

## 4 Challenges, dilemmas and strategic choices

Think tanks that focus on European policy matters within the E.U. operate, broadly speaking, in the same operating environment, which is constantly changing, be it on the economic or political side. This section attempts to understand what threats and opportunities think tanks identify in the short term (4.1) before examining other sources of potential difficulties that emerge out of our conversations with research institutes and observers of the sector (4.2).

### 4.1 THREATS AND OPPORTUNITIES

According to the think tanks interviewed, the overwhelming current challenge in their operating environment is funding, which generates problems of independence and competition. Enlargement is generally perceived positively or as not affecting activities significantly, while changes in the academia are broadly welcomed. Few other challenges were mentioned.

"WHAT CHALLENGES DO WE FACE? MONEY, MONEY, MONEY !" <sup>i</sup>

Funding is a major and recurring preoccupation for the think tanks interviewed, save only for a small minority. There is little point in us citing here all those who highlighted this difficulty to us. Although it affects most think tanks in the new Member States, it also appears to affect large and small organisations alike across the whole of the E.U. In fact, according to the Austrian Institute for International Affairs, "Most [think tanks] are in a budgetary crisis."

Sources of funding appear to be insufficient and in decline, whether they are public, private, national or international, donations or contracts. As the Austrian Society for Political Science (OGPW) explains, "Funding sources are more and more limited and concentrated." Most of the people interviewed underline the insufficiency and reduction of public financing, even in Germany and Italy.<sup>115</sup> Independent research institutes also complain of a lack of permanence in public funding. Allocations can sometimes be put in doubt by changes of government and of political priorities, a problem currently being experienced in France by certain well-known institutes.

The problem is the same for private funding. In Poland, the Centre for International Relations told us that "it is very difficult to get any financial assistance from the State," and "foreign (American) foundations do not wish to invest in Poland any more, as they move their support more to the East. Polish business is not very helpful either." Many research institutes find it difficult to cover a significant share of their expenses through contract work and membership fees.<sup>116</sup> Another major concern regarding private funding is that it is project-based and short

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<sup>i</sup> Interview with the Internationales Institut für Politik und Wirtschaft, Hamburg

term, whereas think tanks would welcome "on-going", long-term funding, through donations or multi-year projects.

Funding is not only limited but also is often difficult to access. Many of the organisations studied complain about the complexity of rules on donations and above all about calls for tender from the European Commission, which discourage many initiatives.<sup>117</sup>

Another problem reported by many think tanks is the growing tendency for governments to favour funding only for specific projects rather than for a think tank's core activities. This has the potential to damage the long-term viability of think tanks in future because it could prevent them from investing in organisational capacity, in particular research teams. It could also force a client-supplier relationship where they would seek to satisfy the needs of government rather than set their own agenda.

This funding problem logically affects the research capacity of these institutes. In the first place, it threatens their independence, a fundamental value for think tanks, as we have seen earlier.<sup>118</sup> Financial constraints limit their capacity to recruit and use their staff adequately. More fundamentally, according to the Istituto Affari Internazionali (Rome), it affects their capacity to act: "European think tanks dangerously lack dynamism, there is a problem of poor renewal of executives within these institutions." According to the European Voice (2003): "In any case, it probably keeps most of the thinking well within a political box."<sup>119</sup>

Financial constraints have another effect, which some consider to have a positive effect: they force these institutes to prove the efficiency of their work and to justify their existence. In particular, the use of private funding, according to the head of an organization which has managed to master the system well enough, "keeps think tanks on their toes by having to demonstrate to corporate funders that they are working effectively." One of the six main German economic research institutes has been encouraged recently to close down after a recent assessment by the Science Council (Wissenschaftsrat). This assessment was also carried out for the other economic research institutes there.<sup>120</sup>

But what is the real situation? To answer this question, a specific research on the development of think tanks' budgets and their funding would be needed, an area where information is not easily accessible. However, as it has been already reported (Gadault, 2004), the budgets of European think tanks are actually lower than those of their American counterparts.<sup>121</sup> This situation reflects as well the general picture of R&D spending as a percentage of GDP. This was 50 percent higher in the U.S. than the European average in 2002 and more than three times as high as in the new Member States.<sup>122</sup> From this perspective, one could argue that the independent research institutes in Europe are too dispersed. One can also note that the European Commission's spending is relatively small, although it is increasing.<sup>123</sup> We shall return to this question of funding in Sections 4.1.1 and 5.2.

#### ENLARGEMENT : MORE AN OPPORTUNITY THAN A CONSTRAINT

A key factor of change in the operating environment of think tanks in the recent past has clearly been the accession of ten new Member States to the European Union. Somewhat

surprisingly however, according to our interviews, it did not significantly affect the Euro-think tanks' situation, whether in the old or the new Member States, for three reasons.

1. First, the preparations for enlargement, as well as the enlargement process itself and its consequences had been on think tanks' agenda for a while. The head of a research institute in one of the new Member States even claimed: "The topic is not as urgent as it used to be in the early 1990s." In the new Member States, the major part of think tank work had been dedicated to enlargement. Now that accession is a reality, the attention given to such issues is anticipated to focus more on practical matters of integration within the E.U.
2. Co-operation between former and new Member States also existed before May 1, 2004. Networks such as TEPSA for instance, as well as individual organisations have developed many links with sister organisations in the acceding Member States since at least the early 1990s.<sup>124</sup>
3. To date, accession has not changed significantly the financial situation of think tanks in the new Member States either, because they benefited from E.U. financial assistance before enlargement (e.g. through the Phare programme). Besides, the new possibilities of receiving resources from the Community budget made possible through accession, usually requires complicated and time-consuming procedures. They are therefore not considered today as a significant source of funding by research centres in the new Member States. On the other hand, others feel that the increased opportunities for independent research organisations from 10 new countries to access E.U. funding sources will "increase competition on the funding market of the European Commission, unlike in the United States where the amounts of money available are huge and increasing."

#### ACADEMIA'S INCREASING ENTREPRENEURSHIP

One of the factors of success of Anglo-American think tanks highlighted by many respondents is the relative autonomy of the academic world in which it operates, characterised in part by its independence from public funding, its greater ability to work with private actors, the circulation of personnel between academia, administration, and think tanks, and more generally a greater readiness to engage in applied research. A French think tank manager observes for instance: "The Anglo-Saxons are better at producing new ideas. Why? Because in the U.S. and in Great Britain, there is a good interaction between the world of decision-makers and the academic world, which does not exist in continental Europe." Things are changing though. Several observers indeed noted in our survey that the sector is catching up with the Anglo-American trend, i.e. academics who focus on European issues are more involved in policy work, their research is more driven by news agendas, and they are increasingly reaching out for partnerships and funding with outside organisations, not unlike the corporate sector. This is particularly visible in France, which perhaps has more catching up to do,<sup>125</sup> but the same trend is present in other European Member States. Everywhere in Europe academic research institutes tend to work increasingly like independent institutes on

issues related to Europe, to reach out for partnerships, raise funds, and generally compete on the same turf for contracts and attention.

