ly/2GT0UdW>.

⁵⁶³ Julia (Morriss) Woislaw, LINKEDIN (viewed on March 1, 2019), <http://bit.ly/2TuTwND> and *IJ Thanks Its Cornerstone Supporters*, INSTITUTE FOR JUSTICE (November 2001), <http://bit.ly/2BXUrw2>. Report documents that Koch family provided the funding to create the Institute for Justice.

⁵⁶⁴ Adam C. Smith, *(Mis)Applications of Behavioral Economics to Regulation: The Importance of Public Choice Architecture*, THE FEDERALIST SOCIETY (March 22, 2012), <http://bit.ly/2ILC0Am>.

⁵⁶⁵ Adam C. Smith, CV (viewed on March 1, 2019), <http://bit.ly/2SwTu3b>.

⁵⁶⁶ Harry Painter, *Not all academics are leftists, as a recent classical liberal gathering proves*, THE JAMES G. MARTIN CENTER FOR ACADEMIC RENEWAL (Aug. 25, 2014), <http://bit.ly/2GQfLHD>.

⁵⁶⁷ *Embracing a Bold Vision for Culinary Education*, JOHNSON AND WALES UNIVERSITY (annual report for 2015-2016), <http://bit.ly/2INzkCf>.

⁵⁶⁸ Adam C. Smith, THE HEARTLAND INSTITUTE (viewed on Feb. 28, 2019), <http://bit.ly/2NzCmc9>.

⁵⁶⁹ Justin Gillis and Leslie Kaufman, *Leak Offers Glimpse of Campaign Against Climate Science*, THE NEW YORK TIMES (Feb. 15, 2012), <https://nyti.ms/2GRZqSH>.

⁵⁷⁰ Charles G. Koch Charitable Foundation Form 990 (2017), p. 113 on pdf reader count.

⁵⁷¹ *Not all academics are leftists, as a recent classical liberal gathering proves*, THE JAMES G. MARTIN CENTER FOR ACADEMIC RENEWAL (Aug. 25, 2014), <http://bit.ly/2GQfLHD>.

⁵⁷² Adam Smith and Bruce Yandle, *BOOTLEGGERS & BAPTISTS: HOW ECONOMIC FORCES AND MORAL PERSUASION INTERACT TO SHAPE REGULATORY POLITICS* (Cato Institute: 2014), <https://amzn.to/2XGTAsz>.

⁵⁷³ Adam C. Smith, *How Obamacare Is Like Prohibition*, U.S. NEWS (May 18, 2015), <http://bit.ly/2tGWJef>.

Cassidy B. West

West served as a program analyst for the Regulatory Studies Center in 2013 and 2014.⁵⁷⁴ In 2013, she co-authored with Sofie Miller a comment to the Food and Drug Administration opposing a proposed rule on guidelines for growing and handling produce.⁵⁷⁵ West previously served as development intern for the **Bill of Rights Institute**, a group founded in 1999 to “to educate high school students and teachers about our country’s founding principles.”⁵⁷⁶

The Bill of Rights Institute received more than \$3 million in funding from Koch family entities by 2011.⁵⁷⁷ Charles Koch’s biography page on the Koch Industries’ web site lists the Bill of Rights Institute among the organizations that Koch has founded or helped build.⁵⁷⁸ The group’s board of directors includes Ryan Stowers, director of higher education for the Charles Koch Foundation; Todd Zywicki, senior scholar of the Mercatus Center at George Mason University; Preston Marshall, who, at least until recently, served as a director of the Koch-founded Cato Institute and whose mother was, as of 2018, the largest minority shareholder of Koch Industries; and Mark Humphrey, a vice president at Koch Industries.⁵⁷⁹

Jacob Yarborough

Yarborough was a policy fellow / research assistant at the RSC in 2017. Simultaneously, he served as a policy fellow at the **Charles Koch Institute**.⁵⁸⁰ Yarborough co-authored a public comment under the auspices of the RSC that expressed opposition to a proposed rule by the Consumer Product Safety Commission addressing blade-contact injuries from table saws.⁵⁸¹

Lisa A. Zimmer

Zimmer served as a summer research fellow at the Regulatory Studies Center in 2018. Prior to that, she served for four months in 2018 as a research intern at the **Cato Institute**.⁵⁸² In June 2018, Zimmer co-authored along with Daniel Perez a public comment under the auspices of the Regulatory Studies Center to the U.S. Department of Homeland Security opposing plans to revoke an “international entrepreneur” program, which allowed certain foreign entrepreneurs to remain in the United States temporarily.⁵⁸³

David Zorn

Zorn submitted a comment under the auspices of the Regulatory Studies Center in 2018 that endorsed a proposed rulemaking that would set a maximum nicotine standard for combusted cigarettes.⁵⁸⁴ He

⁵⁷⁴ Cassidy B. West, LINKEDIN <http://bit.ly/2XwEbLv>.

⁵⁷⁵ Cassidy B. West, CV, <http://bit.ly/2IKpbGv>.

⁵⁷⁶ See, for example, *About Us*, THE BILL OF RIGHTS INSTITUTE (viewed on March 1, 2019), <http://bit.ly/2UfExEb>.

⁵⁷⁷ Tony Carrk, *The Koch Brothers: What You Need to Know About the Financiers of the Radical Right*, AMERICAN PROGRESS ACTION FUND (April 2011), <http://bit.ly/2IHICzN>.

