

# Following Suit or Falling Behind? A Comparative Analysis of Think Tanks in Canada and the United States\*

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## Introduction

In a recent survey of the public policy research industry in the United States, James McGann observed that policy institutes, or “think tanks” as they are commonly termed, “are a twentieth-century phenomenon and in many ways unique to the United States.”<sup>1</sup> Although few other countries are home to such prominent repositories of policy expertise as the Brookings Institution, the Hoover Institution on War, Revolution and Peace and RAND, several advanced industrial nations, not to mention some developing countries, have provided fertile soil for think tanks to grow. The distinctive characteristic of think tanks in the United States is not their size or, for that matter, the considerable funding of some institutions. Indeed, with the exception of a handful of think tanks created by philanthropists during the Progressive Era and a small group of advocacy institutions which have emerged since the early 1970s, the majority of the US’s estimated 1,200 think tanks closely

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1 James G. McGann, “Academics to Ideologues: A Brief History of the Public Policy Research Industry,” *PS: Political Science and Politics* 25 (1992), 733.

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resemble in size and resources those found in Canada,<sup>2</sup> the United Kingdom and Australia.<sup>3</sup> Although much of the literature on think tanks has focused almost exclusively on the most visible institutes in the United States,<sup>4</sup> a typical American think tank more closely resembles the Acadia Institute of Bar Harbor, Maine, with a full-time staff of 10 and a budget between \$250,000 and \$500,000, than the world-renowned Brookings Institution.

What makes think tanks in the United States unique, besides their sheer number, is the extent to which they have become involved actively in various stages of the policy-making process.<sup>5</sup> As think tanks have come to occupy a high degree of visibility on the political landscape, some scholars have begun to examine the various factors that have contributed to their growth and proliferation. Others, more preoccupied with the impact of think tanks on policy outcomes, have sought to assess, often with great difficulty, their influence in shaping major policy decisions.<sup>6</sup>

- 2 A comprehensive directory of Canadian think tanks has yet to be produced, although some have speculated that there are approximately 100 private and university-based policy institutes in Canada.
- 3 Less than 4 per cent of the estimated 1,200 think tanks in the United States have budgets in excess of \$10 million, a select pool which includes the Brookings Institution, the American Enterprise Institute, the Hoover Institution and the Center for Strategic and International Studies (CSIS). In fact, less than 16 per cent of all American think tanks have budgets exceeding \$1 million. See Lynn Hellebust, ed., *Think Tank Directory: A Guide to Nonprofit Public Policy Research Organizations* (Topeka, Kan.: Government Research Service, 1996). For comparative data on the institutional resources available to think tanks in the United States and the United Kingdom, see Diane Stone, *Capturing the Political Imagination* (London: Frank Cass, 1996); and Diane Stone, Andrew Denham and Mark Garnett, *Think Tanks across Nations: A Comparative Approach* (Manchester: Manchester University Press, 1998). On Australian think tanks see Ian Marsh, *Globalisation and Australian Think Tanks: An Evaluation of Their Role and Contribution to Governance*, CEDA Information Paper No. 34 (Melbourne and Sydney: CEDA, 1991); and Ian Marsh, *An Australian Think Tank?: Lessons Australia Can Learn from Independent Public Policy Research* (Kensington: University of New South Wales Press, 1980).
- 4 See Stone, *Capturing the Political Imagination*; William Wallace, "Between Two Worlds: Think-Tanks and Foreign Policy," in Christopher Hill and Pamela Beshoff, eds., *Two Worlds of International Relations: Academics, Practitioners and the Trade in Ideas* (London: Routledge, 1994); James A. Smith, *The Idea Brokers: Think Tanks and the Rise of the New Policy Elite* (New York: Free Press, 1991); and David M. Ricci, *The Transformation of American Politics: The New Washington and the Rise of Think Tanks* (New Haven: Yale University Press, 1993).
- 5 See Donald E. Abelson, *American Think-Tanks and Their Role in U.S. Foreign Policy* (London and New York: Macmillan and St. Martin's Press, 1996); and Smith, *The Idea Brokers*.
- 6 Assessing the influence of think tanks on policy debates remains a formidable methodological obstacle. While it is difficult, if not impossible, to determine the

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**Abstract.** Policy institutes, or think tanks, have become increasingly visible on the political landscape. However, their policy role has varied in different countries. This article seeks to explain why, compared to think tanks in the United States, Canadian institutes have maintained a relatively modest presence in the policy-making community. Although many Canadian think tanks have made concerted efforts to replicate the strategies of their American counterparts, they have had far less success employing them in an effective and meaningful manner. While many American think tanks have both the resources and the opportunities to convey ideas to policy makers, Canadian organizations must overcome institutional, cultural and economic barriers before they can play a decisive role in policy-making circles. This article also makes reference to the experiences of think tanks in some parliamentary systems, notably Great Britain, to demonstrate that although these barriers are formidable and need to be addressed in some detail, they are not insurmountable.

**Résumé.** Les groupes d'experts sont devenus de plus en plus visibles sur la scène politique. Cependant, leur rôle politique a varié d'un pays à l'autre. Cet article cherche à expliquer pourquoi les groupes canadiens, comparés aux groupes américains, ont maintenu une présence relativement modeste dans la communauté politique. Bien que plusieurs groupes canadiens aient essayé de reproduire les stratégies de leurs contreparties américaines, ils ont eu moins de succès à les utiliser de façon efficace et significative. Tandis que plusieurs groupes américains ont des ressources et des occasions pour communiquer leurs idées aux décideurs politiques, les organismes canadiens doivent surmonter des barrières institutionnelles, culturelles et économiques avant qu'ils puissent jouer un rôle décisif dans les cercles politiques. Cet article fait référence aussi aux expériences des groupes dans d'autres systèmes parlementaires, notamment en Grande Bretagne, pour démontrer que ces barrières, bien qu'elles soient redoutables et qu'elles exigent une attention particulière, ne sont pas pour autant insurmontables.

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The purpose of this article, however, is not to provide case studies of think tanks in any one country, nor to suggest various ways to measure their direct and indirect influence in the policy-making process. Rather, this article considers a related, but largely unexamined, topic in the study of think tanks. It seeks to explain why, compared to think tanks in the United States, with few exceptions,<sup>7</sup> policy institutes in

extent to which think tanks have been responsible for influencing public policy, it is possible to assess their relative degree of visibility in the political arena. By relying on specific indicators such as media citations, parliamentary testimony, size of membership and distribution of publications, some preliminary observations about their degree of involvement in, or detachment from, the political process could be made. See Donald E. Abelson, "Surveying the Think Tank Landscape in Canada," in Martin Westmacott and Hugh Mellon, eds., *Public Administration and Policy: Governing in Challenging Times* (Toronto: Prentice-Hall, forthcoming); and Donald E. Abelson and Evert Lindquist, "Think Tanks in North America," in James G. McGann and R. Kent Weaver, eds., *Think Tanks: Catalysts for Ideas and Action* (Washington, D.C.: Brookings Institution and the World Bank, forthcoming).

- 7 An important example of Canadian think tanks playing a decisive role in the policy-making process is the work of the Ottawa-based Caledon Institute and its president, Ken Battle (formerly of the National Council on Welfare), on developing social policy affecting child and seniors benefits. According to Kent Weaver of the Brookings Institution, these two major policy innovations have earned the Caledon Institute the nickname, "the godfather of Canadian social policy" (remark made by Weaver at a session on think tanks, annual meeting of the Cana-

Canada have maintained a relatively modest presence in the policy-making community. Although the strategies Canadian think tanks employ to exercise influence during various stages of the policy cycle are similar to those pursued by their American counterparts, they have had far less success in employing them in an effective and meaningful manner. In short, this study contends that while many American think tanks have both the resources and opportunity to convey ideas effectively to policy makers, Canadian think tanks must overcome several institutional, cultural and economic barriers before they can play a decisive role in key policy-making circles. Reference is made here to the experiences of think tanks in some parliamentary systems, notably the United Kingdom, to demonstrate that, although these barriers are formidable and need to be addressed in some detail, they are not insurmountable.

The first section of this article addresses some of the many difficulties frequently encountered in defining a think tank. Since there is no consensus on what constitutes a think tank, typologies have been constructed to differentiate the many types of policy institutes in the policy-making community. The second section provides a historical overview of the emergence of think tanks in the United States and Canada. In tracing the evolution of think tanks in both countries, it becomes apparent that these institutions, although far more numerous in the United States, have followed a similar path of development. Moreover, while think tanks in Canada and the United States may share a common desire to shape and mould public opinion and public policy, they assign different values and priorities to becoming involved during various stages of the policy cycle. Notwithstanding this common purpose, their ability to fulfil their short- or long-term goals are ultimately influenced by the political environments they inhabit. In the third section, three factors are identified—institutional, cultural and economic—that may facilitate or frustrate the goals and objectives of think tanks in both countries. By critically examining how these factors influence think-tank activity in a comparative context, we can better explain why think tanks in Canada, compared to those in the United States, have, with few exceptions, been unable to become notable fixtures in the policy-making process. The final section explores the various changes that need to take place for Canadian think tanks to enhance their visibility and policy influence.

dian Political Science Association, 1997). Although a detailed case study on how the Caledon Institute influenced social policy has yet to be written, Lindquist has written a detailed examination of how and to what extent Canadian policy institutes sought to influence three key domestic policy debates: energy policy, pension policy and tax policy. See Evert Lindquist, "Behind the Myth of Think-Tanks: The Organization and Relevance of Canadian Policy Institutes" (doctoral dissertation, University of California at Berkeley, 1989).

