Despite facing a competitive marketplace of ideas, a rise in authoritarian decision-making and growing economic challenges, there is still very little cooperation among European think tanks. This paper argues that to secure the wellbeing of the sector and the positive impact of think tanks on democracy, European think tanks should invest in a more sustainable cooperation format, for instance through the establishment of a European Think Tank House.
How think tanks can influence policymaking – for better or for worse

The success of think tanks hinges on their ability to provide useful policy advice in the face of political challenges, as well as to propose innovative ideas and concepts to improve public debate and analyse long-term issues in a transversal way. Think tanks tend to be close to decision-makers, impacting policymaking both through formal means, such as public events, publications and media presence, and through more informal levers, such as closed-door working groups or roundtables.

The EU has, so far, not recognised the ‘soft power’ role for think tanks, while others, such as the United States and China, have.

Think tanks also play an important role in promoting and potentially safeguarding values and interests in the global arena, for instance by providing convening spaces for ‘backroom diplomacy’. They are therefore a crucial component of the soft power landscape. In our societies, such roles must, of course, be compatible with independence, rely on democratic values, and not be subject to political interference. The EU has, so far, not recognised this ‘soft power’ role for think tanks, while others, such as the United States and China, have.

At best, think tanks provide high quality, independent and evidence-based policy recommendations to decision-makers, based on rigorous analytical work. They shape public discourse with fact-based ideas and concepts and translate academic research findings into more impact-oriented policy solutions: “At their best, think tanks possess the ability to capture the political imagination by brokering ideas, stimulating public debate, and offering creative yet practical solutions to tackle the world’s most pressing problems.”

At the European level, think tanks also act as loudspeakers and cross-border transmitters, for instance by explaining EU initiatives to national stakeholders or by establishing a platform for exchanges between EU member states. In this scenario, the impact of think tanks on democracy is positive: decision-makers can base their policy decisions on evidence-based and independent research and advice that aims to benefit the European public; analysts’ expertise in their specific topic enables them to provide tailored solutions to policymaking. They also know how to work ethically and, critically, independently from funders and other vested interests. In the current crisis of democracy, European think tanks can also help enhance the power of democracy in the global systems competition and help preserve countries from authoritarian state capture. For instance, think tanks can provide solutions to complex, transnational challenges and thus support democratic policymakers by increasing their ‘output legitimacy’.

European think tanks can help enhance the power of democracy in the global systems competition and help preserve countries from authoritarian state capture.

At worst, however, think tanks, or organisations that camouflage as such, leverage their influence on politics and the public debate in ways that erode both public trust and, ultimately, democracy itself. Think tanks can be instrumentalised to promote a climate-sceptic agenda, for example, or by certain companies to counter necessary EU regulations. Think tanks can be vulnerable not just to interest groups but also to foreign governments seeking to promote their national interests. Further, the rise of so-called philanthro-capitalists has led to a situation in which many think tanks are pressured to adapt their research agendas to the priorities of powerful donors. While this is a trend that can be mostly observed in the US, Europe is not shielded from such developments. In an increasingly polarised public sphere, think tanks can become more partisan and overlook evidence and facts for the sake of ideologically driven research.

This is particularly worrying as independent think tanks can contribute to the policy debate in ways that political parties and other partisan structures cannot, as they are not tied to narrow political ideologies. Such unfortunate developments arise from the specific environment in which think tanks operate: in contrast to academia, think tanks often rely on more precarious sources of, and must juggle with different incentive strategies for their research. Precisely because of their impact and
influence, many political actors (e.g., governments or companies) seek to use think tanks to push their self-interested policy changes.

In an increasingly polarised public sphere, think tanks can become more partisan and overlook evidence and facts for the sake of ideologically driven research.

In this worst-case scenario, think tanks can have a negative effect on policy outcomes, fuelling public distrust in politics and elites, which in turn creates further political dissatisfaction.