Is this an opportunity or a threat for independent research organisations? According to the academics interviewed, it can be an opportunity for both sides if they retain their specificities. Such synergies will be allowed if public research is given the means to be independent through a combination of appropriate long-term public funding, as well as competition and cooperation with think tanks and other organisations on project work. On the other hand, think tanks face growing competition from universities for E.U. funding for 'networks of excellence' and other research projects under Framework Programme VI (FP6) as they often do not have the critical mass of researchers, or indeed the finance, that universities enjoy. Independent research institutes have, therefore, found it very difficult to win bids for FP6 money. Indeed a brief glance at the list of current FP6 projects shows that there are very few think tanks presently involved.<sup>126</sup>

#### OTHER PERCEIVED CHANGES : INCREASED COMPETITION, RECRUITMENT, GLOBALISATION

A few think tanks mentioned other threats : increasing competition (discussed as a strategic issue in Section 4.2.3), difficulties to recruit (a consequence of funding difficulties), and changing political contexts.

Increasing competition between think tanks, due to a recent influx of new entrants, was indeed mentioned by several respondents. These new think tanks are described as "smaller", "more flexible", having "greater specialisation on issues", and mostly working on "short-term projects." Competition is expected to increase as national independent research institutes with a generalist agenda that do not yet study European issues thoroughly are expected to do so increasingly in the future. A specific challenge at the European level is the difficulty to have sufficient resources to be relevant in the context of an ever-growing European Union. For a German institute, this factor, in addition to funding problems, signals the possible decline in favour of networks of research centres.<sup>127</sup>

Competition from new substitutes outside the sector is also increasing. Another German research centre sees a threat and an opportunity for think tanks in the fact that "political decision making is more and more influenced by external advice not from within ministries but from private expertise." Competition comes from bodies such as institutional think tanks, in particular in Germany.<sup>128</sup> An Estonian organisation for instance told us: "Reduced public financing is leading to greater competition for contract research from government agencies. Policy-makers prefer shorter studies, which are not funded as well, and they often create commissions to conduct studies instead of commissioning a research think tank." With the disadvantage in some cases that independent think tanks may be unpopular because "very critical to bureaucratic institutions." Academic research centres are also more actively involved in contract research and applied policy research. National academic institutes are developing at the EU-level, by recruiting European students and professors, and by networking. The French CEPII has for instance produced a number of papers that proved influential at the European level.

Overall, there is a feeling that the policy-making environment, in certain areas and certain countries, is somewhat crowded. Obviously, this increase in the number of actors and the exposure of existing think tanks to other players is strengthened by the fact that "think tank networks are expanding beyond the borders of nations and regions." Globalisation, enlargement, and the increasing use of information technology reinforce this trend, by allowing actors to reach audiences across borders, as is shown by the increase in joint projects between institutes from various Member States and the active presence of E.U. branches of large U.S. think tanks.<sup>129</sup> "Competition is increasingly international," summarises an Austrian think tank. This competition is both a fight over limited resources (funding, researchers, etc.), audiences, and ideas.<sup>130</sup>

A handful of independent research institutes also mentioned their difficulties in attracting competent researchers because of funding difficulties. The situation seems to vary from country – and probably topic – to country. The same Austrian think tank told us that its "main challenge is to have a very good group of very well-trained young researchers." In Latvia, because of insufficient funding, "leading researchers get tired, [they] cannot afford many assistants." Even with sufficient funds, the inability to recruit and pay good salaries was highlighted by one of the largest think tanks, which deplores how the best and brightest prefer going to the private sector or emigrating to the United States. In addition, some countries suffer from a lack of interest in E.U. matters.<sup>131</sup>

Finally, some think tanks deplored the fact that the E.U. political agenda affects their research capacity. Security issues for instance are prominent at the moment and receive relatively more funding, while others are somewhat neglected, such as more technical issues. Similarly, transatlantic relations have been the subject of greater attention in the recent past, to the benefit of think tanks specialised in international relations.

## 4.2 DILEMMAS AND STRATEGIC CHOICES

How are think tanks adapting to the development of the environment in which they operate? In the EU, perhaps more than in other regions, think tanks are facing a number of strategic dilemmas, which will shape their future efficiency and credibility. We have come across essentially three :

- The preservation of their independence and intellectual credibility in the face of the possible pre-eminence of advocacy and the growing need for communication and influence.
- The ambition of think tanks to communicate both with public authorities and the general public, at a time when the European democratic deficit is being criticised.
- The issues and methods involved in possible co-operation between think tanks, in the context of the growing competition mentioned previously.

#### 4.2.1 INDEPENDENCE, ACADEMIC RIGOR AND THE REQUIREMENTS OF POLITICAL INFLUENCE

It is impossible for us to determine the level of independence with which research is conducted by the think tanks surveyed, and one has no reason to doubt think tanks' genuine concern for independence. The importance attached to independence however raises a number of questions which condition European think tanks' future credibility, some of which are exacerbated by current trends in the EU, while others are valid for think tanks around the world. A number of pressures exist which serve to thwart the legitimate aspiration of think tanks to be scientifically rigorous in their work and independent at the European level. These include :

- An apparently growing tension between techniques of influence and advocacy on the one hand, and intellectual rigour and credibility on the other.
- Practical constraints which limit their room for manoeuvre, notably the constant competition for grants and contracts mentioned above.
- The need to cultivate a certain proximity to political elites.

In the first place, because the number of advocacy tanks is growing and because the environment in which they operate requires a greater capacity for communication and influence, European think tanks today have to learn to combine academic rigour on the one hand with advocacy and techniques of persuasion on the other. At a general level, the notion of a strict respect for academic criteria in research, which most of the independent research institutes in Europe espouse (see Section 2.1), contrasts at first glance with the requirement of influence. Are advocacy and scientific rigour therefore incompatible? And to what level of independence can European think tanks legitimately aspire today? <sup>132</sup>

The different positions currently adopted by European think tanks illustrate the degree to which think tanks are hesitating between the traditional academic model of research and the realities of a sector where advocacy seems to be gaining ground. The box below on the Centre for European Reform shows how an advocacy tank can be both credible and influential and represent, in the eyes of numerous observers within as well as outside the sector, a model of the synthesis between these differing aspirations.<sup>133</sup>

The recipients of think tanks' work do not perceive the primacy given to independence in the same manner. Several observers of the sector point out that it is not absolutely necessary to be ideologically neutral or academically orthodox in order to be credible. A European journalist argues that an absolute independence is not crucial in itself: "It doesn't have to be a problem as long as you know where people are coming from (...), generally people are reasonably upfront." He adds that he has "no evidence that anybody has sold out on account of their funding". His colleagues share his views. Within the framework of this survey, some even expressed a wish that think tanks would become more partisan. One of them even insists: "That a think tank has political commitment and values, and takes an identifiable position is a good thing, it stimulates the debate."<sup>134</sup>

More generally, numerous recipients of think tanks' work state that it is beneficial for them to be clearly identified with a theme or a cause and to know how to communicate effectively with the media.<sup>135</sup> In addition, one of the academics interviewed believes that influence must be conceived of over the long term. According to him, managers of research institutes must become true "policy entrepreneurs", whose efforts respond to current political themes as well as the political agenda, and are measured over the duration. A good think tank must therefore ensure that its initial proposals remain relevant in the "after sales" period and that they are updated according to the opportunities of the moment.