### Defining Think Tanks

Think tanks vary considerably in size, resources, areas of expertise and in the quality and quantity of the publications they produce. A think tank may consist of a handful of people involved actively in studying a particular policy area who seek to inform and educate policy makers and the public through a variety of channels. The majority of think tanks in Canada and in the United States fall into this category. At the opposite extreme, a think tank may house several dozen economists, political scientists and statisticians who provide expertise on a broad range of issues.

Moreover, as several journalists and scholars have noted, think tanks in Canada and in the United States also vary considerably in their ideological orientation. For instance, the Washington-based Heritage Foundation and the Fraser Institute in Vancouver are frequently referred to as conservative, free market-oriented think tanks. At the other end of the ideological continuum, the Canadian Centre for Policy Alternatives (CCPA) which was established in 1980 to counter what it considered to be the mounting and pernicious influence of the Fraser Institute and the Institute for Policy Studies, are often portrayed as left-leaning, union-supported institutions.<sup>8</sup> Ascribing ideological labels to think tanks, although appealing to those who want quickly to distinguish one think tank from another, may lead to some unfounded assumptions. In addition to assuming institutional homogeneity, that is, that all members of an institution share the same beliefs and reflect those beliefs in their publications, attaching ideological labels to think tanks may convince some, rightly or wrongly, to discount the integrity of their studies. Consequently, while it is important to be aware of the ideological predisposition of think tanks, this factor alone should not be used to differentiate between types of think tanks.

Given the tremendous diversity of think tanks which exist in these two countries, it is not surprising that scholars have consciously avoided trying to define these institutions. Indeed, other than acknowledging that think tanks are nonprofit, nonpartisan<sup>9</sup> organizations

8 See Murray Campbell, "Wonks," *The Globe and Mail* (Toronto), December 2, 1995, D1-2.

9 To receive tax-exempt status under the *Income Tax Act* in Canada and under the IRS Code in the US, think tanks must remain nonpartisan. While think tanks in both countries publicly claim that they do not endorse the political positions of any party and therefore are nonpartisan, many have openly acknowledged and indeed promoted their own political mandate. See Laura Brown Chisolm, "Sinking the Think-Tanks Upstream: The Use and Misuse of Tax Exemption Law to Address the Use and Misuse of Tax-Exempt Organizations," *University of Pittsburgh Law Review* 51 (1990), 577-640.

engaged in the study of public policy, few scholars have outlined other criteria which would allow them to distinguish think tanks from other types of nongovernmental organizations, including interest groups, religious movements and trade unions which also seek to provide policy advice to government. In fact, as interest groups have attempted to acquire greater policy expertise to enhance their status in the policy-making community, and as think tanks have looked to interest groups to learn more about lobbying strategies, the institutional differences between think tanks and interest groups have become increasingly blurred.

What may help to distinguish one think tank from another, in addition to the quality and range of the work they produce, are the values and priorities they assign to performing particular functions. If, for instance, a think tank seeks to have a long-term impact on shaping the foreign policy goals of the United States, it may invite select members of Congress and the Executive to participate in regular policy seminars, rather than try to reach them through opinion magazines. Conversely, if a think tank's primary objective is to help shape the parameters of policy debates, it may place a higher priority on gaining access to the mass media than on submitting reports to policy makers. In other words, each think tank must, in the increasingly competitive marketplace of ideas, locate its specific niche. It must determine what its strategic goals are, who its target audience is and over what period of time it seeks to make an impact. Answers to these questions, in turn, will help scholars explain how and why think tanks attempt to exercise both direct and indirect forms of policy influence.

Despite functioning in very different institutional environments, Canadian and American think tanks rely on similar strategies to enhance their presence in the policy-making community. In addition to producing a diverse range of publications including books, journals, opinion magazines, newsletters and conference papers, they hold open public fora and conferences to discuss key policy issues. They also encourage their scholars to give lectures at universities, service clubs and other civic organizations and, when invited, urge them to testify before congressional and parliamentary committees.

Think tanks also concentrate on gaining access to the broadcast media, particularly network newscasts and political talk shows.<sup>10</sup> In addition, some, including the CATO Institute and the Heritage Founda-

10 For more on think tanks and the media, see Donald E. Abelson, "A New Channel of Influence: American Think Tanks and the News Media," *Queen's Quarterly* 99 (1992), 849-72; and Donald E. Abelson, "Public Visibility and Policy Relevance: Measuring the Impact and Influence of Canadian Policy Institutes," paper presented at the annual meeting of the Canadian Political Science Association, 1998.

tion, try to reach a wider audience by distributing audio cassettes containing interviews with well-known conservatives. Over the past few years, dozens of think tanks have also created home pages on the internet to market themselves.

While many of the strategies think tanks rely on to enhance their visibility can be readily observed, their efforts to solidify ties to policy makers often take place in the corridors of power. Think tanks rely on a number of channels to exercise private influence. These may range from inviting policy makers to attend seminars on how to organize a proper transition following an election, to having think-tank scholars serve on important government advisory boards.<sup>11</sup> The various factors which may facilitate and at times frustrate the efforts of Canadian and American think tanks to pursue these strategies will be discussed accordingly.

### **Think Tanks in the United States and Canada: A Comparison of Growth Patterns**

Chronicling the origin and evolution of the estimated 1,200 think tanks in the United States and an additional 100 in Canada is far beyond the scope of this study.<sup>12</sup> However, it is not necessary to document the mandate, research agenda and outreach activities of hundreds of think tanks to identify their principal function in the policy-making process. A more manageable approach is to identify, as Kent Weaver has done,<sup>13</sup> the key motivations and institutional characteristics or traits associated with each wave of think tanks.

Classifying waves of think tanks according to specific institutional criteria does pose certain problems. Some organizations possess characteristics common to more than one category of think tanks. They all conduct research and, to varying degrees, market their findings. The main difference is in the emphasis these institutions place on scholarly research and political advocacy. It would be more appropriate therefore to identify the central function of these think tanks rather than to isolate

- 11 For a discussion on how US and Canadian think tanks exercise public and private influence, see Donald E. Abelson, "Think Tanks in the United States," in Stone et al., eds., *Think Tanks Across Nations*; and Abelson, "Surveying the Think Tank Landscape in Canada."
- 12 Smith, *The Idea Brokers*. Hellebust provides a brief history of hundreds of think tanks (*Think Tank Directory*).
- 13 R. Kent Weaver, "The Changing World of Think Tanks," *PS: Political Science and Politics* 22 (1989), 563-78. Several other classifications or typologies of think tanks have been constructed. See James G. McGann, *The Competition for Dollars, Scholars and Influence in the Public Policy Research Industry* (Lanham, Md.: University Press of America, 1995). For a classification of the functions of think tanks, see Wallace, "Between Two Worlds."

their “unique” institutional traits. Like chameleons constantly changing their complexion to suit new environments, think tanks have altered their behaviour to compete more effectively in the marketplace of ideas. To enhance their visibility, some older generations of think tanks have adopted some of the strategies employed by newer ones. Conversely, some newly created institutes have looked to older generations of think tanks for ideas on how to manage their operations. In short, one wave of think tanks in the United States has not been replaced by newer ones. Rather, they co-exist in the policy-making community. Recognizing that think tanks can be classified according to their principal function in the policy-making community, it is possible to compare and contrast their growth and evolution in Canada and in the United States by relying on a typology which chronicles four waves of think tanks—policy research institutions; government contractors; advocacy think tanks; and vanity and legacy-based think tanks. Examples of these types of institutes are found in Tables 1 and 2.

#### *The First Wave: Policy Research Institutions*

There is no consensus among historians and political scientists on the date when the first think tank in the United States was created. In part, this is because, as previously stated, there is no consensus on what constitutes a think tank. While there were a handful of institutes created in the mid- to late-1800s which performed many of the characteristic functions of contemporary think tanks, the first significant wave of think tanks did not occur until the first decades of the twentieth century. Among the most prominent institutions created during this period were the Russell Sage Foundation (1907), the Carnegie Endowment for International Peace (1910), the Institute for Government Research (1916, which merged with the Institute of Economics and the Robert Brookings School of Economics and Government to form the Brookings Institution in 1927), the Hoover Institution on War, Revolution and Peace (1919) and the Council on Foreign Relations (1921). Created under different and unusual circumstances, they shared a commitment to engaging in long-term policy analysis. Dedicated to bringing scientific expertise to bear on public policy issues, these and other policy research institutions were composed of academics committed to the advancement of knowledge. Not surprisingly, the majority of their intellectual and financial resources were devoted to preparing studies on a wide range of policy issues.

