



President's Letter

In many ways, the past year has been one of monumental change for our country and for the Niskanen Center. Although the COVID-19 pandemic is far from over, widespread vaccine availability has enabled us to indulge in cautious optimism for our future and has given us a glimpse of a return to normalcy. We can say the same for the Biden administration: Although far from perfect, it has helped rebuild a foundation for collaboration and compromises in politics.

The transitional winds of the last year have also impacted the Niskanen Center in several meaningful ways. Having been with the organization since its founding, I can say with utmost confidence that Niskanen has long excelled in punching way above its weight. I am immensely proud of my colleagues, who have accomplished more in such a short period than we could have hoped or imagined. And I am incredibly excited about this new phase in our development as we continue making a name for ourselves as one of the most impactful and compelling advocacy organizations.

The last year was one of remarkable growth for Niskanen. In terms of sheer numbers, our full-time staff increased by over 25 percent.

We were also thrilled to announce the long-awaited launch of our criminal justice department, which advocates for public safety, social order, and the fair and efficient administration of justice as mutually reinforcing ends necessary to maintain a free and open society.

Niskanen launched a transformative initiative on green card recapture that would change immigration for families and employees alike. Our pioneering work on child allowances changed how our nation supports families. And our flagship climate work has paved the way for new discussions on transmission siting and eminent domain.

Of course, I am only scratching the surface of our myriad achievements in 2021. As articulated by the *Washington Post's* Greg Sargent, Niskanen's reports and analyses "have produced a heterodox policy agenda of great scope and ambition while simultaneously developing a well-elaborated philosophical and ideological foundation for that agenda, which makes its work all the more illuminating."

I want to extend my deepest gratitude to all of our friends and allies. It is your steadfast support that has enabled us to do what we do best: put our heads down, research, write, collaborate, and develop practical solutions that both sides of the aisle can get behind and — crucially — that will actually work.

To read more about the Niskanen Center's many highlights from the past year, I invite you to peruse the pages that follow. I am confident that you will find our scholars and support staff have demonstrated their continued commitment to tackling the most pressing policy issues of our time with diligence, thoughtfulness, and integrity. I have no doubt they will continue to do so in the next year and beyond, as Niskanen enters its most exciting and formative new chapter yet. I hope you will continue accompanying us on this journey.



Chairman's Letter

If 2020 was a year marked by a pervasive sense of disquiet, 2021 was one of cautious optimism. After four years of tumult and repeated assaults on democracy–culminating in the horrific events of January 6 at our nation's Capital–the promise of normalcy and decency in politics finally seems within reach. While there is still much work to be done to combat the stubborn faction of extremism and intolerance in American politics, we can finally be cautiously optimistic that we are headed in the right direction as a society with a new government at the helm.

The past year has also been a transformative one for the Niskanen Center. It was a year marked by tremendous accomplishments, significant growth, and the start of a leadership transition, with co-founder Jerry Taylor stepping down as president. As we begin our search for a new president, I am confident that they will not only safeguard but amplify the standards of excellence and the deep-seated commitment to moderation and pragmatism that have solidified Niskanen as a pillar of American policy and politics.

As Chairman, I am immensely proud of what Niskanen has come to represent. This organization is dedicated to building the intellectual space for moderation while pushing through policy changes that defy received partisan lines and improve people's lives. Unlike many think tanks, Niskanen combines rigorous intellectual work with direct advocacy for public policies that will help solve our biggest problems, working with legislators and regulators and through the courts.

To that end, 2021 saw Niskanen advance even further towards our goals, with our prolific output and relationship-building culminating in a bevy of legislative successes and public endorsements. For example, Niskanen's pioneering work on child allowances contributed to President Biden's landmark American Rescue Plan. We were also

ahead of the curve in recognizing the tremendous benefits of recapturing unused green cards and launched a widely cited initiative on the issue. Further, the climate department partnered with Niskanen's Struggling Regions Initiative to underscore how the decarbonization agenda can drive economic growth and technological innovation. Finally, 2021 saw the long-awaited launch of a new criminal justice department, which hit the ground running in developing and promoting a liberal vision for criminal justice.

In light of these successes (and many more), it is critical to remember that, although the immediate threat of Donald Trump is in the rearview mirror, the havoc he wreaked onto American politics and society is far from gone. The Republican party appears to be irrevocably splintered, and the moderate faction of that party must prevail and relegate the Trumpian firebrands to the sidelines. That is where Niskanen comes in. Ensuring that the pragmatic Republican voices have a prominent platform and the opportunity to work across the aisle effectively was a salve during the Trump years' immediacy and will undoubtedly be a guiding force during the long road ahead as we repair and regroup as a society.

I hope you will read on and learn about the Niskanen Center's expansive, hard-won achievements during this past year. As Chairman of the board, a financial supporter, and an admirer, I encourage you to join Niskanen at our upcoming events, sign up for our newsletters, and get to know who we are, what we do, and why we are worthy of your attention and support. The next year will undoubtedly be an especially exciting and pivotal one for the Niskanen Center — and I hope you will be a part of it.

BOB LITTERMAN

Chairman, Niskanen Center Chairman, Risk Committee, Kepos Capital



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"In a Washington that sometimes seems almost as divided and barricaded as Cold War Berlin, the Niskanen Center stands out for its ability to reach across lines on issues that matter: climate, incomes, and the reform of social insurance for the 21st century. Through the Trump years, Niskanen kept its soul. Now, as we move into a new era, Niskanen is reaching minds."

DAVID FRUM
The Atlantic

About the Niskanen Center

The Niskanen Center is a nonpartisan public policy think tank that works within the governing networks of American politics to advance policies and politics animated by a spirit of moderation. We do so because we are deeply committed to an open society, which requires political compromise, respect for pluralism, and a resistance to ideological extremism. In short, it requires a spirit of moderation.

Beyond providing for public goods and correcting for market failures, we believe that government should reduce the extremes of human suffering and protect people from being dominated by arbitrary or uncontrolled power, but otherwise leave the largest number of people alone to live as they wish. We are not doctrinaire in our policy work because we are not convinced that any one ideological creed offers a reliable blueprint for achieving those ends in every single policy arena.

Our policy advocacy is informed by a commitment to equality, freedom, community, and justice. Unlike most ideologues, who elevate one of these considerations above the others, we believe that each is important. We appreciate, however, that they cannot all be fully realized at the same time in every policy context. Simple, principled answers to policy problems are thus elusive. Ethically difficult tradeoffs are necessary, and those trade-offs should be transparently weighed and considered on a case-by-case basis.

We seek not to displace principled disagreement, but to temper it. Sharp clashes of ideologies breed mutual contempt, while democracy demands trust and affection for one's fellow citizens and a decent respect for those who disagree about the relative weight of values and the best means to achieve agreed-upon ends.

"In a time when partisan polarization has made most American think tanks predictable, Niskanen keeps alive the spirit of heterodox thinking about the major challenges we face."