⁵⁷⁸ Charles G. Koch, *Chairman of the Board*, KOCH INDUSTRIES (viewed on March 1, 2019), <http://bit.ly/2VoaXwu>.

⁵⁷⁹ Bill Bigelow, *The Koch Brothers Sneak Into School*, HUFFINGTON POST (Nov. 11, 2014), <http://bit.ly/2EFft42>; Todd J. Zywicki, *Biographical Sketch*, GEORGE MASON UNIVERSITY (viewed on March 1, 2019), <http://bit.ly/2tVHhll>; *Board of Directors, Bill of Rights Institute* (viewed on March 1, 2019), <http://bit.ly/2EFL71l>; and Maggie Severns and Daniel Lippman, *Cato board member faces spousal-abuse charge*, POLITICO (Feb. 28, 2018), <https://politi.co/2FVEB7v>.

⁵⁸⁰ Jacob Yarborough, LINKEDIN (viewed on April 2, 2019), <http://bit.ly/2JXZEu5>.

⁵⁸¹ Sofie E. Miller and Jacob Yarborough, *Public Interest Comment on the Consumer Product Safety Commission’s Proposed Rule Safety Standard Addressing Blade-Contact Injuries on Table Saws*, GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (July 26, 2017), <http://bit.ly/2Ubi4jL>.

⁵⁸² Lisa A. Zimmer, LINKEDIN (viewed on March 1, 2019), <http://bit.ly/2GTIQWX>.

⁵⁸³ Daniel R. Perez and Lisa A. Zimmer, *Public Interest Comment on the Department of Homeland Security’s Proposed Rule Removal of International Entrepreneur Parole Program*, GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (June 28, 2018), <http://bit.ly/2GTmi8E> and *The Entrepreneur Parole Program: Is It Working?* THE NATIONAL LAW REVIEW (Feb. 8, 2018).

⁵⁸⁴ David Zorn, *Public Interest Comment on the U.S. Food & Drug Administration’s Advanced Notice of Proposed Rulemaking Tobacco Product Standard for Nicotine Level of Combusted Cigarettes*, GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (June 12, 2018), <http://bit.ly/2NyQYs4>.

was a coauthor of a 2016 Regulatory Studies Center report that made recommendations to improve regulatory cooperation between the United States and Europe.⁵⁸⁵

Zorn had a 21-year career at the Food and Drug Administration, primarily as an economist. He currently is an adjunct professor at the **George Mason University Antonin Scalia School of Law**, which has received substantial funding from the Koch network. He also works for a consulting firm, Magnum Economics.⁵⁸⁶ In 2018, Zorn authored a report for Magnum on behalf of the American Petroleum Institute that concluded that offshore oil drilling would provide large economic benefits to the Virginia Beach, Va., metropolitan area.⁵⁸⁷ In 2016, Zorn coauthored a paper with Robert Lutter (also a writer for the Regulatory Studies Center) under the auspices of the Mercatus Center outlining a plan to require government agencies to post the underlying data of studies they use to formulate regulations.⁵⁸⁸

⁵⁸⁵ *US-EU, Regulatory Cooperation: Lessons & Opportunities*, REGULATORY STUDIES CENTER (April 2016), <http://bit.ly/2Vlzpiz>.

⁵⁸⁶ David Zorn, LINKEDIN (viewed on March 1, 2019), <http://bit.ly/2ErHURX>.

⁵⁸⁷ David Zorn, *The Economic and Fiscal Contribution that the Development of Offshore Oil and Natural Gas Resources could make to the Virginia Beach MSA*, MAGNUM ECONOMICS (report prepared for the American Petroleum Institute) (April 2018), <http://bit.ly/2Sxh6o9>.

⁵⁸⁸ Randall Lutter and David Zorn, *On the Benefits and Costs of Public Access to Data Used to Support Federal Policy Making*, MERCATUS CENTER (September 2016), <http://bit.ly/2H8Vuwo>.

APPENDIX B: BACKGROUNDS OF SELECTED FUNDERS OF THE REGULATORY POLICY CENTER

The newsletter of the George Washington University Trachtenberg School of Public Policy and Public Administration, which houses the RSC, periodically lists donors on an acknowledgements page. At least twice, in 2010 and 2013, it has provided a breakout of those who gave specifically to the RSC.⁵⁸⁹ Here we provide brief descriptions of the bulk of those funders, except for those who are faculty members at George Washington University.

A. Individuals

John F. Cooney

Cooney is a partner of the law firm Venable. He was assistant to the solicitor general in the Department of Justice and deputy general counsel for litigation and regulatory affairs in the Office of Management and Budget during the Reagan administration. Cooney represented oil companies seeking to overturn the federal government's six-month moratorium on deepwater drilling in the Gulf of Mexico in response to the 2010 BP oil spill.⁵⁹⁰

Robert Gasaway

Gasaway is a partner in law firm Kirkland and Ellis's Washington office. He was a co-author of a brief in the 2001 U.S. Supreme Court case in which the American Trucking Associations and U.S. Chamber of Commerce objected to a clean air standard on the basis that the U.S. Environmental Protection Agency had not taken compliance costs into account.⁵⁹¹ The court ruled unanimously against them. The Clean Air Act "as a whole, unambiguously bars cost consideration" from the process of setting standards relating to air quality, Justice Antonin Scalia wrote.⁵⁹²

Gasaway writes commentaries and participates in events for the Federalist Society.⁵⁹³ He also has served as chairman of the board of the Koch-funded International Foundation for Research in Experimental Economics and on the small business advisory board of the NFIB Small Business Legal Center, a facet of the Koch-funded National Federation of Independent Business.⁵⁹⁴