**"That a think tank has political commitment and values, and takes an identifiable position is a good thing, it stimulates the debate."**

Perhaps the apparent contradiction between influence and advocacy on the one hand

and independence on the other can be explained by the fact that historically at the outset the sector was dominated by organisations of an academic type, but that today this is no longer an accurate reflection of the state of the sector? Perhaps it corresponds as well to an idealised vision of the role of the social sciences in politics, one of whose goals is seen as contributing to the rationalisation of public affairs?<sup>136</sup> This search for independence is in any case complicated by the material constraints which think tanks face, a source of tension underlined by virtually everyone working in this sector. We have measured the degree to which diversity and the balance of funding sources are a guarantee of think tanks' scholarly independence and how being inclined toward a more political and advocacy-based approach can compromise contacts with future funders.<sup>137</sup>

As a result, "they're all partial to a certain degree," according to a journalist. Without firm data to confirm this, this respondent felt that "it's possible that there could be some measure of self-censorship going on, a reluctance to criticise things in the institution" among think tanks financed by the European Commission. Few indeed have a diverse enough and sufficient stream of funding that they can ignore the desires of their donors, and there is no guarantee that all donors are equally magnanimous and fair in giving think tanks complete autonomy. In fact, policy-makers in government have an interest in think tank activity as targets of think tank influence. In many cases, one can note the clear correlation between think tanks' sources of public funding and their primary targets of influence. We are not questioning think tanks' desire to maintain their independence, nor are we suggesting that public authorities use funding to influence think tanks, but we are contrasting the emphasis placed on independence with the realities of advocacy and funding in today's European think tank market. Importantly, the same dilemmas exist, of course, for think tanks funded by the corporate sector.<sup>138</sup>

A third source of tension for think tanks is the necessity of cultivating close links with the government of the day, while at the same time maintaining enough distance to ensure their long-term credibility. Although CER is perceived as being close to the Labour Party and the Blair Government, it seems nonetheless to have been able to preserve its independence and credibility. Demos, described by a French journalist as "the faded dream of "Cool Britannia" " (Le Corre, 2004) has perhaps been less successful at managing this relationship.<sup>139</sup> Contracts with public authorities create as well a risk of "vampirisation". According to an academic

specialising in E.U. affairs : "There is a risk when studies are prepared that they will be biased because of the results which are expected. One moves then from a think tank approach to that of "spin doctoring" and media massaging, which perhaps enables one to sell an idea initially, but will create only disillusion in the long term. There are too many obliging studies at the European level."

This is a classic dilemma and considered as ordinary by most think tanks, which have understood, like pressure groups, that influence over the long term requires balanced contacts with different political families. Despite a lack of systematic data, one can eventually note (see Section 2.1.9) how a fair share of researchers evolves between think tanks and positions as public or elected officials. Some are on leave from the European Commission or national governments, others seek public appointments. Without questioning the integrity of these researchers, there are doubtless complex loyalties that shape the attitudes and priorities of a number of researchers in think tanks.

There exists, finally, a danger of instrumentalisation of think tanks by political leaders. Think tanks are in fact very careful about the risk of losing their independence if they are associated or financed too much by public authorities (cf. conclusion Section 3).<sup>140</sup> In this respect, we can note politicians' recent interest in these organisations as evidenced by the study carried out by the French Permanent Representation in Brussels (Féat, 2004).

The important notion of independence clearly raises difficult questions of definition and implementation. As the same journalist quoted earlier told us : "How important is it to be independent? What type of independence counts ?" Faced with a sometimes abstract notion of independence, we observe the emergence of a vision which is pragmatic and balanced. This is illustrated by CER, which successfully combines innovation, intellectual rigour, and a capacity to exert influence through advocacy. This discussion has outlined the conditions which are necessary for a mutually beneficial co-operation between think tanks and public authorities. If independent research institutes wish to develop their potential for action in a context of increasing competition, they will need to reflect strategically on their positioning.<sup>141</sup>

### The Centre for European Reform, a credible and influential advocacy tank

Today, the CER successfully combines research and the production of influential policy ideas with a certain proximity to its national government and a clear agenda. Is it an example to be followed? The CER indeed has a mission, it is "a think tank devoted to improving the quality of the debate on the future of the European Union." It provides a "forum for people with ideas to discuss the many political, economic and social challenges facing Europe." In a country where Euro-scepticism is rampant, the CER "is pro-European but not uncritical." Its objectives are in a sense similar to Tony Blair's agenda of reforming Europe by engaging more actively with its institutions and partners. Like Tony Blair, it has also tried to build a bridge between Europe and the United States. As *The Economist* concludes, it "manages to be both Atlanticist and Europhile." It is in fact described as very closely engaged with the New Labour government. Le Corre (2004) describes how Charles Grant, current Director of the CER and a "refined Blairist", has the ambition to use the CER to help the U.K. regain its respectability within the E.U. through conferences and "high quality publications."

According to Le Corre, "CER is characterised by a skilful dosage of specialisation and public communication, thanks in part to a regular presence in the press." This is indeed confirmed by the journalists and decision-makers interviewed who place the CER among the very few E.U. think tanks that add value to current thinking about European policies. Today, after only six years in operation, the CER is widely acknowledged as "a think tank with an increasingly influential role in the shaping of official policy."<sup>142</sup> It is the only think tank which was mentioned in nearly all answers to the question "which E.U. think tanks do you believe have influence today," throughout the E.U. What is the secret behind such success?

"They [CER researchers] can be relied on to say something that is concise and clean," according to a E.U. media correspondent. Besides the CER's qualities as a reliable source of good quotes for the media, several European Commission officials cited the CER as one of the only think tanks which "occasionally produces some excellent papers, even if [we] don't agree with what they say," thanks to a virtuous circle of quality work and quality researchers, which users are ready to pay for and which gives the CER greater resources and organisational independence. Another believes that it is its practice of testing ideas before publishing them. Another E.U. official questions whether it is not in the nature of their proposals to be easily accepted: "At the Centre for European Reform, they are influential because they are good, that is undeniable, but it is also because they propose things which are easy to buy in European politics! A priority for the national, liberalism, an avoidance of trouble with the United States, and not arguing in favour of more European Union, this is not choosing the path of greatest risk today." On the other hand, an academic who specialises in E.U. matters argues: "What characterises a good think tank is the ability to massage its ideas over the long term. In terms of content, the CER is good at disseminating the main ideas of Blair's policies, because it is persistent."

According to CER staff, six reasons lie behind the organisation's success: (1) the CER is independent from E.U. institutions which allows it to be more critical; (2) it aims for what is plausible when proposing policy even though it also tries "to do some 'blue skies' thinking;" (3) its views on Europe are close to those of the current U.K. government; (4) it seeks to "make its publications readable" and "get presentations right" through "simple language, but also glossy covers;" (5) it has cultivated a strong team that has been working together for several years and "enjoys the challenge;" and (6) it knows how to "work the media," which "creates a virtuous circle because corporate funders equate this with influence and want to fund you more."

The CER is an interesting example of a trend toward smaller think tanks that are privately funded. It gives hope to others that a presence in Brussels is not a prerequisite to be listened to on European matters. Sector observers will want to watch its ability to retain the same level of audience the day they are no longer "within the tent."

#### 4.2.2 THINK TANKS AND THE 'DEMOCRATIC DEFICIT' : THINK TANKS' ROLE BETWEEN PUBLIC OPINION AND POLITICAL ELITES

We have examined which audiences think tanks seek to target overall (section 2.1.5) and have provided elements of information and analysis regarding the role played by E.U. think tanks in European politics throughout this report. Beyond the factual elements of information provided so far lies the question of how they and other parties perceive this role, considering in particular the importance of the notion that a 'democratic deficit' between the institutions of the E.U. and its citizens exists. As we asked in Section 1.3, do European-focused think tanks and policy-makers believe that they have a role to play in bridging the E.U. 'democratic deficit' ?