MIKE LIND

Lyndon B. Johnson School of Public Affairs at the University of Texas at Austin

We thus seek to counterbalance ideological extremism and intolerance while opposing policies that aim to silence, suppress, or disempower other communities or perspectives, no matter how morally just the cause might appear to be. The moderation we embrace is not a synonym for moral relativism or political timidity; it is a fearless, nonconformist creed that emphasizes empiricism and places the health of the republic above party or cause.



Criminal Justice

Our approach to criminal justice is rooted in the idea that the state plays an indispensable role in maintaining social order and protecting people from violence and crime, but that ineffective and unjust policies make those problems worse and create their own costs. A liberal criminal justice system would minimize the harms of both crime and punishment and ensure the costs are not disproportionately distributed. The current criminal justice system fails on all accounts — and we aim to help fix it.

Our goal is not merely to describe the failures of the criminal justice system nor offer unrealistic alternatives. Instead, we aim to reorient the criminal justice system around liberalism's core values — justice, equality, procedural fairness, human dignity, and the rule of law — and develop a policy agenda that will improve the status quo by delivering better public safety while protecting procedural and substantive justice. We aim to influence the policy debate in all areas of criminal justice, from policing and violence reduction to sentencing and incarceration, community supervision, and reentry.

We hit the ground running. The criminal justice department has already begun to establish its reputation and build its credibility. In less than half a year, our department has

developed important relationships with senior staff on the Hill, and we actively work with members of Congress to develop and advance important legislation. At the request of the chair of the Senate Committee on the Judiciary, the Niskanen Center submitted testimony for a hearing on pending legislation and endorsed several bills that were passed out of committee. The department also provided research, questions for the record, and appropriations language to help make a case for expansion and evaluation of evidence-based probation practices. The department is currently working with congressional allies to develop legislation.

We're also working to infuse new ideas into the criminal justice space. Our team published timely analysis and research on a variety of issues in the criminal justice space, including an analysis of President Biden's Gun Violence Reduction proposal; a commentary on research regarding possible links between lead exposure and criminal behavior; a commentary on the benefits and potential costs of adding additional police personnel; two op-eds in *The Hill* promoting ways to both fix issues in policing while reducing homicides and urging Congress to raise the federal excise tax on alcohol, respectively. Finally, the department hosted a well-received summer series on evidence-based solutions to violent crime.

Our criminal justice department is staffed by veteran criminal justice reform advocates. It draws on the collective expertise of a strong, diverse, multidisciplinary network of fellows and affiliated scholars who give the department an impressive depth and breadth of knowledge. We are excited about our program's bold and unique vision for criminal justice and our ability to turn that vision into action.





Our team's pioneering work on child allowances contributed to landmark legislation this year: a \$100 billion program of unconditional payments to households with children that President Biden included in his American Rescue Plan.

This development confirmed our argument that child allowances offer a transpartisan approach to ending child poverty and strengthening family bonds, as Democrats doubled down on ideas that Republicans, with our help, had incorporated into their 2017 tax reform plan.

Our program launched in 2016 and found early success leading the only dedicated coalition for the Child Tax Credit (CTC) during the 2017 tax reform effort. Recognizing our leadership on child welfare, Senators Michael Bennet (D-CO) and Sherrod Brown (D-OH) sought our help on an ambitious plan to make the CTC fully available to low-income families. The resulting legislation — the American Family Act — was updated and signed into law in 2021 as a pillar of the Biden Administration's American Rescue Plan. We immediately began working to make the one-year program permanent, locking in the 40 percent reduction in child poverty that it promises.

To strengthen the case that child allowances are a conservative approach to supporting families, we redoubled our efforts to grow support on the right. We advised Utah Republican Senator Mitt Romney on his Family Security Act and released "The Conservative Case for a Child Allowance" to coincide with the introduction of that bill. More generous than Biden's child credit, the Romney proposal was praised by policy thinkers on the left and right. With the endorsements of the *New York Times* and *Washington Post* editorial boards, our work was reinvigorating and reshaping the national debate about how to end child poverty.

In the months that followed, we presented the case for making the CTC expansion permanent at more than 30 events and released timely analyses of the program and implementation options. Along the way, we published original research and issued briefs on a range of other social policy issues, from bipartisan options for paid family leave to a road map for reforming the U.S. medical residency system.

As fall arrived, our analyses continued to gain momentum and played a leading role in shaping the national debate. We released an agenda-setting analysis of the economic and community impact of the CTC by state and congressional district that was prominently featured in a column by Greg Sargent of the *Washington Post*. Soon after, we presented our findings to the U.S. Chamber of Commerce in a private briefing.



"I continue to value my partnership with the Niskanen Center on my bipartisan MARKET CHOICE Act. The Center continues to be a source of creative, bipartisan solutions that build bridges on some of our most pressing public policy challenges."

REP. BRIAN FITZPATRICK (R-PA)

"I'm grateful for the Niskanen
Center's extensive research
on childhood poverty and its
continued support and advocacy
for the expanded Child Tax
Credit as we work to lift kids
across the country out of
poverty."

SEN. MICHAEL BENNET (D-CO)

Immigration

The inauguration of President Biden in January marked the beginning of a new era in immigration policy. In preparation, Niskanen's immigration department laid out three strategic priorities: advancing private and community refugee sponsorship, cultivating expertise on mechanisms to recapture unused green cards and elevating its importance in reconciliation, and identifying and advancing tailored, bipartisan reform efforts that can pass this Congress.

Our pioneering work on private refugee sponsorship started with a blog post in 2015. This spring, our efforts culminated in the Biden administration's announcement that it would launch a private sponsorship pilot program in 2022. Niskanen was in-

tegral to this development. We led a coalition of more than 50 groups in a letter to the Biden administration in March 2021 urging the creation of college and university refugee sponsorship programs; co-chaired the working group developing policy recommendations led by the Presidents' Alliance on Higher Education and Immigration; were key participants in small meetings with the State Department's Bureau of Population, Refugees, and Migration; and published original research and recommendations with the International Refugee Assistance Project and Amnesty International.

This fall, private sponsorship unexpectedly provided an opportunity for Americans to offer urgent support for evacuated Afghans. Following the chaotic withdrawal of U.S. forces from Afghanistan and the resultant humanitarian crisis, Niskanen sprang into action. Led by our Interim President Joe Coon — who served in Afghanistan and helped his former interpreter come to America — members of the immigration and litigation teams helped coordinate resources and names for immediate evacuation around the clock. Niskanen's attorneys from litigation and the immigration team also partnered to represent several Afghans in their humanitarian parole and Special Immigrant Visa (SIV) applications. Once here, we anticipate that developing and supporting the Afghan Adjustment Act will enable Afghan refugees and their families to permanently work and live safely in the U.S.

Running parallel to our emergency efforts in Afghanistan was our work to inform the Sponsor Circle program that launched in October 2021. The Sponsor Circle program provides local community groups the opportunity to sponsor Afghan refugees currently housed on military bases. For now, it's the most direct option for Americans who want to get involved in refugee resettlement, and the first major step for the Biden administration in building a robust private sponsorship program in 2022.

