Think tanks are independent, or private, policy research organisations present in increasing numbers around the world. More often than not, think tanks are established as non-profit organisations. When they operate internationally, they are usually categorised as non-state actors in global and regional politics. Within the nation-state, they are often described as third sector organisations emerging from civil society. From both perspectives, these organisations are often viewed as vehicles for material interests and as ideational forces that are skilled in the arts of persuasion, agenda setting and advocacy. The intention here is to address whether or not the non-profit form is advantageous to think tanks when competing at transnational levels in a battle of ideas to influence states and international organisations. Accordingly, this paper will address the transnationalisation of think tank activity and the manner in which these organisations respond to emerging sources of demand in global and regional arenas.

Why are so many think tanks interacting at regional and global levels? The transnational boom in think tank development has been prompted by foundations, corporations and other non-state actors such as NGOs demanding high-quality research, policy analysis and ideological argumentation on the one hand, but also by grants and other funding from governments and international organisations seeking to extend policy analytic capacities, aid civil society development or promote human capital development. Accordingly, the main focus of this paper is to address the supply and demand forces that propel these institutes into the global order. However, it is first necessary to specify what think tanks are, who they target, and to track trends in their development. This is covered in the first section of the paper. The second section investigates the supply side of think tank transnationalisation whilst the third section assesses the sources of demand for think tank services. The discussion of the fourth section concentrates on the role of think tanks in the World Bank’s new “Global Development Network” (GDN) initiative. Accordingly, the questions addressed in this paper are less focused on the issue of think tank influence, relevance or political impact in global or regional policy-making, and more concerned with the prior question as to why these organisations become established and spread to become a part of global society. As such, the paper establishes its conceptual foundations on economic and political theories of non-profit organisation.
Terms, Trends and Transnationalisation

The term “think tank” is used here to mean independent (and usually private) policy research institutes containing people involved in studying a particular policy area or a broad range of policy issues, actively seeking to educate or advise policy-makers and the public through a number of channels. This paper avoids identifying think tanks as a sub-category of non-governmental organisation (NGO). Instead, the broader term “non-state actor” has been adopted. In many cases, think tanks are quasi-governmental or quasi-academic and lack the independence and connections to civil society usually associated with NGOs.¹

Generally, these organisations are private bodies—legally organised as charities or non-profit organisations—but some are semi-governmental. These organisations are found at the intersection of academia and politics, and they often seek to make connection between ideas and policy. Think tanks have one thing in common: the individuals in them attempt to make academic theories and scientific paradigms policy-relevant. However, there is considerable diversity amongst think tanks in terms of size, resources, and the quality or quantity of research output. The majority of think tanks around the world are relatively small organisations, with only a handful of staff and annual budgets well below US$1m.² Relatively few think tanks become transnational actors like the Brookings Institution in Washington DC or Nomura Research Institute in Japan. Think tanks also exhibit different objectives or priorities. If a think tank seeks a long-term impact on government thinking, it may invite politicians and bureaucrats to attend seminars rather than try to reach them through magazines or scholarly publications. Alternatively, if the desire is to shape the parameters of public debate a think tank may place higher value on influencing the media. A further recognisable difference amongst think tanks is their ideological disposition; some institutes emphasise a pragmatic or scholarly approach, others may be overtly conservative, neo-liberal or social democratic in orientation whilst others are ecological or feminist in persuasion.

Policy institutes are not limited to core functions of policy research, analysis, and advocacy. They also engage in education, training, conference and seminar activity, networking, marketing and various forms of liaison with governmental and non-governmental agencies. Accordingly, their output is diverse ranging from publications—books, journals, newsletters—and extending to organising conferences and seminars or constructing Web sites, but also including more intangible services such as expert commentary, community education, contributing to public debate, assisting in civil society capacity building and aiding network development. Consequently, the audiences for think tanks are just as various as their services and products.

¹. Definition of think tanks is a fraught exercise. It is an Anglo-American term that is not transported easily into other political cultures. See the essays in Diane Stone, Andrew Denham and Mark Garnett (eds.), Think Tanks Across Nations: A Comparative Approach (Manchester: Manchester University Press, 1998); and Jim McGann and R. Kent Weaver, (eds.), Think Tanks and Civil Societies: Catalysts for Ideas and Action (New Jersey: Transaction Press, 2000).

². A number of think tank directories provide data on the revenues and expenditures of these organisations. See for example, Alan Day, Think Tanks, an International Directory (Harlow, Essex: Longman, 1993); McGann and Weaver, ibid.; and the Web site of the National Institute for Research Advancement (NIRA) http://www.nira.go.jp
The primary target group of think tanks are legislatures and executives, bureaucrats and politicians at national and sub-national levels of governance. Policy institutes attempt to influence policy through intellectual argument and analysis rather than direct lobbying. Thus, think tanks seek access to policy communities to inject new ideas into policy debates. A policy community is taken to mean all actors or potential actors who share a common “policy focus” and who, over time, succeed in shaping policy. Members of a policy community (individual politicians and bureaucrats, interest groups and their staff, and experts within government, universities or policy institutes) interact regularly, developing a shared understanding concerning problems that are deemed important and devising possible solutions. Think tanks from outside a country also target official actors, although such institutes have less legitimacy and greater difficulty in gaining access and inclusion within these policy communities.