Barbara J. Goldsmith

Goldsmith operates an environmental consulting firm, named after herself, that seeks to "assist companies in defining and managing strategic approaches to corporate environmental goals," including on "offshore and arctic oil drilling" and "shale natural gas extraction,"⁵⁹⁵ otherwise known as "fracking." Goldsmith also operates the Ad Hoc Natural Resources group, which advertises under the rubric of regulatory reform that it is "leading the way within industry ... on possible federal regulatory

⁵⁸⁹ TRACHTENBERG SCHOOL OF PUBLIC POLICY AND PUBLIC ADMINISTRATION (newsletter) (Spring 2010), <http://bit.ly/2ThNAHD> and *The Trachtenberg Experience*, TRACHTENBERG SCHOOL OF PUBLIC POLICY & PUBLIC ADMINISTRATION (Fall/winter 2013), <http://bit.ly/2XuY1Xt>.

⁵⁹⁰ John Cooney named to newly revitalized Administrative Conference of the United States, VENABLE LLP (Oct. 6, 2010), <http://bit.ly/2II2nan>.

⁵⁹¹ Brief of respondents American Trucking Associations Inc., Chamber of Commerce of the United States, et al. in *Christine Todd Whitman, Administrator of Environmental Protection Agency, et al. v. American Trucking Associations Inc., et al.*, 531 U.S. 457 (2001) and Linda Greenhouse *E.P.A.'s Right to Set Air Rules Win Supreme Court Backing*, THE NEW YORK TIMES (Feb. 28, 2001), <https://nyti.ms/2EZWvn0>.

⁵⁹² *Christine Todd Whitman, Administrator of Environmental Protection Agency, et al. v. American Trucking Associations Inc., et al.*, 531 U.S. 457 (2001), <http://bit.ly/2SxWBYH>.

⁵⁹³ Robert Gasaway, *The Federalist Society* (viewed on Feb. 28, 2019), <http://bit.ly/2TpUVok>.

⁵⁹⁴ Small Business Advisory Board, NFIB (archived page from July 11, 2010), <http://bit.ly/2GRKUKX> and Robert Gasaway, Chairman of the Board, IFREE web page (viewed on March 3, 2019), <http://bit.ly/2GXmccc>. For documentation of Koch funding of these groups, see, for example, *Conservative Transparency*, AMERICAN BRIDGE 21ST CENTURY FOUNDATION (downloaded on March 5, 2019), <http://bit.ly/2TkhLi0>.

⁵⁹⁵ About Barbara J. Goldsmith & Co., BARBARA J. GOLDSMITH & Co. (viewed on March 5, 2019), <http://bit.ly/2SKEYoC>.

and other reforms which can improve current practice related to natural resource liabilities and opportunities.”⁵⁹⁶

Phil Gramm

Phil Gramm is a former U.S. House member and U.S. Senator. While in the U.S. Senate in 2000, Gramm was a leader of the legislative effort to pass the Commodity Futures Modernization Act, which left financial derivatives unregulated. A form of financial derivative known as a credit default swap played a central role in fomenting the housing bubble and ultimate financial sector crash of 2008.⁵⁹⁷ The Commodity Futures Modernization Act included a clause that became known as the “Enron loophole” that, according to reporting by *The New York Times*, “largely exempted the company from regulation of its energy trading on electronic commodity markets.”⁵⁹⁸ Gramm received nearly \$100,000 in campaign contributions from Enron.⁵⁹⁹

Wendy Lee Gramm

Wendy Lee Gramm, wife of Phil Gramm, founded and directed the Regulatory Studies Program at George Mason University’s Mercatus Center prior to Dudley’s ascent to director of that program. Before that, Gramm served as administrator of the Office of Information and Regulatory Affairs and as chair of the Commodity Futures Trading Commission during the George H.W. Bush administration.⁶⁰⁰

Gramm figured in several controversial deregulatory moves both as a public figure and as a private sector advocate. At the tail end of her tenure at the CFTC, she “moved to lift governmental oversight of energy contracts that Enron and other companies traded,” the *Chicago Tribune* reported. About a month after leaving the CFTC, she became a board member of Enron, a firm that specialized in trading commodities, particularly electricity.⁶⁰¹

While in her role at the Mercatus Center, she served on Enron’s board of directors, including on its audit committee.⁶⁰² Under the auspices of the Mercatus Center, she filed several public comments that included recommendations friendly to Enron. One comment “urged the CFTC to provide an exemption from the anti-fraud provisions of the Commodity Exchange Act,” according to reporting by *The Washington Post*.⁶⁰³ The Mercatus Center also received contributions from Enron and a foundation run by Enron Chairman Ken Lay during this time.⁶⁰⁴

In December 2001, Enron filed what was then the largest bankruptcy claim in United States history.⁶⁰⁵ Wendy Gramm resigned from Enron’s board in June 2002. She was among 10 Enron directors who agreed to pay \$13 million, cumulatively, to settle class action litigation brought by Enron shareholders.⁶⁰⁶

⁵⁹⁶ *Ad Hoc Natural Resources Group* web page (viewed on April 2, 2019), <http://bit.ly/2TcfxS0>.

⁵⁹⁷ Eric Lipton, *Gramm and the ‘Enron Loophole’*, THE NEW YORK TIMES (Nov. 14, 2008), <https://nyti.ms/2EE6slw>.

