

2015 ANNUAL REPORT

The Power of Independent Thinking



INDEPENDENT
I N S T I T U T E



ABOUT INDEPENDENT INSTITUTE

Located in the center of the innovation capital of the world, the Independent Institute shapes ideas into impact. Applying independent thinking to issues that matter, we create transformational ideas for today's most pressing social and economic challenges. By connecting these ideas with organizations and networks that mobilize movements, we inspire action that can unleash an era of unparalleled human flourishing in peaceful, prosperous, and free societies at home and around the globe.

A non-profit, non-partisan, public-policy research and educational organization, Independent commissions and publishes innovative solutions as books, the quarterly journal *The Independent Review*, and other publications that also form the basis for numerous conferences and multi-media programs. Student programs include the **Challenge of Liberty Summer Seminars**, and student internships offered year-round.

Independent neither seeks nor accepts government funding, instead drawing support from a diverse range of individuals and foundations that recognize the value and effectiveness of our unique programs. All contributions are tax-deductible under Section 501(c)3 of the Internal Revenue Code. Independent supporters and members of **The Lighthouse Society** (see page 20) are important partners in Independent's mission.

This report provides highlights of the 2015 fiscal year made possible by the generous investment of supporters committed to a culture rooted in the tenets and opportunities of liberty. We thank you for your help in advancing these programs, and invite you to join with the Independent community in extending our impact.



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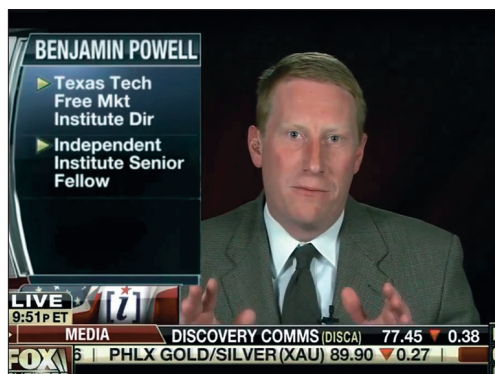
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Shifting the Culture in 2015



From top to bottom: students attending a **Challenge of Liberty Seminar**; President **David Theroux** (right) with economist **James Ahiakpor** at an Independent event; Senior Fellow **Benjamin Powell** on Fox News; guests at an Independent event.

A MESSAGE FROM OUR FOUNDER AND PRESIDENT

Thirty years ago, when I founded the Independent Institute, I was on fire with the possibilities liberty could provide. It was an exhilarating honor to be a part of the global wave of freedom: The Fall of the Berlin Wall and the freeing of millions enslaved under communist rule were sights to behold. Meanwhile, the move toward economic liberalization in the developing world began to take hold, and the poor in nations from Vietnam and China to South America and Africa began to reap the benefits of freer economies and freer societies. In the decades since, abject poverty worldwide has been *halved* as a result.

Even the United States saw a rollback of repressive taxation, regulation, and vital victories such as the decriminalization of homeschooling.

We at Independent are proud to have played a part in these successes.

And we are just as excited today to hear echoes—or even amplifications—of those voices yearning for liberty.

“Millennials”—the 80 million Americans aged 18–34—and many of the rest of us are increasingly fed up with the arrogance, incompetence, and duplicity of Washington-centric politics.

None of Washington’s promises have been delivered, and Millennials join a growing number of people desperate for sensible alternatives.

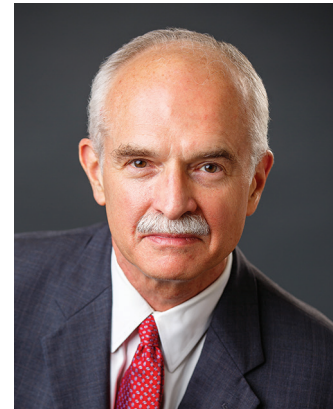
We saw tremendous opportunity to introduce these young seekers to the pro-liberty alternative, and we created our *Love Gov* video series to reach them where they live: online. The response has been overwhelming (see pages 12–13).

Independent Institute speaks to *all* generations. Charting a secure heading to the “true north” of peaceful, prosperous, and free societies grounded in a commitment to human worth and dignity, our work shows how the principles of liberty, applied in a non-partisan and practical way, would provide far better outcomes across issues of public concern: education, healthcare, housing, economic opportunity, economic and civil liberties, security and safety, care for the disadvantaged, and much more.

We also adapt our rich content across multiple platforms—books, videos, events, radio, and social media—to achieve maximum reach and impact. We’re partnering with top professionals across a broad range of networks, and rolling out the most ambitious outreach and communications campaign of our history.

Our supporters fuel our efforts to further engage, equip, and inspire *everyone* who seeks meaningful change, by revitalizing neighborhoods and communities across the nation and around the world.

We hope you enjoy learning more about our programs in this *2015 Annual Report*, and we welcome your support and involvement.