There are many countries where over-stretched bureaucracies and limited capacities for in-house governmental policy analysis provides opportunity for think tanks to serve government needs. However, the degree of incorporation and co-option varies from one think tank to another, and from one country to another, just as regional variations are noticeable. Latin American institutes, particularly the liberal institutes were often marginal to the political system until the demise of authoritarian regimes. By contrast, a small group of elite think tanks in Southeast Asia have enjoyed a much closer relationship with their governments. Some of these institutes have semi-governmental status or were created by government ministers. Legal and political constraints on public debate often have entailed think tank sensitivity to, and accommodation with, government concerns and controls. Other think tanks elsewhere become players in military circles. RAND is a notable example. A large number of neo-liberal or free market research institutes eschew government funding. They include the Cato Institute in the United States, the Institute of Economic Affairs in Great Britain, the Centre for Independent Studies in Australia, the Institute for Liberty and Development in Chile and the Institute for Liberal Thought in Turkey. The Middle Eastern/North African (MENA) region think tanks also encounter these tensions and contradictions of being too close to governments, of desiring to maintain independence, of being dependent on a narrow sponsorship base, or being excluded from official circles. The organisational choices made by think tanks about their relationship to centres of power and authority must be

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understood by reference not only to the ideological disposition or mission of the think tank but also by acknowledging environmental conditions such as the legal and economic constraints of the political culture in which they are located.

The distinction between an independent think tank and an official or state-funded think tank is not clear cut. In reality, complete autonomy and independence for think tanks is illusory. Self-generated research agendas, financial autonomy, a dispassionate scholarly focus and retaining organisational distance from official forums may bolster intellectual integrity but it also undermines the potential for policy relevance and input. To some degree, all think tanks are shaped and constrained by their political context. Some institutes are reliant on state funds or enjoy favourable tax status; some institutes are legally constituted as quangos or were initially established by government. In other circumstances, institutes are informally incorporated or co-opted into policy development. Other institutes have compromised autonomy because of formal links to political parties (especially the case in continental Europe).7

Outside the state sector, think tanks have cultivated other audiences. Students and academics in colleges and universities regularly use think tank publications. Foundation officials, business executives, bureaucrats from various international organisations, university researchers, journalists, and for want of a better term, the “educated public” often are engaged by think tank pursuits. Similarly, third sector intellectuals such as to be found among trade unionists, religious spokespeople, NGO leaders and social movement activists can be captivated by the intellectual and ideological sustenance found in the think tank community. The modes of interaction of think tanks with such individuals or groups are beyond easy generalisation. Suffice to say that the think tank connection can involve ad hoc collaboration on a conference to more or less permanent funding for think tank projects. Furthermore, think tanks provide an organisational link and communication bridge between their different audiences. They connect disparate groups by providing a forum for the exchange of views, by translating academic or scientific research into policy-relevant publications and by spreading policy lessons internationally. These organisations are also effective vehicles for bringing together regional policy communities, although this is a more contemporary feature of think tank activity.

Think tanks are an organisational phenomenon primarily of this century. However, there have been three broad waves of think tank development.8 Until World War II, they were mainly to be found in Europe or North America. This first wave of policy research institutes were established as state-based entities catering to elite national audiences in response to growing levels of literacy and pressures for public debate. However, international connections were virtually unknown. The second wave from 1945 was characterised by more extensive think tank development. In countries such as the United States, Germany, Great Britain and Austria, numbers increased dramatically with strategic studies and foreign policy institutes in response to Cold War hostilities. The number of social

7. For a discussion of Western European institutes see Alan Day, “Think Tanks in Western Europe”, in Jim McGann and Kent Weaver (eds), Think Tanks and Civil Societies, op. cit.
and economic policy think tanks increased as government intervention into the economy and society mounted. In small numbers, institutes began to emerge in developing countries. However, until recently, these institutes remained state-centric given the sources of financing and domestic character of their audiences. Aside from a handful of foreign policy centres, strategic studies institutes or development institutes, relatively few think tanks either pursued research agendas that developed transnational policy themes, or interacted cross-nationally with one another on a regular basis.

The third wave of development is the phase in which think tanks are most clearly acting transnationally and in global and regional forums. In many ways, they are political barometers of broader trends and respond to wider environmental factors. The OPEC oil crisis of 1974, the increasing salience of environmental issues and more latterly, the breakdown of authoritarian regimes, the continued development, deepening and widening of the European Union, the collapse of the Soviet Union and subsequent nation-building has created new political spaces in which think tanks can operate. More frequently, they are responding to transborder policy problems of pollution and international movements of finance and human capital by adopting broader research agendas in recognition of compromised state sovereignty and various processes of economic and political globalisation. These dynamics have seen the emergence of transnational policy communities composed of officials, experts and vested interests from a number of states. The expansion of international agendas, challenges to state sovereignty, and growing power of transnational policy communities are perhaps the most significant reasons behind think tank transnationalisation. Think tanks seek to participate in these communities and are often drawn in by other participants. A number of institutes have been semi-incorporated into international organisations or multilateral negotiations such as through processes of “informal diplomacy” or contracted to monitor and implement certain aspects of international agreements and treaties. As such, they become semi-formal policy actors beyond the state.

The massive proliferation of think tanks worldwide has also been propelled by the increasing availability of foundation support and development aid for such organisations, and the worldwide phenomenon of “third sector” associational growth. Along with cheap flows of information, the number and depth of transnational avenues of contact have expanded providing greater opportunity to organise and propagate think tank views. Similarly, the transnationalisation of think tanks parallels the transnationalisation of academia with its “invisible colleges”, cross-national research programmes and international exchanges.

9. This kind of diplomacy entails activities or discussions involving academics and intellectuals, journalists, business elites and others as well as government officials and political leaders “acting in their private capacity”. Various official and non-governmental participation in seminars, conferences and organisations is “mixed” or “blended” suggesting that the demarcation between official and unofficial involvement is unclear. See Diane Stone, “Private Authority, Scholarly Legitimacy and Political Credibility: Think Tanks and Informal Diplomacy”, in Richard Higgott and Geoffrey Underhill (eds.), Non State Actors and Authority in the Global System (London: Routledge, 2000).