European think tanks operate in a crowded marketplace of ideas

To sustain their activities, think tanks compete for visibility in the public sphere, for impact on decision-makers, and for sources of funding. One might argue that the more competitive the sector becomes, the better and more innovative the ideas need to be to stand out. Unfortunately, the market is far from perfect, and this has consequences for the independence and sustainability of think tank research.

The European think tank sector is largely unregulated.

In stark contrast to the academic field, the European think tank sector is largely unregulated; anyone can call their organisation a think tank, and depending on their focus areas, think tanks' degrees of independence differ significantly. In addition, common standards of transparency are virtually non-existent, which means that it is difficult to determine who the real backers of many think tanks are or know which governance structures they work with. This has made it more difficult to distinguish the serious organisations from the 'bad eggs'.

Overall, the marketplace of ideas has become more crowded, with a mushrooming of organisations ranging from in-house knowledge centres of management consultancies, and global corporates, to for-profit consultancies and interest representatives. While there is a demand for impact-oriented research and analysis that think tanks can deliver, the lack of regulation and the potential to influence by vested interests represent a risk to the legitimacy of the sector as a whole. The spectres of elitism and public distrust are haunting the policymaking sector already. For this reason, the more think tanks allow themselves to become subject to external influence campaigns, the more reason they give European citizens to think that they are no different from ideological or for-profit lobbyists.4

Alas, for-profit think tanks have a 'comparative advantage' over not-for-profit organisations. While the latter produce independent research in the public interest, the former caters to private clients and thus focus their agenda on precisely the fields for which they receive financial reward. An additional factor playing in the hands of for-profit think tanks is the erosion of trust in traditional sources of authority and the growing polarisation: “the rise in partisanship affects private-sector thought leaders less than either the academy or think tanks.” 5 This leads to a loss of recognition for think tanks working for the public interest, rather than those catering to particular interests.

Not-for-profit think tanks are facing further competition from universities, which have become very active in recruiting ‘thought leaders’ for their research centres. While it is positive that academia works at better communicating their research results to a broader public, it further crowds the marketplace of ideas and increases the pressures on think tanks.

Lastly, the polarisation of the public sphere and of politics itself has also led to the rise of ideologically driven think tanks that cater to a public that will only believe certain sources of information as they do not trust those not ideologically aligned with them, increasingly drawing information from social media echo chambers rather than traditional media. These trends are particularly present in the US, but similar developments are likely in Europe if nothing is done to actively counter them, as already demonstrated in the Brexit campaign and lately through the mini-budget proposed by former Prime Minister Liz Truss.6
European think tanks: Time for transnational cooperation

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<tr>
<th>Table 1: Defining features of European think tanks7</th>
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<tbody>
<tr>
<td>Funding type</td>
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<td>Affiliations</td>
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<td>Scope of expertise</td>
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Ideally, competition in a marketplace of ideas should mean that the best ideas reach the attention of decision-makers and the public. But these core liberal economic principles should not apply to the think tank ecosystem. Being a not-for-profit think tank means producing ideas for the public good and finding solutions to public interest problems, not selling ideas to potential ‘buyers’ in the same way as certain service providers or consultancies are doing. The lack of focus on ‘public goods’ is also linked to funding structures: funders often want specific solutions to the narrow policy questions they face at a certain point in time; there is little funding for broad long-term solutions that would increase public welfare.

Forcing liberal economic logic onto the not-for-profit think tank sector is a mistake that has a detrimental impact on democracy.

Forcing liberal economic logic onto the not-for-profit think tank sector is a mistake that has a detrimental impact on democracy. When faced with financial pressures, think tanks might feel compelled to compromise the independence of their analysis and/or research agenda. They could self-censor their work in ways that favour certain policy preferences to please funders or decision-makers. In this scenario, working for the public interest is lost, as is research quality. Similar to the developments in the media sphere, pure market logic should not be the guiding principle underpinning the well-being and positive influence of the think tank sector.

