THE COMPETITION OF IDEAS: The World of Washington Think Tanks

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Washington University
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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

<table>
<thead>
<tr>
<th>Type</th>
<th>Sample</th>
<th>2005 Expenditures (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large and diversified</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brookings Institution</td>
<td>5</td>
<td>$139</td>
</tr>
<tr>
<td>American Enterprise Institute</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Center for Strategic and International Studies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Heritage Foundation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cato Institute</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Large and specialized</td>
<td>7</td>
<td>209</td>
</tr>
<tr>
<td>Small and specialized</td>
<td>20</td>
<td>63</td>
</tr>
<tr>
<td>Total</td>
<td>32</td>
<td>$411</td>
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</table>
# Measures of Concentration Among DC-Based Think Tanks

<table>
<thead>
<tr>
<th>Think Tank Category</th>
<th>Expenditures</th>
<th>Net Assets (percentage of totals)</th>
</tr>
</thead>
<tbody>
<tr>
<td>DC-5</td>
<td>34%</td>
<td>45%</td>
</tr>
<tr>
<td>Top 10</td>
<td>79</td>
<td>89</td>
</tr>
<tr>
<td>Top 20</td>
<td>95</td>
<td>99</td>
</tr>
<tr>
<td>Bottom 12</td>
<td>5</td>
<td>1</td>
</tr>
</tbody>
</table>
## CEO COMPENSATION

<table>
<thead>
<tr>
<th>Organization</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Heritage Foundation</td>
<td>$634,000</td>
</tr>
<tr>
<td>American Enterprise Institute</td>
<td>600,000</td>
</tr>
<tr>
<td>Aspen Institute</td>
<td>450,000</td>
</tr>
<tr>
<td>Cato Institute</td>
<td>408,000</td>
</tr>
<tr>
<td>CSIS</td>
<td>373,000</td>
</tr>
<tr>
<td>Carnegie Endowment</td>
<td>365,000</td>
</tr>
<tr>
<td>Urban Institute</td>
<td>341,000</td>
</tr>
<tr>
<td>Lexington Institute</td>
<td>325,000</td>
</tr>
<tr>
<td>Brookings Institution</td>
<td>309,000</td>
</tr>
<tr>
<td>Joint Center for Political &amp; Economic Studies</td>
<td>300,000</td>
</tr>
</tbody>
</table>
### CEO COMPENSATION (cont.)

<table>
<thead>
<tr>
<th>Organization</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Center on Budget &amp; Policy Priorities</td>
<td>$160,000</td>
</tr>
<tr>
<td>Overseas Development Council</td>
<td>152,000</td>
</tr>
<tr>
<td>Ethics &amp; Public Policy Center</td>
<td>148,000</td>
</tr>
<tr>
<td>Center for Study of the Presidency</td>
<td>139,000</td>
</tr>
<tr>
<td>Tax Foundation</td>
<td>125,000</td>
</tr>
<tr>
<td>Worldwatch Institute</td>
<td>95,000</td>
</tr>
<tr>
<td>Institute for Policy Studies</td>
<td>85,000</td>
</tr>
<tr>
<td>Institute for Research on Economics of Taxation</td>
<td>85,000</td>
</tr>
<tr>
<td>Atlantic Council (acting president)</td>
<td>0</td>
</tr>
<tr>
<td>Earth Policy Institute</td>
<td>0</td>
</tr>
</tbody>
</table>
## BACKGROUND OF THINK TANK LEADERS

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

<table>
<thead>
<tr>
<th>Think Tank</th>
<th>Revenues</th>
<th>Expenditures</th>
<th>Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>AEI</td>
<td>37.9</td>
<td>21.5</td>
<td>69.3</td>
</tr>
<tr>
<td>Brookings</td>
<td>47.7</td>
<td>39.7</td>
<td>269.7</td>
</tr>
<tr>
<td>Cato</td>
<td>22.5</td>
<td>17.2</td>
<td>21.1</td>
</tr>
<tr>
<td>CSIS</td>
<td>27.2</td>
<td>27.1</td>
<td>34.4</td>
</tr>
<tr>
<td>Heritage</td>
<td>43.9</td>
<td>36.5</td>
<td>137.3</td>
</tr>
</tbody>
</table>
## REVENUE SOURCES OF 5 DC THINK TANKS (percentage distribution)

<table>
<thead>
<tr>
<th>Think Tanks</th>
<th>Individuals</th>
<th>Corporations</th>
<th>Foundations</th>
<th>Government</th>
<th>Endowment Income</th>
<th>Conferences/Sales, etc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>AEI</td>
<td>37</td>
<td>21</td>
<td>16</td>
<td>0</td>
<td>0</td>
<td>26</td>
</tr>
<tr>
<td>Brookings</td>
<td>20</td>
<td>17</td>
<td>19</td>
<td>2</td>
<td>25</td>
<td>17</td>
</tr>
<tr>
<td>Cato</td>
<td>83</td>
<td>2</td>
<td>11</td>
<td>0</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>CSIS</td>
<td>12</td>
<td>28</td>
<td>35</td>
<td>9</td>
<td>5</td>
<td>11</td>
</tr>
<tr>
<td>Heritage</td>
<td>59</td>
<td>5</td>
<td>24</td>
<td>0</td>
<td>8</td>
<td>4</td>
</tr>
<tr>
<td>Organization</td>
<td>Program Services</td>
<td>Management and General</td>
<td>Fundraising</td>
<td>Total</td>
<td></td>
<td></td>
</tr>
<tr>
<td>--------------</td>
<td>------------------</td>
<td>------------------------</td>
<td>-------------</td>
<td>-------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AEI</td>
<td>82</td>
<td>14</td>
<td>4</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brookings</td>
<td>75</td>
<td>19</td>
<td>6</td>
<td>100</td>
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</tr>
<tr>
<td>Cato</td>
<td>66</td>
<td>20</td>
<td>14</td>
<td>100</td>
<td></td>
<td></td>
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<tr>
<td>CSIS</td>
<td>72</td>
<td>21</td>
<td>7</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Heritage</td>
<td>83</td>
<td>3</td>
<td>14</td>
<td>100</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
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.
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 cites).”

“We have more readers” (“Ours are more influential”).
Concluding Thoughts (cont.)

Cast 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