Since the late 1980s, a growing number of think tanks have extended their activities beyond their home states.\(^\text{11}\) The Institute of Southeast Asian Studies (ISEAS) based in Singapore is a good example of a regional think tank. Think tanks that are genuinely international are less apparent. The Trilateral Commission is a think tank-like organisation that is transnational in its form of organisation.\(^\text{12}\) The Club di Roma and World Economic Forum (Davos) may also qualify. A more frequent occurrence is when nationally constituted think tanks transnationalise various features of their activity. A few American institutes have opened offices abroad, such as the Heritage Foundation in Hong Kong and the Urban Institute in Russia. The International Institute for Strategic Studies (IISS) has an international fellowship scheme which draws in talent from around the world and which allows IISS to maintain contact with other institutes (and universities and ministries) for years subsequently. The increasing pace of EU activity has seen the emergence of institutes that do not adhere to any specific national identity such as the Centre for a New Europe and the European Policy Centre in Brussels.

International research collaboration and formal networks of think tanks are more common, often organised around specific policy fields such as environment, security or development. For example, during the 1980s, the Swiss security institutes played an initiating role in building networks of like-minded institutes.\(^\text{13}\) Think tanks are also drawn into broader transnational networks. For example, the Mediterranean Development Forum (MDF) promotes “best practice” approaches to development and critically engages senior government officials, the development community and the private sector in a dialogue on effective management, good governance and sustainable economic growth.\(^\text{14}\) The MDF is primarily orchestrated through MENA region think tanks with support from the World Bank. Since 1997, the World Bank has sponsored a number of regional and international meetings of think tank executives as part of its broader agenda of promoting “knowledge development”.

Think tank prominence at a global or regional level is often reflective of the extent of think tank consolidation in their home country. Transnational institutes still require a strong domestic constituency and local sources of sustenance. Transnational activity requires finance, leadership skills and vision as well as expert personnel to carry forward the organisation into regional and global forums. Not all institutes command sufficient material and ideational resources. Furthermore, there are often “drag” factors that keep many institutes primarily focused on national policy issues and domestic audiences. Institutes that operate in global arenas tend also to be elite, well established and high profile bodies in their national context. The vast majority of think tanks are not known beyond their national borders and lack the size, stature, recognised experts and resources of institutes based in OECD countries to sustain a presence beyond national borders. In short, Northern think tanks are more prominent than

\(^{11}\) Greater detail of think tank transnational activity can be found in Diane Stone, “The Policy Roles of Think Tanks in Global Governance”, in Karsten Ronit and Volker Schneider (eds.), Private Organisations, Governance and Global Politics (London: Routledge, forthcoming 2000).


\(^{13}\) Day, op. cit.

\(^{14}\) CIPE, op. cit.
Think Tank Transnationalisation

institutes from the South. Additionally, networks and various forms of collaboration are more extensive between the mature think tank communities of liberal democracies whereas the MENA region institutes are only just building such links in their region. Nevertheless, despite disparities in organisational capacities, the general trend among think tanks worldwide is an increasing diversity and depth to transnational activity. The question that arises is why the supply of non-profit policy research and advice has become more prevalent in global and regional domains.

The Supply of Non-profit Policy Advice

Adopting a global or regional scope reflects competition at the national level in countries such as the United States, Canada, Germany and the United Kingdom, and a need to expand organisational horizons to maintain status or to be consulted by national governments. Transnational activity is an adaptation to secure relevance and organisational expansion. By contrast, in political systems that are more closed, moving onto a global or regional plane of interaction may be a way for think tanks to circumvent authoritarian controls and exclusion from domestic policy communities. A think tank can find alternative sources of support from NGOs, donor agencies or groups in other states. In other words, there are often internal organisational imperatives for transnational activity. Yet, think tanks also respond to the more general conditions of domestic and international under-supply of research and analysis.

The reasons for under-supply are multi-faceted but three reasons stand out. Firstly, in many countries, knowledge activities that were once funded by the public purse have suffered from fiscal restraint and state retrenchment. This is particularly evident in Eastern and Central Europe. Secondly, knowledge development has the character of a public good which dampens investment in its production. Thirdly, information asymmetries mean that consumers are often not able to judge the quality of private knowledge services and may defer from entering the market for such services.¹⁵ Why adopt a non-profit structure for the supply of advice and advocacy? Economic explanations start with market failure. When markets fail and firms have the incentive to engage in opportunistic behaviour, one check is to constrain firms legally from acting in the self-interest of profit by establishing trust through the non-profit organisation. The non-profit label “is a signal of trust” or a guarantee of quality. Following this line of argument, the analysis of non-profit organisations is to be viewed as more credible and dispassionate, or more substantial, scientific and analytical than that generated by consultancies, by activist-advocacy organisations or by other private firms like banks. “Non-profit organisations, because of their stated goal of not seeking to maximise profit, are more trusted by consumers to provide these goods.”¹⁶ Think tank executives usually encourage such impressions, arguing that independent research and analysis is of greater academic integrity


or more objective than that produced by groups representing vested interests as well as more critical and challenging of policy than government analysis. Establishing credibility requires developing a reputation for providing correct information, reliable analysis or a dispassionate perspective. Furthermore, by cultivating their status as independent expert organisations, think tanks often become “third party vettors of trust”.\(^\text{17}\) That is, they have the expertise and access to information to ascertain and sanction the trustworthiness of other actors: for instance, the claims of NGOs; the compliance of corporations to international standards; or the human rights record of certain states.

The non-profit form of organisation is associated with charitable endeavour and the public interest. By creating public goods in the form of knowledge and information, this public activity becomes a self-reinforcing mode of legitimation for the policy research institute. The aura of public service and altruism attracts the attention of, and resources from, other non-profit organisations such as foundations, scientific associations, NGOs and quasi-governmental bodies which again, through their patronage provide additional respectability for the non-profit policy research institute. For example, academia remains an important source of renewal and intellectual regeneration for these organisations. In many countries, there is a continuous movement of people between these two sectors or think tanks contracting academics for specific projects. This kind of scholarly engagement confers social status on institutes as expert bodies.