The more think tanks give in to such market pressures, the more they will impact the main currency of think tanks: their reputation. In a world of growing public distrust and polarisation, they already face criticism for being part of the ‘powerful’ elite. If they give in to undue pressures to survive in a competitive marketplace, they might compromise their research outputs and damage their reputation profoundly. For this reason, rather than advocating more competition, closer cooperation is needed to strengthen the sector as well as a framework in which competition can produce constructive outcomes.

Closer cooperation and a framework in which competition can produce constructive outcomes is needed.

The current context adds challenges for European think tanks

Besides the growing pressures due to the crowded marketplace of ideas, the environment in which European think tanks operate has become increasingly challenging. The tectonic shifts in politics, academia, and public sphere have had direct repercussions on think tanks.

First, the political environment has become far more crisis-driven. For over a decade, the EU has been going through a ‘permacrisis’, requiring fast-paced crisis management at the highest political level.8 This is both good and bad news for think tanks: the more crises there are, the more decision-makers are looking for innovative policy-oriented solutions, which think tanks are best qualified to provide. At the same time, the pressure to produce up-to-date research has grown – and with the pace of crises it has become more difficult for think tanks to ensure the right prioritisation, maintain a strategic direction and avoid any reputational damage that may result from the research occasionally not meeting certain quality standards.

This crisis environment distracts decision-makers from longer-term policy objectives, which has negative repercussions on the resilience of our societies and economies. The war in Ukraine and the ensuing energy security crisis, for instance, are in danger of sidelining climate objectives, and might ultimately mean the EU fails to reach the climate goals it has committed itself to.
Therefore, think tanks need to ensure that their policy advice remains relevant to decision-makers while keeping in mind longer-term policy goals. Think tanks should also connect different policy areas and public interests and avoid the unnecessary silos and group-thinking that hinder effective and impactful policy solutions.

Think tanks should also connect different policy areas and public interests and avoid the unnecessary silos and group-thinking.

Second, think tanks are highly vulnerable to the general erosion of trust in public authority and associated experts, and the growing political polarisation. In recent years, citizens trust in their governments has significantly decreased in Europe – the same holds true for trust in the EU institutions. In several member states, national-populist parties have gained ground; some of them have taken over executive functions, with direct consequences for democracy, human rights, the rule of law, and thus the think tank landscape. Think tanks operate in the field of civil society; their work depends on freedom of association and freedom of speech. Hence, the rise of authoritarianism and the shrinking of civic space across Europe represents a real threat for think tanks, both for the organisations and their employees, especially in some ‘illiberal democracies’ where they have been specifically targeted. Even though think tanks do not carry out advocacy work like NGOs, they are not immune to ‘state capture’, i.e., governments’ attempts to silence critical voices. This phenomenon is not limited to ‘newer’ democracies but affects Europe as a whole. As think tanks tend to operate in the political field and are thus close to power, populists tend to single them out for criticism as being part of the national elite and, therefore, far removed from ordinary citizen concerns. A prominent example of populist scepticism towards think tanks came from the former British cabinet minister and Brexiteer Michael Gove, who famously said: “I think the people in this country have had enough of experts from organisations with acronyms saying that they know what is best and getting it consistently wrong.”

Third, think tanks are affected by the economic recession. The Covid-19 pandemic and the war in Ukraine have fragmented Europe’s economy. This has direct effects on the funding of European think tanks, which depend on government, corporate and philanthropic sources of income, with few able to rely on past endowments and capital reserves. The tighter their budgets, the more dependent think tanks become on the goodwill of donors – a dependence that can compromise think tanks’ ability to work independently and ethically. To survive and ensure the continuity of their work and the jobs of their employees, they might be forced to accept funding from sources that do not necessarily fit with their values and ethical guidelines. Therefore, sector-wide cooperation among independent think tanks – and the possibility to access new sources of funding through such networks, including operating/base funding – will be crucial in the coming years.