But the inability of the administration to effectuate many other campaign promises has steadily chipped away at the high hopes of Americans and immigrants alike. From disheartening refugee resettlement numbers to pretextual public health policies limiting access to asylum, the administration has utterly failed. Likewise, a promising Congress battled deeply divisive political posturing, competing priorities, and thus-far unsatisfying rulings from the Senate parliamentarian that excluded many forms of relief for undocumented immigrations.

Nonetheless, recognizing the tremendous benefits of recapturing unused green cards in reconciliation, Niskanen launched a major initiative at the start of the year to advance the issue by elevating it through original research, coalition building, and concerted outreach on Capitol Hill. We co-authored an original research paper with the Federation of American Scientists to quantify the full breadth of green card waste, the economic upside of recapture, and the different policy mechanisms — including reconciliation — that could make recapture a reality. We published policy memos, submitted statements for the record, held briefings, issued rapid-response analysis, and were in contact with dozens of lawmakers all to make the case that reconciliation could provide relief for up to five million immigrants stuck in backlogs. Finally, we co-led a coalition letter of 95 groups urging the inclusion of legal immigration provisions

that would add trillions to the U.S. economy, reunite families, and fix aspects of our broken immigration system. To that end, we became a go-to authority on this issue for national reporters. We were cited by the Washington Post and Bloomberg editorial boards, the Wall Street Journal, the Atlantic, Bloomberg, National Journal, Roll Call, Vox, and many others.

We have also continued to pursue and promote innovative, transpartisan solutions that improve the U.S. immigration system and benefit Americans and immigrants alike. These efforts include: developing and promoting legislation protecting Hong Kong and Uyghur refugees; issuing green cards to physicians and nurses working on the COVID-19 front lines; bolstering the availability of physicians and specialists in rural and underserved communities; providing the Defense Secretary with a pool of visas for non-citizens working in national security fields; improving the consultation process that informs the annual refugee admissions cap; instructing the Department of Labor to study barriers to employment faced by immigrants and refugees; and expanding relief to foreign students in the U.S. facing crises in their home countries. We've provided legislative analysis, co-sponsor recruitment, and built coalitions to

"I have worked closely with Niskanen as both a Hill staffer and an immigration advocate and appreciate their ability to craft creative solutions to advance pro-immigrant policies."

MAUNICA STHANKI former Democratic House Judiciary counsel



take ideas and turn them into legislation that can move in this Congress and the future.

Since our inception, Niskanen's immigration department has specialized in transforming obscure concepts and reinvigorating long-forgotten policy issues, catapulting them to the front pages of newspapers, to the desks of members of Congress and their senior staff, and key leaders in the policy arena. We have done so with the highest-quality original research, dogged advocacy, and sophisticated government affairs efforts.

Time and time again, we've seen partisan extremism worsen to the point where immigration reform is blocked even when the same party controls Congress and the White House. This underscores the *need* to pursue opportunities that resonate across the aisle. We remain a key thought leader for legislators in both parties. And we will continue to be a driving force in dismantling the unacceptable status quo of the immigration system and implementing real change that will tangibly improve the lives and livelihoods of immigrants and U.S. citizens alike.

"The immigration team at the Niskanen Center has provided us with invaluable expertise and a robust partnership as we aim to provide Dignity to those at the mercy of our broken immigration and re-envision immigration and security policy in the 21st century. Not only do they have a deep understanding of immigration policy, but they help navigate the realities of this complex issue and help build coalitions around smart and effective solutions."

REP. MARÍA ELVIRA SALAZAR (FL-27)



Climate

Embracing new opportunities for climate action

This year, the Niskanen Center's climate team built on our role as a leading authority on carbon taxation and became an influential voice on the public goods that the energy transition will require — assets such as transmission infrastructure, technological research, and regional decarbonization strategies.

At the Niskanen Center, we believe a border-adjusted carbon tax is the most economically efficient and effective climate policy for achieving decarbonization. We advocate for a border-adjusted carbon tax as a central component of U.S. climate strategy, lead efforts to increase the salience of climate risks for Republican policy elites, and probe for opportunities to achieve carbon pricing. This includes facilitating the reintroduction of the MARKET CHOICE Act by Congressman Brian Fitzpatrick (R-PA).

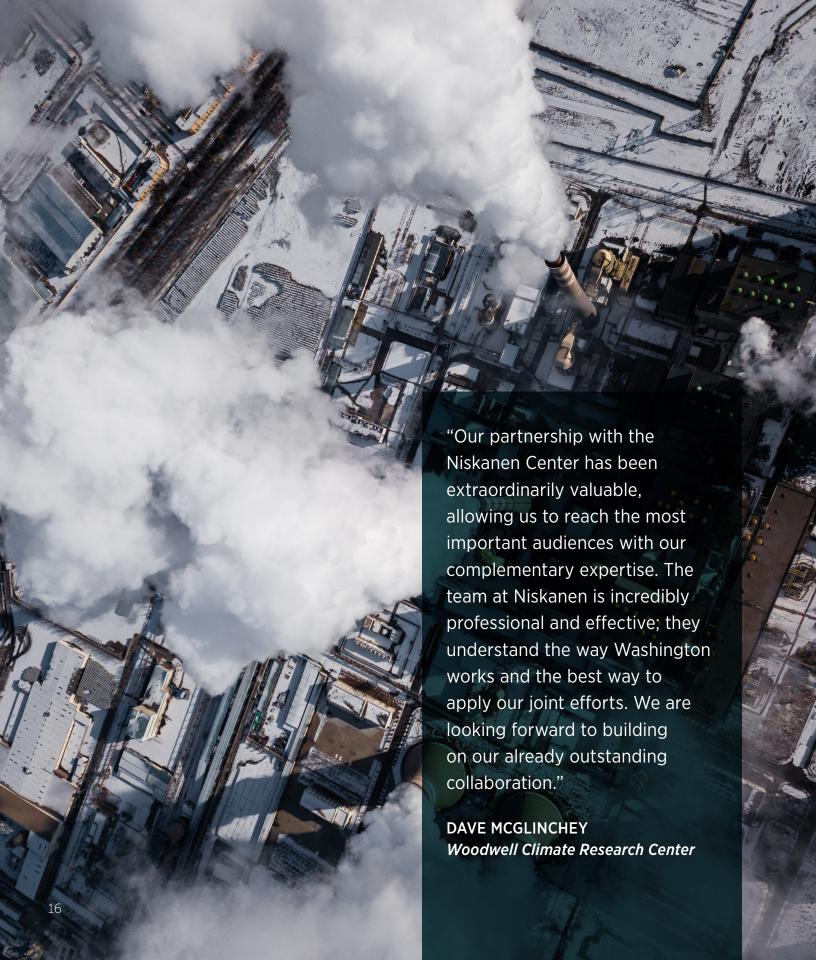
Over the past year, we continued to leverage our expertise in carbon border adjustments to drive critical policy discussions. We published two white papers and multiple commentaries, op-eds, and blogs on carbon border adjustments. A webinar we co-hosted in May on the latest global developments in carbon border adjustments reached more than 170 attendees worldwide and drew significant atten-

