

- Edited Transcript -



presents a discussion entitled

Are Think Tanks Becoming Too

Political?

Thursday, February 16, 2012, 12:00–2:00pm

Program and Panel

- 12:00 p.m. Panel discussion
Michael Franc, Heritage Foundation Vice President for Government Studies
Will Marshall, President and Founder of the Progressive Policy Institute
Neera Tanden, President of the Center for American Progress
Tevi Troy, Hudson Institute Senior Fellow
Christopher DeMuth, Hudson Institute Distinguished Fellow and former President of the American Enterprise Institute (Moderator)
- 1:10 Question-and-answer session
- 2:00 Adjournment

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CHRISTOPHER DEMUTH: Ladies and gentlemen, good afternoon, welcome to Hudson Institute and this panel discussion, “Are Think Tanks Becoming Too Political?” This session is sponsored by Hudson’s Bradley Center for Philanthropy and Civic Renewal. I am Christopher DeMuth. I am a Senior Fellow here at Hudson and was, for many years, president of the American Enterprise Institute. So the subject is one of great interest to me as well. I will moderate the discussion, although after others have finished I may say a few words of my own if I think there is something to add or if I liked something that somebody else has said and want to say it myself. [LAUGHTER].

The text for our discussion is an article in the current winter issue of *National Affairs* by Tevi Troy entitled, “[Devaluing the Think Tank](#).” Tevi is a Senior Fellow at Hudson. He went to Cornell and got a PhD in American Civilization at the University of Texas at Austin. In the Bush 43 Administration, he served in a succession of positions at the White House, including Deputy Director and Assistant to the President for Domestic Policy and Head of the Domestic Policy Council. Towards the end of the administration he was appointed Deputy Secretary of Health and Human Services. During Tevi’s checkered career, he has been at the following think tanks in addition to Hudson [LAUGHTER] AEI, Claremont, the Potomac Institute, the American Action Institute, Heritage, and the Institute for Humane Studies. After Tevi speaks we will hear from our three panelists in the following order.

First Neera Tanden, Neera is President of the [Center for America Progress](#) (CAP) and counselor to CAP’s affiliate, the [Center for American Progress Action Fund](#). She was among those who founded CAP in 2003. She served as Legislative Director for Senator Hillary Clinton and was a senior official on her Senate campaign in 2000. Before that she served in the Clinton White House. She was a Director of Domestic Policy Issues on the Obama-Biden campaign and in the early years of President Obama’s term she was Senior Advisor on Health Policy Issues to Health and Human Services Secretary Kathleen Sebelius and was a prominent member of the team that put together the Obama Administration’s health care proposal.

Next we will hear from Michael Franc, he is Vice President for Government Studies at [The Heritage Foundation](#), and is in that capacity in charge of Heritage’s relationships with Congress and the White House. Michael attended Yale and Georgetown Law School. He worked in the office of National Drug Policy in the George H. W. Bush Administration. He was Communications Director for Richard Arney when he was the Majority Leader and earlier worked for William Dannemeyer of California.

Finally we will hear from Will Marshall. Will was a co-founder of the Democratic Leadership Council, the DLC, in 1985 and when the DLC created the [Progressive Policy Institute](#), PPI, in 1989, he was its founder and has been its President continuously since then. He is a graduate of the University of Virginia. He has worked for the governor of North Carolina, Jim Hunt, and other politicians at the State House. He and PPI have been closely associated over the years with many new Democrat, meaning moderate Democrat, initiatives, especially those of Bill Clinton, both before and during his term as President. So, I will, with that, turn the lectern over to Tevi Troy.

TEVI TROY: Thank you Chris for that nice introduction. It is a real pleasure to be able to work here with Chris. Chris was one of my first bosses in Washington when I worked at the American Enterprise Institute, one of the multiple think tanks I’ve either worked at or been affiliated with.

I just read David Brooks’ book, [The Social Animal](#), and there is one section in the book where he talks about an intersection not far from here, where K and 16th Street meet, and he says there is a think tank on every corner. He calls it the most boring intersection in America [LAUGHTER]. Now, not only do I take issue with that depiction, but I would say that the full room here and the C-Span cameras indicate that other people disagree and find think tanks very interesting.