DAVID J. THEROUX
Founder and President

INNOVATIVE CHOICES FOR EDUCATION

Both American K–12 and higher education are increasingly second rate, expensive, and getting worse. They are bogged down in a morass of mediocrity, politics, and bureaucracy. Why is this so? And what is to be done?

Independent remains at the forefront of truly innovative alternative solutions—far beyond vouchers, charters, or other “semi-public” schools. Our studies provide solid support for proposals including:

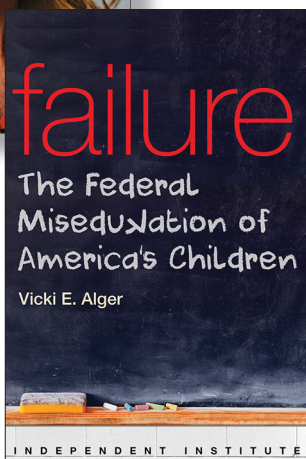
- Allowing parents, teachers, and others to take ownership of current public schools under Employee Stock Ownership (ESOP)-type arrangements
- Private voucher programs
- Education Savings Accounts that enable parents to direct education spending for their children
- Low-cost for-profit and non-profit private schools

Research Fellows **Vicki Alger** and **James Tooley** speak and write widely, promoting solutions that benefit children and families—not entrenched public school interests.

The new Independent Institute book and media project, *Failure: The Federal Misedukation of America’s Children*, helps bring



Research Fellow **Vicki E. Alger** and her Independent book, *Failure: The Federal Misedukation of America’s Children*.



much-needed clarity to the discussion of education in America, examines whether students and the nation are better off after thirty-five years of the Department of Education, and proposes alternatives to an ever-expanding federal education bureaucracy.



Scene from *Love Gov* Episode 1: “An Education in Debt.”

USA TODAY

10/21/14 • Vicki Alger

Education Attack Ads Distort Spending Facts

THE WALL STREET JOURNAL

1/11/15 • Vicki Alger

Education’s No Dollar Left Behind Competition
*K-12 Spending Has Little Bearing on Student Success,
Yet State Rankings Drive the Money Scramble*

The Washington Times

2/25/15 • Vicki Alger

Personalizing Learning for All Students
Through Education Savings Accounts

ENTERPRISE AND ENTREPRENEURIAL SOLUTIONS TO *EVERY* CHALLENGE

Independent's iconic logo embodies a vital lesson: that entrepreneurs operating in an open market can truly serve *every* human need (see back cover). With the dedicated assistance of our supporters, we continue to extend this lesson to today's greatest challenges.

When dysfunctional government policy obstructs opportunity, its impact reverberates far beyond the economy. Stifling innovation and entrepreneurship has truly perverse results for individual prosperity *and* freedom.

Independent believes that lifting the barriers to entrepreneurship is therefore *vital* for fostering innovative solutions to the many economic, social, and political problems that people face.

Developing the Developed World

Why has Silicon Valley fostered innovation and prosperity as the rest of the American economy languished—and are there lessons we can apply to spread this success to other sectors? Former Independent Institute Research Fellow and legendary Silicon Valley entrepreneur and investor **Peter Thiel** gave a provocative answer at an energetic, sold-out forum on his bestselling book, *Zero to One*. The “world of bits” has not been labored under the oppressive yoke of government regulations as the “word of atoms” has, he explained. Lifting regulatory burdens across the private sector would therefore spur a renaissance of innovation throughout the economy.



Left: Scene from *Love Gov* Episode 2: “Protection from Jobs.” Right: Senior Fellow **Lawrence J. McQuillan** speaking at FreedomFest.



Featured Books

In *Choice: Cooperation, Enterprise, and Human Action*, Robert P. Murphy adapts one of the most important and illuminating economics books of the 20th century, *Human Action* by Ludwig von Mises, making it accessible and engaging for general audiences.

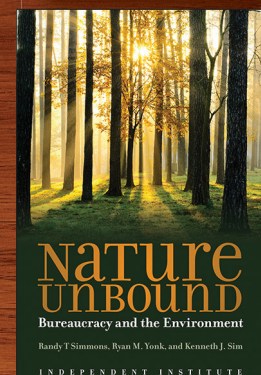
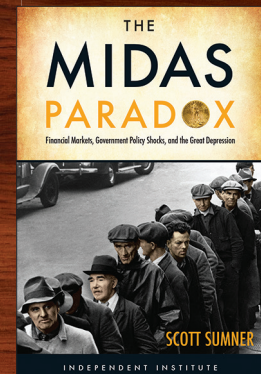
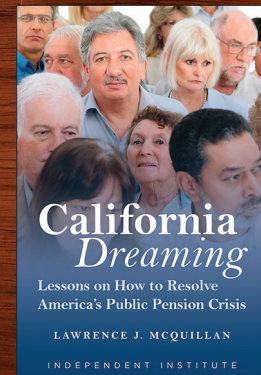
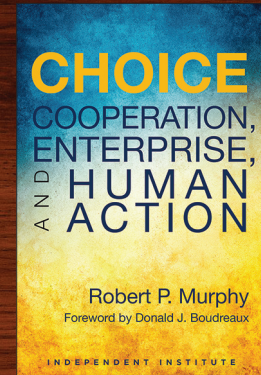
Choice explains how a free-market economy raises living standards, protects human liberty, and fosters societal harmony and progress, and it guides readers through the insights of perhaps the greatest treatise in economics and social thought ever written.