The former indeed are preoccupied with this issue, which is reflected in how they present themselves. Many, both in Brussels and in the national capitals – and not just the ones that are explicitly pro-European – claim that they have a role to play, which they referred to spontaneously in interviews.<sup>143</sup> Generally, many think tanks seek to bring together not only experts and policy-makers, but also the general public. Some aim to provide a place for dialogue for citizens, policy-makers and experts. Member of the European Parliament Olivier Duhamel, founder of the forthcoming think tank Europhilia, to be launched in Paris in the fall of 2004, wants to use the media deliberately to reach popular audiences and seek peoples' views about Europe, including in less favoured environments.<sup>144</sup>

This trend is also reflected in the large share of think tanks that claim that they target both public opinion and civil society alongside decision-makers and the media. This claim is clearly valid concerning "third sector" actors, where cooperation through joint publications, conferences, and other events with NGOs, trade unions, industry representatives, academia, etc is clearly extensive. It is far less obvious that the research and dissemination efforts of think tanks involve, or are targeted toward, the general public. Unlike organisations such as the European Movement of Friends of Europe (see Case Study) which seek to involve the mass public in E.U. affairs, few think tanks organise events that include members of the general public. Even fewer seek to include contributions from members of the public in their research production, as Europe 2020 recently did.<sup>145</sup> Finally, think tanks' mobilisation during the European Parliamentary elections of June 2004 demonstrates their interest in democratic participation at the E.U. level. Our survey also revealed a growing number of think tanks that are interested in comparative European studies of left-right political issues.<sup>146</sup>

In reality, most think tanks, by nature, focus their efforts and limited resources on communicating with policy-makers. In this perspective, policy-makers are quite legitimately their prime objective (Section 2.1.5). For the large majority of research centres, changing – and even more so, reflecting – people's perceptions is, understandably, either a secondary objective, albeit important for some, or a strategy to influence their core target, i.e. policy-makers. In fact, it could be argued that the criticism by external observers that E.U. think tanks are "elitist" and "speaking largely to themselves" reflects the gap between reality where think tanks have limited resources and focus on a small community of E.U. policy-makers and an abstract and more ambitious vision of their work, cultivated by certain actors in the

industry. There is indeed a contrast between the perception some think tanks have—or wish to shape—of themselves and their contribution to E.U. politics on the one hand in the debate over the E.U. 'democratic deficit', and their actual objectives and the reality of their work on the other hand. Their use of the media helps illustrate this contrast. Take for instance a Brussels-based think tank which told us that its "main target is the media, in order to shape public opinion and the policy agenda," insisting that its "prime target is voters, citizens." This organisation has indeed published to date a significant number of articles and op-eds, but in newspapers which arguably reach only a well-informed and small share of the E.U.'s 453 million citizens : the Financial Times, Bloomberg, the Wall Street Journal Europe, Reuters, Handelsblatt, and other similar titles.

#### CASE STUDY

##### **Friends of Europe, a quasi-think tank bridging the E.U. democratic deficit by satellite?**

Friends of Europe is an E.U. policy forum which objective is to "stimulate new thinking on the future of Europe and to broaden the E.U. debate." Although not included in our survey because without in-house research capacity, FoE seeks to provide new ideas and approaches to E.U. policies. Interestingly, FoE experimented between June 23 and 27, 2004 with an online forum by satellite, "the first Europe-wide debate on reforming and streamlining the E.U. institutions and its decision-making mechanisms." FoE linked citizens from the 28 countries participating in the Convention through a series of seven high-profile videoconferences across the continent in partnership with leading think tanks.

FoE's website reports : "This event, organised in partnership with the European Commission and T-Systems, enjoyed the full support of the Secretariat of the European Convention (...). Convention President Valéry Giscard d'Estaing and Friends of Europe trustee and Convention Vice-President Jean-Luc Dehaene, both took part in the debates and answered questions from audience members around Europe. Advanced satellite technology allowed groups of four countries to engage in debate at any one time. The resulting TV quality images were broadcast daily by Europe by Satellite (EbS) and all debates could be viewed live on the Internet." FoE Secretary General Giles Merritt told us: "The result was quite remarkable, somebody in Lisbon could put a question to somebody in Helsinki. This whetted our appetite. We then launched transatlantic satellite debates, which occur on a monthly basis. They will likely be picked up by national TV."

Do E.U. think tanks really try to speak to the masses ? Why such a contrast between their proclaimed ambitions and what they actually achieve ? How much is the public affected by think tanks' activities and ideas? How much of an impact do they have in promoting a dialogue on E.U. issues ? These are very difficult questions to answer, although the example of the Lithuanian think tank highlighted in the Case Study below and our discussion of performance measurement provide some elements of information.<sup>147</sup>

On the other side of the policy making fence, we highlighted in Section 3.1 how the policy-makers and other observers we interviewed are at best sceptical about Euro-think tanks' capacity today to contribute to E.U. institutions' democratic challenge. Overall, it is unclear whether European 'brain boxes' have a role to play in bridging the E.U. 'democratic deficit'. Which is their natural constituency, or 'user group' : policy-makers only, or policy-makers and voters? Is their claim that they help widen the debate about the E.U. and

represent citizens' views valid? Should they be encouraged to play a more active role in connecting with E.U. citizens, within and across national borders ? Our feeling is that this issue is possibly a distraction from think tanks' core contribution to E.U. policy making and that a fuller answer would require further research.

### The Lithuanian Free Market Institute measures its reputation amongst the public

If Estonia is often considered the most European of the Baltic States, Lithuania is without doubt the boldest, as a recent public consultation undertaken by the Lithuanian Free Market Institute (LFMI) shows. LFMI was created in 1990 in order to promote classic liberal ideas, based on the principals of individual responsibility and freedom, the free market and the cutting back of the State. This was at a time when Lithuania was not officially independent and was still under Soviet control. Dynamic and innovative, the LFMI works closely with the business world, international financial institutions, opinion-formers, and journalists. Thanks to its innovative proposals, the media are paying increasing attention to the institute. The institute believes that its work has had a positive impact on people's lives in Lithuania. It is perceived by at least one famous Lithuanian journalist to be a model of dynamism.

One of the LFMI's interesting practices has been the launching of a study aimed at better evaluating the institute's true reputation and the impact of its work within Lithuanian society. As far as we know, such an exercise has never before been conducted by a think tank in Europe. The study was carried out by TNS Gallup in October 2003 in the form of a survey of a representative cross-section of the population. It found that more than one-third of Lithuanian citizens know of LFMI. LFMI and its activities are known above all amongst those most directly concerned with their work, particularly university academics (80 per cent).

More surprisingly, this study permitted an evaluation of what LFMI represents in the eyes of the public. Besides the expected answer that it stood for free market ideas, one third of those who had heard of LFMI thought that it represented the interests of Lithuanian consumers, citizens and business (several answers were possible). 69 per cent of those who knew LFMI had total or partial confidence in the organisation. The majority of those who know LFMI were aware that it was a non-governmental and non-profit organisation. It is interesting to note that none of the people surveyed considered LFMI to be a political organisation.

This type of survey demonstrates the potential for studying a think tank's reputation, its credibility and influence among the wider public, and helps to identify whether a think tank has met the expectations which it has set itself in its mission, while keeping in mind that the credibility of such a survey depends to a large extent on the methodology used.