I'd like to thank two people who share this view with me. One of them of course is Ken Weinstein, CEO of Hudson. Ken, a couple of months ago in a speech, was talking about his tenure as a PhD student at Harvard. He said that it was never until he left academia to come to Hudson Institute did he feel the real width of academic freedom. Ken has brought that notion and that sense here to Hudson, where the scholars are encouraged to do research and go wherever the research may take them. And on that point, I would add that Ken never saw a draft of my article or any indications that I was writing the article before it appeared. I know that is not the case in every think tank, but I think that is something that is laudable about Hudson.

The second person I want to thank is standing in the back of the room, is Yuval Levin. Yuval is the editor of [*National Affairs*](#), and he worked for me at the Domestic Policy Council. He was the single best memo writer on my staff. In fact, I knew that when Yuval wrote the memo, I would not have to do very much editing to it, so I would always put it at the bottom of the pile of memos I would have to go through. I'm very glad that he's now found a profession in magazine writing and magazine editing that suits his skills. Yuval was not only willing to but eager to publish this piece and *National Affairs* is the kind of magazine that lets you have this sort of argument, to develop an argument, to take 3000, 4000 or more words to lay out a point and really have an examination of an issue, rather than try to cram everything into an 800 word op-ed, which I don't think would have been possible in this particular case.

So I know of course that with the internet anybody can write 4000 words and put it up anywhere, but *National Affairs* is a platform that allows you not only to write 4000 words or so, but also gives it a reading by senior government officials and members of Congress. I know that Paul Ryan is a fan of the magazine; also journalists, opinion makers and think tank folks are of course.

With that in mind, I got a call from a friend of mine who is at Heritage a few days after the piece came out. He said that he saw Heritage scholars reading the piece so intently that they were walking into walls while they were distracted by it. So, I was flattered by that. But from my perspective, that is the ideal think tank scholar, somebody who is so focused on the research that they are somewhat oblivious to the world around them. And for many years that was the perception of think tank type people, sort of policy nerds who were just focused on policy.

But over time, and I argue this in the piece, there has been more of a move towards politics in think tanks. And I kind of had a flash of insight about this in 2009, not long after President Obama won the election and I was seeing a series of articles about Republican attempts to win back the sentiments of the voters and to do it via the creation of new think tanks. The Democrats had CAP and now we are going to create our own think tank.

It reminded me of something I'd read long ago, a joke about Jimmy Carter's foreign policy. The joke was that Carter's foreign policy was to lose a country, gain an ethnic restaurant. And indeed, this was sort of a trend that had taken place in Washington in the late 1970's when you saw the development of an Iranian restaurant and an Afghani restaurant and Vietnamese restaurants, and there was a sense that we weren't doing well in the Cold War, but we were doing better on the cuisine front.

And when it comes to think tanks, I adapted this line to "lose an election, gain a think tank." What we've seen over the last 30 years, there has been this consistent theory of party professionals looking at an electoral loss and saying that they need to adjust to situation by creating a think tank.

Now, many of these have come in response to the Heritage Foundation and I see Mike Franc up here on the dais with me. Heritage is sort of the great white whale of think tanks. It came up in the 1970's and was very successful very early, got a lot of attention, and people from both parties have been trying to either imitate it or adapt its methods to suit their own purposes ever since.

Heritage itself didn't come about in response to an electoral defeat, per se, but it did come about as the result of a legislative defeat. There was a vote on the long forgotten supersonic transport. The people who lost the vote got a paper from the American Enterprise Institute a few days *after* the vote in Congress and two staffers in Congress who saw this said, 'Wow, this would have been a helpful paper to have a few days ago when we had this vote.' So these two staffers, Paul Weyrich and Ed Feulner, called up AEI and asked why the paper did not come out before the vote. It would have been helpful. And they were famously told that AEI "didn't want to try to affect the outcome of the vote." Which seemed to them to be somewhat short sighted. And with this encouragement they went out and created the Heritage Foundation, which was specifically created to be able to write memos and papers that Congressmen or Senators could read on the way from the Rayburn Building, if they were Congressmen, or the Hart Building, if they were a Senator, on their way to the Capital, in preparation for a vote.