An important dimension of supply are the numbers of policy entrepreneurs, philanthropists and intellectuals willing to establish think tanks. In every country there is a supply of scholars and business intellectuals who cannot find or who eschew employment in academia, politics or in the public sector, but nevertheless have an interest in policy and good governance. “Ideological entrepreneurs, not focused on amassing wealth, will disproportionately select the non-profit form” to reinforce their legitimacy.\(^\text{18}\) They are essential to the founding of new think tanks. In many cases, such entrepreneurs are educated overseas, are familiar with think tanks in other countries and seek to import and adapt the form to their own country. Additionally, think tank entrepreneurs are often willing to invest the time and energy into developing regional or international links. Indeed, they often have a vested interest in organisational expansion, for principled reasons as well as for more self-interested reasons of seeking political visibility abroad, informal entrée to decision-making forums, policy experience and personal contacts through networking that frequently position individuals to make beneficial career moves. In other words, they are “impure altruists”.\(^\text{19}\) Nevertheless, think tank entrepreneurs “are needed to organise the changes in the supply structure”. That is, by making their organisations more transnational, by developing global research agendas and by plugging themselves into networks, the executives and scholars of these


\(^{19}\) Kingma, op. cit.
organisations adapt “to meet the changing demand” from private and public actors at the global level.\textsuperscript{20}

Explanations from political science and international relations provide further reasons why non-profit organisations emerge.\textsuperscript{21} This sector supposedly allows for greater experimentation and less bureaucratisation than is feasible with state agencies or international organisations. On the first score, think tanks have greater intellectual freedom to “fly kites” or to act as “ginger groups”, testing new ideas and engaging in speculations of a kind that governments cannot afford to undertake, at least not in public.\textsuperscript{22} As relatively small and functionally specific organisations, think tanks supposedly avoid some of the problems of large bureaucracies. Think tanks have the flexibility and autonomy to address policy problems as they arise rather than being dealt through a slower bureaucratic process. In particular, they can mobilise a wider range of intellectual resources starting with in-house policy analysis but also contracting-in university academics and offering secondments to public officials or business intellectuals. Additionally, they are not bound by the political constraints that usually attach to civil servants, the requirement for secrecy or the delayed disclosure of policy reports.

Related to their non-profit status, many think tanks adopt the rhetoric of being civil society organisations. That is, that they contribute to the enhancement of a tolerant, plural, educated and democratic citizenry. Think tanks provide services and perspectives needed by the public that are not always produced by either the state or the market. Not only do policy research institutes supposedly provide a distinctive service in raising the standard of debate or broadening the agenda but they also can present the views of minority groups, adopting a representational role. It is not unusual to see some think tanks adopt the mantle of protectors of the principles and philosophies underlying democratic societies. Furthermore, it is often in their interests to do so, especially when seeking grants or aid from foundations or foreign donor agencies keen to promote civil society development. Finally, in contributing to the stock of social capital, these organisations indirectly aid good governance and dynamic economies as they represent a constituency desirous of information, data and transparency, and are geared towards co-operative activity that creates a “set of institutionalised expectations that other social actors will reciprocate”.\textsuperscript{23}

Another suggestion is that “many newer non-profits have come into being as a direct result of entrepreneurs heeding calls for proposals from government agencies eager to contract out public services”.\textsuperscript{24} In other words, new think tank founders have responded to changes in their public sector environment. On one


dimension they have taken advantage of new funding opportunities, and a culture of public activity in many countries that favours privatisation, deregulation and contracting-out. Such policy regimes suggest or prompt the non-profit form as well as private companies. However, such contracting-out does not occur only at the national level. Increasingly, international organisations, transnational corporations and foundations are providing funding for analysis as well as funds to assist think tanks to function beyond the domestic domain.

Think tank entrepreneurs also look to other established think tanks in making a stronger claim for legitimacy in a process of “institutional (mimetic) isomorphism”. The existing institutional environment exerts considerable pressure for new organisations to conform to the “conventional” or taken-for-granted rules promulgated by the organisations that emerged beforehand. In other words, the pace and pattern of organisational founding is influenced or conditioned by previous rates of founding. Within an international context the American think tank form is often taken as a template for development elsewhere. Mimicry occurs when founders in other countries say they want to establish a Brookings-style institution in their own country. As a highly reputed think tank with a long and illustrious history, Brookings has legitimacy and intellectual credibility. It is like a “university without students”. The scholarly disposition, research orientation or “scientific” credentials of think tanks is a source of their legitimacy and can be used to set them apart from the advocacy of vested interests.

Further environmental support that helps legitimate new think tanks may come from the presence of foundations, civil society associations and a tradition within government to succour and finance such non-profit organisations. Typically, think tanks are linked to several other non-profits that have a common interest. Sometimes this is manifest in shared office space and cross-transfers of personnel. In short, new think tank development is enhanced by a general context of strong civil society consolidation. In other words, “more will follow where some exist”. The diversity of regional and international NGOs and other civil society associations in general, and think tanks in particular, establishes a structural dynamic for the growth of more think tanks.

The pattern of new think tank development in response to existing think tanks is evident. Many of the neo-liberal institutes that were created in the United States during the 1970s and 1980s were responding to a perceived hegemony of New Class intellectuals. In Britain, the new progressive think tanks (for example, the Institute of Public Policy Research and Demos) were often established in response to counter the ideological strength and influence of the New Right think tanks such as the Institute of Economic Affairs, the Centre for Policy Studies and the Adam Smith Institute. One observer suggests that Canadian think tank development was initiated partly because of a perception of being out-shone by American think tanks. “The felt need for an independent institute

25. Ibid.
had more to do with the self-image of a nation, or the image held by its policy elite. With the emergence of regional think tank networks—the MENA think tanks or the ASEAN Institutes of Strategic and International Studies—additional environmental pressures exist to generate not only new think tank growth but also other regional think tank networks that might facilitate cross-regional network interaction.