Despite gaining national prominence in the United States during the early 1900s, these types of organizations were noticeably absent in Canada. There were a handful of relatively small policy shops concerned about Canadian foreign policy, including the Round Table Movement, the Canadian Association for International Conciliation,



TABLE 1

A SELECTED PROFILE OF THINK TANKS IN THE UNITED STATES,  
IN CHRONOLOGICAL ORDER

Institution	Location	Date founded	Staff <sup>a</sup>	Budget 1995-1996 (million \$)
Russell Sage Foundation	New York	1907	3 F; 22 S	2-5
Carnegie Endowment for International Peace	Washington	1910	22 F & S	Over 10
The Brookings Institution	Washington	1916	80 F; 140 S	Over 10
Hoover Institution on War, Revolution and Peace	Stanford	1919	80 F; 30 P; 200 S	Over 10
The Twentieth Century Fund	New York	1919	25 F	2-5
National Bureau of Economic Research	Cambridge	1920	325 P; 50 S	5-10
Council on Foreign Relations	New York	1921	75 F; 75 S	Over 10
American Enterprise Institute for Public Policy Research	Washington	1943	75 F; 50 S	Over 10
RAND	Santa Monica	1946	525 F; 425 S	Over 100
Foreign Policy Research Institute	Philadelphia	1955	7 F; 13 P; 12 S	1-2
Hudson Institute	Indianapolis	1961	66 F & S; 10 P	Over 10
Center for Strategic and International Studies	Washington	1962	80 F; 60 P; 75 S	Over 10
Institute for Policy Studies	Washington	1963	15 F; 4 S	1-2
Urban Institute	Washington	1968	125 F; 95 S	Over 10
Center for Defense Information	Washington	1972	18 F; 7 S	1-2
Institute for Contemporary Studies	San Francisco	1972	18 F & S	5-10
Heritage Foundation	Washington	1973	80 F; 40 S	Over 10
Worldwatch Institute	Washington	1974	16 F; 16 S	2-5
Ethics and Public Policy Center	Washington	1976	7 F; 7 S	1-2
Rockford Institute	Rockford	1976	10 F; 8 S	1-2
CATO Institute	Washington	1977	17 F; 20 S	5-10
Northeast-Midwest Institute	Washington	1977	10 F; 4 S	1-2
Manhattan Institute for Policy Research	New York	1978	25 F	N/A
The Carter Center	Atlanta	1982	200 F & S	Over 10
Citizens for a Sound Economy Foundation	Washington	1984	15 F; 30 S	2-5
United States Institute of Peace	Washington	1984	5 F; 45 S	Over 10
Economic Policy Institute	Washington	1986	14 F; 19 S	2-5
Progressive Policy Institute	Washington	1989	17 F; 3 S	1-2
Empower America	Washington	1993	10 F; 25 S	5-10
The Progress and Freedom Foundation	Washington	1993	13 F; 12 P; 5 S	2-5
Nixon Center for Peace and Freedom	Washington	1994	4 F; 2 S	N/A

a F= Full-time researchers; P= Part-time researchers (these figures only included when the number of part-time researchers is greater than 10); S= Support staff; N/A= data not available.

Source: Lynn Hellebust, ed., *Think Tank Directory: A Guide to Nonprofit Public Policy Research Organizations* (Topeka: Government Research Service, 1996).

TABLE 2

A SELECTED PROFILE OF THINK TANKS IN CANADA,  
IN CHRONOLOGICAL ORDER

Institution	Location	Date founded	Staff <sup>a</sup>	Budget 1995-1996 (million \$)
Canadian Council on Social Development	Ottawa	1920	18 F; 5 P	1-2
Canadian Institute of International Affairs	Toronto	1928	9 F; 2 P	1-2
Canadian Tax Foundation	Toronto	1945	18	2-5
Conference Board of Canada	Ottawa	1954	>190	Over 20
Science Council of Canada <sup>b</sup>	Ottawa	1963	29	2-5
Economic Council of Canada <sup>b</sup>	Ottawa	1963	118	Over 10
National Council of Welfare	Ottawa	1968	4 F	Under 1
Parliamentary Centre	Ottawa	1968	10 F; 2 P	1-2
Canada West Foundation	Calgary	1971	9	Under 1
Institute for Research on Public Policy	Montreal	1972	15 F	1-2
C. D. Howe Institute	Toronto	1973	15 F	1-2
The Fraser Institute	Vancouver	1974	21 F; 13 P	2-5
Canadian Institute of Strategic Studies	Toronto	1976	4 F; 1 P	Under 1
The North-South Institute	Ottawa	1976	18	1-2
Canadian Centre for Policy Alternatives	Ottawa	1980	6	Under 1
Canadian Institute for International Peace and Security <sup>b</sup>	Ottawa	1984	9 F; 3 P	5-10
Mackenzie Institute	Toronto	1986	3 F; 3 P	Under 1
Public Policy Forum	Ottawa	1986	10 F	Under 1
Caledon Institute of Social Policy	Ottawa	1992	3 F; 2 P	Under 1
Pearson-Shoyama Institute	Ottawa	1993	2	Under 1
Canadian Policy Research Networks	Ottawa	1994	10 F; 7 P	2-5
Canadian Council for International Peace and Security <sup>c</sup>	Ottawa	1995	2 P	Under 1
Canadian Centre for Foreign Policy Development	Ottawa	1996	4 F; 2 P	2-5

a F=Full-time staff; P=Part-time staff. Data on personnel did not differentiate between researchers and support staff. When no distinction is supplied, the staff was not specified in the available information.

b Formerly National Productivity Council, now defunct—1992 figures given.

c Formerly Canadian Centre for Global Security, Canadian Centre for Arms Control and Disarmament.

Sources: *Associations Canada* (Toronto: Canadian Almanac and Directory, 1996); *Associations Canada* (Toronto: Canadian Almanac and Directory, 1997); Nicoline van der Woerd, *World Survey of Strategic Studies Centres* (London: International Institute for Strategic Studies, 1992); Murray Campbell, "Wonks," *The Globe and Mail* (Toronto), December 2, 1995, D1-2; various institute websites; and personal correspondence.

the Institute for Pacific Relations and the Canadian Institute of International Affairs (CIIA), established in 1928 as the first offshoot of the British Institute of International Affairs (later the Royal Institute of International Affairs). Yet even the CIIA was created more as a “club”<sup>14</sup> of influential Canadians interested in the study of international affairs and in Canada’s role in it, than as a policy research institution composed of scholars preparing detailed analyses of world events.<sup>15</sup> There were some organizations committed to the study of domestic policy as well. For example, the National Council on Child and Family Welfare, which eventually led to the creation of the Canadian Council on Social Development (CCSD) was formed in 1920. However, with few exceptions, such as the Conference Board of Canada (1954), the think tank landscape in Canada remained relatively barren until the early 1960s.

### *The Second Wave: Government Contractors*

Government contract research institutions emerged in the United States following the Second World War, largely in response to growing international and domestic pressures confronting American policy makers. Acknowledging the invaluable contribution defence scientists made during the war, the Truman administration recognized the enormous benefits that could be derived by continuing to fund private and university-based research and development centres. By tapping into the expertise of engineers, physicists, biologists, statisticians and social scientists, policy makers hoped to meet the many new challenges they inherited as the United States assumed the role of a hegemonic power after the war. It was in this environment that the idea for creating the most prominent government contractor, RAND (for research and analysis) was born.

Chartered in 1948, RAND’s principal client in the immediate postwar years was the Department of Defense. Using systems analysis, game theory and various simulation exercises, RAND scientists began to “think about the unthinkable.” Faced with the prospects of a nuclear exchange, RAND devoted much of its resources to advising the Air

14 Lindquist uses the term “club” to describe the goals and functions of many Canadian policy institutes (Evert Lindquist, “Think Tanks or Clubs? Assessing the Influence and Roles of Canadian Policy Institutes,” *Canadian Public Administration* 36 [1993], 547-79).

15 For more on the CIIA see Carter Manny, “The CIIA, 1928-1939” (B.A. Thesis, Harvard University, 1971); J. E. Osendarp, *A Decade of Transition: The CIIA, 1928-1939* (M.A. Thesis, York University, 1983); John Holmes, “The CIIA: A Canadian Institution,” *Bout de Papier* 7, 4 (1990), 9-10; “A Brief History of the CIIA” (CIIA publication, 1995); and E. D. Greathead, “The Antecedents and Origins of the CIIA,” in Harvey L. Dyck and Peter Krosby, eds., *Empire and Nations: Essays in Honour of Frederic H. Soward* (Toronto: University of Toronto Press, 1969).

Force on how best to defend the United States against enemy attacks.<sup>16</sup> In addition to making several important contributions to strengthening the US's nuclear deterrent, the corporation also served as a prototype for other research and development organizations including the Hudson Institute and the domestic policy-oriented Urban Institute. Hired by federal and state government departments and agencies and by private companies to conduct research on issues ranging from the safe removal of toxic waste to the technical feasibility of installing a space-based defence system, RAND, the Hudson Institute and the Urban Institute<sup>17</sup> have assumed a prominent role in the policy-making process.