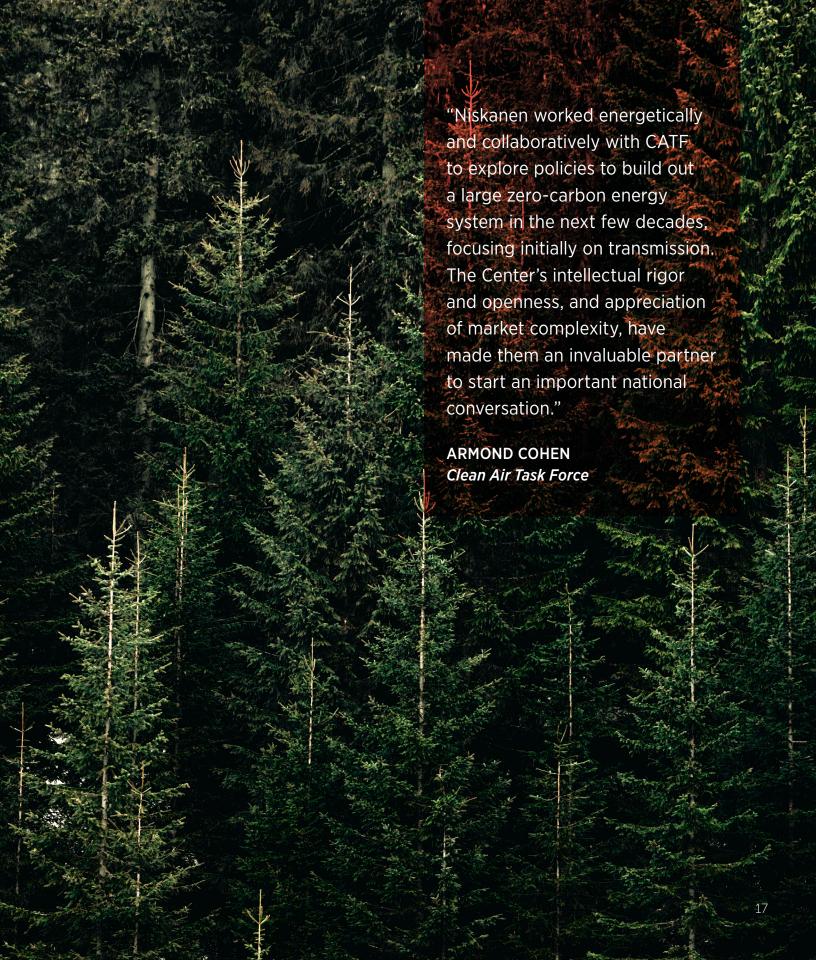
tion from the media, congressional staffers, policy experts, and professionals from the public and private sectors. We have had constructive conversations with Republican and Democratic Members of Congress and committee staff on incorporating our border adjustment proposals into legislation. As the EU and other jurisdictions seek to design and implement carbon border adjustments, we will continue to provide practical policy solutions for addressing emissions in international trade.

On infrastructure, we worked with Senator Sheldon Whitehouse (D-RI) and Congressman Michael Quigley (D-IL) to design the SITE Act. It proposes to designate federal siting authority for high-capacity interstate transmission lines while ensuring appropriate landowner protections and transparent eminent domain processes. Experts endorsed this approach in testimony before the House Energy and Commerce Committee. We are working with multiple offices to identify additional bill sponsors. We established our public leadership on this issue by hosting a conference with the Clean Air Task Force on the future of the energy grid. This was followed by a concept paper that attracted significant media coverage and a webinar with Federal Energy Regulatory Commission Chairman Richard Glick. Niskanen also hosted a widely attended webinar in February on the Texas power crisis.

This work grows out of a broader partnership we launched last year with Niskanen's Struggling Regions Initiative: an effort to highlight how the decarbonization agenda can drive economic growth and technological innovation. Through that partnership, we also published an extensive white paper on the regional opportunities for industrial decarbonization that will serve as a blueprint for expanding our low-carbon innovation policy work. We were invited to offer feedback on the Steel Upgrading Partnerships and Emissions Reduction (SUPER) Act from Congressman Anthony Gonzalez (R-OH), which was passed out of the House Science, Space, and Technology Committee.

Our team's commentary and expertise have been cited in some of the most influential media outlets, including the New York Times, Washington Post, Wall Street Journal, Atlantic, New York magazine, Bloomberg, Associated Press, and Forbes, and in the outlets most widely read in the climate community, including E&E News.





Litigation

Holding Power to Account

PROTECTING PROPERTY OWNERS FROM PIPELINE EMINENT DOMAIN

Niskanen represents landowners along pipeline routes throughout the country fighting abuse of their rights by oil and gas companies, including the taking of their property via eminent domain. Our clients in this portfolio include:

- Oregon landowners arguing that a pipeline carrying gas to be exported as LNG provides no "public benefit" under the U.S. Constitution's Takings Clause or the Natural Gas Act;
- Virginia landowners whose property was taken and destroyed for a pipeline that was never built, asking the Federal Energy Regulatory Commission to order the pipeline to completely restore landowners' properties now that the company has abandoned the project;
- Illinois landowners who are asking FERC to shut down a pipeline that is already operating after the D.C. Circuit overturned FERC's authorization for it;

 Pennsylvania landowners on the PennEast pipeline, which was just cancelled;

We also file amicus briefs and provide other support for landowners impacted by pipelines, including via our targeted advocacy work at FERC and on the Hill

MAKING GOVERNMENT MORE TRANSPARENT

Our government transparency project, utilizing Freedom of Information Act (FOIA) requests and litigation, has ramped up considerably and already yielded successful results. We have kept up the pressure on the Federal Energy Regulatory Commission to release documents related to its processes and its failure to give landowners notice when an impending pipeline project seeks to take their land. After winning full release of documents concerning the Pacific Connector Pipeline, we learned that notice was not sent to all landowners. We appealed a partial victory in a similar case on the Atlantic Coast Pipeline to the D.C. Circuit and finished briefing and oral argument in the fall.

We have FOIA requests and administrative appeals pending with several federal agencies — including the FBI — about law enforcement's coordinated monitoring of peaceful opponents to the Pacific Connector Pipeline — where it is public knowledge that at least one sheriff's department was bought and paid for by the pipeline company, with four full-time 'pipeline' deputies on staff. All federal agencies thus far have refused to disclose all relevant documents, and after the agencies' appeal processes conclude we will be suing one or more of them.

Niskanen also continues to build a case against several offices within the Department of Homeland Security for its collaboration during the Trump administration with third party anti-immigrant organizations on the development and implementation of a rule that would have detrimentally impacted thousands of immigrants, as well as countless business that rely on the H-1B Nonimmigrant Visa to employee highly skilled workers. Niskanen will likely file suit on this early next year.