⁵⁹⁸ *Id.*

⁵⁹⁹ Robert Manor, *Gramms regulated Enron, benefited from ties*, CHICAGO TRIBUNE (Jan. 18, 2002), <http://bit.ly/2Xr4ump>.

⁶⁰⁰ Bob Davis, *In Washington, Tiny Think Tank Wields Big Stick on Regulation*, THE WALL STREET JOURNAL (July 16, 2004), <https://on.wsj.com/2GOBFet>; Former administrators of the Office of Information and Regulatory Affairs letter to Sen. Ron Johnson (June 6, 2017), <http://bit.ly/2EnXAFy>; and Robert Manor, *Gramms regulated Enron, benefited from ties*, CHICAGO TRIBUNE (Jan. 18, 2002), <http://bit.ly/2Xr4ump>.

⁶⁰¹ Robert Manor, *Gramms regulated Enron, benefited from ties*, CHICAGO TRIBUNE (Jan. 18, 2002), <http://bit.ly/2Xr4ump>.

⁶⁰² Dan Morgan and Kathleen Day, *For Gramms, Enron Is Hard to Escape*, THE WASHINGTON POST (Jan. 25, 2002), <https://wapo.st/2ECWWFI>.

⁶⁰³ *Id.*

⁶⁰⁴ *Id.*

⁶⁰⁵ Richard A. Oppel Jr. and Andrew Ross Sorkin, *Enron’s Collapse: The Overview; Enron Corp. Files Largest U.S. Claim For Bankruptcy*, THE NEW YORK TIMES (Dec. 3, 2001), <https://nyti.ms/2DgLLBI>.

⁶⁰⁶ Rebecca Smith, *Ex-Enron Directors Reach Settlement*, THE WALL STREET JOURNAL (Jan. 10, 2005), <https://on.wsj.com/2VubAEN>.

Bartley Madden

Madden is a former money manager whose career included working as a managing director of the financial services company Credit Suisse. Madden serves on the advisory board of the Center on Capitalism and Society,⁶⁰⁷ which seeks to improve the “dynamism” of the world’s economy.⁶⁰⁸

Madden in 2017 co-authored with Dudley an article advocating for “free to choose medicine,” which proposed to allow patients to contract with drug developers to take drugs that have been subject to some safety trials but not approved by the FDA.⁶⁰⁹ The Center for Regulatory studies hosted Madden years earlier for a presentation on book.⁶¹⁰

Madden is policy advisor for the Heartland Institute, an organization that once likened efforts to address climate change to the work of dictators and terrorists.⁶¹¹ He also writes for the Koch-funded Foundation for Economic Education.⁶¹² The economics department at George Mason University includes a Bartley J. Madden Chair.⁶¹³

Earle Nye

Earle A. Nye was chairman and chief executive of the electric utility formerly known as TXU Energy Co., which operated coal-fueled electricity plants.⁶¹⁴

G.F. Ohrstrom

This contributor listing likely refers to Gerry Ohrstrom, an investor and manager of his family’s foundation, Ohrstrom Foundation Inc. For a time beginning in January 2007, Ohrstrom was a member of the board of trustees of the American Council on Science and Health (ACSH).⁶¹⁵ Much of ACSH’s work is focused on countering claims of environmental hazards. For instance, in 2005, the group published “America’s War on ‘Carcinogens,’” a book that claimed that the results of animal studies involving carcinogens were being misinterpreted to show exaggerated risks to human beings.⁶¹⁶ George M. Gray, then the executive director of the Harvard Center for Risk Analysis, wrote the preface to that book. Gray is now listed among the RSC’s scholars.⁶¹⁷

Ohrstrom is a trustee of the Reason Foundation, a libertarian media organization that has received substantial funding from David Koch.⁶¹⁸ He previously served as a director for the Property and Environment Research Center.⁶¹⁹

Ohrstrom also has served on the board the Atlas Economic Research Foundation, now known as the Atlas Network.⁶²⁰ The Atlas Network describes itself as a nonprofit organization “connecting a global network of more than 475 free-market organizations in over 90 countries to the ideas and resources

⁶⁰⁷ *Bartley J. Madden*, THE CENTER ON CAPITALISM AND SOCIETY (viewed on Feb. 28, 2019), <http://bit.ly/2TaKYw1>.

⁶⁰⁸ *About the Center*, THE CENTER ON CAPITALISM AND SOCIETY (viewed on March 5, 2019), <http://bit.ly/2VCiigb>.

⁶⁰⁹ Bartley J. Madden and Susan E. Dudley, *President Trump’s FDA nominee could mean better drugs sooner at lower cost*, THE HILL (March 14, 2017), <http://bit.ly/2T7CkOU>.

⁶¹⁰ *Recent Events*, GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (archived web page from Dec. 7, 2010), <http://bit.ly/2NEovB7>.

⁶¹¹ *Who We Are*, THE HEARTLAND INSTITUTE (viewed on Feb. 28, 2019), <http://bit.ly/2T8inr2>. See also, for example, Rachel Nuwer, *Global Warming Ad Quickly Dropped*, THE NEW YORK TIMES (May 5, 2012), <https://nyti.ms/2HhxoQ0>.

⁶¹² Bartley M. Madden, *In Health Care, Freedom Is the Only Way Forward*, FOUNDATION FOR ECONOMIC EDUCATION (Aug. 6, 2016), <http://bit.ly/2H17UqU>.