The importance of government contractors in providing expertise to various departments and agencies was not ignored by Canadian policy makers. During the 1960s, the Canadian government created several government contractors including the Economic Council of Canada (1963), the Science Council of Canada (1966), the National Council of Welfare (1968) and the Law Reform Commission (1970) to advise government on key policy issues.<sup>18</sup> As Evert Lindquist notes, "[t]hey were the first permanent organizations dedicated to public inquiry in Canada; their respective terms of reference are enshrined in legislation, and council members reflecting different constituencies and elements of society are appointed by the government."<sup>19</sup>

- 16 Several other institutes, including the Center for Naval Analyses and the Institute for Defense Analyses, advise the US government on defence issues. In recent years, RAND has expanded its research to include health care reform. RAND also offers a joint graduate programme with the University of California at Los Angeles. For a detailed analysis of RAND, see Fred Kaplan, *The Wizards of Armageddon* (New York: Simon and Schuster, 1985).
- 17 The Hudson Institute was founded by Herman Kahn and some of his former colleagues at RAND in 1961. Originally based in Westchester County, N.Y., Hudson moved to Indianapolis following Kahn's death in 1984. It also maintains an office in Washington, D.C. The Hudson Institute's major clients include the departments of Defense, Labor, State and Commerce. Dan Quayle, former vice president, and Elliot Abrams, former assistant secretary of state for human rights, took up residence at Hudson after leaving public office. The Urban Institute, created in 1968 at the request of President Lyndon Johnson and his domestic policy advisers, was originally conceived as the domestic policy equivalent of RAND. The Urban Institute has relied extensively on government contracts from the departments of Housing and Urban Development (HUD) and Transportation and several other state and federal departments and agencies. It also receives financial support from various private donors and philanthropic foundations.
- 18 The Economic Council and the Science Council were disbanded by the 1992 federal budget. Others cut included the Canadian Institute for International Peace and Security and the Law Reform Commission. See J. De La Mothe, "A Dollar Short and a Day Late: A Note on the Demise of the Science Council of Canada," *Queen's Quarterly* 99 (1992), 873-86.
- 19 Lindquist, "Think Tanks or Clubs?" 564.

In 1984, the Canadian government also created the Canadian Institute for International Peace and Security (CIIPS) to provide policy makers with greater insights into the problems and prospects for maintaining stability in the international community. Despite amassing an impressive research programme, CIIPS was disbanded by the federal government in 1992 ostensibly for financial reasons.<sup>20</sup> While the federal government dismantled what in effect was Canada's premier foreign and defence policy think tank, it has nonetheless continued to fund several Canadian university-based research institutes through the Security and Defence Forum (previously known as the Military and Strategic Studies Program) whose mandate is "to encourage the training of Canadian experts on military and strategic issues, in order to respond to present and future security requirements and arouse a nationwide interest in these issues."<sup>21</sup> In the area of domestic policy, the federal government has continued to fund several policy institutes through project specific contracts.

### *The Third Wave: The Rise of Advocacy Think Tanks*

Breaking with the traditions established by Robert Brookings, Andrew Carnegie and founders of other early twentieth-century think tanks who were determined to insulate their scholars from partisan politics, several organizations often described as "advocacy think tanks" because of their ideologically derived policy agendas have consciously avoided erecting a barrier between policy research and political advocacy. Rather than assigning the highest priority to promoting scholarly inquiry as a means to serve better the public interest, advocacy think tanks such as the Heritage Foundation and the Institute for Policy Studies have come to resemble interest groups and political action committees by pressuring decision makers to implement policies compatible with their ideological beliefs

20 Some have argued that the decision of Brian Mulroney's government to close CIIPS had less to do with economics than with the nature of its policy recommendations, at times at odds with the policy of the Conservative government. Others have suggested that consulting firms and nonprofit organizations were in a position to offer advice on international affairs, and CIIPS was not necessary. See Geoffrey Pearson and Nancy Gordon, "Shooting Oneself in the Head: The Demise of CIIPS," in Fen Osler Hampson and Christopher J. Maule, eds., *Canada among Nations, 1993-1994: Global Jeopardy* (Ottawa: Carleton University Press, 1993), 57-81. For more on the creation of CIIPS see, Gilles Grondin, "The Origins of the CIIPS," *Background Paper* 6, CIIPS, August 1986; M. V. Naidu, "From an Idea to an Institution: The CIIPS," *Peace Research* 16, 3 (1984), 2-27; and Canada, House of Commons, *Debates*, April 17, 1984, 3117-61; April 18, 1984, 3189-210; May 11, 1984, 3643-57; and June 28, 1984, 5223-29.

21 *Ibid.*, April 18, 1984, 3192. Approximately 12 institutes receive between \$50,000-100,000 per year to conduct their operations. The Military and Strategic Studies Program, created by the federal cabinet in September 1967, has been renewed approximately every five years.

and with those shared by their generous benefactors. No longer content observing domestic and foreign affairs from the comfort of book-lined offices, advocacy think tanks have made a concerted effort to become part of the political process.

Unlike traditional policy research institutions, advocacy think tanks are not driven by an intense desire to advance scholarly research. On the contrary, their primary motivation is to engage in political advocacy.<sup>22</sup> In short, they do not covet attention in the scholarly community, but are deeply committed to imposing their ideological agenda on the electorate. As Heritage President Edwin Feulner points out, “our role is trying to influence the Washington public policy community . . . most specifically the Hill, secondly the executive branch, thirdly the national news media.”<sup>23</sup>

Although US think tanks, as nonprofit, tax-exempt organizations, are prohibited by the Internal Revenue Service from influencing specific legislation, many advocacy think tanks have made a concerted effort to do so. As a director at a major policy institute stated, “[think tanks] are tax-exempt cowboys defying the sheriff with their political manipulations. They don’t want to stimulate public dialogue, they’re out to impose their own monologue.”<sup>24</sup>

Through various governmental and nongovernmental channels, advocacy think tanks have attracted considerable attention in the political arena. Moreover, as a result of the meteoric success of the Heritage Foundation, the quintessential advocacy think tank, dozens of other institutes determined to leave their ideological imprint on Washington have entered the policy-making community. As the Heritage Foundation and other advocacy think tanks in the United States were competing for power and prestige in the marketplace of ideas, several institutions committed to enhancing their public visibility were being created in Canada.<sup>25</sup> Indeed, since the early 1970s, several institutes combining policy research with political advocacy have formed throughout the country. Among these are the Canada West Foundation (1971), the Institute for Research on Public Policy (IRPP, 1972),<sup>26</sup> the C. D. Howe

22 See Donald E. Abelson, “From Policy Research to Political Advocacy: The Changing Role of Think Tanks in American Politics,” *Canadian Review of American Studies* 25 (1995), 93-126.

23 Phil McCombs, “Building a Heritage in the War of Ideas,” *The Washington Post*, October 3, 1983.

24 Patricia Linden, “Powerhouses of Policy,” *Town and Country*, January 1987, 103.

25 See Abelson, “Public Visibility and Policy Relevance.”

26 The IRPP was inspired by the Ritchie Report of 1969. Ronald Ritchie was commissioned by the federal government to determine if it was feasible for the federal government to create “an institute where long-term research and thinking can be carried out into governmental matters of all kinds” (see Ronald Ritchie,

Institute<sup>27</sup> (1973), the Fraser Institute (1974), The North-South Institute (1976), the Canadian Institute of Strategic Studies (1976), the CCPA (1980), the Mackenzie Institute (1986) and the Caledon Institute of Social Policy (1992).

*The Fourth Wave: Vanity or Legacy-Based Think Tanks*

Vanity<sup>28</sup> and legacy-based think tanks perform similar functions as first- and third-generation think tanks, but appear to have a more defined and limited mandate than traditional research institutions and advocacy centres. Created by aspiring office holders (or their supporters) and by former presidents intent on advancing their political and ideological beliefs well after leaving office, fourth-generation think tanks are beginning to attract some attention. While legacy-based think tanks such as the (Jimmy) Carter Center at Emory University,<sup>29</sup> and the (Richard) Nixon Center for Peace and Freedom have developed a wide range of research programmes, vanity think tanks appear more concerned with engaging in political advocacy. Vanity think tanks are particularly interested in generating or, at the very least, repackaging ideas which will lend intellectual credibility to the political platforms of politicians, a function no longer performed adequately by mainstream political parties.<sup>30</sup> They are also established to circumvent spending limits imposed on presidential candidates by federal campaign finance laws.<sup>31</sup> Think tanks which fall into this category include US Senator Robert Dole's short-lived institute, Better America,<sup>32</sup> and the Progress

*An Institute for Research on Public Policy* [Ottawa: Information Canada, 1969]). For more on the report's impact on the development of IRPP and other think tanks, see Lindquist, "Behind the Myth of Think Tanks," esp. 363-69.

- 27 The C. D. Howe Institute, not unlike the American Enterprise Institute, is an example of a think tank that could be characterized both as a policy research institute and as an advocacy tank. It maintains an extensive research programme and takes advantage of various channels to market its ideas. For a discussion of C. D. Howe as an advocacy organization, see Alan Ernst, "From Liberal Contentionalism to Neoconservatism: North American Free Trade and the Politics of the C. D. Howe Institute," *Studies in Political Economy* 39 (1992), 109-40.
- 28 The term vanity think tank was coined by Robert K. Landers in, "Think-Tanks: The New Partisans?" Editorial Research Reports, *Congressional Quarterly*, June 20, 1986, 455-72.
- 29 For information on Jimmy Carter and the Carter Center, see Rod Troester, *Jimmy Carter as Peacemaker: A Post-Presidential Biography* (New York: Praeger, 1996); and Douglas Brinkley, "Jimmy Carter's Modest Quest for Global Peace," *Foreign Affairs* 74:6 (1995), 90-100.
- 30 See Winand Gellner, "Political Think-Tanks and Their Markets in the U.S.—Institutional Setting," *Presidential Studies Quarterly* 25 (1995), 497-510.
- 31 See Chisolm, "Sinking the Think Tanks Upstream."
- 32 Dole pulled the plug as a result of a controversy over the legality of creating an organization which allegedly could be used to circumvent campaign finance laws. For more see R. H. Melton, "Closing of Dole's Think Tank Raises Questions about Fund-Raising," *The Washington Post*, June 18, 1995.

and Freedom Foundation, the ideological inspiration for Speaker of the House Newt Gingrich's Contract with America. Ross Perot's United We Stand organization, the intellectual arm of his Reform party, can also be added to this growing list.