HOLDING FOSSIL FUEL COMPANIES RESPONSIBLE FOR CLIMATE DAMAGES

We continue to represent Colorado's Boulder County, San Miguel County, and the City of Boulder in climate nuisance cases against the fossil fuel industry. It is the first such case focusing on impacts beyond sea-level rise and raises claims related to drought, increased wildfires, flooding from extreme precipitation, and other climate effects. We are currently waiting for the 10th Circuit to decide (for the second time, following the Supreme Court's decision in a Baltimore climate nuisance case) whether this belongs in federal or state court.

INTELLECTUAL PROPERTY

We partnered with our regulatory policy colleagues to submit an amicus brief in support of the United States in *U.S. v. Arthrex*, a Supreme Court case dealing with the constitutionality of the Patent and Trademark Appeals Board.

"Understanding the ways landowners are negatively impacted by pipeline development projects, the Niskanen Center has stepped up to advocate for our citizens with a clarity and commitment that no other organization has."

JOYCE BURTON
Former Landowner Liaison,
Friends of Nelson







Over the past year, the foundations of American democracy were tested like never before. As free, fair, and secure elections are the cornerstone of a healthy American democracy, the perpetuation of the myths of voter fraud and a stolen election undermine the credibility of the electoral system and voting. This swell of misinformation culminated in the events of January 6, 2021, a day that visibly and violently shook the seat of the U.S. government.

The singular events of that day understandably mark the most significant blow to our democracy in the minds of so many Americans. Yet it is the more subtle and persistent transgressions against democratic institutions that threaten to destabilize our system of government further, regardless of the administration.

In response to these challenges, the Niskanen Center advocates for policies and reforms that strengthen our democratic institutions. By providing access to and insight on the center-right, Niskanen plays an integral role in bringing Republicans to the table on various efforts. We rally the ranks of pro-democracy, pro-governing members of Congress around the cause.

Several guiding principles inform our work in this area. First,

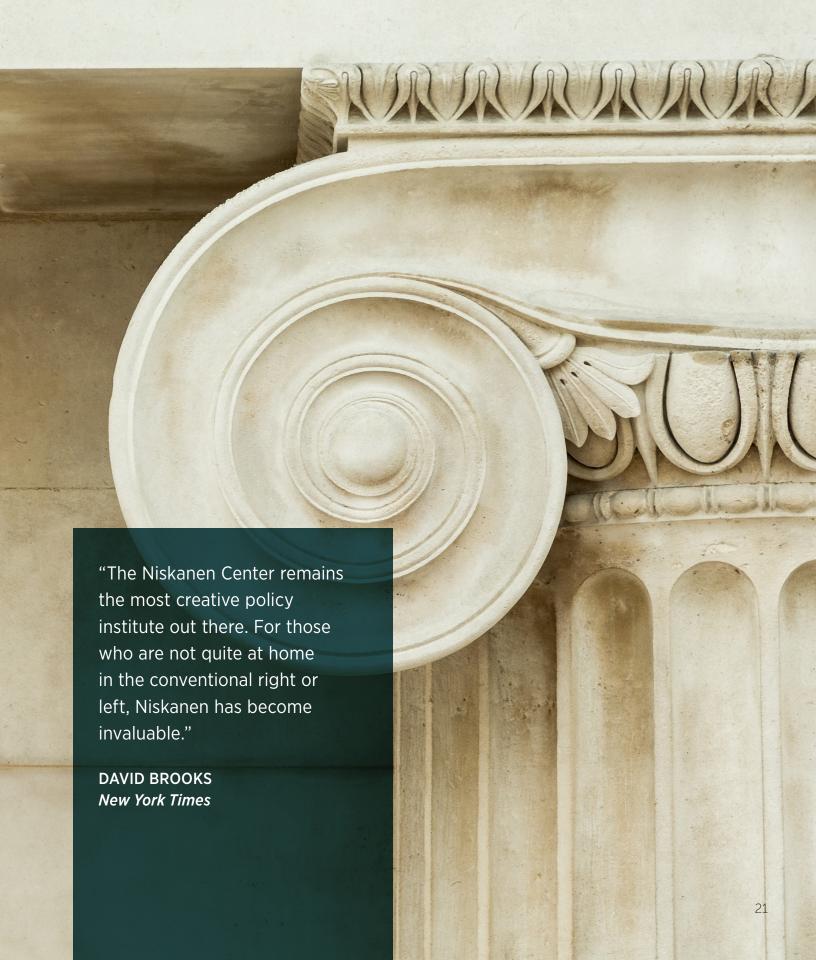
we stand for free, fair, and secure elections, without arbitrary or oppressive obstacles to voting. Second, we stand for the separation of powers, the equality of the branches of government, and the system of checks and balances outlined in the Constitution. Finally, we stand for the deliberative process of governance, bipartisanship, and compromise.

Our specific positioning and experience allow us to play a pivotal role in these pro-democracy and good governance coalition efforts. By partnering with organizations like Protect Democracy, the Brennan Center, and Issue One, we leverage our respective areas of expertise to champion these reforms more effectively with Congress.

With those principles and partnerships in mind, the Niskanen Center is proud to have worked on several transformative initiatives in the first year of the 117th Congress. In our growing election security portfolio that began in 2020, we advised coalition partners on the development of a revised Electoral Count Reform Act, which closes loopholes highlighted by the 2020 election certification. We also support the John Lewis Voting Rights Advancement Act and the Freedom to Vote Act.

In the democratic reforms portfolio, we worked with coalition partners to reintroduce the Protect Our Democracy Act and amend the National Defense Authorization Act to clarify the chain of command for the domestic deployment of the National Guard. We are advising on the introduction of legislation to further clarify the Constitution's Emoluments Clause to prevent unjust self-enrichment in office.

Finally, as part of the good governance portfolio, we championed bipartisan legislation to create an independent January 6th Commission in both the House and Senate and supported the introduction of S. Res. 201 to amend the Senate rules to allow remote voting in the event of an emergency.



Open Society Project

During the past year, American democracy was threatened as never before in modern history. Against the ominous backdrop of Donald Trump's Big Lie of a stolen election, the work of the Niskanen Center's Open Society Project took on added urgency. We played an active role in combating the misinformation around voting access circulated in the run-up to the 2020 elections; helped rally pro-democracy allies on the center-right in the wake of the January 6 insurrection; and continued to resist populist-authoritarian efforts at voter suppression and election nullification. We have also formed working partnerships with like-minded forces on the center-left and encouraged constructive action in the first year of the Biden administration.

The principal instrument for building and maintaining our center-right network continues to be the biweekly Meetings of the Concerned, which we have held since the early days of the Trump administration. Our pandemic-occasioned shift to Zoom meetings enabled us to include speakers and participants from throughout the United States and even abroad who otherwise wouldn't have participated in our discussions. Regular participants have included Claire Berlinski in Paris, Simon Clark in London, Knut Dethlefsen in Berlin, and Sol Stern in Jerusalem.