So Heritage not only succeeded in working on Capitol Hill, but it also succeeded spectacularly with the Reagan Administration. First, Heritage had this mantra of "personnel is policy," and with that mantra they created a job bank for people interested in joining the Reagan Administration. They also created a famous book called [*Mandate for Leadership*](#), which included many of the policies that were eventually adopted by the Reagan Administration.

Well in the wake of the Reagan Administration's success, some Democrats looked at the electoral losses of 1980 and 1984 and said that they needed to respond. Their response was to try to move their party to the right or to the center, and thus was created the Democratic Leadership Council, or as Jesse Jackson used to call it derisively, 'Democrats for the Leisure Class.' [LAUGHTER] But the idea behind the DLC, which was a 501(c)(4), a more political organization, and not a think tank per se, was to try and move the party leaders in one direction. However, they realized that one way to do this was to have a think tank, a 501(c)(3), a non-taxable organization. So Progressive Policy Institute, where Will Marshall worked, and still works, was created in order to help come up with ideas for what later became the Clinton Administration. And some of the very good ideas came out of there, reinventing government, they were adopted by the Administration.

Now the Clinton success in turn meant that there was a Republican defeat, and after the 1992 election you had Republicans asking what they were going to do now. So a couple of new think tanks were born out of that loss. There was The Project for the Republican Future, which Bill Kristol started, and Empower America, which Jeanne Kirkpatrick, Bill Bennett, and the late Jack Kemp started. And both of these were looking for ways to respond to the new Clinton Administration. The Project for the Republican Future, in particular, used this cutting edge technology of fax to distribute their memos around the Capitol, and this was really groundbreaking stuff. And one of these memos, written by Bill Kristol, about the Clinton healthcare bill, was credited with sort of bucking up Republican Congressmen to oppose the Clinton healthcare bill and eventually that proposal was defeated.

Well in 2000 the Republicans won the White House, and then the Democrats were on the search for a new think tank and they brought about this idea of CAP, which was explicitly modeled on Heritage. It was designed to be a more political organization, very focused on media. It has been really cutting edge in terms of new media, bloggers, and tweeters, et cetera, and it has a (c)(3) and a (c)(4), a political organization and a think tank. And CAP has in turn led many Republicans to think about how to respond. There is the American Action Forum, which is in response to that. Heritage responded by creating its own (c)(4), the Heritage Action for America.

So, Heritage has its side organization and you recently saw this new organization that Bill Kristol has started, called The Center for American Freedom. It is just a (c)(4) since they don't even have the think tank part of it, because they are that explicitly political.

So you see this back and forth, which raises two concerns in my mind. One is that there is an original sin in their conception, meaning that they are founded as explicitly political organizations, and if so, then they will have a political lens with which they view things and a political perspective, and that will color what they do.

The second thing is this notion I talk about in the title of the piece and throughout the piece, which is the devaluation of the think tank. Just as the Myanmar regime printed more and more currency to try and get out of their economic problems, if you have more and more think tanks and some of them are seen as explicitly political, that may devalue the work of other think tanks.

However, I must say, even though I'm somewhat critical in the article, I am a fan of the think tank enterprise and I want to laud some of the initiatives that have come out of think tanks over the years, whether it is Brookings coming up with the Marshall Plan or AEI working on deregulation in the 70's or our own Hudson Institute working on welfare reform in the 90's. I think all of these have been good developments for America and I like it when you have think tanks that are able to get beyond the political and look at real ideas that can help us get through the morass we face in this country and through some of our political difficulties. So the hope is that we would have more policy-oriented and less political organizations in the future.