In a short period, several of these institutes established a strong institutional infrastructure with sizeable budgets. For instance the Carter Center, founded by President Carter in 1982 to study poverty, hunger, oppression and conflict, employs over 200 researchers and has an annual budget exceeding \$10 million. With less than one tenth of the staff at the Carter Center, the conservative Progress and Freedom Foundation, established in 1993, has a budget ranging from \$2-5 million.

Vanity think tanks are the latest generation of public policy institutes in the United States, but it is unlikely they will be the last. Think tanks exhibiting a combination of characteristics common to the various types of institutions discussed in this section will in all likelihood join the hundreds of think tanks competing for recognition in the policy-making community. At the very least, existing think tanks will modify their institutional behaviour to meet new demands and challenges in the political arena.

The essential basis for creating these types of think tanks is to preserve and promote the legacy of presidents and other leading political figures. Although few of these institutes exist in the United States, their creation largely depends on the financial support of affluent donors. In theory, there are few barriers to creating vanity or legacy-based think tanks in Canada. However, with the possible exceptions of the C. D. Howe Institute, named after the former federal Liberal cabinet minister, and the Pearson-Shoyama Institute, named after former Prime Minister Lester Pearson and former federal Deputy Minister of Finance Thomas Shoyama, such institutes have not yet emerged in significant numbers. Even these institutes are not committed to promoting the legacy of their namesakes.

As this historical overview has demonstrated, think tanks in both countries have followed a similar course of development, albeit at a staggered pace. Yet, unlike many prominent American think tanks, few in Canada have achieved comparable stature in the policy-making community, despite embracing similar institutional goals. As the following section will illustrate, there are many factors which are helpful in accounting for this discrepancy.



### Competing to Be Heard: Institutional Access and Domestic Constraints

A comparative approach to the study of think tanks in Canada and the United States can help to explain those factors that may be responsible for frustrating or facilitating the efforts of institutes to become firmly entrenched in the policy-making process. For example, institutional characteristics may facilitate think-tank activities in one country, but frustrate similar actions in another country. A comparison of these features in the United States and Canada can shed light on the reason for the relative success of think tanks in the United States, compared with the inability of Canadian think tanks to achieve the same status.<sup>33</sup>

Many factors are identified in the literature as critical to the ability of think tanks to play a viable role in the political process. These can be divided into three major categories: *institutional factors*, such as the governmental structure and the influence of political parties, *cultural influences*, including the prominence of policy entrepreneurs, and *funding considerations*, which include the existence of tax laws and foundations to support the activities of think tanks. A comparison of these factors in both countries reveals that American think tanks benefit from a facilitative institutional structure, a receptive political culture and generous tax and financial incentives. Conversely, Canadian think tanks must overcome a relatively closed political system lacking the same sort of inducements found in the United States.

#### *Institutional Factors*

Perhaps the most important factor affecting the level of think-tank involvement in the policy-making process is the governmental structure. This viewpoint is shared by students of interest group behaviour, who posit that the institutional structure of government can influence not only the level of group involvement in the policy-making process, but also the types of groups that form and the extent of access they can achieve.<sup>34</sup> Neo-institutionalists are also of the view that institutional

33 Ian Marsh considers a related theme in *An Australian Think Tank?* His goal is to determine what lessons Australian think tanks may learn from the experiences of think tanks in the US, Canada and Britain. He concludes that Australian think tanks will attain success only if the policy process itself undergoes changes, particularly with regard to the acceptance of "external influence."

34 David Truman, *The Governmental Process* (New York: Alfred A. Knopf, 1951); Jeremy Richardson, ed., *Pressure Groups* (Oxford: Oxford University Press, 1993); and A. P. Pross, "Pressure Groups: Talking Chameleons" in M. S. Whittington and G. Williams, eds., *Canadian Politics in the 1990s* (Scarborough: Nelson, 1990), 285-309.

organization has important consequences for public policy formation.<sup>35</sup> Not surprisingly, the governmental structure can be expected to affect the ability of think tanks to obtain access in the policy-making process.

The considerable differences between the Canadian and American political systems affect the impact of think tanks in several ways. The separation of powers in the United States, as contrasted with the fused executive in the parliamentary system in Canada, allows for a greater number of "access points." This has both enabled and encouraged think tanks to establish ties with individual members of the executive and legislative branches, a point noted by several think-tank scholars.<sup>36</sup> Weaver has recognized the importance of the nature of the American system for think-tank success in that country:

Think tanks are more numerous and probably play a more influential role in the United States than in most other western democracies. They are able to do so because of a number of unusual features of the American political system, notably the division of powers between the president and the Congress, weak and relatively nonideological parties, and permeability of administrative elites.<sup>37</sup>

By contrast, the Canadian parliamentary form poses several barriers for think-tank involvement. First, the apparently "closed" nature of the parliamentary system in Canada is a factor. The nature of this power tends to concentrate formal decision making in the cabinet.<sup>38</sup> This closed system stands in stark contrast to the open, decentralized division of decision-making powers in the American system.

The second institutional feature of the Canadian political system which impedes the access of think tanks is strong party unity in Parlia-

35 James G. March and Johan P. Olsen, "The New Institutionalism: Organizational Factors in Political Life," *American Political Science Review* 78 (1984), 734-49; and Theda Skocpol, "Bringing the State Back In: Strategies of Analysis in Current Research," in Peter B. Evans, Dietrich Rueschemeyer and Theda Skocpol, eds., *Bringing the State Back In* (Cambridge: Cambridge University Press, 1985), 3-37.

36 For instance, the Heritage Foundation maintains a liaison office with both houses of Congress and the executive branch to monitor closely political developments. Heritage also holds seminars to educate newly elected members of Congress. In addition, the Center for Strategic and International Studies has organized transition projects to assist new administrations in their transition. For more on how the decentralized, fragmented nature of the US political system facilitates the access of think tanks, see Weaver, "The Changing World of Think Tanks"; Carol H. Weiss, *Organizations for Policy Advice: Helping Government Think* (Newbury Park: Sage, 1992); and Stone, *Capturing the Political Imagination*, chap. 3.

37 Weaver, "The Changing World of Think Tanks," 570.

38 However, this formal arrangement does not preclude the existence of "access points" outside cabinet. For example, public servants develop policy for ministry use. This point is explored below.

ment, a prominent feature of many parliamentary systems.<sup>39</sup> The independence of individual members of the legislature is restricted, in large part due to the fact that parliamentary organization and leadership is determined by party politics. Therefore, the incentive for think tanks to forge alliances with individual members of parliament may be limited. Moreover, since political parties can draw on party resources to generate internal policy research, there may be less demand for independent policy expertise.<sup>40</sup> Conversely, in the United States where party unity is not faithfully enforced and where members of Congress are free to solicit policy advice from a wide range of organizations, think tanks have an incentive to compete for the attention of policy makers.

Despite the barriers ostensibly imposed by a parliamentary system, think tanks do exist in countries with Westminster traditions and, in some cases, appear to play an active role in the policy-making process. As Diane Stone posits, if think tanks are “natural” for the United States, given the fragmented and open nature of the policy-making process, why are these institutions also found in Britain and Australia, for example, which have a much different system?<sup>41</sup> Although Stone does not consider Canada in her inquiry, there are obvious parallels. Clearly, the institutional approach to understanding think-tank activity must be refined. Several points are relevant.

First, as Hugh Thorburn has noted, changes in the policy process over the last 25 years have modified the nature of group activity. Although Thorburn does not refer specifically to think tanks, the congruent interests of both pressure groups and think tanks make his argument relevant for this discussion. In general, a trend away from clientele politics and an opening up of the policy process has increased the number and types of interest groups involved, and displaced the influence of institutionalized groups.<sup>42</sup> It is apparent that this gradual

39 Strong party unity is not a feature of all parliamentary systems. However, most, including those in Canada, Australia and Great Britain, tend to have parties that are more centralized than those in presidential systems. On the determinants of party organization and centralization see Robert Harmel and Kenneth Janda, *Parties and Their Environments: Limits to Reform?* (New York: Longman, 1982), esp. chap. 5.

40 Little research has been conducted on the activities of official, party-based research institutes. For some information, see Réjean Pelletier, François Bundock and Michel Sarra-Bournet, “The Structure of Canadian Political Parties: How They Operate,” in Herman Bakvis, ed., *Canadian Political Parties: Leaders, Candidates and Organization* (Toronto: Dundurn Press, 1991), 265-311, esp. 285-90.