Across the country, individuals and communities face severe cut-backs in government services amid rising taxes, as promises to provide generous retirement benefits to “public servants” consume increasing percentages of public budgets. Drawing on California as the quintessential case study, the new Independent book, *California Dreaming: Lessons on How to Resolve America’s Public Pension Crisis*, by Lawrence J. McQuillan, pulls back the curtains covering this unfunded liability crisis.

Dr. McQuillan describes the severity of the problem, explains the causes driving public pension debt sky-high, and exposes the perverse incentives of lawmakers and pension officials that reward policymakers for not fixing the problem and letting it escalate. The book then offers six crucial reforms needed to restore the financial health of California as well as other regions that are faced with unfunded public pensions.

The Midas Paradox: Financial Markets, Government Policy Shocks, and the Great Depression, by Scott Sumner, shows how ill-advised policies of both Herbert Hoover and Franklin Roosevelt hurt the economy, tracing the course of the Great Depression and the impact of the central bank. The many path-breaking insights in *The Midas Paradox* provide crucial lessons for achieving sustainable economic growth and avoiding future financial crises.

Our forthcoming book, *Nature Unbound: Bureaucracy and the Environment*, by Randy T Simmons, Ryan M. Yonk and Kenneth J. Sim, reveals how all sides of environmental issues use the political system for their own ends, often justifying policies that favor their own personal interests and ambitions with questionable scientific claims. Its startling conclusions must be considered by all who care about the environment and ecological integrity.



BRINGING CHOICE TO HEALTHCARE

The more they get to know it, the less Americans like Obamacare. Yet despite voters giving them a majority in the last elections, Republicans in Washington, D.C., have failed to make any concerted proposal for its reform.

Once again, the underlying problem is *not* one that will be solved politically.

Making the compelling case for a vibrant healthcare market that features robust choices for patients and incentives that reward innovation, expanded access, and lower costs, Independent continued our enterprising initiative that combines rigorous scholarship with aggressive communications and outreach to deliver a genuine cure for the healthcare malaise.

Health Choices 2.0

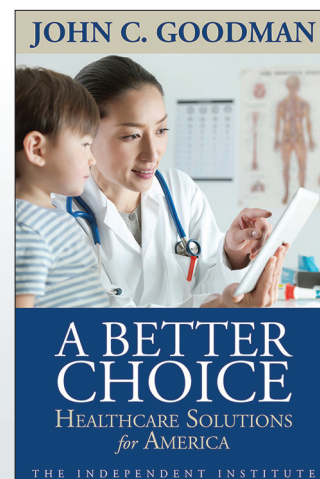
Thanks to Independent's supporters who share our commitment to empowering patients over politicians, we produced and published *A Better Choice: Healthcare Solutions for America*, by **John C. Goodman**, this which charts the definitive path forward in solving America's healthcare crisis—laying out the six most troubling issues with Obamacare, matched with six common-sense reforms, and then explaining how to bring these reforms to reality.

Importantly, our solutions do not require the complete repeal of Obamacare—simply legalizing the alternatives laid out in *A Better Choice* would result in Americans reaping the benefits of choice.

Health Choices Media Campaign

Our multi-media campaign promoting our Health Choices 2.0 initiative yielded truly exceptional results in reaching policymakers, opinion leaders, and the general public. More than 525 op-eds and other articles had a combined reach of over 3.5 billion readers.

Independent's Health Choices campaign was mentioned or quoted in 52 unique outlets, and resulted in multiple broadcast interviews featuring Dr. Goodman and Senior Fellow **John R. Graham**, as well as presentations at multiple conferences and before policy makers.



“A Better Choice indeed offers in clear and compelling terms, a better choice for all Americans—one that strips away the bureaucratic controls and mandates and allows consumers to take over their own healthcare decisions. John Goodman provides a devastating indictment of the current system, and supplies a clear roadmap toward a more certain and prosperous future.”

RICHARD A. EPSTEIN,
*Laurence A. Tisch Professor
of Law, New York University*

Senior Fellow **John R. Graham** testifies before a House Committee on the Obamacare insurance bailout.

MORE THAN **525** OP-EDS AND OTHER ARTICLES

WITH A COMBINED REACH OF

OVER 3.5 BILLION

The Washington Times

8/12/14 • John C. Goodman

How Republicans Can Win (or Lose) on Health Care

THE WALL STREET JOURNAL.

1/8/15 • John C. Goodman

How ObamaCare Harms Low-Income Workers

[Employees] will not get an ObamaCare bronze plan unless they fork over about one-tenth of their take-home pay, and they won't be able to get bronze coverage for other family members unless they forfeit more than half their income.