⁶¹³ Alexander Tabarrok, Bartley J. Madden Chair in Economics, MERCATUS CENTER AT GEORGE MASON UNIVERSITY Professor of Economics, GEORGE MASON UNIVERSITY, MERCATUS CENTER (viewed on Feb. 28, 2019), <http://bit.ly/2NyaeWK>.

⁶¹⁴ *Earle A. Nye, J.D., Principal Solar Inc.*, BLOOMBERG (Feb. 28, 2019), <https://bloom.bg/2UC0eyk> and Jessica Hall, *Private equity buys TXU in record deal*, REUTERS (Feb. 28, 2018), <https://reuters/2TiY2hL>.

⁶¹⁵ Press release, American Council on Science and Health, *ACSH Elects New Trustees And Scientific Advisors* (Jan. 11, 2007), <http://bit.ly/2IVugvH>.

⁶¹⁶ *America’s War on “Carcinogens,”* AMERICAN COUNCIL ON SCIENCE AND HEALTH (January 2005), <http://bit.ly/2TbuinM>.

⁶¹⁷ *Scholars*, GEORGE WASHINGTON UNIVERSITY REGULATORY STUDIES CENTER (viewed on May 1, 2019), <http://bit.ly/2VahsqY>.

⁶¹⁸ *Reason Trustees and Officers*, REASON FOUNDATION (viewed on Feb. 28, 2019), <http://bit.ly/2BVaVF2>.

⁶¹⁹ *Our Board*, ADVENTURES OF THE MIND (viewed on Feb. 28, 2019), <http://bit.ly/2IJ74kl>.

⁶²⁰ *Id.*

needed to advance the cause of liberty.”⁶²¹ The Atlas Network received more than 400,000 from Koch family foundations between 1998 and 2017.⁶²²

Chad Reese

Reese is managing editor of a blog and a podcast for the Mercatus Center at George Mason University.⁶²³

Jeffrey A. Rosen

Rosen is a former partner at the law firm Kirkland and Ellis who became the deputy secretary of the U.S. Department of Transportation during the Trump administration,⁶²⁴ and was subsequently nominated and confirmed as deputy attorney general.⁶²⁵

In 2009, months before the George Washington Regulatory Studies Center was formed, Rosen co-authored along with Susan Dudley, an op-ed criticizing regulatory proposals put forth by the Obama administration as damaging to the economic recovery. Regulations “represent a hidden tax, not easy to measure and track, but borne by American taxpayers, consumers, and workers nevertheless,” they wrote.⁶²⁶

In 2015, Rosen co-authored an article advocating for the United States to adopt a “regulatory budget” that would set global parameters on the total cost of compliance of regulations.⁶²⁷ Rosen also served concurrently with Dudley on the NFIB Small Business Legal Center advisory board from 2011 to 2016.⁶²⁸ While in his capacity at the Department of Transportation, Rosen reportedly was one of the key drivers of a proposal to cancel improvements to automobiles fuel efficiency standards.⁶²⁹

David D. Smith

This contributor likely refers to the executive chairman of Sinclair Broadcast Group, owner of numerous local television stations. Sinclair drew controversy in 2018 for ordering news anchors at nearly 200 local television stations to read a script lamenting “the troubling trend of irresponsible, one-sided news stories plaguing our country.”⁶³⁰ In response, 13 university deans and department chairs sent Smith a letter complaining that the compulsory statement crossed a line of journalism ethics. Among the signers of the letter was Frank Sesno, director of the School of Media and Public Affairs at George Washington University.⁶³¹ (Because Smith is a common surname, Public Citizen contacted David D. Smith’s office several times to ask if he was the contributor to whom the George Washington University public policy school referred. We did not receive a response.)

Bruce Yandle

Yandle is an adjunct fellow for the Mercatus Center at George Mason University who “specializes in public choice, regulation, and free-market environmentalism.” Yandle also is dean emeritus of Clemson

⁶²¹ Front page of Atlas Network web site (viewed on Feb. 28, 2019), <https://www.atlasnetwork.org>.

⁶²² *Conservative Transparency*, AMERICAN BRIDGE 21ST CENTURY FOUNDATION (downloaded on March 5, 2019), <http://bit.ly/2TkhLi0> and Charles Koch Foundation 990 Forms, 2015-2017.

⁶²³ Chad Reese, MERCATUS CENTER (viewed on Feb. 28, 2019), <http://bit.ly/2Uc7b99>.

⁶²⁴ Deputy Secretary Jeffrey A. Rosen, U.S. DEPARTMENT OF TRANSPORTATION (Feb. 28, 2018), <http://bit.ly/2T5Wk4b>.

⁶²⁵ U.S. Senate Confirms Jeffrey Rosen as No. 2 Justice Department Official, THE NEW YORK TIMES (May 16, 2019), <https://nyti.ms/2QrNY2k>.

⁶²⁶ Susan Dudley and Jeff Rosen, *Watch for Hidden Taxes*, BOSTON GLOBE (June 12, 2009), <http://bit.ly/2VqS8Zp>.

⁶²⁷ Jeffrey Rosen and Brian Callanan, THE REGULATORY BUDGET REVISITED, ADMINISTRATIVE LAW REVIEW (Sept. 2014), <http://bit.ly/2Efk11jn6>.

⁶²⁸ *Small Business Advisory Board*, NFIB (archived page from Dec. 20, 2011), <http://bit.ly/2tL9jcg> and *Small Business Legal Center Advisory Board*, NFIB (archived web page from April 5, 2016), <http://bit.ly/2EDeWzl>.