41 Diane Stone, “Old Guards Versus New Partisans,” *Australian Journal of Political Science* 26 (1991), 197-215.

42 H. G. Thorburn, *Interest Groups in the Canadian Federal System* (Toronto: University of Toronto Press, 1985), 3-15; and A. P. Pross, *Group Politics and Public Policy* (Toronto: Oxford University Press, 1992).

move from a closed, clientelistic policy process to a more open, pluralistic arrangement will tend to benefit the activities of think tanks in their efforts to become directly involved in the policy process.<sup>43</sup>

Second, the institutional perspective which focuses solely on the comparability of the congressional and parliamentary systems is insensitive to the nuances of policy development by the bureaucracy's public servants.<sup>44</sup> The greater decentralization of the American form of government, as well as the independence of members of Congress to seek a wide range of policy advice from both internal and external sources, seems to suggest that, when compared with the relatively closed, party-disciplined parliamentary system, think tanks will have more opportunity to flourish and make inroads into the policy-making system in the United States than in Canada. This point deserves consideration.

The cabinet is the formal decision-making unit of the Canadian federal government. Though think tanks may be discouraged from overt participation in this area of the policy process, there is potential for think tanks to form other links. In particular, the role of public servants in the federal bureaucracy, who are responsible for policy development and the presentation of policy options for ministerial review, is particularly important.<sup>45</sup> Public servants in the Canadian bureaucracy dealing with policy require expertise and research in particular policy areas.<sup>46</sup> "Outside expertise" is playing an important role. As Evert Lindquist notes:

Officials have had to contend with, or rely on, more outside expertise when developing and implementing policy, partially due to the proliferation and increased sophistication of outside groups, and partially due to the government's own fiscal pressures which have led to more contracting-out of analytic services.<sup>47</sup>

The potential for the relationships which may be formed between public servants responsible for policy development and think tanks willing and able to provide policy expertise defines another avenue in which Canadian think tanks can overcome institutional obstacles.

43 This point is also made by Marsh, *An Australian Think Tank?*

44 We would like to thank a JOURNAL reviewer for drawing our attention to this point.

45 J. E. Hodgetts provides early insight into this research topic ("The Civil Service and Policy Formation," *Canadian Journal of Economics and Political Science* 24 [1957], 467-79). For more contemporary work, see B. Guy Peters and Donald Savoie, eds., *Governance in a Changing Environment* (Montreal: McGill-Queen's University Press, 1995); and James A. Deveaux, Evert Lindquist and Glen Toner, "Organizing for Policy Innovation in Public Bureaucracy: AIDS, Energy and Environmental Policy in Canada," this JOURNAL 27 (1994), 493-528.

46 For case studies on the Canadian bureaucracy and recent policy development, see Deveaux et al., "Organizing for Policy Innovation in Public Bureaucracy."

47 Evert Lindquist, "Public Managers and Policy Communities: Learning to Meet New Challenges," *Canadian Public Administration* 35 (1992), 127-59.

A third point relating to the parliamentary form of government and the success of think tanks is made by Stone in her comparison of American and British think tanks. She states:

While parliamentary systems are more exclusive, the negative aspects of think tanks can be emphasised unduly. The centralised character of political affairs and the closed features of British government allow think tank executives and scholars to more easily target decision-makers. British politics is characterised by a relatively small and easily identifiable set of policy actors. By contrast, the US system is more fluid—and fragmented, with a larger number of participants in policy circles. It is more difficult to discern the loci of power.<sup>48</sup>

This view is supported by evidence of the close and enduring relationship which can, and has, developed between a think tank and a parliamentary government. British Conservative Prime Minister Margaret Thatcher's close attachment to the Centre for Policy Studies (CPS) is one example.<sup>49</sup> Herman Bakvis notes that the CPS was able to serve a particular role in policy development, while her party was able to control the use of that information in its policy. Prime Minister Tony Blair's Labour government seems to be following Thatcher's lead, albeit with advice from the left. The left-wing think tanks which provided his party with policy advice before the election of 1997 continue to have an active role in policy issues under the Labour government. In particular, Demos, founded in 1993, appears to have assumed an influential position within Blair's policy-making circles.<sup>50</sup> Thatcher's relationship with the CPS, as well as Blair's association with Demos, are interesting cases of active think-tank involvement despite institutional constraints. It also suggests that there may be particular arrangements

48 Stone, *Capturing the Political Imagination*, 44.

49 For more on Thatcher and the CPS, see Simon James, "The Idea Brokers: The Impact of Think Tanks on British Government," *Public Administration* 71 (1993), 491-506; Radhika Desai, "Second Hand Dealers in Ideas: Think Tanks and Thatcherite Hegemony," *The New Left Review* 203 (1994), 27-64; and Andrew Denham, *Think-Tanks of the New Right* (Aldershot: Dartmouth, 1996), esp. 39-60. On think tanks in Britain generally, see Daniel Butler, "Radicals without Reins," *Accountancy* 116, 1224 (1995), 36-38; Richard Cockett, *Thinking the Unthinkable: Think Tanks and the Economic Counter-revolution, 1931-1983* (London: HarperCollins, 1994); and Diane Stone, "From the Margins of Politics: The Influence of Think-Tanks in Britain," *West European Politics* 19 (1996), 675-92.

50 "The Apostles of Modernity," *The Economist*, October 25, 1997, 62-63. On think tanks and the Labour government, see Kirsty Milne, "Shedding New Light on Labour," *New Statesman and Society*, July 29, 1994, 23-24; and Caroline Daniel, "Thinker's Corner," *New Statesman*, December 20, 1996, 28. On Demos and its founding, see Gareth Smyth, "Marxism Yesterday," *New Statesman and Society*, August 5, 1994, 24-25; and Laurie Taylor, "Spring Chickens," *New Statesman and Society*, April 2, 1993, 13.

under which the participation of think tanks would be more likely. As Bakvis postulates:

This suggests that under certain circumstances, namely the presence of a leader with strong convictions combined with a vacuum within the party in terms of policy ideas and capacity, external ideas and personnel providing structures can be used to good effect in devising a distinctive agenda.<sup>51</sup>

In summary, these three factors—the gradual transformation of the Canadian political process, the role of the public service in policy formation and the potential for leaders to play an important role in elevating the status of think tanks—demonstrate that while institutional constraints in parliamentary systems may be formidable for think tanks, they are not insurmountable.<sup>52</sup> Institutional factors may help explain some of the differences between Canadian and American think tanks; however, this factor should not be overstated in assessing the activities of think tanks in Canada. Clearly, there are still obstacles limiting the activities of think tanks in parliamentary systems like Canada, but a closer examination reveals that, under certain circumstances, they may be overcome.

### *Cultural Influences*

In addition to the institutional differences between the two countries, certain cultural features may be identified which could affect the prominence of think tanks in the policy-making process. One significant cultural factor which may impede the development of think tanks in Canada is the relative absence of a strong and vocal entrepreneurial class in the private sector. In the United States, independent policy entrepreneurs have provided important leadership in the formation of think tanks dedicated to providing information and advice to government. In Canada, on the other hand, such leadership is likely to come from the government itself or from senior public servants. This difference re-

51 Herman Bakvis, "Advising the Executive: Think Tanks, Consultants, Political Staff and Kitchen Cabinets," in Patrick Weller, Herman Bakvis and R. A. W. Rhodes, eds., *The Hollow Crown: Countervailing Trends in Core Executives* (London: Macmillan, 1997), 84-125.

52 Canadian political parties may make alliances with particular think tanks. For example, it has been widely suggested that the Vancouver-based Fraser Institute has indirectly provided some ideological reinforcement for many policy issues of the Reform party (John Lorinc, "Hold the Fries and the Social Programmes," *Saturday Night* 109, 2 [1994], 11-12, 15-16 and 61). At the provincial level, the Ontario government under Premier Bob Rae maintained a close association with the CCPA, a left-of-centre think tank in Ottawa (Donald E. Abelson, "Environmental Lobbying and Political Posturing: The Role of Environmental Groups in Ontario's Debate over NAFTA," *Canadian Public Administration* 38 [1995], 352-81).

flects both the incentives created by the institutional structure of each form of government as well as cultural understandings of the appropriate repositories of policy expertise.

John Kingdon's work on policy entrepreneurs, defined as "advocates for proposals or for the prominence of an idea," demonstrates how these individuals can have an important impact on policy issues: "their defining characteristic, much as in the case of a business entrepreneur, is their willingness to invest their resources—time, energy, reputation, and sometimes money—in the hope of a future return."<sup>53</sup> Why do policy entrepreneurs undertake these investments? They do so, according to Kingdon, "to promote their values, or affect the shape of public policy."<sup>54</sup>

Without effective and meaningful government initiatives to establish policy institutes like the IRPP and the Canadian Centre for Foreign Policy Development in Canada, leadership must come from one or more policy entrepreneurs. Furthermore, there is some evidence to suggest that these entrepreneurs are likely to be more prominent in the United States than in Canada, at least with respect to the private sector. In their study of the environmental agenda in the United States and Canada, Kathryn Harrison and George Hoberg found a difference in policy entrepreneurship between these two countries.<sup>55</sup> Policy entrepreneurs in the United States played an important role in the promotion of certain environmental issues, particularly the effects of radon, and were able to facilitate its discussion on the political agenda. However, there was an absence of similar activity in Canada. Harrison and Hoberg note how the presence of policy entrepreneurship is, in a certain sense, tied to the institutional arrangements of each political system.<sup>56</sup> The highly fragmented nature of the American political system, combined with an absence of strong party unity, provides incentives to private policy entrepreneurs to help shape the political agenda. Conversely, the relatively closed and party-driven system in Canada offers few allurements to such entrepreneurs.

53 John W. Kingdon, *Agendas, Alternatives and Public Policies* (New York: Harper Collins, 1984), 129.

54 *Ibid.*, 130.