The Washington Post

2/6/15 • John R. Graham

How Domestic Medical Tourism Could Save Us All Money



A scene from *Love, Gov* Episode 3: "A Remedy for Healthcare Choices."



Senior Fellow John C. Goodman on C-Span's BookTV taking about his book, *A Better Choice: Healthcare Solutions for America*.

NATIONAL REVIEW

4/14/15 • Benjamin Powell

Dear FDA, Step Aside So We Might Live

In a free society, of course, dying patients shouldn't have to petition bureaucrats for permission to take promising new drugs, so long as they understand there are risks involved.

Forbes

1/6/15 • John C. Goodman

Is Obamacare Squeezing the Middle Class?

THE HILL

2/6/15 • John R. Graham

Administration Should Fully Disclose Risks to Enrollees in Obamacare Exchanges

DELIVERING LIBERTY'S PROMISE ACROSS CULTURES

Thanks to our supporters, Independent provides a rare voice for liberty in some of the places least open to individual freedom today—both at home and abroad. Independent's non-politicized messages provide a welcome alternative to the government-as-the-answer narrative across Latin America as well as North America.

Liberty for Latin America

Continuing as thought leaders across the Spanish-speaking world, Senior Fellow **Alvaro Vargas Llosa** and Research Fellow **Gabriel Gasave** provide important commentaries on unfolding issues.



Research Fellow **Gabriel Gasave** traveled across Central and South America, speaking and working with partner organizations to make the compelling case for economic and personal liberties. Gabriel also hosts a weekly radio program broadcast from Argentina.



Independent Research Fellow **Carl Close** briefs a delegation from China on America's economic outlook.

THE GLOBE AND MAIL

1/2/15 • *Alvaro Vargas Llosa*

**Castro Regime, Not Cubans,
the Big Winners in U.S.–Havana Deal**

THE NATIONAL INTEREST

3/4/15 • *Alvaro Vargas Llosa*

Chavez's Legacy: Venezuela in Shambles

The Miami Herald

10/13/14 • *Alvaro Vargas Llosa*

Immigration Reality Check

Building upon his renowned Independent publications such as *The Che Guevara Myth* and *Liberty for Latin America*, **Alvaro Vargas Llosa** delivered important insights in commentary distributed internationally.



Mira. Sé que apenas te conozco, pero me preocupo profundamente por ti Alexis.

Independent released *Love Gov* with Spanish subtitles, providing an important outreach to the Hispanic market at home, and liberty-seeking Latins worldwide.

Making the Case for Individual Liberty at Home

This year, new revelations of the astonishing scope of government surveillance, high-profile cases of police violence, and police overreaction to civil unrest with military equipment and tactics sparked a long overdue public debate on the balance of individual liberty and government control. Fellows **Abigail Hall**, **Benjamin Powell**, **Lawrence McQuil-
lan**, and others furnish timely commentary on government’s overreach.

Our independence from the noise and spin of Washington, D.C., allows us to say what so many believe but do not otherwise hear: Strong limits on government must be restored *now* to protect individual rights from even further encroachments. From the militarization of America’s police and the growing disregard for such sacred tenets as “innocent until proven guilty,” to selective taxation to further social planning, Independent provides rare, principled critiques along with alternative solutions that attract high profile coverage across the media landscape.

Taking a Stand

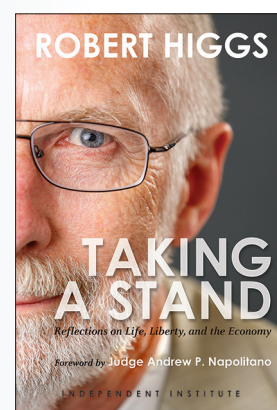
No scholar in recent years has exposed the causes and consequences of the U.S. government’s misbehavior with more academic clarity and pitch-perfect flair than the renowned economist, historian, and social critic, our Senior Fellow **Robert Higgs**. *Taking a Stand: Reflections on Life, Liberty, and the Economy* is his most provocative, most diverse, and most personal book yet. In ninety-nine clear, entertaining, and engaging essays, *Taking a Stand* debunks the myths of Big Government, demystifies the U.S. economy, and offers wise counsel for the future of liberty. It’s sure to be a perennial favorite among readers of all stripes.



Fellows **Abigail Hall** and **José Yulo** speaking at **Challenge of Liberty Student Seminars**.

“In the annals of academic fidelity to the Jeffersonian ideal that government is best which governs least, no one commands and deserves more respect than Dr. Robert Higgs.”

—**JUDGE ANDREW P. NAPOLITANO**, Senior Judicial Analyst, Fox News, from the “Foreword” to *Taking a Stand: Reflections on Life, Liberty, and the Economy*



REACHING OUT TO THE UNALIGNED NEXT GENERATION

Love Gov: From First Date to Mandate

Everybody's talking about Millennials—the 80 million-strong generation of 18–34 year-olds—but we're actually reaching them!