To consult all the results of the survey go to : [www.freema.org/About/Survey.phtml](http://www.freema.org/About/Survey.phtml)

#### 4.2.3 DEVELOPING SYNERGIES IN A CONTEXT OF INCREASING COMPETITION

As noted previously (Sections 2.1 and 2.2), the number of think tanks that specialise in European issues as well as of new substitutes is growing. Because they are - mostly - non-profit organisations, operating often in different environments but on similar issues, sometimes with a similar ideological agenda (Section 2.1), European think tanks dedicated to E.U. matters face simultaneously the question of competition and collaboration with their peers. Oster (1995) argues : "In the non-profit area (...), in addition to the structural analysis of how many and what kind of organisations are in the market, in non-profit markets we will typically also want to know something about the nature of relations among those organisations." This tension between cooperation and competition is indeed likely to shape think tanks' operations in the coming years. This section seeks to answer more particularly the following two questions :

- Do the Euro-think tanks analysed consider themselves as peers or competitors and how real is competition today?
- What future strategies could they adopt?

On the one hand, steadily decreasing public funding and a growing number of think tanks mean greater competition at the national and E.U. levels. E.U. think tanks fight, broadly speaking, for the same audiences, which capacity to absorb their production is not boundless. At least on the public side, they compete largely for the same national and E.U. funding sources. They face the same problem for media attention, with European issues that typically generate little media interest. Logically, the majority of think tanks, as noted in Section 4.1, perceives competition as an issue. Overall, there is a feeling that "not everybody is going to survive, there will be some real changes," as summarised by the head of a large French 'thinking cell'. Yet, co-operation is also very much on the agenda. We have seen in Section 2.4 that networks of think tanks have emerged in the recent past and how think tanks initiate either institutional partnerships or occasional joint initiatives.<sup>148</sup>

Without clearer data, it is difficult to identify a clear trend toward greater co-operation or more intense competition, only to confirm that both strategies are present. It is not possible either at this stage to determine whether the policy-making environment is overcrowded for European think tanks or not. Most complain that their funding base is too narrow, that new entrants therefore logically present a threat for most, yet many observers concurrently feel that the community is underdeveloped as mentioned above. This report agrees with an academic interviewed that "fundamentally, the onus is on think tanks," and more specifically that:

- The current coverage of issues is limited, as indicated before. The emergence of Jean Pisani-Ferry's think tank dedicated to macroeconomic policy issues and his ability to develop successfully a sound funding base so far is not only testament to his personal qualities, but also to the fact that there is room for development within the sector.
- Think tanks need to learn how to develop their funding base. Relying for the most part on public funding, many have not actively sought partnerships beyond traditional supporters. Some of the think tanks surveyed are leading the way in this regard, and discovering that obstacles to private funding are not so much a question of fiscal and regulatory constraints as they previously believed, but more of culture on both sides.
- If think tanks are to be better funded, then they must also respond to many of the criticisms which people make of them today. Section 3 showed how external parties consider that think tanks are overall not good enough at communicating their work and at producing innovative ideas for which they would be willing to pay more. A journalist suggested that something simple that research centres should do is send on a regular basis an up-to-date list of experts within think tanks and their fields of expertise, which would allow journalists to know whom to call when investigating a particular issue.<sup>149</sup> It can be anticipated that the think tanks that will prosper in the

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<sup>i</sup> Interview with the Intercollege, Cyprus

future will be those that succeed in initiating a virtuous circle of quality work, recruitment of the best researchers, media strategies that promote their work, and transnational influence.

- Despite competitive challenges and the limits of co-operation, Euro-think tanks can foster greater exchanges. In our interviews, most managers welcomed the entry of new players onto the market, for its positive effects on quality, because it "keeps think tanks alive," and because "with more think tanks you raise the general dynamic and then you can attack the funding problem and companies see it is in their interest to help." Many however, even among the better-established ones, appeared mistrustful of think tanks recently created.<sup>150</sup> While certainly not the case for all the think tanks, this negative attitude regarding competition was nonetheless confirmed by the representatives of a new organisation, who criticise the tendency of some of their "seniors" to call for innovative policies in their research, but not to encourage it in their own sector. This type of attitude may exist elsewhere (Gadault, 2004), since others are suspected of "wanting the death of [their] competitors", and being liberals "who love a monopoly". Some people also condemn in France an "uncomradely state of mind" – an attitude which probably exists elsewhere – and a "lack of willingness on the part of French think tanks to work together to publicise better their achievements. Even if it means continuing and deepening a crisis which they [themselves] are debating." (Gadault, 2004)

Therefore, in our view, the perception of competition today is misleading, despite a recent rise in the number of independent research institutes and the very real challenge of accessing funds.

#### EMERGING STRATEGIES IN THE FACE OF GROWING COMPETITION

In line with the previous comments, Euro-think tanks today are considering – and for some should perhaps consider – five main types of strategies to prepare for the future. Think tanks :

1. Cultivate private sources of funding strategically and actively.
2. Develop performance measurement tools.
3. Welcome new entrants and develop synergies through networks and cooperation.
4. Consider greater focus and perhaps further specialisation.
5. Develop a better awareness of potential audiences.

**DELIBERATE FUND-RAISING :** First of all, it is a matter of urgency for think tanks to develop their funding base beyond traditional sources, with a proactive strategy. While this is clearly "easier said than done," few players on the market surveyed here have overcome their cultural reluctance to engage in this type of activity and have in fact begun such a process, by appointing a development / fundraising manager from the private sector, by developing a marketing strategy, and by approaching the private sector systematically, both corporate and individual donors for donations rather than project work. This is in the interest of the sector as

a whole, which is relatively unknown beyond limited policy making communities. In this perspective, the current mass media's interest in the think tank sector is an opportunity.

**DEVELOP PERFORMANCE MEASUREMENT TOOLS :** Trends in the non-profit sector in the United States show clearly that non-profit organisations, as they seek greater private support, need to demonstrate that they have performance measurement mechanisms in place in order to justify the funds received and generally monitor their activities. Here also the easy reply would be "easier said than done." It is indeed, as noted before, very difficult to measure policy influence. Some organisations might even be reluctant, and legitimately so, to position themselves as seeking to influence policy or the public one way or another. Measuring performance does not imply changing an organisation's ethics though. Practical and philosophical reasons should not prevent Euro-think tanks from developing concrete, simple tools to monitor and improve the value of their activities with regards to their own mission. While this issue deserves further, more detailed research, one can note that performance and impact measurement for think tanks can be attempted, as the following two examples encouragingly indicate.

Recently, an Estonian institute presented on its website its efforts to measure its performance.<sup>151</sup> This example is not unique. The International Development Research Centre (IDRC), a Canadian public corporation which supports the efforts of researchers from developing countries in order to create "more healthy, equitable and prosperous" societies, carries out frequent strategic evaluations of the impact of its research on public policies (Lindquist, 2001).<sup>152</sup>

**DESPITE COMPETITION CHALLENGES, WELCOME NEW ENTRANTS AND DEVELOP SYNERGIES THROUGH NETWORKS AND CO-OPERATION :** The authors of this report agree with Intercollege Cyprus that "the more, the better." On the E.U. marketplace of ideas and think tanks, there is considerable scope for new entrants, greater co-operation, and a further co-operation in order to develop synergies on research topics that attract think tanks' attention most. This is clear from the analysis of Euro-think tanks' research topics, but also from numerous interviews.