I just want to conclude by talking a little bit about some of the reactions that I've gotten from the piece, which were of interest to me. From the left I expected to get some criticism, but in fact I've gotten mostly praise, because, in my interpretation anyway, it seems like people on the left see think tanks as this Republican or Conservative advantage, so anything that takes think tanks down a notch is probably helpful from their perspective. From the right, many people see this as a criticism of CAP, and so they say you are taking on CAP; and CAP is a political organization that kind of frightens Republicans.

I don't think either was my intent per se, although I do have thoughts about CAP's political nature. But I must say that the absolute most frequent response I've gotten has been from people who work for think tanks that weren't mentioned in the article. They all said it was a great article, but then asked why they weren't mentioned. [LAUGHTER] And I think that sort of encapsulates where we are today, where the think tanks are beyond the notion of worried about criticism, but much more interested in publicity. Thank you very much. [APPLAUSE]

NEERA TANDEN: Thank you very much. I'm really pleased to be here, because mentioned, I helped start CAP almost eight years ago. I worked on our mission statement and our mission papers and I can say what those papers were really about, which is that there is a war of ideas in the country. Sometimes it feels more like a war, but it is always about ideas. And that was important to our founding, and continues to be important.

If you've read the article you'll see that CAP is, what I would say, a central focus. A few things about the overall arguments in the piece and then maybe talk just a little bit about CAP. As the title denotes and Tevi just mentioned, the question really is, has the plethora of think tanks devalued the currency of think tanks? And my own view of that is that in fact think tanks have only grown in importance and their role has only grown.

Looking back at CAP's history, I would say what we are proudest of is not our ability to change the conversation through communications and discussion of ideas. What we're proudest of is our ability to change the country through the ideas we have put forward, and it is absolutely true that organizations like Heritage and AEI have done that in the past, and we have looked on and praised those efforts.

CAP is an organization that has an ideology, not partisanship, but an ideology, but our focus is to solve the country and the world's challenges. And when we have done that, and done it most effectively, we have put ideas out that pushed the parties to look at issues afresh.

For two examples of the work that we've done, that we consider hallmarks of our success, is first, at a time when many Democrats would not talk about the Iraq war, let alone ending it, in 2007 CAP was the first mainstream organization to put forward a detailed plan of how to end the war in Iraq and move forces to Afghanistan. That became the hallmark of what every Democratic candidate and obviously ultimately the plan for what President Obama did in his first year.

Similarly in 2005, after Kerry's defeat, Democrats wouldn't talk about universal healthcare. CAP was the first. It was a mainstream organization that put forward a plan that had a universal healthcare model that is still built on the system we have. And the framework of that plan was ultimately adapted in Massachusetts and was ultimately adapted by the President.

So one criticism I have of the piece is that it doesn't actually focus on the ideas CAP has put forward. It's focused on its communications structure and resources in communication, and we are proud of those, that investment we've made, because it is important to communicate your ideas. But you cannot win a war of ideas and you cannot change the country and the debate with communications alone. The most important element is to have good policy proposals and that is the foundation of good communication, and CAP has understood that from the beginning. So we do have a (c)(4) and a (c)(3). Our (c)(3) focuses on economic policy, domestic policy, and national security. And each of those policy teams work every day to solve the challenges the country has.

We are proud of the work we've done to put ideas forward that have become law, and most recently ideas we put forward on a competitiveness agency and a competitiveness council have been adopted by the administration. Particular ideas about job creation have also been adopted by the administration. However our goal is not to amplify what Democrats are saying, our goal is to put ideas forward that political leaders feel compelled to take up. And I think that the central lesson we have learned from think tanks who are engaged in the space and have been in the space for a long time, is that essentially when there are good ideas out there, the best political leaders will often gravitate towards them. We have seen role models of this across the spectrum, both from the right and the left.

I am happy to engage in specific issues around the article, but I think the central issue is that we should not think that ideology is in opposition to ideas. CAP itself is what I'd call "pan-progressive." There are ideas that we have that are centrist, there are ideas that we have that are considered more liberal. We have Senior Fellows like Matt Miller, who is a party centrist, who has argued for a third party. We have ideas proposed by Eric Alterman, who is very, very liberal on many issues.