55 Kathryn Harrison and George Hoberg, "Setting the Environmental Agenda in Canada and the United States: The Cases of Dioxin and Radon," *this JOURNAL* 24 (1991), 3-27.

56 For more on theories of entrepreneurship, see Mark Schneider and Paul Teske, "Toward a Theory of the Political Entrepreneur: Evidence from Local Government," *American Political Science Review* 86 (1992), 737-47. On the role of institutional structures in influencing policy entrepreneurship, see Jeffrey T. Checkel, *Ideas and International Political Change* (New Haven: Yale University Press, 1997).

Several think tanks in the United States owe their existence, and, indeed, their success, to the efforts of policy entrepreneurs committed to injecting their political and ideological views into the policy-making process. Robert Brookings, Andrew Carnegie and the Heritage Foundation's Edwin Feulner represent but a handful of such entrepreneurs who have created think tanks as institutional vehicles to promote their beliefs. This entrepreneurial spirit is being expressed in the form of vanity and legacy-based think tanks in the United States.

By contrast, there are few examples of think tanks in Canada which are the direct creation of *private* sector policy entrepreneurship. The Fraser Institute, under the initial guidance of British businessman Antony Fisher and economists Sally Pipes and Michael Walker, Fraser's executive director,<sup>57</sup> and the defunct CIIPS, which was inspired by former Prime Minister Pierre Trudeau's global peace initiative, are notable exceptions. On the other hand, the *public* sector has served as a viable source of leadership. Senior public servants, including Michael Pitfield and Michael Kirby,<sup>58</sup> played important roles in creating the IRPP, the Economic Council of Canada, the Science Council of Canada and other governmental advisory bodies which provide policy expertise.

The fact that major initiatives for creating Canadian centres of policy expertise are coming from inside the government, and not from the private sector, as in the United States, is not surprising. In part it reflects the cultural understandings of the relationship between government and expertise in both countries. Private-sector policy entrepreneurs have had a significant impact on the creation of think tanks in the United States, while government has led the way in Canada. This role for governmental leadership in Canada is not unexpected, given the importance granted to bureaucratic and party policy advice in the parliamentary process. Colin Gray has suggested that the culture of "officialdom" in the British and Canadian bureaucracies discriminates against those groups seeking to provide external advice to government. This ethos of officialdom is contrasted with the relatively open access

57 For more on the origins of the Fraser Institute, see Lindquist, *Behind the Myth of Think Tanks*, esp. 377-80.

58 Drawing on their extensive service in the public sector, Kirby and Pitfield played an important role in recognizing the need for policy makers to draw on policy expertise both inside and outside government. After many years of government service, Pitfield served as deputy secretary (Plans) to the cabinet and deputy clerk, in the Privy Council Office (1969-1973). He also served as clerk of the Privy Council and secretary to cabinet (1975-1979). Kirby was assistant secretary to the prime minister in the Prime Minister's Office (1974-1976), secretary to the cabinet for federal-provincial relations (1980-1982) and deputy clerk of the Privy Council Office (1981-1982). On the contribution of senior civil servants to think-tank development, see Lindquist, "Behind the Myth of Think Tanks."



of the American system, in which the role of the bureaucracy in providing policy advice is often overshadowed by the presence of "independent" advisors operating in the private sector.<sup>59</sup>

The difference in think tank development in these two countries, particularly with respect to the source of their creation and growth, may also reflect broader societal trends. Sociological analyses of Canadian and American societies provide an interesting comparison. Canada has long been viewed as more "conservative, traditional . . . statist, and elitist" than the United States.<sup>60</sup> By contrast, American attitudes about individualism and the limited role of the state has supported a culture encouraging private entrepreneurship. As Seymour Martin Lipset argues, "If one society leans toward communitarianism—the public mobilization of resources to fulfill group objectives—the other sees individualism—private endeavor—as the way an 'unseen hand' produces optimum, socially beneficial results."<sup>61</sup>

The tendency for private, rather than public, endeavours in the United States is reflected in the extensive private and corporate philanthropy in that country.<sup>62</sup> Indeed, several prominent American think tanks, including the Russell Sage Foundation, Brookings and the Carnegie Endowment for International Peace, owe their origins and continued existence to such philanthropy. Others benefit significantly from foundation funding and charitable donations. These activities are not as prominent in Canadian society,<sup>63</sup> so policy institutes created and supported by individual and philanthropic actions are not as common. Instead, the government is more likely to take the lead in their development and sustenance.

In sum, think tank development in the American context is supported by several important cultural influences: a value system stressing individual efforts, a pattern of philanthropy and the presence of independent advisors operating alongside the bureaucracy. This has promoted policy entrepreneurship stemming from the private sector, with think tanks originating within society. On the other hand, the Canadian cultural context provides a different environment for think

59 Colin S. Gray, "Think Tanks and Public Policy," *International Journal* 33 (1978), 177-94.

60 Seymour Martin Lipset, "Canada and the US: The Cultural Dimension," in Charles F. Doran and John H. Sigler, eds., *Canada and the United States* (Englewood Cliffs: Prentice-Hall, 1985), 110. For other treatments of US and Canadian comparisons, see Robert Presthus, ed., *Cross-National Perspectives* (Leiden: E. J. Brill, 1977); and R. M. Merelman, *Partial Visions* (Madison: University of Wisconsin Press, 1991).

61 Seymour Martin Lipset, *Continental Divide* (New York: Routledge, 1990), 136.

62 For more, see Robert H. Bremner, *American Philanthropy* (Chicago: University of Chicago Press, 1988); Ben Whitaker, *The Foundations: An Anatomy of Philanthropy and Society* (London: Eyre Methuen, 1974); and Brian O'Connell, ed., *America's Voluntary Spirit* (New York: The Foundation Center, 1983).

63 Lipset, *Continental Divide*, 142-49.

tanks, particularly with a bureaucratic ethos, which may discourage external advice. Governments take an active role in the formation and maintenance of think tanks. This does not mean that private entrepreneurship is unwelcome, but that it may face substantial challenges overcoming both the cultural climate and institutional arrangements in order to secure a meaningful role in policy debates.

### *Economic Factors*

The ability of think tanks to have an effective presence in policy-making communities is influenced not only by institutional and cultural elements, but also by economic considerations. Think tanks, like other organizations, require secure financial resources to pursue activities such as research and lobbying. In addition, stable funding allows these institutes to take part in long-term research projects, a luxury not always afforded to bureaucratic departments and agencies. This, in turn, may allow them to establish close and enduring relationships with key policy makers. However, this would vary significantly, in part because of differences in the types and the amount of funding.

Think tanks rely on a combination of strategies to preserve and promote their reputation as important sources of expertise for policy makers. This includes conducting independent and/or contract research, organizing conferences and seminars to disseminate information to policy makers, and maintaining liaison offices with officials in various government branches, departments and agencies. In order to conduct such operations, these institutes seek funding from various sources, including corporate and individual donations, foundation grants and government contracts.

Of course, not all think tanks receive the same types of funding. More generally, there is a difference in the funding sources of Canadian and American think tanks.<sup>64</sup> In the United States, many prominent think tanks, including the Heritage Foundation, the CATO Institute and the Centre for Strategic and International Studies receive little to no government money. Foundation, corporate and individual donations represent their major sources of funding.<sup>65</sup> Moreover, a select group of

64 For more comparison of the sources of funding for Canadian and American think tanks, see Abelson and Lindquist, "Think Tanks in North America."

65 Hellebust, *Think Tank Directory*. Several studies have documented the relationship between philanthropic foundations and various American policy institutes. For example, see Edward H. Berman, *The Influence of the Carnegie, Ford and Rockefeller Foundations on American Foreign Policy: The Ideology of Philanthropy* (New York: State University of New York Press, 1983); Waldemar A. Nielsen, *The Golden Donors: A New Anatomy of the Great Foundations* (New York: E. P. Dutton, 1989). On the stormy relationship between the American Enterprise Institute and several philanthropic foundations, see Sidney Blumenthal, "Think Tank Adrift in the Center," *The Washington Post*, June 26,

think tanks including the Brookings Institution, the Hoover Institution, the Carnegie Endowment for International Peace and the Russell Sage Foundation are the beneficiaries of sizeable endowments. By contrast, while the majority of Canadian think tanks actively solicit individual and corporate donations, with few exceptions, they must rely on government contracts and grants to sustain their operations.<sup>66</sup> The IRPP, the North-South Institute, the C. D. Howe Institute and the Conference Board of Canada (and CIIPS while it existed), not to mention the 12 Security and Defence Forums funded by the Department of National Defence, are all recipients of various forms of government funding.<sup>67</sup>

What are the effects of such arrangements? Dependence on government funding may pose several hazards for Canadian think tanks. As CIIPS, the Economic Council of Canada, the Science Council of Canada and other victims of deficit reduction learned, cuts to government budgets may spell the end for many of these institutions. Think tanks dependent on government contracts, which may or may not be renewed, constantly face uncertainty when planning research and liaison activities. As Lindquist notes, "a tight funding environment and reliance on contract income has limited the kinds of activities that think tanks can undertake."<sup>68</sup> This financial uncertainty may hinder the ability of think tanks to plan for long-term projects. In doing so, it may undermine their efforts to establish the same visibility and relevance in the policy-making process enjoyed by many of their American counterparts.

