



THE COMPETITION OF IDEAS: The World of Washington Think Tanks

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CONCERNS ABOUT THINK TANKS

- . . . the new think tanks have abandoned the tradition of detached scholarship.
- The once civil and scholarly exchanges of ideas and information . . . have been transformed into a “war of ideas.”
- The reign of the pensive, passive, pipe-smoking Washington think tank is under assault.
- The biggest worry . . . the trend for think tanks . . . to produce research that is little more than polemical commentary.
- . . . the serious dangers that privately-financed think tanks pose to a democratic society.
- . . . a think tank should be more than . . . the source of 15-second bites of expertise for the evening TV news.
- . . . a lot of tank, but not much think.



CATEGORIES OF DC THINK TANKS

<u>Type</u>	<u>Sample</u>	2005 Expenditures <u>(in millions)</u>
Large and diversified	5	\$139
Brookings Institution		
American Enterprise Institute		
Center for Strategic and International Studies		
Heritage Foundation		
Cato Institute		
Large and specialized	7	209
Small and specialized	<u>20</u>	<u>63</u>
Total	32	\$411



MEASURES OF CONCENTRATION AMONG DC-BASED THINK TANKS

<u>Think Tank Category</u>	<u>Expenditures</u>	<u>Net Assets</u>
	<u>(percentage of totals)</u>	
DC-5	34%	45%
Top 10	79	89
Top 20	95	99
Bottom 12	5	1



CEO COMPENSATION

	<u>Organization</u>	<u>Amount</u>
<i>Top 10</i>	Heritage Foundation	\$634,000
	American Enterprise Institute	600,000
	Aspen Institute	450,000
	Cato Institute	408,000
	CSIS	373,000
	Carnegie Endowment	365,000
	Urban Institute	341,000
	Lexington Institute	325,000
	Brookings Institution	309,000
	Joint Center for Political & Economic Studies	300,000



CEO COMPENSATION (cont.)

Bottom 10

<u>Organization</u>	<u>Amount</u>
Center on Budget & Policy Priorities	\$160,000
Overseas Development Council	152,000
Ethics & Public Policy Center	148,000
Center for Study of the Presidency	139,000
Tax Foundation	125,000
Worldwatch Institute	95,000
Institute for Policy Studies	85,000
Institute for Research on Economics of Taxation	85,000
Atlantic Council (acting president)	0
Earth Policy Institute	0



BACKGROUND OF THINK TANK LEADERS

Think Tank	Individual	Current Position	Government Position	Administration or Party
Brookings	Strobe Talbott	President	Deputy Secy. of State	Clinton
AEI	Christopher DeMuth	President	OMB official	Reagan
CSIS	John Hamre	President	Deputy Secy. of Defense	Clinton
Heritage	Edwin Feulner	President	Capitol Hill staff	Republican
Cato	William Niskanen	Chairman	Member, CEA	Reagan



BROOKINGS INSTITUTION

Founded in 1927 (predecessor organization in 1916)

Size of staff: 140 resident and non-resident scholars

Over 200 research assistants and supporting staff

Governance: 44 member Board of Trustees

Endowment (net assets): \$270 million

Annual fundraising expenses: \$2 million

Public image: Mainstream liberal



AMERICAN ENTERPRISE INSTITUTE

Founded in 1943

Size of staff: Approximately 175 at headquarters

50-60 interns

100 adjunct scholars

Governance: 25 member Board of Trustees

Endowment (net assets): \$69 million

Annual fundraising expenses: \$9 million

Public image: Mainstream conservative

(neoconservative in military and foreign policy)



CENTER FOR STRATEGIC AND INTERNATIONAL STUDIES (CSIS)

Founded in 1962 (originally at Georgetown University)

Size of staff: 220 full-time plus affiliated experts

Governance: 32 member Board of Trustees

Endowment (net assets): \$34 million

Annual fundraising expenses: \$1 million

Public image: Middle-of-the-road



HERITAGE FOUNDATION

Founded in 1973

Size of staff: 200

Governance: 21 member Board of Trustees

Endowment (net assets): \$137 million

Annual fundraising expenses: \$5 million

Public image: Mainstream conservative



CATO INSTITUTE

Founded in 1977

Size of staff: 100 fulltime employees

Interns

90 adjunct scholars

Governance: 14 member Board of Directors

Endowment (net assets): \$22 million

Annual fundraising expenses: \$2 million

Public Image: Libertarian



FINANCES OF FIVE DC THINK TANKS (in \$ millions)

Think Tank	Revenues	Expenditures	Net Assets
AEI	37.9	21.5	69.3
Brookings	47.7	39.7	269.7
Cato	22.5	17.2	21.1
CSIS	27.2	27.1	34.4
Heritage	43.9	36.5	137.3



REVENUE SOURCES OF 5 DC THINK TANKS (percentage distribution)

Think Tanks	Individuals	Corporations	Foundations	Government	Endowment Income	Conferences Sales, etc.
AEI	37	21	16	0	0	26
Brookings	20	17	19	2	25	17
Cato	83	2	11	0	0	4
CSIS	12	28	35	9	5	11
Heritage	59	5	24	0	8	4



ALLOCATION OF EXPENDITURES OF 5 DC THINK TANKS (percentage distribution)

Organization	Program Services	Management and General	Fundraising	Total
AEI	82	14	4	100
Brookings	75	19	6	100
Cato	66	20	14	100
CSIS	72	21	7	100
Heritage	83	3	14	100