⁶²⁹ Coral Davenport, *Top Trump Officials Clash Over Plan to Let Cars Pollute More*, THE NEW YORK TIMES (July 27, 2018), <https://nyti.ms/2TuopCj>.

⁶³⁰ Al Tompkins, *13 J-school deans and chairs issue letter of concern to Sinclair*, POYNTER (April 6, 2018), <http://bit.ly/2Ijk0GZ>.

⁶³¹ *Id.* and Callum Borchers, *The Fix Analysis: Sinclair is fighting back but only hurting itself*, THE WASHINGTON POST (April 5, 2018), <https://wapo.st/2U9eoGV>.

College of Business and Behavioral Sciences. He was previously executive director of the Federal Trade Commission.⁶³² He is a senior fellow emeritus at the Property and Environment Research Center.⁶³³

B. Organizations

American Chemistry Council

This group describes itself as representing companies involved in the business of chemistry. The organization has supported many proposals that would make it more difficult to create regulations, including the Regulations from the Executive in Need of Scrutiny (REINS) Act and the Regulatory Accountability Act.⁶³⁴ The organization also has supported policy proposals and legislation that would require disclosure of the underlying data used in studies that are relied upon to develop regulations.⁶³⁵ Critics say these proposals (known in some incarnations as the Secret Science Reform Act) would, for confidentiality reasons, prevent the EPA from making use of certain foundational studies. In particular, critics say, the proposals could nullify a foundational study that was conducted from the mid-1970s to the mid-1990s that connected air pollution to premature deaths, providing the basis for current federal air standards.⁶³⁶

American Trucking Associations

Self-described as “largest national trade association for the trucking industry,”⁶³⁷ this group mounted a legal challenge in the late-1990s and early-2000s to EPA regulations to combat smog. Co-counsel on that case on behalf of the American Trucking Associations was Robert Gasaway, who is also a donor to the RSC.⁶³⁸

Business Roundtable

An association of the chief executives of the largest corporations in the United States.⁶³⁹

Distilled Spirits Council of the U.S. Inc.

Self-described as “the national trade association representing the leading producers and marketers of distilled spirits in the United States.”⁶⁴⁰

Federal Focus Inc.

This is for-profit group operated by James Tozzi, who was a deputy administrator of OIRA during the Reagan administration. Under the auspices of separate organizations in the 1990s, Tozzi spearheaded the passage of the Data Quality Act, which permitted businesses the opportunity to challenge studies upon which regulations are based. Tozzi also was paid hundreds of thousands of dollars by Philip Morris for work that raised questions about second-hand smoke risk assessment, according to

⁶³² Bruce Yandle, MERCATUS CENTER (viewed on March 5, 2019), <http://bit.ly/2H37Y9M>.

⁶³³ People, PROPERTY AND ENVIRONMENT RESEARCH CENTER (viewed on March 5, 2019), <http://bit.ly/2GYulwM>.

⁶³⁴ Press release, American Chemistry Council, *ACC Urges House Passage of Regulatory Accountability Act* (Jan. 4, 2017), <http://bit.ly/2Un71vN> and Press release, American Chemistry Council, *ACC Welcomes House Passage of REINS Act and Midnight Rules Relief Act* (Jan. 10, 2017), <http://bit.ly/2H3nZfz>.

⁶³⁵ Press release, American Chemistry Council, *ACC Statement on EPA's Strengthening Transparency in Regulatory Science Proposed Rule* (Aug. 16, 2018), <http://bit.ly/2VCTel1>.

⁶³⁶ Lisa Friedman, *The E.P.A. Says It Wants Research Transparency. Scientists See an Attack on Science*, THE NEW YORK TIMES (March 26, 2018), <https://nyti.ms/2VtM3M2>.

⁶³⁷ About, AMERICAN TRUCKING ASSOCIATIONS (viewed on March 5, 2019), <http://bit.ly/2H0Vr6v>.

⁶³⁸ Brief of respondents American Trucking Associations Inc., Chamber Of Commerce of the United States, et al. in *Christine Todd Whitman, Administrator of Environmental Protection Agency, et al. v. American Trucking Associations Inc., et al.*, 531 U.S. 457 (2001).

⁶³⁹ About Us, BUSINESS ROUNDTABLE (viewed on Feb. 28, 2019), <http://bit.ly/2SuS2hz>.

⁶⁴⁰ About Us, DISTILLED SPIRITS COUNCIL (viewed on Feb. 28, 2019), <http://bit.ly/2TpYqLu>.

reporting on internal Philip Morris documents by the *Washington Monthly*.⁶⁴¹ In the early-2000s, Tozzi invoked the Data Quality Act to cast doubt on studies showing the that weed killer atrazine caused hormonal disruption in organisms, including causing frogs to bear both male and female sex organs.⁶⁴²

Occidental Petroleum Corp.

