



**THE DEBATE OVER FOREIGN FUNDING OF U.S. THINK TANKS
OR
ARE YOU NOW, OR HAVE YOU EVER BEEN,
A STAFF MEMBER OF A THINK TANK?**

By James G. McGann



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The recent *New York Times* article (Sunday, September 6, 2014) by Eric Lipton, Brooke Williams, and Nicholas Confessore citing major grants from foreign governments to some of America's most prestigious think tanks raises an important issue involving the integrity of think tank research and its impact on public policy. But it places at risk the reputation of some of the leading think tanks in America, and, consequently, merits a very careful assessment.

Let me state at the outset that I have spent 25 years researching and advising think tanks all over the work with a view to promoting "best practices," including ways to maintain financial, legal and intellectual independence. That said, I have concerns that the article will have a deleterious effect on think tanks, which is unfortunate because they really do play an important and largely beneficial role in the formulation of public policy. The authors seem not to understand what think tanks are, and they confuse lobbying and propagandizing with what think tanks do.

In fact, the vast majority of think tanks don't do either. They engage in public interest research, education, information, engagement, and advisory activities -- as is defined in the statutes governing nonprofit organizations in the United States and around the world. These institutions must meet a public support test, are governed by voluntary boards composed of a broad cross section of the public, and are guided by a mission that is focused on serving the public interest. The vast majority of think tanks have long-standing policies and procedures in place to monitor the quality and integrity of their research. These include policies on conflicts of interest, peer review of research and publications, and guidelines for donor-sponsored research.

In contrast, lobbying firms, political action committees (PACs), and advocacy and special interest groups often serve a private interest, are for-profit or funded by narrow private interests, and are not governed by a mission or board that focuses on the serving the public interest. Oddly, the article was aimed at reputable, independent, nonpartisan research institutions rather than the more problematic players such as advocacy groups, lobbyists, super PACs, and activist donors.

The most important asset of every think tank is its reputation. They would not likely risk that reputation and credibility by bending their missions for the interest of a single donor. Add to that the sheer number of donors (in the thousands) and competing interests that finance think tanks. Moreover, the article ignores the diversity of opinions and competing interests that exist within the think tank community in the United States. Do the Brookings Institution, the Center for Strategic and International Studies, the Council on Foreign Relations, or the Atlantic Council of the United States, for example, have a policy on the Middle East? Absolutely not. A scholar from any one of these institutions may endorse one set of policies; another from the same institution is likely to endorse a different set of policies. It may seem odd but the average scholar at a think tank is actually interested in articulating a policy that will best serve the interests of the country, and that must be grounded in the truth as best as he can determine it.

There are close to *1,800 think tanks* in the United States that employ over 20,000 scholars and executives who are dedicated to independent analysis of the major policy challenges facing the country. They do this, day in and day out, to help policymakers and the public make informed decisions on a wide range of policy problems. Sure there are those advocacy-oriented think tanks that engage in opinion mongering and advocacy, but the vast majority of the think tanks in the United States are committed to producing evidence-based, policy-relevant research. Moreover, they are the envy of the world – and other countries are constantly trying to learn from the American experience. I know because I have been approached numerous times by foreign countries seeking advice on establishing and growing think tanks.

Think tanks play a unique role in the American political system, and Americans rightly pride themselves on placing a premium on independent expertise. Consider the fact that when the country wanted to understand, and more importantly respond to, the terror attacks on 9/11—one of the most tragic and critical issues facing the United States—we turned to think tanks. It was a bipartisan group of experts from think tanks tasked with finding out what happened and what should be done to prevent another incident like it in the future. A look at the 9/11 Commission reveals that it was composed almost entirely of scholars and executives from leading U.S. think tanks, not government officials.

Where would we be today if it were not for think tanks like the Atlantic Council, the Brookings Institution, the Center for Americas Progress, the Center for the National Interest, the Center for Strategic and International Studies, the Hoover Institution on War, Revolution and Peace, the Foreign Policy Research Institute, the Council of the United States, the Heritage Foundation, the Carnegie Endowment for International Peace, the German Marshall Fund, the Peterson Institute for International Economics, and many others who have been working to inform policy, build alliances, and engage our friends and foes abroad? All of these institutions forge global partnerships that serve our national interest.

To suggest that, in this globalized world, the existence of foreign financial sources should immediately arouse suspicions of peddling influence is misleading. After all, it would be unfair to call into question the integrity of the NYT's Mexico coverage simply because Mr. Carlos Slim owns 8 percent of the paper or because the ads and special feature inserts placed by major corporations and governments happen to appear next to major news stories. But speaking of conflicts of interest, some of the experts and sources cited in the article have personal, professional, and institutional conflicts of interest that are not revealed in the article, such as the lawyers whose law firms might benefit from the expected impacts of the article or who have ties to advocacy organizations who themselves have a political agenda.

The NYT article has already had unintended consequences abroad, where countries like Russia and others with repressive regimes have adopted regulations to restrict foreign support for nongovernmental organizations by labeling them “foreign agents.” They are now citing the article to justify their actions— “see, the U.S. Congress has the same concerns we have, so stop pressing us on this issue.”

To the extent there is a problem in the funding of think tanks, there is a simple solution. Of course, transparency about funding is one part of the solution, but there is another element worthy of attention. Today many donors limit their funding to “micro grants” (or project-specific support as opposed to “core unrestricted support”) which makes it difficult for think tanks to conduct sustained and innovative policy research. One way to address the issue of how think tanks are funded is to urge all donors to provide the core, unrestricted support for think tanks to enable them to conduct truly independent research while ensuring its quality and integrity.

In an effort to document and assess the existing policies and procedures in place at think tanks in the United States and around the world, the Think Tanks and Civil Societies Program at the Lauder Institute of the University of Pennsylvania launched the “Ensuring the Quality and Integrity of Public Policy Research Project” in the spring of 2014. To date, the policies and procedures of close to 40 leading think tanks have been collected, and while the findings are preliminary, what is clear is that think tanks have well-established mechanisms for insulating their institutions and their scholars from the abuses that are alleged in the NY Times article.

From my perspective, understanding the range of factors that are contributing to the political polarization and policy paralysis in Washington, and how to get think tanks and Congress to develop concrete proposals and legislation to address the daunting policy challenges we face today, are the issues we should be focusing on. Given the number and diversity of think tanks in Washington, and the already high standards in place to protect the public interest, the issues raised by the NYT article are not central. What I am more concerned about is the failure of Congress and think tanks to develop the policies, consensus, and results that the American public expects from them.