The rise of authoritarianism and the shrinking of civic space across Europe represents a real threat for think tanks.

A related burden affecting European think tanks is growing inequality, which has given rise to the monopolisation of wealth. This, in turn, leads to the reduction of funding sources to a very few very wealthy funders in the corporate and philanthropic sectors. Global multinational companies, for instance, are known to spend vast amounts on lobbying through traditional means, such as public affairs and legal companies, but increasingly they are trying to acquire ‘buy-in’ through think tanks, for instance by influencing agenda-setting and gaining access to decision-makers. Especially in policy areas in which EU regulators have already become very active, such as digitalisation and climate change, funders can easily place demands on the research output of think tanks, which potentially threatens their independence and reputation.

To avoid corporate or state capture, it is critical that think tanks are financially stable and can rely on diverse sources of funding.

To avoid corporate capture as well as state capture, it is critical that think tanks are financially stable and can rely on diverse sources of funding.
European think tanks: Time for transnational cooperation

Fourth, the global power competition is also increasingly affecting the think tank world. Foreign governments have discovered the use of think tanks as vehicles to access political power in other countries.\textsuperscript{14} Foreign governments – or actors close to them, such as state-owned companies – can fund think tanks or specific think tank programmes to promote a certain policy outlook on their own country. For instance, the United Arab Emirates or Qatar have a track record of funding US think tanks to influence the US government’s Middle East policy and gain access to relevant political players. As the American political scientist Daniel W. Drezner puts it: “Funding powerful think tanks is one way to gain access, and some think tanks in Washington are openly conveying that they can service only those foreign governments that provide funding.”\textsuperscript{15}

Europe is not exempt from these practices: a recent example concerned the funding of a ‘climate foundation’ in Germany, ostensibly to support local environmental projects. This ‘climate foundation’ received significant funding from Gazprom, which was not so much spent on environmental projects, but rather on finalising the construction of the Nord Stream II pipeline.\textsuperscript{16} Cases like this not only cause reputational damage to the think tank and/or foundation in question, but affect the sector as a whole, as it becomes increasingly difficult to differentiate between organisations with the public interest at heart and those promoting vested interests.

Think tanks have been affected by the radical changes in the public sphere, most notably the rise of digital media platforms. To gain visibility in this more crowded public sphere, think tanks have had to adapt by spending more on marketing and communication measures. Resulting pressures to ‘always be first’ and essentially tweet eye-catching statements around the clock, can affect the quality of research outputs, not to mention the individual work-life balance of people working at think tanks.

First, researchers are required to respond quickly to political developments, which can lead to research outputs not being reviewed properly or think tankers not taking sufficient time to prepare before going public with their analyses. Second, communication, especially on digital platforms, takes up much more time – which also reduces the amount of time think tankers spend on research and analysis. Third, media outlets and digital platforms favour provocative theses that can be easily summarised in a clickbait article, which can degrade the quality of the research presented. Here too, the polarisation of the public sphere makes it more difficult for think tankers to present balanced arguments.

As actors in the digital public sphere, think tanks also have a responsibility to shape this arena in an ethical manner.

Strong ethical guidelines for independent think tanks, including a high degree of funding transparency for both funding and research outputs, are necessary.

Besides the obvious autocratic governments looking to influence think tank outputs, democratic governments can also have a negative influence on think tanks. This often happens unintentionally. But there are also instances where democratic governments seek to tone down critical remarks by only choosing to fund research that is designed to produce certain answers and refusing to support projects that do not fit their agenda. Therefore, strong ethical guidelines for independent think tanks, including a high degree of funding transparency for both funding and research outputs, are necessary.