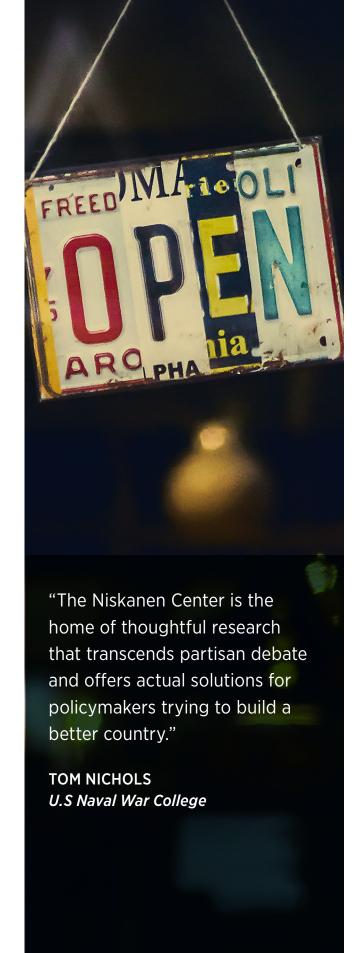
We have been fortunate to have the insight and advice of some of the country's most formidable intellects and analysts as the election and its related events unfolded.

Former Department of Homeland Security chief of staff Miles Taylor (widely known as the once-anonymous critic within the Trump administration) spoke to us about the distressing dynamics he observed during his tenure at the White House. Never-Trump Republican strategist and Bulwark publisher Sarah Longwell gave us valuable insight into the focus groups she conducts with Trump-leaning voters in exurban areas.

We got caught up on legal issues concerning voting challenges with Lawfare's Ben Wittes. Transition Integrity project co-founder Nils Gilman spoke to us about his attempts to "war game" different scenarios for the November election in the hope of averting political disaster. When some of those worst-case scenarios came to pass, we analyzed the meaning of the January 6 invasion just days after with The Bulwark's Tim Miller. Mark Becker, the former GOP chair in Brown County, Wisconsin, told us about his conversation with Senator Ron Johnson. He revealed that Johnson both believes Biden won a free and fair election, and that it would be "political suicide" for Republicans to admit this publicly.

Other intellectuals who briefed the Meeting in the last year include: Jackie Calmes (author of *Dissent: The Radicalization of the Republican Party and the Capture of the Court*), Aurelian Craiutu, David Frum, Kevin Kosar, Cyrus Krohn (author of *Bombarded: How to Fight Back Against the Online Assault on Democracy*), Jonathan V. Last, Jacob T. Levy, Damon Linker, John R. Price (author of *The Last Liberal Republican: An Insider's Perspective on Nixon's Surprising Social Policy*), Jonathan Rauch (author of *The Constitution of Knowledge: The Defense of Truth*), Phillip Wallach, and new Niskanen senior fellow Matthew Yglesias.

When the Meetings of the Concerned began, almost all of the participants were Never Trump Republicans. Today the membership is more or less equally divided among Republican reformists, advocates of a third party, and those who believe the best course of action is to support the moderate wing of the Democratic Party. The OSP has remained officially agnostic concerning those three options, and indeed



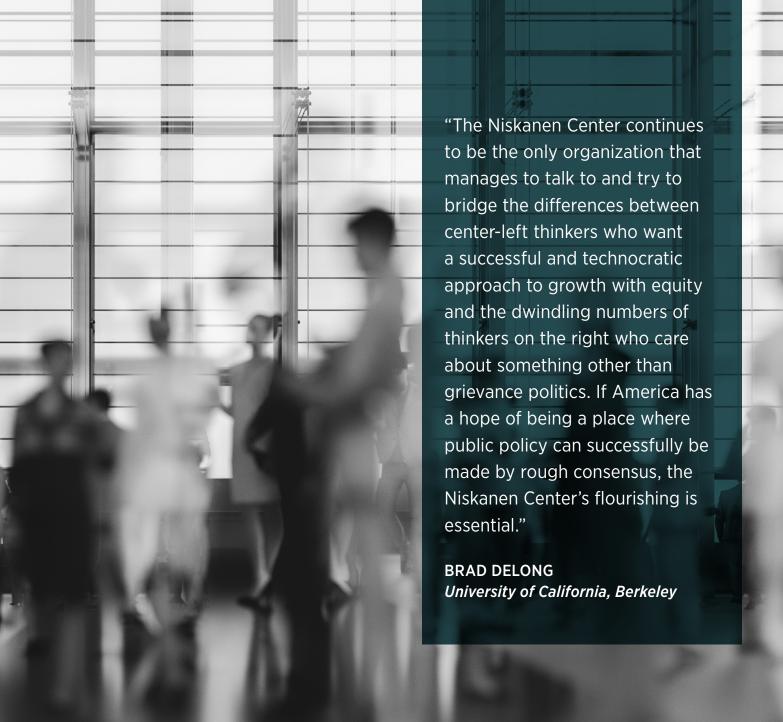
we hosted a webinar debate featuring Meeting of the Concerned members advocating for each position.

In November of this year, we were also thrilled to launch a Project on State Capacity, to identify and analyze the key drivers of government dysfunction and propose institutional remedies. Our analysis implicates substantive issues of public policy, but the focus is deeper: the underlying ability of the American government to formulate and execute policy in a competent fashion. In the few short weeks since its inception, the report has already earned accolades from high-profile journalists and public intellectuals including Ezra Klein, Greg Sargent, Noah Smith, Ned Resinkoff, and Nicholas Bagley.

The OSP functions as a venue not only for information sharing but also for collective action. Across the past year, we have led and participated in numerous collaborative efforts to inform the public about the threat to voting rights. We have also focused on mobilizing corporate leaders to combat state legislative efforts at voter suppression and anti-democratic subversion. Our partners in these efforts have included the Brennan Center for Justice, Business for America, the Campaign Legal Center, Issue One, Leadership Now, and Protect Democracy. OSP has also continued to commission and publish intellectual defenses of the open society and studies that seek to diagnose and combat the forces behind rising authoritarian populism across the globe.

"The Niskanen Center is counterbalancing our polarized political and policy debates at a volatile time as we witness rising illiberalism, free-speech threats, and reckless populism from both sides of the political divide. New thinking and critical data make Niskanen's work stand out - on climate, the economy, immigration, and our deteriorating political climate. It is a home for forward-looking, hopeful, solutions-based discussions we desperately need to form new cross-party coalitions and tackle our nation's greatest challenges." A.B. STODDARD

A.B. STODDARD RealClearPolitics





Over the past year, Niskanen's captured economy work centered on intellectual property rules. Though we've seen a significant expansion of copyright and patent protections in recent decades, numerous reforms to improve the patent quality and dull the sharper edges of copyright enforcement accompanied those protections. More recently, legal grants of exclusivity patents and copyrights appear to limit new entry and harm competition that Niskanen recognizes as a distinct priority.