When we first got started our focus was on ensuring that there is a big debate on these issues and that we are engaging in the debate and encouraging the debate. And the most important way to do that is to continually put out policy proposals on ideas with the focus always being on how to make the best possible change for the country. Thank you very much. [APPLAUSE]

MICHAEL FRANC: Good afternoon, and thank you Tevi and to Ken and Hudson for the invitation to be here today. And Tevi, congratulations on writing this piece, which has got a lot of tongues wagging all around town. I think today's event is evidence of that.

What I would do, is maybe challenge the panel that a think tank is too political. Maybe it's better, are think tanks too influential? Are think tanks too relevant? [LAUGHTER] And the reason I ask if they are too political has to be looked at in the broader context of what is happening in American politics the last

few decades, which is we have seen a steady, increasing, and now it's probably a near perfect alignment of ideology and partisanship.

So literally if you go on Capitol Hill and talk to a member who is very conservative, there is a 95 percent chance or greater that that person has an (R) Republican after their name. And the same is true, if you talk to somebody who is a proud liberal. There are very, very few outliers now, in either party. And what I would cite to back that up is a terrific piece by Ron Brownstein in the *National Journal* about a year ago that looked at the latest scorecard. The *National Journal* evaluates the ideology of members of Congress and they do a very detailed analysis of roll call votes. They did about 150 votes in three categories—economics, social, and international issues.

They've been doing this for a long time, and in 1982, as they pointed out, the most liberal Republican in the Senate was Lowell Weicker of Connecticut and the most conservative Democrat was Ed Zorinsky of Nebraska, and there were 58 Senators in between them.

When they did that in 2010, the most liberal Republican was George Voinovich of Ohio and the most conservative Democrat was Ben Nelson of Nebraska, and there was zero Senators in between them. Zero. From 58 to zero over that roughly 30 year period. In the House, the spread went from 350 some odd members, from the most liberal Republican to the most conservative Democrat, to seven. And most of those seven lost their re-election efforts in 2010. There is almost no middle left in the Congress any more.

So a lot of times if you have an ideological point of view, you have a coherent world view that is either conservative or liberal. It's easily confused, especially in the media, as being partisan in nature when in fact it is really rooted in a coherent set of principles.

And that takes me to my next point, which is, I think, a test for every think tank. It is whether the think tank is willing to criticize the folks they usually agree with when their saints suddenly become a sinner on some given issue. Where do you pull your punches? And if you pull your punches and refrain from criticizing your usual friends, then I think you've veered into the category of being political, of being partisan, and not being an actual think tank that's rooted in a coherent world view, coherent set of ideas.

That also holds true when one of your normal enemies says something that you think is pretty profound and smart. You should be able to embrace them and say good things about them, even if it's not something you feel innately comfortable doing.

On the marketing side, I think partly a lot of what is at the root of what Tevi wrote about is a sense that think tanks have migrated from institutions where there are these pointy headed intellectuals that spend a lot of time thinking big thoughts and writing profound books, then they publish it and go on to the next project and the next project and maybe the book they write gets a few good reviews and then starts to collect a lot of dust on somebody's shelf, to a model where you have academics writing papers and studies and so on and then they're handed over at the appropriate time, when even the most technical, painstakingly time consuming idea is suddenly ripe, or when the political debate on Capitol Hill makes that idea relevant.

Suddenly they are handed over to a marketing department; maybe it's a marketing department that gets them up to Capitol Hill to actually talk to lawmakers and professional committee staff, leadership staff, and legislative directors about the ideas. God, imagine that. And then they get turned over to a department that handles communications with broadcast media, print media, and social media. Suddenly these ideas, whether it's welfare reform or the findings of the index of cultural dependency or economic freedom like we do at Heritage, they are in the public realm. They're being discussed. They're getting

invited on shows to talk about it in the media. And they're relevant people, right? They're not just academics in some back room growing pale from all the work they do.