With the worldwide spread of policy institutes, the problem of supply is that of gaining attention for the “free” advice and analysis coming from think tanks. Accordingly, the appropriate question is not only one that addresses why actors establish think tanks, but a question which asks, who pays attention to think tanks? That is, what is the nature of demand?

**Demand for Analysis, Advice and Advocacy**

On the demand side, there are groups of people in diplomatic and military circles amongst other private actors in the media, law firms, NGOs, and consultancy companies as well as in international organisations who require high-quality research and analysis. For example, philanthropic foundations are an important source of demand, hence funding and support for independent policy research. In some degree, institutes are beholden to the funding priorities of foundations. Foundation executives and other sponsors have the ability to define what are emerging policy agendas (such as development studies in the 1960s) and to legitimate particular kinds of professional expertise. In the interests of continued existence and financial viability, institutes need to accommodate some of the expectations of funders. Other actors in society interact with or support think tanks because they provide useful resources. For instance, the media can find expert commentary from so-called “independent” and “scholarly” experts based in think tanks. Interest groups, trade unions, churches, NGOs and social movements can find ideological succour or normative arguments to bolster their advocacy.

Think tanks attempt to meet these varied sources of demand through a variety of approaches. One way to make sense of the different types and varying quality of research and analysis provided by policy institutes is to think of it being shaped by demand for something that is “more, better or different”. Demand-side explanations suggest that there is a societal need for think tanks. Following the theory of excess demand, if government(s) cannot or will not provide for all their citizens, then others may feel compelled to meet this excess demand with more of that service, or indeed, with a different kind or better level of service that supplements government action (and ameliorates government failure). Private provision meets the deficit. Demand explanations help explain the market for independent research as well as the nature of its diversification as think tanks adapt to meet differentiated tastes. Accordingly, think tanks supply more varied forms of knowledge than could be produced by governments. In

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the case of different or better service provision, non-profit supply permits a greater diversity of social provision than could be achieved by the state. Non-profit organisations are often argued to be more responsive to the demands of donors or patrons—in this case, foundations, advocacy groups, and individuals—who wish to support and promote certain ideas, perspectives and norms in emerging modes of global governance. Such norms may concern human rights, security co-operation or sustainable development, amongst other issues. As demand for more information, research and analysis has grown, so has demand for different kinds of information and research. In an effort to summarise the manner in which think tanks meet the diversity of demand for more, better or different research, information and analysis, their services are categorised into three types: (i) knowledge, analysis and expertise; (ii) advocacy and argumentation; and (iii) organisational and technical services. Knowledge and expertise: In developing countries, or in countries facing re-construction after war and civil unrest, think tank research supplements government research. For example, the Malaysian Institute for Economic Research (MIER) provides some forecasting services and analysis regarding the economy suited to business needs that is not provided by the Malaysian Government. Additionally, foreign think tanks may be contracted by governments to provide information, analysis and research in areas where government or universities have a weak analytic capacity. However, it is less pertinent to argue that think tanks are meeting excess demand for research in advanced economies given the size and strength of bureaucracies, semi-autonomous government research bureaus and universities. In such circumstances, elite think tanks seek to provide superior forms of policy advice by mustering the best thinkers and practitioners.

Governments, when they contract research from a foreign institute, are often looking for superior quality or a different kind of analysis from that which could be produced in-house or by local institutes. Commissioned research can be used to reinforce government policy preferences, or it can act as a standard against which local research work can be compared, or it can be used as a device to aid lesson-drawing, policy transfer and learning about global “best practice”.

Think tanks can only meet this demand if they produce knowledge that appears relatively unbiased and results from a process in accordance with professional norms, and characterised by transparency and procedural fairness. This is very often achieved by mimicking academic norms of inquiry. However, some establishment think tanks are not characterised by transparency. Instead, they meet a different form of demand. They compensate for lack of transparency with elitism and exclusivity. Selective membership or high entry costs (for example, membership fees) represents a form of gate keeping and a practice that promotes homogeneity of members, hence, a greater likelihood of similar needs and interests. Such procedures can operate as a form of quality control of limiting participants to those who are “suitably qualified”. It is also a means of managing the public standing of a think tank and indicating that certain

33. Rose Ackerman, op. cit.
34. For example, membership to such establishment bodies as the Council on Foreign Relations, the Royal Institute of International Affairs and meetings such as the World Economic Forum are not open. Instead, candidates must be nominated or elected.
organisations are, in some way, superior. As entry is exclusive, competitive and elite, an organisation can lay claim to superior standards or of being an exceptional distillation of wisdom and expertise.

The substance of what international organisations demand from non-state knowledge actors varies considerably. International conferences draw upon think tanks to provide expert analysis on specific issues. Some leading think tank directors may find themselves co-opted onto the advisory councils or consultative committees of international organisations.\textsuperscript{35} Think tanks have been encouraged to conduct studies to bring additional knowledge and perspectives into an international organisation. For instance, since its establishment in 1988, the Ibn Khaldun Center for Development in Egypt has been commissioned to conduct research or prepare studies by UNESCO, UNDP, the World Bank, the World Health Organisation, the International Labor Organisation, the UN Food and Agriculture Organisation (FAO), the Arab Labor Organisation, the Arab Gulf Co-operation Council and the New York-based Population Council. The World Resources Institute, in partnership with the World Bank, the UNDP and the UN Food and Agriculture Organisation helped launch the Tropical Forestry Action Plan.\textsuperscript{36} In other words, think tanks can often provide local or specialised knowledge that is better than that produced by the contracting organisation.