An oil and gas exploration company based in Houston, Texas.⁶⁴³

Ogletree, Deakins, Nash, Smoak & Stewart

This is one of the country's largest law firms representing businesses in labor disputes. Notable principles at Ogletree, Deakins include Melissa Bailey, managing partner of the firm's Washington, D.C., office.⁶⁴⁴ Bailey specializes in litigation challenging fines against employers by the Occupational Safety Health Administration for workplace safety violations. From 2011 through at least 2016, Bailey served with Dudley on the advisory board of the Small Business Legal Center.⁶⁴⁵

Styrene Information and Research Center

Self-described as a "non-profit organization consisting of voting member companies involved in the manufacturing or processing of styrene, and associate member companies that fabricate styrene-based products." Styrene is a material used in the production of plastics and Styrofoam. The Styrene Information and Research Center was one of 30 members of the American Alliance for Innovation, a coalition supporting the Secret Science Reform Act (discussed above under the American Chemistry Council). Other members included the American Chemistry Council, American Petroleum Institute and The Fertilizer Institute.⁶⁴⁶

⁶⁴¹ Chris Mooney, *Paralysis by Analysis*, THE WASHINGTON MONTHLY (May 1, 2004), <http://bit.ly/2Tsfp00>.

⁶⁴² *Chemical Industry Pressures EPA to Protect Herbicide, not Wildlife*, UNION OF CONCERNED SCIENTISTS (undated), <http://bit.ly/2SyUyUb> and Rick Weiss, 'Data Quality' Law Is Nemesis of Regulation, THE WASHINGTON POST (Aug. 16, 2004), <https://wapo.st/2Xxmifl>.

⁶⁴³ *Occidental Petroleum Corp (OXY)* (profile), REUTERS (viewed on Feb. 28, 2019), <https://reut.rs/2VrTslK>.

⁶⁴⁴ *Melissa A. Bailey*, OGLETREE DEAKINS (viewed on Feb. 28, 2019), <http://bit.ly/2GW4hCL>.

⁶⁴⁵ *Small Business Advisory Board*, NFIB (archived page from Dec. 20, 2011), <http://bit.ly/2tl9jcg>.

⁶⁴⁶ Letter from the American Alliance for Innovation to Rep. Lamar Smith, Chairman, U.S. House Committee on Science, Space, and Technology (June 23, 2014), <http://bit.ly/2C62uGV>.

APPENDIX C: QUESTIONS SUBMITTED BY PUBLIC CITIZEN TO: THE OFFICE OF THE GEORGE WASHINGTON UNIVERSITY PRESIDENT; THE DIRECTOR OF THE GW TRACHTENBERG SCHOOL OF PUBLIC POLICY; AND REGULATORY STUDIES CENTER DIRECTOR SUSAN DUDLEY

Public Citizen provided the core findings from our report to the individuals listed above. We also submitted the following questions to each and pledged to each that we would print their responses to these questions or to our report's overarching findings, as they see fit to respond, in the appendix of this report. We contacted each multiple times by both telephone and e-mail. None responded.

1. Susan Dudley, the founder of the Regulatory Studies Center, was well-known to hold strong ideological views by the time she founded the RSC in 2009. Did George Washington University or the Trachtenberg School of Public Policy take any steps at the time of the RSC's founding to ensure that its work would not reflect an ideological slant, and, if so, what were they?
2. Have leaders of George Washington University or the Trachtenberg School of Public Policy monitored the work of the Regulatory Studies Center? If so, how do they assess its degree of ideological balance?
3. Does the university and/or School of Public Policy believe that the composition of faculty and other scholars retained by the Regulatory Studies Center should reflect diverse ideological perspectives?
4. Does a board oversee the Regulatory Studies Center? If so, how is it selected and are its members publicly disclosed? Does it issue periodic reports and, if so, to whom?
5. In 2018, the president of the conservative activist group FreedomWorks wrote: "Research institutions such as the Mercatus Center, and the Regulatory Studies Center at George Washington University, work closely with the Heritage Foundation, American Enterprise Institute, and the Competitive Enterprise Institute to act as the brains of the conservative regulatory fight." Would it be consistent with the mission of the Regulatory Studies Center for it to act in the manner described?
6. We note that George Washington University's "Policy on Conflicts of Interest and Commitment for Faculty and Investigators" addresses situations in which personal incentives could influence an individual's decision making. What policy language or procedures does George Washington University have in place to prevent institutional conflicts of interest within the Trachtenberg School of Public Policy? Does a conflict-of-interest committee oversee the work of the Regulatory Studies Center?
7. Have outside funders been given any influence in hiring decisions relating to the Regulatory Studies Center – including being offered opportunities to recommend candidates or to learn of candidates' identities before final decisions are made – or influence over any other decisions undertaken by the Regulatory Studies Center?
8. Has the Regulatory Studies Center entered into any agreements that stipulate that continued funding is contingent upon its current director remaining in place?
9. Has the Regulatory Studies Center entered into any agreements with funders that articulate an objective of aiding in the recruitment of students either to engage with entities associated with the Koch network or to pursue graduate studies from a libertarian/classical liberal perspective?
10. Has the Regulatory Studies Center entered into any agreements with outside funders in which it has agreed to work on any particular content areas?

APPENDIX D: QUESTIONS SUBMITTED BY PUBLIC CITIZEN TO REGULATORY STUDIES CENTER DIRECTOR SUSAN DUDLEY

In addition to the questions we asked of university administrators, we submitted questions specifically to Susan Dudley. As in the case of questions laid out in Appendix C, we pledged that we would publish her responses verbatim in the appendix of our report. We did not receive a response.