REPRESENTATIVE THINK TANK PUBLICATION SERIES

Journals

Brookings Papers on Economic
Activity (Brookings)

The Cato Journal (Cato)

The Washington Quarterly (CSIS)

Magazines

America (AEI)

Regulation (Cato)

Report Series

AEI Policy Series

AEI Outlook Series

Brookings Policy Briefs

Cato's Letter

Cato Policy Reports

CSIS Insight

CSIS South Asia Monitor

Heritage Backgrounders



MAJOR ACTIVITIES OF THINK TANKS

1. Perform research on public policy issues
2. Develop networks for research projects
3. Disseminate results of their work
4. Host conferences and meetings
5. Provide training and education



RANGE OF ISSUES CITED IN CQ WEEKLY

Economic

- Energy (Brookings)
- Entitlements (AEI)
- Health savings accounts (AEI)
- Hurricane Katrina (AEI, Brookings)
- Poverty (Heritage)
- SEC (AEI)
- Social Security (Brookings, Cato, Heritage)
- Tax policy (Brookings, Heritage)

National Security

- Homeland security (CSIS, Heritage)
- National guard (Heritage)
- Veterans (Brookings)



RANGE OF ISSUES (cont.)

Political and Legal

Abortion (AEI)

Bush Administration (AEI)

Congressional ethics (Heritage)

NGOs (AEI)

Supreme Court nominations (Brookings)

UN reform (Heritage)

Tort reform (Brookings)



THINK TANKS AND BUSINESS

Sources of information

Interaction with governmental decision-makers

Training corporate personnel

Insert business position in public policy debates

Strengthen public policy players favorable to business



BENEFITS OF CORPORATE MEMBERSHIP IN THE PRESIDENT'S CIRCLE OF THE COUNCIL ON FOREIGN RELATIONS

- Invitations to 2 or 3 small, private dinners each year with world leaders
- Annual presentation by Council staff on topic related to company's business.
- Invitation for company executive to go on high-level trip led by a Council leader.
- Invitation to annual dinner of Council's Board of Directors.
- Can designate two "corporate leaders" to participate in Council activities.
- Participation in more than thirty interactive conference calls with Council experts.
- Executives can participate in small, in-depth study groups.
- Invitations to limited-seating events with leading figures in business and politics.



BENEFITS OF CORPORATE MEMBERSHIP IN THE PRESIDENT'S CIRCLE (cont.)

- Council researchers to speak at company's board or client meetings.
- Subscriptions to *Foreign Affairs*.
- Access to the Council's website.
- Invitation to executive round-table with Council's president.
- Invitations to attend more than 70 events a year in New York and Washington.
- Access to the Council's reference services.
- Prominent acknowledgement in Council literature.



KEY FINDINGS

1. Think tank staffers are activists *and* scholars
2. None of the 5 is totally conservative or liberal
3. Their differentiation from universities is substantial
4. Think tanks make a special contribution to public policy
5. But there is justification for saying that they are more tank than think
6. The positions of their scholars on public issues are too often predictable
7. Think tanks fall down in analyzing their own shortcomings
8. Quality control deserves much more attention



RECOMMENDATIONS

1. The “war of ideas” has run its course; it should be retired.
2. Think tanks should be an antidote to the oversimplified sloganeering dominating public policy debates.
3. The true mission of mainstream think tanks should not be to dominate the print media or the nightly news.
 - a. Nor should it be to influence governmental decision-making on specific laws or regulations.
 - b. It is to elevate the level of the national discussion on the serious issues facing the society.
 - c. That requires a fundamental change in the attitude of think tank managements.
4. The DC-5 should jointly develop more effective ways of dealing with society’s major domestic and international problems.
5. At their core, think tanks are (or should be) educational institutions promoting open-minded thinking and generating new ideas.



Concluding Thoughts and Questions

How Do We Measure Impact of Think Tanks on Public Policy?

Who are the most influential?

Common cop-out: Too subjective to answer seriously.

The most honest (or secure): We can't measure their impact.

Most Serious Analysis Boils Down to Measuring Inputs, Not Outputs

"We are cited more often in the national media."

"But we are interviewed more frequently on TV."

"We give more congressional testimony than your think tank."

"We issue more publications (or have more hits on our sites)."

"We have more readers" ("Ours are more influential").



Concluding Thoughts (cont.)

Case Studies Are Useful, But Not Definitive

Tank A comes up with the idea.

But Tank B sold it to the White House.

Yet Tank C did the most in lining up congressional support.

Note: Case studies are infrequent — and selective.

Selective Analysis: When an Important Issue Arises

Who do the top Washington reporters contact?

Ditto for congressional and White House staff.

Result: No think tank dominates across the policy spectrum.



Concluding Thoughts (cont.)

Another Approach: Key Subjects and Issues

Taxation: Brookings and Heritage frequently; AEI occasionally

Environment: Resources for the Future

International economics: Peterson Institute for International Economics

Foreign policy: CSIS, CFR, and Carnegie Endowment

Military policy: AEI, Brookings, Heritage, CSIS

Yet Another Sorting:

Conservative: AEI and Heritage

Liberal: Center for American Progress, Economic Policy Institute

Radical: Institute for Policy Studies

Final Note: It Is a Very Fluid Situation

Think tanks rise and fall as do other interest groups

Universities are also part of that competition of ideas