\textit{Advocacy and argumentation:} As alternative providers of expert knowledge, think tanks represent a concentration of information and expertise that can be used by various sources of demand. Think tanks often provide intellectual legitimization of norms even though they engage in processes of mystification to establish institutes as independent, scholarly and relatively dispassionate sources of expertise. Corporations fund certain think tanks to ensure that a business perspective is articulated. A few specialised policy institutes promote the general interest of business—for example, the Conference Board in the United States, or the interest of a specific industry—for example, the Foundation for Manufacturing and Industry in Britain.\textsuperscript{37} Generally, most think tanks seek to secure business representation on their boards of governors, for patronage and to indicate the relevance of their policy analysis for the business community.

Groups want ideas fashioned into a format to bolster their arguments and interests; that is, in a simplified palatable form that can be used to inform and mobilise their constituencies. “Without access to expertise (or counter expertise) ...” non-governmental organisations “… cannot effectively partici-

\textsuperscript{35} For example, Heba Handoussa is the Managing Director of the Cairo-based Economic Research Forum (for the Arab Countries, Iran and Turkey) and is represented on the Advisory Council of the World Bank Institute.


\textsuperscript{37} Some corporations are increasingly using think tanks and other “independent” experts as a means to reinforce business perspectives in policy debates. For example, Pfizer Forum is a corporate advertising series of short essays “sponsored in the interest of encouraging public discussion on policy questions and featuring a wide variety of views from leading policy experts”. Many of these experts are based in think tanks. Produced by Pfizer Europe, this series is seen regularly in \textit{The Economist} (23 May 1998), p. 42.
pate in the policy process”. By necessity, NGOs will align themselves with certain think tanks or support the establishment of new think tanks. Activist organisations like Greenpeace can draw upon the analysis of respected institutes such as World Watch to reinforce its own research or advocacy on sustainable development. Those who desire policy analysis that supports the case for a free trading system are likely to find policy options and analyses of high but accessible standard produced by organisations such as the US Institute for International Economics. Alternatively, analysis that is broadly supportive of the interests of labour can be found in the Evatt Foundation in Australia. Many Western think tanks are sometimes viewed as disseminating ideas that bolster the prevailing liberal hegemonic order of free market economies and liberal democratic polities. They use their superior resources, whether it be funding, professional personnel or entrée to transnational policy networks to promote normative policy positions. Such elite think tanks represent one organisational component of what some describe as a transnational grouping of global norm-setting elites. Some think tanks have become more political, ideological or partisan in response to the competitive environment for funding, political and media attention but also in response to demand from business, political parties and NGOs which have recognised not only the importance of ideas in policy but the need for intellectual legitimation. Expertise is used as ammunition in partisan or ideological causes. In other words, think tanks are used to support pre-existing policy perspectives and positions.

Despite the activities of ideologically motivated think tanks, the degree of scholarly commitment and adherence to professional or scientific norms within many think tanks is often sufficient to ensure high-quality research provision that also attracts the patronage of governments and international organisations. Notwithstanding the politicised or dependent character of some institutes, governments and international organisations still find many of these organisations useful, competent and professional.

Organisational and technical services: The kinds of relationship between think tanks and official agencies are multiple, but a frequent mode of interaction is a low-key service role. For example, institutes provide services such as ethics training to government employees or are commissioned to organise conferences and seminars. Think tanks create channels of communication between formal and informal policy actors by starting newsletters, compiling databases and building networks. They gather information and prepare submissions, develop policy blueprints or draft legislative proposals. When operating at a domestic level, think tanks facilitate the downward flow of information from national decision-makers to local levels of decision-making, as well as to the “educated public”. When operating at global or regional levels, think tanks facilitate the horizontal flow of information between transnational policy elites as well as to other non-state actors. In terms of international agreements or new policy regimes, think tanks are often well placed to signal to domestic constituencies of changes in the external environment and report on negotiations, treaties and

40. Rose-Ackerman, op. cit., p. 130.
agreements. Numerous EU think tanks can be found diffusing ideas and information to national audiences about tax harmonisation, the implications of the EMU or the technical requirements for meeting various EU Directives. Think tanks are also important organisations for communicating and educating domestic constituencies into “soft law” in the form of guidelines, recommended practices, non-binding resolutions and such like. Think tanks also monitor implementation and provide evaluations.

There is demand for the production of knowledge but also for information to be managed. International organisations and governments require organisations to sift and edit knowledge. Think tanks represent a legitimate and neutral vehicle to filter, to make sense of the conflicting evidence, sets of argument and information overload. As noted earlier, the “politics of credibility”—of status, trust and reputation—is an important dimension of demand for think tank services in the “information age”.41 Think tanks are just one group of organisations amongst many others pressing upon governments and international organisations with ideas, information and analysis. Yet, many think tanks are also attempting to set themselves apart as “filters and interpreters” of information.

... to understand the effect of free information on power, one must first understand the paradox of plenty. A plenitude of information leads to a poverty of attention. Attention becomes a scarce resource, and those who can distinguish valuable signals from white noise gain power. Editors, filters, interpreters and cue-givers become more in demand, and this is a source of power. There will be an imperfect market for evaluators. Brand names and the ability to bestow an international seal of approval will become more important.42

“Think tank” is an informal “brand-name” for organisations able to reliably “edit and credibly validate information”. In other words, they are “third party vettors of trust”.

The World Bank and Think Tanks

Governments and international organisations are using private organisations as a civil society strategy to diffuse lessons and ideas. In doing so, they also engage in capacity building. Indeed, with vastly differing legal, organisational and social issue climates and political regimes around the world it is sometimes necessary for an exogenous actors—international organisations, foundations, official aid agencies—to intervene with capacity building events that promote to spread of the think tank form. It aids coherence in the type of organisations that emerge, allowing them to network with other regional think tanks. For example, the Washington DC-based Center for International Private Enterprise (CIPE, an affiliate of the US Chamber of Commerce) is a group that collaborates with the World Bank to conduct “capacity building” and training events for think tanks. In other words, organisations that use think tank products seek to increase the supply of private policy research. Sometimes this is in recognition

of the under-supply of knowledge in certain countries but also under-supply regionally and globally.