To strike the appropriate balance between incentivising innovation and creativity and preventing excessive enforcement is not struck, Niskanen spent significant time promoting the Patent Trial and Appeal Board, a low-cost alternative to patent litigation, and the Digital Millennium Copyright Act's notice-and-staydown system.

We recognize the potential for overpatenting in the prescription drug market and restrictions on digital ownership and the right-to-repair one's own property as risks to competition and threats to property rights as traditionally understood. The Niskanen Center has joined letters with our coalition allies encouraging measures to help weed out "bad patents" and written amicus briefs supporting laws that uphold the legality of the Patent Trial and Appeal Board. Therefore, it was encouraging to see the Biden administration's July executive order on "Promoting Competition in the American Economy" target many problematic policies that the Captured Economy Project has highlighted and singed onto joint letters to support. These include issues relating to patent quality, excessive patent terms for prescription drugs, and restrictions on end users' right to repair their equipment when it breaks down. Niskanen is committed to working with the administration and Congress to ensure that effective responses to these abuses are enacted. This includes continuing to provide commentary and feedback on proposed legislation to improve copyright laws that currently function as an impediment to right-to-repair.

From the beginning of the pandemic, the Niskanen Center has been supportive of measures that waive or liberalize the regulatory constraints created by intellectual property, and supported other mechanisms to finance innovation that do not suffer from the drawbacks of regulatory exclusivity created by intellectual property. The Niskanen Center has also

"Niskanen's work concerning patents and copyright with its Captured Economy project has been invaluable to the wider discussion. In particular, Niskanen has not been afraid to stake out positions that other groups have refused to explore as too controversial. Indeed, not only has Niskanen shown that those positions shouldn't be controversial, but has clearly explained why some of those policy ideas make perfect sense and should be embraced."

MIKE MASNICK TechDirt

joined calls from access to medicines advocates to liberalize access to medicines and make vaccines affordable, open, and available for manufacture around the world and assisted Congressional offices who wanted to lend their support to the free exchange of knowledge and technologies. In May 2021, the administration announced its support for a waiver of the World Trade Organization's Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS) for COVID-19 vaccines. Following this welcome development, Niskanen published a commentary about the general inappropriateness of patents and copyright in the context

of pandemics and other public health emergencies. Direct government funding through research subsidies and advance purchase commitments (as seen in Operation Warp Speed) work far better to spur the needed development of vaccines and treatments.

In November 2020, pairing with the litigation team, Niskanen filed an amicus brief before the Supreme Court in support of the U.S. government and medical device maker Smith & Nephew in the case *Arthrex v. Smith & Nephew*. This case examined the constitutionality of administrative patent judges appointed to the Patent Trial and Appeal Board (PTAB) — an essential institution for correcting and invalidating patents that were granted in error. Niskanen's brief argued in favor of the general structure and existence of the PTAB and its value as a feature of U.S. patent law. Additionally, in April the Supreme Court's 6-2 opinion in *Google v. Oracle* cited an amicus brief filed by the Niskanen Center, alongside our partners at the R Street Institute and Public Knowledge.

In September, the Niskanen Center published "Cost Disease Socialism: How Subsidizing Costs While Restricting Supply Drives America's Fiscal Imbalance," arguing that programs to socialize the cost of essential goods and services such as higher education, health care, child care, and housing will fail if they are not paired with efforts to fix policies that artificially restrict the supply of these goods. Redistribution without deregulation and structural change will only increase prices, inequality, and fiscal imbalance without solving the problems of insufficient access. This paper was covered by Ezra Klein of the New York Times as a valuable contribution to both Republican and Democratic strategies to manage deficit spending while also making essential more affordable. Hammond, Takash, and Teles were later able to publish an opinion piece reiterating their arguments in the Times.

In the year ahead, we look forward to remaining engaged on issues where access to information, medicines, parts, and tools needed to combat the pandemic effectively are hindered by intellectual property laws. We will also keep our eye on any areas where regressive regulations might hinder the response to the pandemic and the development of a more equitable society once the dust settles.

"The Niskanen Center has carved out a unique role in our polarized debates over our national future. Niskanen's work doesn't just clarify and analyze complex policy disputes extraordinarily well; it also surfaces and explains the deeper arguments over political theory that undergird those disputes."

GREG SARGENT Washington Post

Communications

The Niskanen Center has firmly established itself as one of the most crucial voices informing American politics and policy. Over the past year, our imprint on national media has continued to grow. Niskanen is regularly cited in the most widely-read and influential media outlets, including *The New Yorker, The Washington Post, The New York Times, The Wall Street Journal, The Economist, The Atlantic, New York magazine*, the *Financial Times, Bloomberg*, the *Associated Press*, and *Reuters*. Niskanen also maintains its strong presence in key Capitol Hill publications, including, *National Journal, Roll Call, Politico, The Hill*, and *Axios*.

Niskanen Center policy experts have written over 150 opinion pieces for an array of prominent publications this year, including *The New York Times, The Wall Street Journal, The Washington Post, The Guardian, Bloomberg, Roll Call,* and *The Bulwark.*

In 2021 the Niskanen Center also maintained an increasingly prominent presence in the most highly-visible broadcast outlets, with over 200 appearances on TV, radio, and podcasts. Among the broadcast outlets that Niskanen policy experts have been interviewed and cited in are *Bloomberg TV, CNN, CNBC*, the *BBC, CBS*, and *NPR*.

What's more, this year Geoffrey Kabaservice launched The Vital Center podcast, which focuses on current politics, but seen in the context of our nation's history and the personal biographies of the participants. Among the many esteemed guests that have participated so far are Jonathan Rauch, Damon Linker, Linda Chavez, and AB Stoddard.

Niskanen's influence and timely work continue to be highlighted by prominent journalists, columnists, and academics who endorse our work in their widely-read pieces. Such writers include Jamelle Bouie, David Brooks, Thomas Edsall, Ezra Klein, Greg Sargent, Jennifer Rubin, and Jonathan Capehart.

SOCIAL MEDIA

Our relationship with a wide range of media outlets is supported and amplified by our growing digital and social media footprint. In particular, Twitter is an essential vehicle for reaching journalists, policymakers, and other thought leaders with our ideas and commentary.

We gained 5,000 new followers this year, reaching almost 30,000 and growing the account by 20 percent. Among the most influential new followers are John Dickerson (CBS News), Maya Salam (New York Times), Jeneen Interlandi (New York Times Editorial Board), Barbara Gancia (Saia Justa), Samuel Sinyangwe (Movement for Black Lives), and Jennifer Taub (Author, Big Dirty Money).

After the election, we focused on significant policy developments such as the child tax credit, green card recapture, and paid family leave. This was a significant departure from last year's focus on election analysis, Open Society project issues, and COVID-19 response. We were pleased to see marked growth in our reach and engagement, manifested by an uptick in high-quality retweets, impressions (1 million more per quarter than last year), replies, and link clicks over the past year.