Furthermore, all Euro-think tanks studied, and most acutely 'Euro-specific' institutes, face the same dilemma, in theory at least: they need to stay close to their target audiences (primarily national decision-makers), local specialists and journalists, as well as funding sources, while taking an active part in European debates, accessing sources of information pertaining to E.U. policies, and sharing their research production with E.U. decision-makers.<sup>153</sup> Recent concerns regarding French Euro-think tanks' absence from Brussels demonstrate the importance of this question. In reality, unlike U.S. federal think tanks, the organisations analysed here operate simultaneously in two markets – national and EU – that overlap in more complex ways than the state / federal levels in the United States. More specifically, the question many face is whether to establish a presence in Brussels, and vice-versa for those based in Brussels, in order to be relevant at home and beyond their national audiences. Despite the ability to travel easily within Europe, this is an onerous solution few can afford. Only ten of the organisations surveyed (approximately) have in fact one or more international offices. Very few, such as the Friedrich Ebert Stiftung, have offices around the world (90 countries).

### The Centre for Economic Policy Research, Europe's first 'Think-Net'

Founded in 1983, the CEPR is a pan-European network of 650 economists, based in their home universities and carrying out research, which CEPR then publishes. It is run as a think tank from London. The staff numbers around 20; all are administrators and there are no in-house researchers.

CEPR's director sees distinct advantages of adopting this organisational structure compared to a traditional think tank. Ideas do not go 'stale' as can happen in ordinary think tanks. New input comes from people who work at the 'cutting edge' of their research field in academia. CEPR taps into this expert knowledge and is able to secure the services of researchers who already have a high level of academic credibility. The research agenda of CEPR is very much driven by the researchers themselves, although there are programme administrators who try to ensure that research is as policy-relevant as possible. The relationship also brings benefits for the academics in the network. They get the opportunity for their work to be read by a new and wider audience (policy-makers and the public, via the media). Being affiliated to CEPR can also enhance their reputation in the academic world. The one disadvantage of this model – which the director also recognises – is that it is harder to follow-up and respond to policy developments than it would be in a traditional think tank, because of course the contributors are also employed elsewhere.

CEPR disseminates its research in various ways: every year it publishes several hundred discussion papers and six larger research reports, as well as a bi-monthly newsletter. It organises research workshops and conferences for a selected audience (on average 50 per year), and lunchtime meetings, which are open to the public and the media (about 20 per year).

CEPR's influence was probably at a peak during the late 1980s and 1990s, when many of its core research areas like the Single Market and the single currency were high on the political agenda in Brussels. Now that many of these themes have been 'done', it is looking for equally relevant new avenues to pursue.

The head of one of the top three most successful E.U. think tanks dismisses such co-operation as "a load of baloney." Another sees think tank networks as "a waste of time (...), all we can expect out of it is a bit of mutual publicity." It is a fact that networks, as well as partnerships, can all too easily waste time and impose extra administrative burdens with limited returns. More respondents however were supportive of collaboration. We ourselves argue that synergies, either through formal partnerships, ad hoc projects, and networks such as the ones mentioned in Annex 2, are in fact the way of the future, in particular for smaller organisations which will have fewer resources in the competition for private funding. This will allow think tanks to tap into local knowledge, produce recommendations that are easier to implement across Member States and therefore be more influential. Considering most think tanks' insistence on "added value", this also makes sense as few institutes and researchers can specialise enough in specific topics to add such value. The CEPR (see Case Study) believes that a 'think net,' a different type of structure, has several definite advantages. Information-technology tools can help this trend.<sup>154</sup>

This report aims to foster such co-operation. However, if these networks are to succeed, they require a greater level of institutional support. For example, very few Member State governments fund them directly. Many think tanks do not have the resources to engage in these networks and often collaboration with other think tanks exists only on an *ad hoc* basis.

CONSIDER GREATER FOCUS AND, FOR SOME, FURTHER SPECIALISATION : A related issue to competition is the question of whether, and to what extent, think tanks should specialise on certain issues. At the E.U. level, we have stressed the overlap in Euro-think tanks' research efforts (Section 2.1.4). The general perception is that specialisation is a logical strategy and, for some, a constructive approach. This is already a reality because of funding difficulties. "Finding the right niche" is a matter of priority for most, and each think tank develops its specificity. According to the a German institute, in a context of competition, "you have to define the market you compete with, and to get a leading position in that market."

Interestingly, both journalists and decision-makers welcome think tanks that have a clear agenda and a real specialisation (which does not prevent them from rating generalist organisations such as the Centre for European Reform or the Centre for European Policy Studies among the most useful). A high-level Commission official argued for instance: "A think tank cannot specialise in everything. They should specialise more, they tend to be too scattered. A think tank should have some clear focus to be credible, and to be a little bit original in the long run.

Faced with these apparently contradictory views, an Italian respondent argued: "Decision-makers tend to change their agenda at a very fast pace, thus modifying their demands in terms of analysis. This means that think tanks need to have a very wide range of competences if they want to play a role and influence policies. Others argue against the dangers of over-specialisation that make the organisation more dependent on its operating environment and less susceptible to contribute to policy making by bringing together different perspectives from different fields of research. Specialised expertise also pitches think tanks against interest groups. Unfortunately they are often incapable of maintaining such a structure." While there is clearly room for multi-disciplinary research centres, Euro-think tanks may well need to cultivate their focus and perceived strengths. Greater specialisation may well be not only a matter of carving a comfortable niche market for individual think tanks, but may become a question of survival.

DEVELOP A BETTER AWARENESS OF POTENTIAL AUDIENCES : This is another area where think tanks can adapt further. Our study has shown that in many cases think tanks are missing the opportunity to improve their links with the public, the national and Brussels-based media, and national Parliaments. Of course, it will not always be possible for them to reach out to these audiences, as their limited resources may prevent them from doing this.

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<sup>115</sup> Nearly all French think tanks complained that French authorities provide too little support. The renowned Friedrich Ebert Stiftung said that it was "very much dependent on public funding, which goes down everyday." The Istituto per gli Studi di Politica Internazionale confirmed that in Italy too, "there is a slow but regular diminution of public funding."

<sup>116</sup> The Institute of Economics of the Academy of Science in Latvia struggles for instance with "projects that are cheap and short-term, so they need a lot of [them] to survive."

<sup>117</sup> Procedures for research contracts with the Commission are particularly criticised as unnecessarily complex. The head of a prominent Brussels-based think tank, which no longer participates in calls-for-tender,

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complained vehemently that "the method of the Commission supporting think tanks and many other not-for-profit organizations is, to put it bluntly, crazy, because what's happening is that they're tying organisations up in red tape. The cost of servicing Commission funding is high and at the other end, some of the money in the first place is exceeded several times in the cost of the bureaucracy to manage it." The Centre for International Relations described how "in Poland, according to the latest legislation, a private person may give 1 per cent of his or her taxes to finance organisations such as think tanks, but the process is quite complicated and, moreover, people do not always declare their real income... The accession to the European Union offers new possibilities of financing by the Commission, but there also the procedures are complicated."

<sup>118</sup> In Slovakia, the Centre for European Policy warned of the "trade-off between the search for funding and independence." In Poland, the Foreign Trade Research Institute lamented its "dependence on private sponsors" as one of its main current challenges.

<sup>119</sup> A leading German think tank argues that over-reliance on dwindling public funds "prevents intellectual brilliance and provocative ideas from emerging." The IAI denounces the fact that cuts in public funding over the past few years imply that "the institute has to deal with contingent research commissioned by clients and has less space for general research projects."

<sup>120</sup> In Cyprus, Civilitas explained that the quest for funds imposes the "need for think tanks to be able to prove their direct relevance to policy making and the media. Some think tanks promote themselves in a cynical way, but they need to prove some real relevance. Do they have a role in society at large?"