Polls and studies have revealed a generation in flux: deeply disillusioned with politics and politicians, uncertain about what ideological camp they belong in, and seeking alternatives to the status quo.

We saw a tremendous opportunity to introduce these young seekers to the pro-liberty alternative, and we created our *Love Gov* YouTube series to reach them where they live: online.

Love Gov portrays the federal government as an overbearing boyfriend—Scott “Gov” Govinsky—who foists his “good intentions” on a hapless, idealistic college student, Alexis Smith. Each episode follows Alexis's relationship with Gov as his intrusions wreak (comic) havoc on her life, professionally, financially, and socially. Alexis's loyal friend Libby tries to help her see Gov for what he really is—a menace. The series follows Alexis as she slowly comes to realize that far from being her savior, Gov is himself the problem.

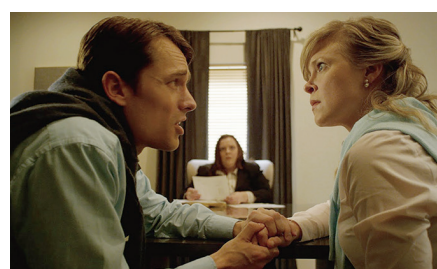
Response to the series has been overwhelming: more than 1.8 million combined views and high praise for its exceptional quality and humor.

“A fun YouTube video series . . . *Love Gov* essentially answers the big questions young people have about how politics affects their lives.”—*San Francisco Chronicle*

“If we graded films we would give *Love Gov* an ‘A.’”
—*National Review*

“A powerful online mini-series released by the Independent Institute illustrates the ‘folly, cost, and intrusiveness’ of big government in America. The cleverly satirical series, *Love Gov*, follows the life of a college student named Alexis as she finishes her degree, starts a small business, and finally buys a house, all while slipping further into a disastrous relationship with Scott ‘Gov’ Govinsky.”—*Campus Reform*

“This is a must see. *Love Gov* is hilarious and sad at the same time. It shows our government in a new light.”
—**Timothy C. Draper**, Founder and Managing Director,
Draper Fisher Jurvetson



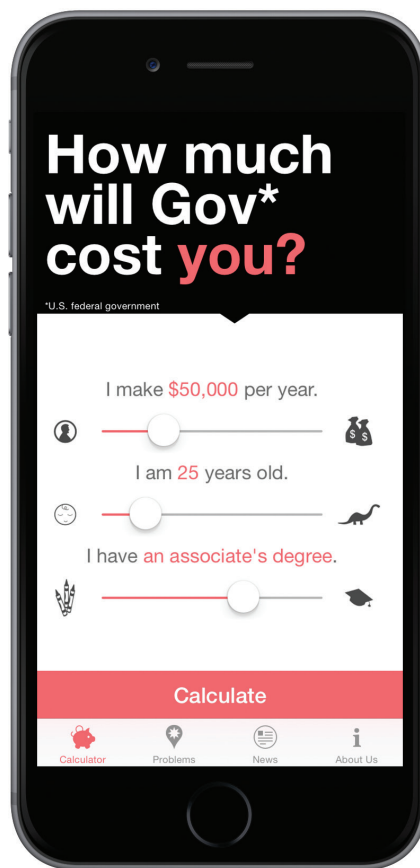


The MyGovCost App

Love Gov directs viewers to download and share the **MyGovCost App**: a powerful tool that delivers revealing statistics on the personal costs of government programs—informing and empowering users in the process.

App users input their age, level of education, and income to see their personalized calculation for lifetime taxes, current year’s taxes, and the value of a personal savings account they could have accrued if they had been allowed to keep and invest those taxes.

With sections devoted to each of the Millennials’ “Big Five” issues (college tuition, unemployment/underemployment, healthcare costs, housing prices, and privacy), the MyGovCost App provides users topical information on how government’s involvement exacerbates each problem, with links to learn more and get involved.



STUDIES SHOW MILLENNIALS ARE CONCERNED WITH 5 KEY ISSUES:

- TUITION LOAN DEBT
- UNEMPLOYMENT/UNDEREMPLOYMENT
- THE COST OF HOUSING
- HEALTHCARE COSTS
- GOVERNMENT SURVEILLANCE

LOVE GOV TACKLES EACH, DELIVERING HARD TRUTHS TEMPERED WITH HUMOR:

“*Love Gov* just may have cracked the code to getting Millennials to reach the ‘aha moment’ about the downside of excess government. . . . [T]he scripts are so funny and provide such clarity without being preachy, the series needs to be championed and shared with friends.” —*The Federalist Papers*

EQUIPPING TOMORROW'S LEADERS FOR LIBERTY

For more than 20 years, Independent has provided an engaging forum for young people to come together, with a rich array of experiences, faculty, and resources to explore, learn, debate, and challenge themselves in discovering answers to their deepest concerns, chart courses for them to have a meaningful impact, and equip them as leaders among their peers on campus and into their careers.