In December 1999, the Global Development Network (GDN)—an association of research institutes and think tanks—was launched by the United Nations, the World Bank, the governments of Japan, Germany and Switzerland as well as other sponsors.43 Despite the numerous partner organisations, the World Bank retains its role as convenor with the GDN secretariat based in Washington DC. One objective is to mobilise World Bank knowledge and that of its member countries to address pressing development issues whilst also recognising growing public pressures for participation in policy choices. “In this context, think tanks constitute crucial civil society institutions that transcend government changes and offer a consistent source of knowledge for quality improvement of locally generated economic policies.”44 Additionally, as part of the World Bank’s efforts to restructure and deepen its knowledge base, think tanks represent a source of local knowledge that can be woven into the knowledge management system of the World Bank. In return, the World Bank can offer “research to training to information management” that think tanks need. Furthermore, communication channels between Bank staff and the outside world are expanded.

At a more general level, this initiative recognises that knowledge plays a central role in social and economic development. In the shifting stance of the Bank away from the so-called “Washington Consensus”, greater credence is accorded to the idea of “social capital” and particularly the way in which non-market improvements can impact positively on the market and aid economic development.45 In this context, with their status of civil society organisations, think tanks represent a form of social capital to be cultivated. Furthermore, they produce social capital through their co-operative networks and interactions.

There are positive benefits flowing from the GDN in allowing greater scope for “home-grown” policy, information sharing and enhanced research capacity in and between developing countries. The partnership is a collaborative arrangement for the co-production of local, regional and global knowledge on “best practice”. It entails information and resource sharing, as well as joint action, between the Bank, organisations like CIPE, training institutes and think tanks. “Collaboration respects the integrity of the participating organisations.”46 However, concerns and criticisms are likely to voiced by other civil society actors that are not such fortunate recipients of World Bank resources. Two issues are addressed here.

The first issue concerns think tanks as civil society organisations. The World Bank has identified think tanks as key organisations for democracy promotion, civil society enhancement and capacity building. Many think tanks emerge out of civil society, from the entrepreneurial efforts of local intellectuals and politicians, concerned business people and educators, and other community leaders.

43. See www.gdnet.org.
However, think tanks are not always a benign force within civil society. Enhancement of civil society may not necessarily lead to a “civilised” society but can promote fragmentation. Think tanks can reflect, reinforce and amplify divisions in society and exaggerate societal tensions. It is equally possible for think tanks to act as a force to limit and contain civil society pressures. They do not inevitably establish dynamics for democratisation, participation and public, inclusive debate. In short, social capital can be “perverse” and issues of power and conflict come to the fore.\(^{47}\)

Think tanks can be detached from the rest of civil society. Sometimes, think tanks are so close to government that their civil status is compromised. State sanctioned bodies may simply articulate and expound the interests of the state, or the ambitions of certain political leaders, or the concerns of the military. Whilst many think tanks adopt the mantle of civil society, in some instances this is a facade. It is easy to adopt the rhetoric of civil society but more difficult to engage in substantial relations with other civil society actors—churches, mosques and temples, women’s groups, associations promoting literacy, birth control or clean water initiatives. Many think tanks are less successful in developing long-term relationships with organisations that are deemed to be of lower social status, groups that are perceived to be radical or disruptive in their demands, or bodies that are in competition with think tanks for media, political and foundation attention. In many respects, think tanks can be viewed as sanitised civil society organisations that sometimes act as a buffer between other civil society organisations and the state. Consequently, it is necessary to take into account the manner in which GDN may accentuate tensions in civil society and create divisions among groups. By establishing a preference for working with think tanks as knowledge actors, many other NGOs may considered that their access to the World Bank is weakened, particularly if they need to work through or with think tanks.\(^{48}\)

Think tanks are composed of intellectual, political and economic elites, and the organisational structure itself is often of a secular Westernised format. This feature makes them attractive to other elite actors such as foundation representatives, political parties and World Bank officials. There are similar intellectual and organisational connections, often common educational backgrounds and sometimes, previous contact through transnational networks. Think tanks are the kind of elite civil society organisations with which many international actors are very comfortable. Until recently, “Civil society’ has not been an integral part of the Bank’s mainstream language”, and as its practices increasingly extend to partnerships with civil society organisations, engaging them as “stakeholders” in World Bank projects, think tanks in particular represent ideal organisations that meet Bank standards of “worthiness, utility and above all, measurability” and can be incorporated into its subculture.\(^{49}\) In other words, the World Bank is one elite engaging with a civil society elite.

\(^{47}\) Fine, op. cit.


A second set of issues revolve around the operationalisation of “knowledge” in capacity building for think tanks, the development of “knowledge management system” and World Bank training programmes. Think tanks are being engaged in “partnerships” where a local think tank, or a regional network, acts as amplifier of World Bank values, perspectives and priorities. Furthermore, in an era of information-overload, think tanks become essential to the World Bank as “editors, filters, interpreters and cue-givers”. This is a source of power for think tanks that sets them apart from other civil society actors in a privileged position. The regional and global networks that the World Bank and other international organisations are helping to build with think tanks, potentially create a “club-like” tendency.