Although funding differences can affect the range of activities think tanks in the United States and Canada engage in, the tax laws governing the creation of many of these organizations do not appear to pose significant constraints. Indeed, in both Canada and the United States, it is not difficult for think tanks to be created as nonprofit, charitable organizations. In the US, this status can be obtained under the Internal Revenue Code, Section 501(c)(3), which entitles corporations

1986; and Ralph Z. Hallow, "Baroody Removed as Chief of Financially Strained AEI," *The Washington Times*, June 27, 1986.

66 On the extent of philanthropic funding for Canadian think tanks, see Krishna Rau, "A Million for Your Thoughts," *Canadian Forum*, July/August 1996, 11-17. For more general information on funding sources for social science research centres in Canada, see *The Directory of Social Science Research Centres and Institutes at Canadian Universities* (Ottawa: University of Ottawa Press, 1987).

67 *Associations Canada* (Toronto: Canadian Almanac & Directory, 1996); and Noline van der Woerd, *World Survey of Strategic Studies Centres* (London: International Institute for Strategic Studies, 1992).

68 Evert Lindquist, "Confronting Globalization and Governance Challenges: Canadian Think Tanks and the Asia-Pacific Region," in J. W. Langford and K. L. Brownsey, eds., *Think Tanks and Governance in the Asia-Pacific Region* (Halifax: Institute for Research on Public Policy, 1991), 190.

involved in charitable, educational or religious activities to remain tax-exempt. Similarly, in Canada, this status is conferred by Revenue Canada under the *Income Tax Act* to those organizations with a charitable purpose including educational or religious pursuits. However, in both countries, this tax privilege is extended with certain limitations. In particular, charitable organizations in Canada are prohibited by law from participating in various political activities such as supporting or opposing political parties and candidates, furthering the political platform of parties and “persuading the public to adopt a particular view on a broad social question.”<sup>69</sup> In the United States, similar constraints apply. As Richard W. Stevenson notes, “under the Tax Code, exempt organizations whose donors can deduct their contributions from their taxes are barred from participating in political activities, like endorsing candidates or fund-raising.”<sup>70</sup>

Since many of these limitations are vague, think tanks in both countries have faced few constraints in promoting their institutional mandate. Some think tanks have even gone so far as to enlist the support of officials in the executive and legislative branches to sponsor their fund-raising events.<sup>71</sup> However, in recent years, the Internal Revenue Service and Revenue Canada have begun to look more closely at the political nature of these organizations.<sup>72</sup> Tax laws in both countries have facilitated the growth and development of think tanks, yet concerns about the legitimacy of their charitable status may create constraints for these organizations in years to come.

69 *Registering a Charity for Income Tax Purposes* (Ottawa: Revenue Canada, 1995), 8. Some Canadian think tanks, including the CCPA, have been refused tax-exempt status by Revenue Canada. For more on this, see Lindquist, “Behind the Myth of Think Tanks,” 62-63.

70 “Congress Plans to Investigate Audits of Tax-Exempt Groups,” *New York Times*, March 25, 1997, A11.

71 For instance, the Heritage Foundation has frequently relied on high-profile politicians such as Speaker Gingrich to sponsor its fund-raising activities (Abelson, *American Think Tanks and Their Role in U.S. Foreign Policy*, chap. 1).

72 As a result of controversy surrounding Gingrich’s use of tax-exempt organizations to sponsor his re-election bid, the IRS is looking more closely at the political activities of several Washington-based think tanks. For more on this, see “Politics and the IRS,” *Wall Street Journal*, January 9, 1997, A10; Stevenson, “Congress Plans to Investigate Audits”; and Albert Hunt, “The Gingrich Cloud Hangs over the House,” *Wall Street Journal*, January 9, 1997, A11. On the extent to which think tanks have violated the spirit and letter of the law, see Chisolm, “Sinking the Think Tanks Upstream.” On charities in Canada, see Rosemary Speirs, “Who Defines Charity?” *The Guardian* (Manchester), January 27, 1996, A6.

**Conclusion: Thinking about the Future of Canadian Think Tanks**

The future development of think tanks in Canada and their role in the policy-making process will inevitably be influenced by the environment they inhabit and their ability to adapt to changes in the marketplace of ideas. As this article has demonstrated, the institutional structure of the Canadian government imposes certain constraints on think tanks that are not present in the United States. Moreover, economic and cultural influences also play a role in shaping their behaviour.

This study suggests that while there are some visible constraints in the policy-making process which have impeded the efforts of think tanks in Canada, it is unlikely that these organizations will enjoy as much prominence as many of their US counterparts unless several barriers are overcome. While it is unlikely that the formal structure of the Canadian government will undergo significant change, think tanks can take cues from the experiences of similar institutions in other countries to enhance their presence in key policy-making circles. The most obvious starting point would be for think tanks to establish a close alliance with a particular political party or leader. This, of course, assumes that such an alliance would either not jeopardize their tax-exempt status, or that they would be willing to abandon this benefit, and their degree of autonomy, in exchange for a more meaningful role in the political arena. This has been the route taken by think tanks in other parliamentary systems, most notably in Great Britain. The main advantage is that it affords think tanks, which otherwise would have limited institutional access, an opportunity to convey their ideas directly to policy makers. For American think tanks, there is little incentive or need to establish formal alliances with political parties, given the highly fragmented and decentralized nature of the American political system, and the relative weakness of political parties.

A more practical and, indeed, effective route for think tanks would be for them to strengthen their ties to government departments and agencies that share similar policy interests. Although many think tanks including, though by no means limited to, the Canadian Policy Research Networks, the CCSD and the Caledon Institute, regularly consult with various government departments, the degree of ongoing consultation could be greatly enhanced. Concern over the policy capacity of the Canadian public service raises questions about the role of think tanks in the policy-making process.<sup>73</sup> What might the decline in

73 The Task Force on Strengthening the Policy Capacity of the Federal Government dealt with this topic. See its report, "Strengthening Our Policy Capacity," April 3, 1995. For a review of the task force's work, see George Anderson, "The New Focus on the Policy Capacity of the Federal Government," *Canadian Public Administration* 39 (1996), 469-88. For suggestions for improvement of policy capacity in public service, see Evert Lindquist and James Deveaux, *Recruitment*

policy capacity within the public service mean for Canadian policy research institutes? Recognizing that some departments do not possess the policy capacity to develop initiatives in some areas, think tanks offering specialized expertise could fill an important void.<sup>74</sup> Such a perspective has received mixed support.<sup>75</sup> Nonetheless, it is a possibility being considered by the federal government's Task Force on Policy Capacity, created in late-1994 to investigate, among other things, the state of the external policy research community. George Anderson, in his review of the work of the Task Force, concedes the relevance of "policy expertise outside government," but notes that institutes like think tanks face resource and funding restrictions—like those noted here—which may hamper an effective role.<sup>76</sup>

This assessment seems overly pessimistic. First, not all think tanks lack the policy capacity to provide long-term strategic advice to government. Certain Canadian think tanks have established important roles in given policy fields. A notable example is the policy advice of the C. D. Howe Institute in the area of monetary policy.<sup>77</sup> Second, the ability of think tanks to have an impact on policy may fluctuate, changing as governments' needs change. For example, as governments downsize, in-house policy research and development capacity can be expected to diminish, and think tanks may be able to take advantage of the need for consultation with "outside expertise."

There are other options think tanks can explore as well: for instance, Canadian think tanks could follow the American trend of recruiting former policy makers and prominent academics to serve on their staffs. They could comprise a talent pool for the prime minister and cabinet ministers to draw on to fill important government posts as well as a reservoir of seasoned policy experts capable of providing policy-relevant advice, an orientation bureaucrats are desperately seeking. Thus, think tanks could assume a more meaningful voice in Canada's policy-making process. Their ability to do this, however, will ultimately depend on their financial resources. Attracting such individuals will require them to explore new sources of public and private funding.

*and Policy Capacity in Government* (Ottawa: Public Management Research Centre/Public Policy Forum, forthcoming).

74 On links between federal departments and think tanks, see *Umbrella Group on Policy Management, Sub-Group on Relations with the External Policy Research Community* (Ottawa: Department of Finance, 1997).

75 This has included questions about the legitimacy of the research conducted by these institutes. For more, see Allan Tupper, "Think Tanks, Public Debt and the Politics of Expertise in Canada," *Canadian Public Administration* 36 (1993), 530-46.

76 Anderson, "The New Focus."

77 Lindquist, "Behind the Myth of Think Tanks."

Despite the difficulties Canadian think tanks encounter in securing access to formal governmental channels, they may still participate in the policy-making process. Although they may not enjoy comparable visibility, or the entrenched status of their counterparts in the United States, it is clear that Canadian think tanks can make headway in their efforts to become more relevant policy actors. Canadian think tanks have achieved some recognition, not for their direct influence on specific policy outcomes, but rather for their impact on shaping policy discourse in this country.<sup>78</sup> These endeavours, as well as their enduring aspirations to secure a more meaningful and long-term role in the governmental apparatus, suggest that Canadian think tanks will continue to pursue their objectives. These efforts will, of course, inevitably be shaped by the parameters of the Canadian political system. Furthermore, if the past is any indication, the experiences of think tanks in other countries, particularly of those in the United States, will continue to influence their activities, as well.

78 This observation is made by Lindquist throughout his study, "Behind the Myth of Think Tanks."