Thanks to Independent supporters, we have recently been able to expand our student program offerings both in size and location—filling hundreds of eager young minds and hearts with the tools and desire to fuel a cultural renaissance for enterprise, liberty, and civic and personal responsibility.

Challenge of Liberty Summer Seminars

Nearly 100 college students from 26 states and 7 countries participated in three, week-long sessions held in Colorado and California. First grounding students in the moral philosophy of liberty, the seminars then combine the principles of free-market economics with history and case studies, and apply these lessons to solve today's most pressing challenges. Combining lectures and multi-media presentations with small-group discussion, team-based exercises, debates, presentations, and social events, our *Challenge of Liberty Seminars* offer an experience that students consistently tell us provides the richest, most impactful education in freedom of any available today.

Nearly 100 college students participated from

26 STATES



Independent intern **Mark LaPrairie** speaking at a **Challenge of Liberty Seminar**.

7 COUNTRIES



Students attending a **Challenge of Liberty Seminar**.





Learning to Lead Internship Program


Learning to Lead Internships provide a truly unique opportunity to train directly under Independent’s senior staff and scholars, participate in professional development exercises, and accelerate careers while furthering freedom across disciplines. With 16 interns this summer, and others participating part-time year-round, this year Independent equipped young people with strong skills for advancing liberty through careers across law, academia, business, media, philanthropy, healthcare, science, sports, publishing, and public policy.




Independent Institute interns.




Interns work individually with senior management mentors, as well as collaborating on team projects. This summer, our interns made an important contribution to the social media campaign for Independent’s **Love Gov** YouTube series.



Jane
Thanks again for your contributions this week, my life changed after this seminar!
1 hour ago · Sent from Web



Michael Thomas
Can I pass that message on to the other faculty?
1 hour ago



Jane
Please do.
I can't wait for more!
1 hour ago · Sent from Web

“There’s an emphasis here with developing the person, and not necessarily just ‘You coming and helping us with what we need to get done.’ There’s an emphasis on ‘We are going to help you develop yourself professionally.’”

—**MARK LAPRAIRIE,**
2015 Learning to Lead Intern



Each summer’s intern program is capped by a 5K Fun Run/Walk, with prizes and a post-race celebration, building memories, life-long friendships, and community.

INDEPENDENT PUBLICATIONS: PIVOTAL FOUNDATIONS FOR LASTING CHANGE

Independent Institute’s scholarly research and nonpartisan viewpoints make a positive impact on individuals, our culture, and public policy. Innovative ideas about high-stakes issues are developed into decisive analyses and inspiring solutions and then deployed by effective multi-media campaigns.

Increased support from our donors resulted in a surge of activity in our publications program this year, with six exciting new books, the seamless transition to an expanded team of editors in the 20th year of *The Independent Review*, and the launch of our new publication series for students and audiences new to the ideas of liberty.

Developing Books That Matter

Our award-winning publishing program is one of a kind, strongly distinguishing Independent Institute from the 1,000+ “think tanks” operating in the United States. Our book projects, supported by effective multi-media campaigns to disseminate their innovative findings, help us lead the debate with fresh alternative solutions to today’s big issues—and tomorrow’s.

Our peer-reviewed book projects involve consideration and analysis at a far deeper level than reports on narrow, localized issues, and are evergreen across geography and time. As a result, our program delivers truly outstanding impact that continues to reverberate.



Senior Fellow **Lawrence J. McQuillan** and Acquisitions Director **Roy M. Carlisle** at BookExpo America in New York City.





The Independent Review

The Independent Review provides a quarterly forum for thoughtfully addressing issues ranging from reconsideration of classic debates, to bold proposals for today’s most pressing challenges. Now in its second year under the stellar co-editorship of **Christopher C. Coyne**, **Robert M. Whaples**, and **Michael C. Munger**, with Founding Editor **Robert Higgs** continuing as Editor-at-Large, *The Independent Review* continues to break new ground and set the standard for excellence in peer-reviewed journals.



Left to Right: Founding Editor **Robert Higgs** and Co-Editors **Christopher C. Coyne**, **Michael C. Munger**, and **Robert M. Whaples**.



“The Independent Review is a sparkling effervescence of views and insights on economics, history, and politics for people who don’t mind having their minds bent and blistered with high entropy ideas.”