A notable component of our Twitter strategy is breaking lengthy, complex research papers down into a few tweets. For instance, our thread marking the release of Brink Lindsey's State Capacity paper reached over 290,000 people. Many high-profile individuals engaged with the paper on

Twitter, such as Noah Smith (Bloomberg), Francis Fukuyama (Stanford University), Laura Kolodny (CNBC), David Frum (Atlantic), Ezra Klein (New York Times), and Greg Sargent (Washington Post), among many others.

Our Facebook page has also enjoyed growth in followers over the past year. This spring, we adopted a highly successful paid strategy that retargeted our Facebook posts to people who had visited our website or engaged with our social channels at least once before. Additionally, we have nearly doubled our Instagram presence, allowing us to use visual posts and stories to drive traffic to our website and engage in a more personal way. We grew our account by 41 percent to 1,700 followers (many of whom are in the public policy and media spaces). Our engagement rate per post hovered at about 5 percent, more than double that of the average engagement rate per post for nonprofits in 2021.

Finally, our web traffic reached over 1 million sessions this year, thanks to our growing presence on social media and our increased search engine optimization efforts. Google queries such as "immigration news," "cost disease socialism," "green card recapture," "endless frontier act," and "u visa news" have driven thousands of people to our research.





The Economist









Podcast





This year, we were thrilled to launch our second biweekly podcast, "The Vital Center," hosted by Niskanen's Vice President of Political Studies, Geoffrey Kabaservice. In an effort to make sense of the post-Trump political landscape, the podcast highlights the policy initiatives of the Niskanen Center and other non-partisan institutions while drawing upon current academic scholarship and political literature.

Our flagship biweekly podcast, "The Science of Politics" — launched in 2017 and hosted by political scientist and Niskanen Senior Fellow Matt Grossmann — seeks to inform our understanding of what's going on in American politics and how we might best advance our agenda on a constantly evolving political terrain.

In the several years since its inception, "The Science of Politics" has featured top researchers delivering fresh insights on major trends influencing American politics and policy. By moving beyond superficial punditry to data-driven understanding, the podcast serves as a vital bridge between academia and political elites, illuminating the dynamics of democratic policymaking and the political landscape upon which the struggle between open and closed societies is fought.



Financials

While the IRS allows 501(c)(3) think tanks such as the Niskanen Center — and 501(c)(4) organizations such as the related Niskanen Center for Public Policy — to keep the sources of their financial support confidential, we've decided to embrace donor transparency (the case for which is well made by, among others, On Think Tanks and Transparify). We are disclosing all donations of more than \$5,000 per year on our website, and which policy departments or operations those donations are meant to support (if any). This list includes all donations that contribute to our current operating budget and will be updated on our website as new donations arrive. Exceptions are made for those donors who wish to remain anonymous.

There are good reasons for donor transparency. Think tanks' reputations are gradually degrading due to suspicions that they are deliberate lobbying operations for corporate interests. And those suspicions are not always unwarranted. Related concerns about foreign governments buying think tank influence are also rising. With the increasing unease about foreign money flooding the U.S. political system — money that may serve as a means of political entry for foreign governments — transparency is in the public interest.

A lack of transparency also suggests that a think tank might have something to hide. We don't.

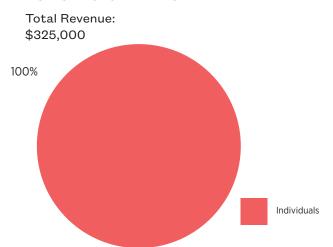
Obviously, donors who give to the Niskanen Center do so because they agree with what we stand for, what we're arguing in the policy arena, and how well we're advancing our case. While transparency does not necessarily extinguish suspicions that a think tank is taking position X because of money from donors A or B, it is certainly the case that transactional relationships are easier to execute without financial transparency. And if you've been following the Niskanen Center and its staff members for a while, you'll probably have a hard time believing that our opinions can be bought.

The Niskanen Center is proud to be associated with the individuals and foundations that provide the financial resources necessary for us to do our work. We invite you to join them.

"In an era in which so many think tanks have become thoughtless, the Niskanen Center continues to do some of the most thoughtful, provocative, and productive work in American public policy."

CHARLES SYKES Bulwark

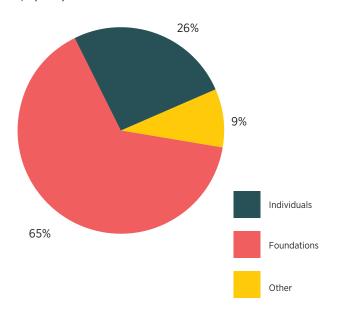
NISKANEN CENTER FOR PUBLIC POLICY 2020 REVENUE



The Niskanen Center for Public Policy is an affiliated 501(c)(4) organization that engages in even more direct political action to advance our agenda.

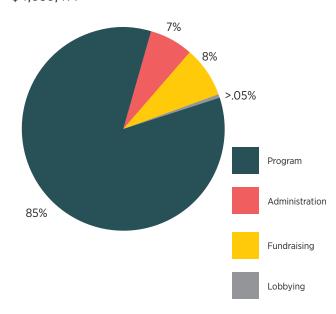
NISKANEN CENTER 2020 REVENUE SOURCES

Total Revenue: \$4,639,471



NISKANEN CENTER 2020 EXPENSES

Total Expenses: \$4,639,471







Call to Action

In advancing our agenda, the Niskanen Center embraces the worthy concerns of the disparate political camps in America, dispensing with the antiquated notion that we must *choose* between the ideological dichotomy of the left and the right.

Instead, the Niskanen Center embraces the essential philosophies from each:

- Realizing social justice and reducing economic inequality
- Protecting civil liberties and defending pluralism
- · Promoting economic growth and social welfare
- Celebrating our American culture and promoting social cohesion Moreover, we appreciate the complexities and tradeoffs inherent in large-scale policy reform and eschew the tribalism that often accompanies the pursuit of singularly-focused ideological priorities.

"[Niskanen's] work is on important topics, is provocative, never predictable, and even if it's informed by a different intellectual tradition than my own, I always come away learning things. Indeed, sometimes I'm persuaded. Niskanen brings vibrant voices, deep thinking, and a real commitment to better policy to our most important debates."

JUSTIN WOLFERS
University of Michigan

Though politics is the art of the possible, we also renounce the notion that what is possible must be an uninspired, split-the-difference approach to reform. Niskanen appreciates the colossal challenges of the 21st century and endeavors to provide a vision of what thinking and acting anew means at a time when political and social dysfunction threatens to tear the fabric of our nation — and our democracy — apart. Our animating political philosophy unites strange bedfellows, overturns old-fashioned notions of "left" and "right" ideas, and lays the groundwork for a future for those exhausted by the illiberal zealotry on display in American politics today.

Niskanen's ambitions are lofty — but so are the nation's challenges. With your support, we hope to continue to animate a new vision for America that meets our growing needs in these turbulent times.

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RONALD RADOSH Author & historian

NISKANEN C E N T E R

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