So I think there's nothing wrong with aggressively marketing the product that you put together. There is also nothing contradictory that you can do both things. You can simultaneously have scholars that really take a long time to develop something complicated, think through all the permutations, and basically have a system where they let an idea come to the right kind of ripening in an appropriate way, *and* have that aggressive marketing at the appropriate time.

I think sort of the task is whether the marketing efforts ultimately relate back to the intellectual product that the think tank produces, or some kind of derivative of it. So, you want to have a coherent view, which is my next point. Is it okay for a think tank to want to have a coherent world view? And that may imply, or suggest, or require, that the papers and studies go through some kind of process internally. And we find that at Heritage a lot of times, you have an issue.

We cover a very broad spectrum of issues. Almost every major issue on Capitol Hill probably has some interest to us in one way or another. And a lot of times, those issues cut across policy disciplines, and do you really want to be writing something on say, the healthcare issue or trade issue, that may cut against the interest, the values, and the thinking of some other analyst in another area?

So, if you have an export issue that triggers concerns about military capabilities and so on, you want to put the free trade guys in the same room with those national security experts and figure out the best way to go forward. Immigration figures into about every conceivable issue I can think of, and you do want to have that kind of cross-pollination, and you don't necessarily want to have one paper saying one thing, and another paper saying another.

That is sort of a threshold question that think tanks want to address. And sometimes you feel it is okay to have multiple voices on the same issue, and contradictory points of view and let the thousand flowers bloom philosophy. We like having a coherent world view. We like having our policy papers synch with other policy papers in related disciplines and I think that's a judgment call, but it's nevertheless very important.

The last thing I'll mention is, partly what is going on here is driven by changes in the law relating to lobbying. There is something called the Lobbying Disclosure Act that is a parallel legal framework that goes with the 501(c)(3) status and the tax code/ It does cause some institutions to want to rethink how they operate, especially on Capitol Hill. If you spend a lot of time talking to covered individuals under that law, which are members of Congress and staff, about legislation, even if it's the most blue sky, pointy headed technical discussions about the effect of a bill on something, you may be invited up to the Hill by a professional committee council or economist or what have you, to talk about it, that starts the count toward a calculation.

And if you spend 20 percent of your time doing that kind of work, then technically you're a lobbyist. Even if you're a public intellectual who is just trying to educate staff members about the effect of what they may be ready to vote on. Some organizations don't want to have their scholars also be "lobbyists." That's a four letter word, right, lobbyist?

So maybe you ought to think about that law and have a category for people, like half the people in this room who are really public intellectuals and add so much value in a unique way to the public policy process, and not kind of, quote unquote, taint them, with that designation. That is a consideration and had a lot to do with where we ended up going a couple years back when we decided to create Heritage Action for America. We wanted to keep our policy experts from having to be registered as lobbyists. So it is a

consideration to some organizations in the front. And with that I'll turn it over to Will and thank you again for the invitation. [APPLAUSE]

WILL MARSHALL: So first, thank you to Hudson for organizing this conversation and to my friend Bill Schambra, who always manages to ask provocative questions worth debating.

I had a similar reaction as Michael's, I think, to the topic. Of course think tanks are political. The *raison d'être* of a think tank is to influence political acts and political outcomes, and there is nothing wrong with that. That is why we're in business.

I think the real question that we want to debate today is, has marketing overtaken idea generation and policy innovation and somehow debased the currency of analysis that think tanks offer? I'll try to offer a few comments on that, but also adding to the kind of evolutionary theme that Tevi offers in his article, there has been an obvious trend away from the initial model of the think tank, which is the academy on the Potomac, long corridors filled with PhDs, and an institution that always stood aloof from the political process.

Yet we don't want to overstate the degree of objectivity of the scholarship at any think tank, because as my old friend Marty Lipset always liked to say, "every intellectual has a party line." And while I have nothing but high regard for my friends at the Brookings Institution, that's true there too. But that is connected to a real commitment to the data driven analysis that provides the empirical and evidentiary basis for policy proposals that come out of that place, and they have set a very high standard.