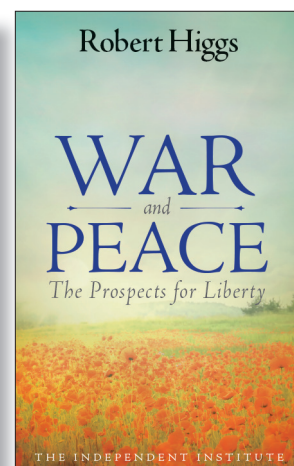
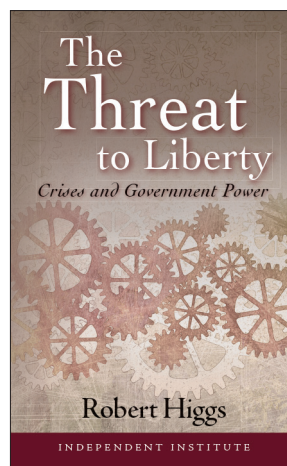
—**GEORGE GILDER**,
bestselling author, *Wealth and Poverty*

Featured content in recent issues included symposia on the debate over “basic income guarantees,” and the life and work of Anthony de Jasay; and explored a range of subjects in feature articles such as “Perfecting Tyranny: Foreign Intervention as Experimentation in State Control,” “Seeking the Patent Truth,” and “Thomas Piketty’s Flawed Analysis of Public Debt and Executive Compensation.”

The “Liberty Series”

Independent’s new publication series adapts some of our scholars’ greatest insights into short digests that introduce important concepts in liberty to new minds—especially young people. Thanks to generous supporters, our first two installments in the series have been made available at no charge to tremendous enthusiasm at numerous student conferences this year.

The Threat to Liberty is a short introduction to Robert Higgs’s “ratchet effect” theory that he made famous in his book *Crisis and Leviathan*, while *War and Peace* discusses the foreign policy stance that best accords with the protection of personal and economic liberty.



MEDIA OUTREACH: AMPLIFYING INNOVATIVE SOLUTIONS IN THE PUBLIC SQUARE

Independent proposes bold alternatives on public issues, and because we do so in a non-politicized manner, our peer-reviewed research and entrepreneurial policy proposals are uniquely respected across the mainstream media—broadening public debate beyond the narrow confines of the standard left-right posturing.

Thanks to our supporters, we are taking advantage of today's increased opportunities to connect directly through multi-media. The following are some of the results of our past year's efforts.

Inspiring Change through Traditional Media

Television, radio, and print communications are the cornerstones of the public square, reaching an audience of millions.

INDEPENDENT WAS FEATURED ACROSS

661 UNIQUE OUTLETS OVER 2015, INCLUDING THESE:

THE WALL STREET JOURNAL.

NATIONAL
REVIEW



Forbes

The Washington Post

The New York Times

INDEPENDENT'S COMBINED REACH ACROSS ALL FORMS OF MEDIA—A KEY MEASURE OF REACH—TOPPED **5.7 BILLION** THIS YEAR, A NEARLY **80% INCREASE** OVER LAST YEAR.

Spreading Innovative Ideas through New Media

A pioneer in the online realm, Independent Institute launched Independent.org in 1995, and demand for our online content has never stopped growing. Twenty years on, we continue to take advantage of the ever-increasing opportunities to directly reach those seeking alternative solutions to the issues they care about. Our online resources are providing countless individuals with the enterprising, alternative perspectives on current issues and debates on a real-time basis. Are you one of them? If not, visit Independent.org and start following us on social media, today!



Independent.org was given a new look and feel this year: it is now mobile friendly, and its vast resources and content archive are easier to navigate. Over 1 million unique users viewed more than 1.8 million pages during fiscal 2015, including 210,000 new users. And our flagship blog, *The Beacon*, was read by more than 750,000 unique users.



Our main Facebook page averaged a daily reach of

451,000



with **5,000** daily Likes, Shares, and Click Throughs to learn more.



Our Spanish-language blog hosts commentary from many **LEADING VOICES FOR LATIN AMERICAN LIBERTY**, attracting