1. On numerous occasions, you have written or testified that federal agencies “issue tens of thousands of new regulations” every year. But other experts do not report numbers like that. Separately, you wrote in a 2013 piece “federal agencies publish between 3,000 and 4,000 regulations each year,” which is more in line with what other experts say. Is it an error to report the issuance of “tens of thousands” of regulations and, if not, what is the source for that claim? Further, counts of regulations that reach numbers like 3,000 to 4,000 include routine notices like announcing drawbridge times. Isn't it deceptive to invoke such large numbers without informing your readers that the numbers include notices that most people would not consider to constitute regulations at all, let alone potentially cumbersome ones?
2. In a 2016 piece in *Forbes*,⁶⁴⁷ you and Melinda Warren wrote that “Agencies engaged in economic regulation (including those implementing the Dodd-Frank Act) received the bulk of the budget increases during President Obama’s two terms.” But, according to our analysis of the numbers in your underlying report that the column refers to, just the subcategory of homeland security grew 1.5 times more than all forms of economic regulation combined during the Obama administration (\$4.5 billion compared to \$2.9 billion). Meanwhile, the growth alone in homeland security spending during the Obama administration was greater than the grand total of spending on finance and banking in Obama’s final year. The column does say that the percentage growth of economic regulation exceeded the others, but that measure does not equate to “bulk.” If it did, it would be possible for some tiny budget line to account for the “bulk” of regulations in a given year, which would not make sense. Are we correct that the column’s portrayal of economic regulation making up the bulk of increases during the Obama administration was inaccurate? (Our report also reaches the conclusion that the entire column understates the role that homeland security spending has played in the growth of regulation since 1960 – not just during the George W. Bush administration – and that that omission appears to us to reflect an intention to hype the growth of regulation in a misleading manner. Please feel free to respond to that, as well.)
3. You have touted the 2010 and 2014 reports on the overall cost of regulations by Crain & Crain as providing a “comprehensive estimate” and offering “a new lens with which to evaluate regulatory impacts.” I understand that you acknowledge that pinning a total cost to regulation is fraught, and in at least one case you acknowledged that the methodology of the Crain & Crain reports has been questioned. But even acknowledgements such as these would be not be sufficient to justify invoking studies that are utterly lacking in credibility. As you know, the Crain and Crain studies have been the subject of sweeping criticisms by scholars and government reviewers alike, not least because they embed the contradictory conclusion that the United States would have to move closer to the much more regulated Scandinavian countries to reduce its total cost of regulation. Do you believe the Crains’ 2010 and 2014 studies to be plausibly credible and have you or anyone at the Regulatory Studies Center analyzed their methodology in depth?
4. Have you sought to have scholars with more favorable views on subjects such as fuel efficiency standards, appliance efficiency standards, air quality standards, workplace safety standards and the regulatory process provide research or commentary for the Regulatory Studies Center?

⁶⁴⁷ Susan E. Dudley and Melinda Warren, *From Eisenhower To Obama, This Is How Much Regulatory Spending Has Changed*, FORBES (May 17, 2016), <http://bit.ly/2T5Sqs3>.

RECOMMENDED READING

Books

Jane Mayer, *DARK MONEY: THE HIDDEN HISTORY OF THE BILLIONAIRES BEHIND THE RISE OF THE RADICAL RIGHT* (Doubleday: 2016).

Nancy MacLean, *DEMOCRACY IN CHAINS: THE DEEP HISTORY OF THE RADICAL RIGHT'S STEALTH PLAN FOR AMERICA* (Penguin Random House: 2017).

Daniel Schulman, *SONS OF WICHITA: HOW THE KOCH BROTHERS BECAME AMERICA'S MOST POWERFUL AND PRIVATE DYNASTY* (Grand Central Publishing: 2014).

Historical Documents Depicting Koch Network Plans and Strategies

Charles Koch, *Anti-Capitalism & Business*, REASON (Dec. 1, 1975), <http://bit.ly/2IH8Wd6>.

Richard Fink, *From Ideas to Action: The Role of Universities, Think Tanks, and Activist Groups*. Republished version of article published in PHILANTHROPY, Winter 1996, <http://bit.ly/2UflQk0>.

Clayton Coppin, *Stealth: The History of Charles Koch's Political Activities*. Excerpt from unpublished report written in the early-2000s. Posted by UnKoch My Campus, December 2018, <http://bit.ly/2Nww5Oc>.

Transcripts of Koch Network Retreats and Conferences

Leverage Science and the Universities, panel discussion of 2014 Koch Donors Retreat (June 15, 2014). Transcript posted by Lady Libertine, <http://bit.ly/2Vs6Yiq>.

The Long-Term Strategy: Engaging the Middle Third, presentation at 2014 Koch network retreat (June 15, 2014). Transcript posted by Lady Libertine from recordings obtained by "The Undercurrent," <http://bit.ly/2vbiDqI>.

Being a Liberty-Advancing Academic, panel discussion, Association of Private Enterprise Education, 2016 annual meeting, Las Vegas (April 4, 2016). Posted by UnKoch My Campus, <http://bit.ly/2F5UFld>.

Establishing a Successful Academic Center, panel discussion, Association of Private Enterprise Education, 2016 annual meeting, Las Vegas (April 5, 2016). Transcript posted by UnKoch My Campus, <http://bit.ly/2UgRc9M>.

Successful Models of Programs in Private Enterprise, panel discussion, Association of Private Enterprise Education, 2016 annual meeting (April 5, 2016). Transcript posted by UnKoch My Campus, <http://bit.ly/2tJxWX0>.

Being an Intellectual Entrepreneur, panel discussion, Association of Private Enterprise Education, 2016 annual meeting, Las Vegas (April 6, 2016). Transcript posted by UnKoch My Campus, <http://bit.ly/2VuBEQd>.