I do think there is some departure from that standard that we have seen as the think tank marketplace expands. As everybody has made the point, in the 70's obviously there was the great rise of the conservative think tanks here, Heritage leading the way, but also others. And I would say that Heritage taught us how to market, I don't think it began later. I think that this is a think tank that had a strong emphasis on marketing in the service of a political philosophy, not of particular political parties, they were quick to point out, but a lot of what we know about marketing was learned from that experience.

And frankly, PPI, when we launched in the late 80's, looked at that example and saw that it was working pretty well and tried to emulate it. We too were pushing a point of view, a governing philosophy, not a party, but often as is the case, and particularly one that's true for a think tank like ours, which is pretty small, we looked at elected officials as the audience for these products and the marketers of them.

What we lived for was to see a Senator or presidential candidate or a House member or a Governor embrace an idea and run with it, and in a sense validate it to the broader media community and the chattering class in general. So this is a large part of the definition of success for this kind of think tank.

The thing I'm proudest of and what to me looms as still the best rationale for all this think tankery is the ability of groups to come in and inject new thinking and fresh ideas into the political debate. We were identified with a bunch of ideas in the 90's—charter schools, a social policy that rewards work rather than dependents, reinventing government. These things have become the law of the land, such as national service, and I can say this about them, they would not have arisen within the framework of the institutional party or from the interest groups that are part of every party's infrastructure or from the affiliated experts who invest so much in the status quo, in the confines of a policy framework or system. Our biggest battles have been with the experts who think they know how to tweak something that manifestly isn't working. I think at their best, what think tanks do is innovate.

So now I would like to look at what's happened in more recent time, and particularly in response to the intense polarization of that decade. We saw two developments that go in opposite directions. One was

the rise or the advent of the bipartisan think tank, or the think tanks of ambiguous ideological profile [LAUGHTER], and these think tanks are in some sense a reaction to the strident partisanship in Washington, and the rise of more, frankly, partisan think tanks. And you know, it's a very smart business model. It appeals to funders who don't want to take sides in the Washington ideological wars, don't want to be tarred with the brush of being on one side or the other.

This think tank model has advantages—you get a wide hearing and you aren't immediately shut out of the debate because you are bipartisan by definition. On the other hand, it's a little harder to be original, harder to be innovative, I think, when you constructed yourself in such a way as to push for consensus.

The second kind of think tank or new institution we saw proliferate in the last decade was what Tevi calls the marketing think tanks, but they're really think tanks that have added strong message development arms and maybe less of a pretense of objectivity, wearing partisan and ideological leanings on their sleeves a bit more. That brought into the think tank world attributes of the campaign, the war room mentality, and the desire to win the 24/7 news cycle, to play the blogosphere hour by hour, not just day by day, and provide fodder to the proliferation of cable TV talking heads and radio talk show hosts.

I think this model of think tanks really was based on two catalysts. The first was on a theory, particularly on the left, that the Republicans and the conservatives had done a much better job of setting the terms of the policy debates in Washington for a generation. And had built up this powerful echo chamber of newspapers, think tanks, cable TV talk show hosts and so forth, so that every time a conservative columnist or Congressperson offered an idea it was immediately taken up and amplified powerfully by this echo chamber. What we called the "vast right wing conspiracy" on our side. There was a good deal of envy among liberals and Democrats about this, and grudging admiration for the way it worked. And I think there was this assumption that there needed to be a countervailing infrastructure on the progressive side of the aisle to better offset it.

This led to the claims that can lead you to intellectual complacency—that the ideas are not really what is killing us politically, it's our bad messaging. So you have to be careful about that. There is no question that in today's world you need to have both sound ideas and the ability to communicate them effectively.

Then the second catalyst for this phenomenon was something we don't talk about much—McCain-Feingold Act. This law, passed back in 2002, limited contributions to political parties and helped divert the flow of money to outside spending groups, the super pacs we're talking about here, but also into think tanks and to policy institutes and things like Media Matters.