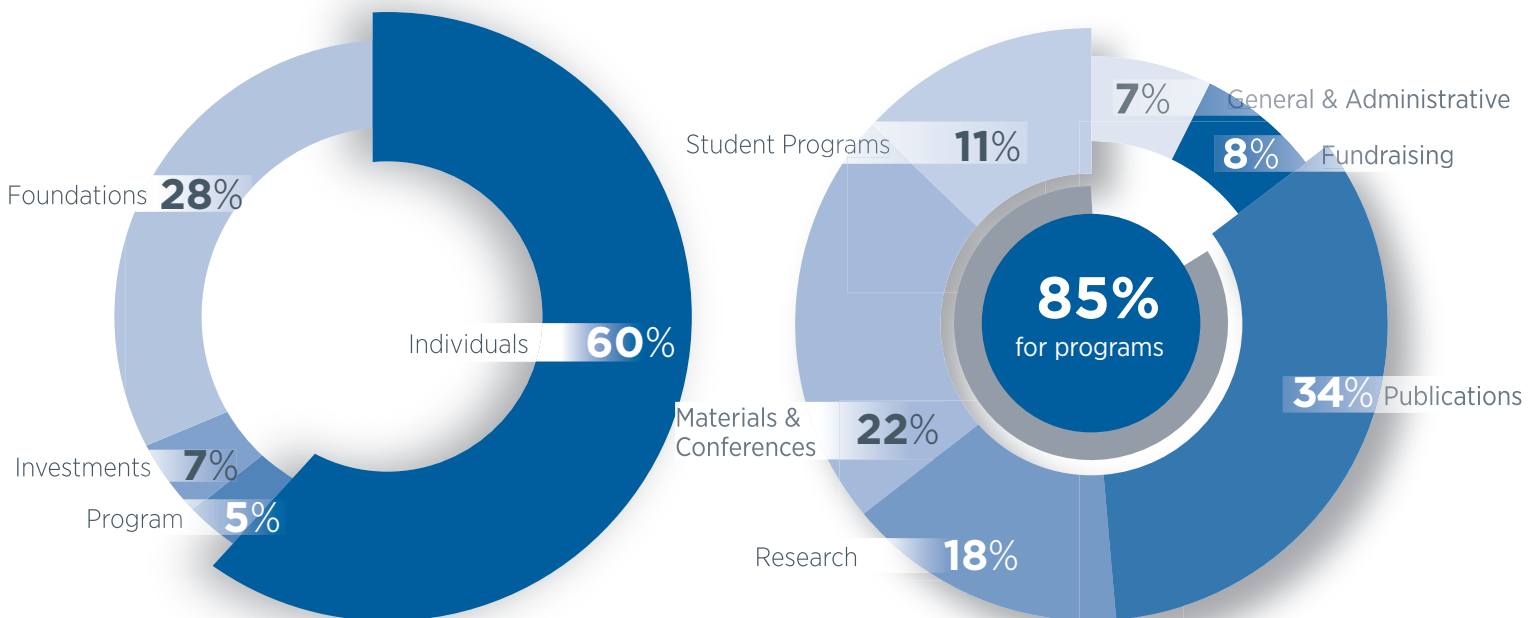
5.8 MILLION VISITS to date,

as well as ranking **AT THE TOP** for **SPANISH-LANGUAGE FACEBOOK FANS** and **TWITTER FOLLOWERS.**

FINANCES: OUR PORTFOLIO FOR LIBERTY

Independent's supporters produce windfall gains for liberty, and we take responsible stewardship of their contributions seriously. Independent operates on a lean model that focuses on results, directing all resources for maximum impact. Eighty-five percent of our contributions go directly toward underwriting programs on liberty—among the highest percentage of any non-profit. And we are dedicated to an open relationship with our supporters, making our tax returns and audited financials available on our website. Independent has earned a **Four Star Rating from Charity Navigator**, and is a **Guidestar Exchange Gold Level Participant**.

Investment flows toward high returns. More and more supporters, recognizing the impact and efficiency of Independent's program, are turning to us to help effect the change they seek. As a result, 2015 saw significant financial growth over the prior year. We look forward to further deepening our partnerships and expanding our dedicated circle of supporters in the coming year.



85% OF OUR CONTRIBUTIONS

DIRECTLY UNDERWRITE PROGRAMS

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Left to right: Independent Director of Marketing and Communications **Kim Cloidt** with Senior Fellow **John C. Goodman** at the 2015 BookExpo America; Board Member **Susan Solinsky** (center) at an Independent event; **Ron Paul** with President **David Theroux**.

SHIFTING THE CULTURE IN 2015



490
YouTube Videos

7,500
YouTube Subscribers

2.3 million
YouTube Views



LOVE GOV
From first date to mandate

1.8 million
Love Gov YouTube Views



450,000
Facebook Followers



58,000
Subscribers



11,300
Twitter Followers

12,000
Book Sales

including
A Better Choice,
Taking a Stand,
California Dreaming,
Choice,
Patent Trolls, and
Recarving Rushmore
(Updated Edition)



6
New Books

INDEPENDENT SUCCESSFULLY PLACED


while Independent Fellows were featured in

1,353
op-eds and articles,

234
interviews, with

151
additional mentions or quotes of Independent's findings.

MEDIA REACH



5.7 billion

MEDIA OUTLETS

661
up **17%**

THE LIGHTHOUSE LOGO

Independent Institute's logo is inspired by the renowned 1974 essay, "The Lighthouse in Economics," by Nobel Prize-winning economist Ronald H. Coase (available in his book, *The Firm, the Market and the Law*). Until its publication, conventional wisdom from John Stuart Mill to Paul Samuelson held that the lighthouse was the quintessential "public good," which allegedly could be supplied only by government due to the inherent free-riding of those who could not be charged for the services provided. Coase showed, however, that in Britain, "contrary to the belief of many economists, a lighthouse service can be provided by private enterprise The lighthouses were built, operated, financed, and owned by private individuals, who could sell a lighthouse or dispose of it by bequest. The role of the government was limited to the establishment and enforcement of property rights in the lighthouse." Only later did the British government consolidate all lighthouse services under its own monopoly in order to eliminate competition and directly reap the financial benefits developed by private entrepreneurs.

In addition to exposing the fallacies of a favorite public-goods rationalization, Coase rescued the lighthouse as a symbol of entrepreneurship, courage, enlightenment, and independence.



100 Swan Way, Oakland, California 94621-1428

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