A related issue revolves around the type of knowledge that is being deployed by think tanks and the World Bank. The regional networks that are being sponsored by the World Bank and CIPE do not incorporate the full range of think tanks that have emerged on the world scene. Instead, capacity building has concentrated a particular grouping of think tank. This is exemplified by the membership of CIPE’s “Economic Freedom Network”, which was created to “advance the cause of economic freedom, democratic consolidation and business development”. The Network includes organisations such as the Free Market Foundation in South Africa, the Adam Smith Research Centre in Poland and the Market Economy Institute in Peru. At one level, this focus on capacity-building for economic development think tanks—especially those of a neo-liberal disposition—is not surprising. Like any organisation, the World Bank and CIPE are more likely to engage with other organisations that exhibit common values and norms. Furthermore, for practical reasons they are less interested in the large numbers of foreign policy and security studies institutes that run their own networks since these policy domains are of more limited relevance to World Bank programmes. However, the inclusion of “social democratic” or “progressive” think tanks is less apparent. Similarly, environmental think tanks—institutes that often have strong views on questions of economic development—are few. These research institutes represent alternative forms of knowledge that are yet to find a voice through the GDN.

The structural power of World Bank patronage should not be underestimated. The GDN represents a means for structuring the supply and demand for development knowledge. Political themes and policy approaches are reinforced by the multiplication of organisations at a domestic level and through building regional networks to share information, spread policy lessons and develop a consensus. The GDN significantly strengthens the advocacy and agenda-setting capacities of certain think tanks by amplifying one discourse of economic development knowledge in preference to alternative voices and visions. Networks can promote greater pluralism or representation of diverse views, but networks can also function as exclusionary devices that limit alliances and curtail exchanges to a select elite. The “trade-off” between the requirement for network coherence, stability, co-ordination and consensus on economic reform with that of inclusiveness, wider civil society participation and incorporation of conflicting perspectives is a difficult one to balance. The patronage of the World

50. Keohane and Nye, op. cit.
51. www.cipe.org/efn/
Bank in building regional networks confers considerable status on those institutes included but also strengthens the collective voice of think tanks operating with “consensual knowledge” about economic reform and development.

Conclusion: Think Tanks and Global Society

The transnationalisation of think tanks is a phenomenon primarily of the last two decades. It is a trend that will continue to unfold although it is apparent that those think tanks operating at a regional or global level tend to come from strong domestically based think tank communities. Accordingly, international organisations, foundations and aid agencies represent a powerful exogenous source for prompting think tank development in countries where there may be legal, human capital, financial and other constraints in the way of their development. However, think tank transnationalisation presents some broader reflections on three issues: that is, the changing nature of global society; the character of global governance; and the scope for representative democracy.

The implication of this study for our understanding of global society is two-fold. First, think tank transnationalisation is illustrative of the evolution, diversification and consolidation of civil society organisations generally in global and regional fora. However, the massively increasing numbers of NGOs and other non-state actors, their networks and dense patterns of exchange along with their advocacy and policy demands are creating congestion—the so-called “paradox of plenty”. In short, civil society developments can be dysfunctional. In these unfolding conditions of “plenty” and “grid-lock”, think tanks are carving out a role, on the one hand, as editors and interpreters and on the other, as expert sources of knowledge. This leads to the second observation. This article has highlighted the different capacities and resources of think tanks. Unequal outcomes are inevitable not only among think tanks but also between think tanks and other civil society organisations. Think tank dominance as “interpreters” in seeking preferential relationships with governments and international organisations runs the risk—from a civil society perspective—of becoming divorced, distant or detached from other groups that are less well resourced, less well connected, and less politically competent and entrepreneurial. As such, think tanks represent a vehicle from which to observe the competition, emerging hierarchies and tensions in global society as a whole.

The second issue concerns global governance and policy-making at global and regional levels. In the absence of a sovereign authority—a world government—opportunities are provided to non-state actors. They can acquire agenda-setting powers, input to decision-making and informal authority through transnational policy communities. In other words, the policy process at global and regional levels may well be more porous to non-state actors. This is not to suggest, however, that all non-state actors have equal entry. In these processes, think tanks emphasise their scholarly credentials as knowledgeable, expert, reputable and intellectually reliable organisations in order to gain a comparative advantage in access to decision-makers, information and finance. Think tanks that share the normative position of powerful patrons are better positioned to become incorporated into transnational policy communities. Public policy, whilst still dependent on the state, is informed by a wider range of actors and structures at this level. Governance can be informal and emerge from strategic
interactions and partnerships of national and international bureaucracies with non-state actors in the market place and civil society. In particular, the development of transnational networks has given rise to more complex and flexible modes of governance which complement (public sector) hierarchies and markets.

Thirdly, think tank transnationalisation raises questions about representative democracy in the global order. These organisations often claim that they perform a representational role—articulating diverse viewpoints and challenging orthodoxies. Indeed, in the absence of political parties generating policy ideas and visions at this level of governance, it is arguable that think tanks, NGOs and other civil society organisations are adopting this function. Without the ballot box to confer authority, the non-profit form of most think tanks and other civil society organisations can be seen to be advantageous. Where asymmetries of information exist, consumers are more prone to “trust” the non-profit supplier of policy advice claiming to act in the public interest. Yet, such claims must be treated with caution. Given the current dominance of Western institutes, the representation of policy perspectives may occlude the articulation of policy perspectives from groups in developing countries. Equally important, think tanks and many NGOs are administered and staffed by professional elites who are often unrepresentative of the communities for whom they seek to speak—whether it be specific groups or the general public—and to which they are largely unconnected. For instance, relatively few think tanks are membership organisations. Notwithstanding these comments, many think tanks do function as a pressure for greater transparency and accountability from national governments and international organisations and as advocates for democratisation.

These issues are outlined only in a cursory fashion here. The objective of this paper was a more limited one of outlining the dimensions of think tank transnationalisation and demonstrating how their non-profit status contributed to their legitimacy and privileged them as alternative providers of policy analysis. It showed that the supply and demand dynamics of think tank expertise are complex and the role of knowledge and advocacy in politics cannot be understood without reference to the relationships between those who produce it and those who consume it. It is an analysis that precedes questions about the development of global society, evolving forms of global governance and issues of representation. However, these concerns provide an agenda for further research on the policy impact and political status of think tanks. From a political science perspective, the key question will be to address think tank influence and policy impact in conditions where knowledge is power.