<sup>121</sup> American institutes indeed have much larger budgets than their European peers, even the largest ones such as IFRI (2004: approx. €5m) : Brookings Institutions (2004 budget : \$32m income), Urban Institute (2003 budget : \$89 m), and even a more "modest" organisation such as the Center for Strategic and International Studies at Georgetown University (2004 budget : \$22m).

<sup>122</sup> "In 2001 R&D expenditure as a share of GDP in the E.U. was 1.98 per cent and is estimated at 1.99 per cent in 2002, as against 1.95 per cent in 2000. However, the gap with regard to R&D expenditure in Japan (2.98 per cent in 2000) and the United States (2.80 per cent) remained significant. The level reached by the Acceding Countries was 0.84 per cent in 2001." (Eurostat, 2004)

<sup>123</sup> These have increased from €2.759.593 in 2002 to €3.505.000 in 2004, European Commission Budget, OJEC 23.2.2004

<sup>124</sup> Also an Irish think tank reported that they had advised policy-makers and researchers from Eastern Europe, who visited them prior to their country's accession to learn about how Ireland had adapted to the requirements of E.U. membership.

<sup>125</sup> Originally pure academic types such as the CERI and the CEPII are still distinct from their think tank peers such as IFRI and IRIS. There is a realisation among French academics that "Le modèle du statut de chercheur intouchable par son indépendance et le financement public sans obligation de résultat n'est plus possible. La raison pour laquelle les anglo-saxons ont des think tanks et pas nous, c'est la fonctionnarisation de la recherche, qui a disparue même en Europe de l'Est. Ce modèle est totalement incompatible avec celui des think tanks." French academics told us that they are increasingly involved in contemporary political debates and that financing mechanisms are changing, forcing academic centres to do more policy-oriented work, in particular for the State. "State funding is changing simply because the French education ministry has less money for research and allocates funds no longer on a multi-annual basis but year by year and topic by topic."

<sup>126</sup> Cf. for instance [www.cordis.lu](http://www.cordis.lu) Part of the problem may lie with the fact that these projects require very specialised research capabilities, which think tanks often do not possess. Usually, to stand a chance of winning a contract, think tanks need to put in a joint bid with other think tanks. However, even this is not always enough: the manager of one, fairly influential, think tank network in Brussels said that his network had decided not to enter a bid during the last funding round because they simply lacked the capacity to do so.

<sup>127</sup> This view is shared by one of its national peers: "Stronger focus is placed on developing networks of researchers co-ordinated by the think tank. There are more and more international and European co-operations for joint studies."

<sup>128</sup> Think tanks based in Berlin face growing competition from small outfits. See Section 2.4 for further details on networks of think tanks. Although a high-level Commission official contradicted this idea by arguing that there is very little competition at the level of ideas, alleging that think tanks "produce the same papers." – "Advocacy tanks," born after WW2 in the United States, "are linked to particular ideological groupings of interests. (...) They tend to see their role in the policy making process as winning the war of ideas more than as a disinterested search for the best policies". They distinguish themselves from previous tanks for their relative independence from the academic world, "they are more often than not staffed with non-academics," their sources of finance, "draw disproportionately from sources linked to particular interests," and their research products, "likely to be closer to brief advocacy pieces than to academic tomes" (Abelson, 2002).

<sup>129</sup> See Annex 2 for further details on networks of think tanks.

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<sup>130</sup> Although a high-level Commission official contradicted this idea by arguing that there is very little competition at the level of ideas, alleging that think tanks "produce the same papers."

<sup>131</sup> A sister Austrian organisation believes that students show "a decreasing interest in E.U. affairs, may be specific to Austria." On the other hand, the founder of one of the largest E.U. think tanks in Brussels argued, "if you have money, finding people is not the problem. Finding young, bright people in Brussels is easy." This director did qualify his statement though by adding: "In Belgium, the tax structure makes it more difficult to recruit people in their forties, the E.U. salaries take them away."

<sup>132</sup> Intuitively, independence and intellectual rigour on the one hand, and political action on the other, appear contradictory. The normal perception is that political engagement by a research institute risks at the very least harming its image of neutrality and intellectual objectivity. As Smith (1991) highlights in his book about think tank activists, voters know that factual rigor is not essential to political effectiveness for savvy politicians like Ronald Reagan. He describes how "facts were true to Reagan if they harmonised with broad political ideals and if they worked, not to build an accurate description of the world, but to guide and shape political perceptions." Without intellectual independence, we can also think that the range of a think tank's message will not get beyond a narrow circle of converts. Park (2004) quotes David Blockstein, a senior scientist with the U.S. National Council for Science and the Environment, who "recognises that many scientists view even the least interaction with policy-makers as advocacy, and advocacy as anathema." (Blockstein, 2002) Everybody fears that the exactness of facts does not mix well with political reality. Political influence, like other forms of persuasion, means an adaption of one's message to suit the audience (policy-makers, journalists, specialists, and sometimes the general public). The political calendar is not always compatible either with the pace of scientific research. One of the fundamental differences between academic research institutes and "thought reservoirs" is exactly the ability of the latter to react and contribute rapidly to the policy agenda. Political efficiency, support for a theme and vision, and the adaptation of messages for different publics, shaped by the political agenda, are these ideas opposed to the principles and practices which guarantee the intellectual credibility of think tanks' work? Not according to Blockstein, who exhorts "his colleagues to share the fruits of their knowledge with decision-makers, and in doing so, to overcome their natural shyness and concerns about compromising their credibility." In doing so, he proposes six guidelines to help scientists give credible advice to policy-makers: "(1) follow the facts and tell the truth; (2) obey the rules of science (have your research peer reviewed, explain how you arrived at a conclusion, and present the margin of error); (3) present caveats; (4) identify uncertainty; (5) distinguish between uncertainty and guesswork; and (6) avoid hyperbole." These criteria should also help decision-makers identify credible research. Several managers of academic think tanks asserted that it was possible in their experience to conduct research oriented towards political action while also respecting the research criteria suggested by Blockstein. Advocacy and academic rigour are not therefore incompatible.

<sup>133</sup> The Robert Schuman Foundation in France is doing its best to make this synthesis. It works for the unification of the European continent and positions itself, in a flexible manner, on the centre-right, in continuity with the beliefs of Robert Schuman, while also carrying out an important amount of research, targeted above all at politicians, and as independent as possible from external influences. A certain number of think tanks are therefore doing their best to reconcile in practice the two approaches.

<sup>134</sup> At a time when Mr Barroso has promised to lead the European Commission "as a politician and not a technocrat" (Financial Times, 14 July 2004), and when the French MEP Alain Lamassoure is delighted that "for the first time, the Council has taken into account the results of the European elections, by choosing a person who belongs to the winning political party", some might argue that we are seeing a growing politicisation of European questions and institutions, which think tanks can participate in. This could allow for debates and policy at a level which is more accessible for European citizens. (This vision is nonetheless contested by other observers.)

<sup>135</sup> The experience of Initiative and Referendum Europe (Amsterdam) and the Lisbon Council for Economic Competitiveness (Brussels) is perhaps a reflection of this expectation. Both have had up to now an above-average exposure in the media and with policy-makers compared to other think tanks with equivalent resources. This is attributed to their identification of a specific set of problems, and to the constancy of their message, determined according to different themes in current affairs and types of activities.