Ideological leanings might be favoured that threaten independence and quality – thereby spreading misinformation and eroding public debate. This tendency is reinforced by ‘false equivalence’ for instance by staging a so-called balanced discussion whereby a climate sceptic is invited to debate alongside a climate scientist, even though the climate sceptic has no valid arguments. These new pressures, resulting from the radical shifts in the public sphere, require additional training for think tankers, which in turn implies extra costs. As actors in the digital public sphere, think tanks also have a responsibility to shape this arena in an ethical manner.
Stronger together: The case for sustainable European think tank cooperation

Despite facing the same challenges, think tanks in Europe barely cooperate in a structural way with one another. With the tectonic shifts think tanks have experienced and the further pressures we expect in the future, fostering cooperation is no longer a ‘nice to have’, it is a must. If think tanks and their backers do not invest in stronger cooperation, many of them will probably fail to fulfil their mandates as solution providers for the public good. It is therefore crucial that the sector engages more forcefully in collective organisation.

Despite facing joint challenges, think tanks barely cooperate with each other in a structural manner.

EU think tanks have a special role to play in this context: we face a situation in which more and more decisions are taken at the EU level, and rightly so in view of the global challenges. At the same time, there is still an absence of genuine European political debate and demos, which complicates consensus-finding and negotiations. EU think tanks therefore play an important role in connecting debates across borders and strengthening exchanges between decision-makers and other relevant stakeholders.

While there have been successful attempts at more structured and institutionalised cooperation in the past, projects have mainly been focused on Brussels-based think tanks, rather than include think tanks operating in EU member states. Some of these networks did not prove sustainable either: as soon as their main funder withdrew from the project, they disappeared. This does not mean that there is no cooperation at all: think tanks across Europe cooperate very regularly, but on a rather informal and ad hoc basis. There are also existing networks such as the Trans European Policy Studies Association (TEPSA) or the European Think Tanks Group (ETTG) that take a more policy-oriented approach to think tank cooperation.

Transnational cooperation in the EU would be an important step to strengthen the think tank ecosystem and, in turn, counteract the erosion of democracy and loss of trust in public authority.

There is insufficient systematic and sustainable cooperation among European think tanks; this is why they should tap into the potential for collective action. Transnational cooperation in the EU would be an important step to strengthen the think tank ecosystem and, in turn, counteract the erosion of democracy and loss of trust in public authority.

A joint think tank alliance, based in Brussels, would focus on various aspects of think tank collaboration that could strengthen the sector across borders and help individual think tanks cope with the challenges they face, as long as it follows ethical principles and is resourced to build capacity in the sector as a whole.

A European Think Tank House could provide a ‘safe haven’ for European think tanks that might face the state capture of civil society at home and difficult conditions due to lack of funding and political pressure.

A European Think Tank House, home to the European Alliance of Independent Think Tanks (see endnote), would improve EU policymaking. In particular, it would strengthen links between EU member states and Brussels, thus countering existing ‘blind spots’ and identifying interests at member state level, as well as potential for European collaboration that has not yet been explored. It would also diversify the voices in European policy debates, allowing more think tanks based in national capitals to gain visibility with EU decision-makers.

Table 2: Pressures on the think tank ecosystem

- Permacrisis context leads to fast-paced policy analysis
- Loss of trust in politics affects the legitimacy of the think tank sector
- Context of economic recession and growing inequality affects the funding models of think tanks
- Global power competition renders think tanks vulnerable to influence from foreign governments
- Growth of partisan polarisation and structural changes in the media public sphere affects think tanks’ research outputs and communications
Further, such an endeavour would offer a ‘home away from home’ for think tanks from across Europe – especially important for those who are threatened in their domestic political environment. It could provide a ‘safe haven’ for European think tanks that might face the state capture of civil society at home and difficult conditions due to lack of funding and political pressure. This new structural cooperation would provide an effective platform for enhanced dialogue with other stakeholders, such as academia and policymakers.

A more structured cooperation format would also help build sectoral capacity for think tanks, in order to better adapt to the ‘permacrisis’.

A more structured cooperation format would also enable more efforts aiming to further build sectoral capacity, helping think tanks adapt to the reality of the ‘permacrisis’. Especially in difficult times, a European Think Tank House could provide critical support to organisations to obtain funding, make infrastructure available and recruit expertise. Stronger cooperation should also promote the development and implementation of an ethical framework for think tanks, including codes of conduct that would cover aspects of equality, diversity, and non-discrimination.18 Greater transnational cooperation could also give think tanks the opportunity to implement transparency and good governance practices, as well as preserve their independence, including their intellectual autonomy.

Think tanks in Europe are largely unregulated, and work together through informal networks, which is advantageous for efficiency, but disadvantageous for representation and advocacy. An institutional cooperation structure could remedy these weaknesses and strengthen the representation of the sector towards decision-makers and other actors. The alliance could act as a voice for the sector, providing both resources and knowledge about the state of the sector and conducting advocacy to ensure a robust framework for sustainable think tank operations.

To achieve successful transnational cooperation, think tanks would need to prioritise collective impact over competition, which will require a certain cultural shift. For now, many think tanks prefer to focus on themselves rather than to acknowledge the value of joint action: “we prefer to be small and numerous, to have different voices rather than being big, and one, so there is proliferation without consolidation.” 19

Think tanks are competing for similar sources of funding and impact within similar policy fields, which gives them little incentive to work together. However, in view of the joint challenges and the growing risks for the entire sector, think tanks should stop thinking in solely competitive terms and move towards a more cooperative approach.

Democratic governments, private foundations and other funders sharing those democratic values should also push for this shift in the sector and encourage think tank collaboration to a much higher degree.

But appealing to think tanks alone will not be sufficient: democratic governments, private foundations and other funders sharing those democratic values should also push for this shift in the sector and encourage think tank collaboration to a much higher degree. Only such a fundamental shift will ensure that think tanks have a positive impact on democracies in the future – and that they act as a bulwark against increasing authoritarianism.

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<th>Table 3: The case for structured European think tank cooperation</th>
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<tr>
<td>• Strengthen EU policymaking through qualitative policy advice</td>
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<td>• Promote dialogue and exchange among European countries</td>
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<tr>
<td>• Provide a ‘safe haven’ for smaller think tanks facing authoritarian pressures in their home countries</td>
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<tr>
<td>• Ensure the independence and ethical work of think tanks in Europe</td>
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<tr>
<td>• Build sectoral capacity by creating a platform for exchange on best practices and training</td>
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<td>• Create a strong representation for the interests of the think tank sector towards EU decision-makers</td>
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Conclusion

Think tanks have a crucial role to play in the quality of democracy; they contribute to political agenda-setting, influence policy decisions, and bring ideas to the public sphere. Against the backdrop of Europe’s ‘permacrisis’, the seismic shifts in the political, economic, and social environment will add further pressure on think tanks’ functioning and outputs. If think tanks give in to these pressures, the legitimacy of the whole sector is at risk, as is Europe’s already degraded civic space. Therefore, these common challenges should incentivise think tanks to consider new approaches and choose – and be incentivised to pursue – more rather than less cooperation. These considerations are not only in the interest of democracy but also in think tanks’ self-interest: no think tank can thrive in an environment where there is an erosion of trust in politics and independent expertise. Moving towards sustainable transnational cooperation across EU borders would therefore be an important step towards securing think tanks’ future ecosystem – and countering the erosion of democracy in Europe.

About the authors

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Endnotes

The European Policy Centre is currently developing the concept of a ‘European Think Tank House’ (ETTH), with interested funders and other think tanks. The ETTH would be a physical building in Brussels backed by a structural cooperation in the form of a ‘European Alliance of Independent Think Tanks’ (EAITT). If you have would like to learn more about this initiative and potentially get involved, please do not hesitate to get in touch: f.zuleeg@epc.eu & s.pornschlegel@epc.eu