<sup>136</sup> The advocacy and intellectual independence dilemma is not specific to Europe. In the United States, Park (2004) highlights how this dilemma has become more prominent with the rise of advocacy tanks, which, although also operating in the same space as policy research organisations, "have consciously rejected those very conventions of objectivity *in order* to become more influential and visible in policy making." The question she then asks is whether "a think tank derives its influence from its academic credibility" or whether it "becomes influential by renouncing academic credibility in favour of advocacy." She confirms, through a survey of several leading U.S. think tanks the intuitive conclusion that the answer is in fact "both." She also concludes in the United States that "academic credibility is not a requirement for one's research to be widely cited and influential", and yet that "influential think tanks are associated with some sort of credibility which is

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divorced from traditional academic credibility." She concludes that "there is room for both types of think tanks" and that, overall, credibility may be "understood as a fluid concept in policy making." The notion of credibility for outside observers of think tanks is indeed perceived very differently.

<sup>137</sup> Indeed, those that depend on a single or a limited range of sources of funding, or conduct mainly contract research most likely face certain constraints. The Institute for Public Policy Research in Great Britain illustrates how the quest for private contracts can affect the image of independence of a think tank.

<sup>138</sup> A larger number of corporate funders does make it easier for a think tank to preserve scholarly independence: for instance, the director of one privately-funded U.K. think tank said that the fact that his organisation had over 30 different corporate sponsors meant that if any one of these tried to interfere in their research, he would simply sack them. However, there is also a risk that if a think tank is *solely* funded by private money, its activities and output will end up reflecting the interests of business rather than the public as a whole. In fact, most of the think tanks in this survey funded wholly by business are also those promoting a free market agenda.

<sup>139</sup> This problem has also been experienced in part by the European Policy Forum in the U.K. (a think tank specialising in regulatory affairs), which was previously close to the Conservative Government but is now much less influential under Labour. It could also happen to other U.K. think tanks which have previously been labelled 'New Labour' think tanks.

<sup>140</sup> The Hungarian Centre for Economics and Politics claims that despite its links with Vaclav Klaus, they are not considered dependent on his party, which they do not hesitate to criticise. The Centre acknowledges however that Mr. Klaus, as the President of the Centre, can influence research and work priorities.

<sup>141</sup> Arguably, there is no one model which a think tank can pursue which will ensure complete independence. Think tanks which depend totally on public funding, in order to escape from corporate influence, will be *perceived* as being too closely linked to the state (especially as public funding inevitably requires a degree of public control over how that money is spent in the think tank, for example through the appointment of civil servants to the governing board). Furthermore, think tanks, such as those in the U.K., which eschew state funding in favour of 100 per cent support from the private sector will be accused of being too close to business interests. Therefore, the best balance would seem to be the one which many of the successful think tanks have already adopted: diversifying the funding base to include both private and public sector money (never from a single source), and also seeking long-term support from foundations.

<sup>142</sup> According to the *Financial Times*, quoted by the CER on its website.

<sup>143</sup> The recently-created Lisbon Council announces for instance in its mission statement that it seeks to help "private citizens understand the personal stake they hold in a better, more competitive Europe." Similarly, the core concern of Europe 2020, based in France, is "to promote the democratisation of the European Union." While such language seems mostly present in the literature of multi-disciplinary E.U. think tanks, it is also valid for some that are more specialised. ISIS Europe, in the field of security, claims for example that it "works to increase transparency, stimulate parliamentary engagement and broaden participation in E.U. and NATO policy-making."

<sup>144</sup> Confrontations Europe, based in Paris claims in fact to "have become an interface between society and E.U. institutions", not unlike the Portuguese Institute of International Relations which key objective is "to link academic research, decision-makers and civil society."

<sup>145</sup> This Paris-based think tank recently published a report, which brings together "the thousands of comments, criticisms and propositions expressed by the citizens who took part in the New Europeans Democracy Marathon," a series of one-hundred "debate-conferences" organised in a hundred towns in twenty-five European countries. *Fifteen Fundamental Principles and Reform Proposals for a Democratised Europe in the Coming Decades*, January 2004, available at <http://www.europe2020.org/en/partnership/NFELTCP.htm>.

<sup>146</sup> Examples would be the Policy Network, Centre for New Europe and the Stockholm Network. These organisations are increasingly focusing on the comparative aspect of many questions, previously discussed only at the national level, for instance the debate on health care, welfare state, and pension reforms in Member States, and also the discussion of how centre-left policy-makers can adapt their policies in response to globalisation.

<sup>147</sup> Other think tanks have conducted such polls in the past, e.g. the Adam Smith Research Centre in Warsaw asked the Institute of Opinion and Market Survey Estimator to analyse its notoriety in April 1998 (based on a sample of a few thousand Poles from across the country). The poll indicated that ASRC is recognised by almost 10 percent of the Polish population (cited by NIRA, <http://www.nira.go.jp/ice/nwdtt/dat/1178.html>).

<sup>148</sup> ELIAMEP in Greece in fact identifies a current trend toward greater cooperation and networking between think tanks across the E.U. The Friedrich Ebert Stiftung also believes that "think tank development means more cooperation, to sit together and to see projects we can support, to create a common base."

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<sup>149</sup> "To receive, for example once a year, a list of this sort which would give me a reserve of people to contact for answers on specific European matters."

<sup>150</sup> The comments of one of the most important think tanks on the Brussels scene demonstrated, for example, how some organisations – including the well-established ones who have in principle the least to fear from competition – can be critical of new initiatives and overly sceptical, as if they wanted to discourage the creation of new, independent centres of research. There are however regional differences. All the Italian think tanks surveyed felt that competition is "not an issue" as there is a lot of collaboration between them, while German research centres stressed how competitive their relations were, as the density of EU-focused think tanks is greater in Germany.

<sup>151</sup> For further information: Institute for European Studies, <http://www.ies.ee>

<sup>152</sup> Doing its best to overcome the conceptual difficulties of measuring the influence which ideas from research have on policy, the IDRC worked with Evert Lindquist, a specialist on the policy decision-making process, in order to take stock of the knowledge and theories concerning the relations between research and its influence (Lindquist, 2001). On this basis, Lindquist concludes not surprisingly: "We should have realistic expectations about the potential for influence. Ultimately, whether in developed or developing countries, supporting policy inquiry is an act of faith: we build policy capacity not because we believe that there will be measurable and unambiguous impacts on government policy, but rather, because we believe that having more rather than less policy inquiry is better for furthering dialogue, debate, and the sharing of ideas from elsewhere. The majority of the ideas or innovations generated will never become policy or will get 'out-competed', for whatever reason, by other ideas or imperatives. Assessing policy influence, then, is typically about carefully discerning *intermediate* influences, such as expanding capacities of chosen actors and broadening horizons of others that comprise a policy network." His analysis describes the types of policy influence which research can hope to achieve and the different approaches which allow one to study this influence. On this basis, he proposes a framework for the strategic evaluation carried out by the IDRC's Evaluation Unit, which, despite the complexity of the task, does not necessarily lead to a complicated method of measurement. IDRC has notably arrived at the conclusion that *ex post* evaluation is not possible, because policy-makers do not tend to reveal where they have taken their ideas from. Only an *ex ante* analysis can offer satisfactory results. By following all the interactions between a think tank and policy-makers (meetings, telephone conversations, etc) and then trying to analyse the extent to which a civil servant or a politician has changed his/her opinion, one can try to assess the progress made in relation to the original objectives.

<sup>153</sup> A few independent research institutes told us that they do not wish to work outside their national capital.

<sup>154</sup> A Cypriot organisation has for instance decided "not to grow indefinitely, but "to keep it small and do as much as possible on the web in and from Cyprus."