So you've seen this calculation by moneyed interests and rich individuals to be able to achieve the political outcomes they want by bypassing these old party structures and creating your own ways to slug it out in the political arena. Maybe the question we should be asking is, is the proliferation of think tanks debasing the party? Are we weakening the parties as mediators of the political debate and if so is that a bad thing or a good thing?

Let me close on this point, because I think it's another phenomenon that we ought to be aware of, and that is that we're also seeing the blurring of the line between think tanks, the policy advocacy and innovation that they do, and lobbying. Over the last 10 or 15 years I've watched as companies, as trade associations have either developed their own internal research shops or farmed out the work to independent scholars and sometimes even think tanks, because lobbying has become a more sophisticated game, even since Jack Abramoff's day.

It's not just golf outings anymore. You have got to go in with a lucid case for the position that you're trying to get some member to adopt, so we're seeing a measure of the work that the lobbyist want done

with things that are happening out in the policy development arena. So another important question we ought to be asking ourselves is, are think tanks becoming too mercenary? We have got to make sure that we know who is funding what and who is hearing whose order.

Finally, from my point of view, I'd echo some of Mike's points that maybe the proliferation of think tanks is debasing of the currency of what they produce, but you can usually tell quality in any marketplace. This is just a very open dynamic entrepreneurial marketplace with low barriers to entry. The capacity to sometimes find fault on your own side, independent analysis that isn't just pushing a party line or an interest group agenda, the capacity to surprise and not be predictable, these are things that one should look for in evaluating think tanks. However my guess is that those who pass a certain level of analytical rigor are going to be in this for the long haul and we'll see a lot of the other ones fall by the wayside. Thank you. [APPLAUSE]

CHRISTOPER DEMUTH: Thank you very much. I want to say a few words speaking as a member of the old school of think tankery. And I have in mind Brookings, Rand, Hudson, AEI, Hoover. I care a lot about the research that they do, because I believe that back in that earlier era they were responsible for an important innovation in the organization of creative intellectual activity, and that it is important to sustain what they achieved in this new and different era we are in today. It is true that some of them, especially AEI and Hoover, were conservative, they attracted people who were politically conservative, brilliant intellectuals, but essentially unwelcomed on the campuses because of their political views.

But that obscures something else that was more important in the creation of the think tank. And it covers those such as Brookings and Rand, and I think especially Hudson, that had less of a philosophical edge at their founding. And that is that the think tank that they created was distinctive from what had come before in two ways.

First, the research was done from some common philosophical premises, more or less explicit. In any event, the research that was being done was much more purposeful. It had a practical aim to it. It was not just the veritas of university research.

Secondly, it was practical applied research of a form; it was very different from what was under way, even in the policy related departments in the universities and the academic world. And this was a point that Herman Kahn, our founder, emphasized with great force, that when one is thinking seriously about applied policy questions, one has to take into account the enormous uncertainty and ambiguity of government action and of the extreme political contentiousness that surrounds every decision made in this world of uncertainty that one is in when one is in government.

So at the think tank we are working without the simplifying assumption and the explanatory parsimoniousness that are the hallmarks of academic research. We are attempting to come up with a usable knowledge that can be used for practical political ends. We are not simply trying to enlarge the sum total of human knowledge, we're actually trying to achieve something practical. This was new. And I know from my years of managing a think tank, that maintaining it requires a complicated balancing act.

The people who can do this research must be very knowledgeable, realistic about politics, but being too close to being in politics itself is dangerous. I often would advise, especially younger people, that if they were interested in politics, they had to spend some time in the government. You could not simply not know how terrible, how difficult, how having to make vast decisions in a complete fog, you cannot know what it's like by hearing about it, you actually have to do it.

At the same time, I always made a point of having people at AEI who had no interest in going into government. Herman Kahn, he did a lot of work for the Defense Department. I'm quite confident he never held a position in government and the idea would have been complete laughable.

At AEI, we had people like Ben Wattenberg and Jeanne Kirkpatrick who had worked in politics and in government, but we also had many people, and people that did much of our most important work, Irving Kristol, Charles Murray, Michael Novak, Robert Nesbit, who had never been in politics. They were students of politics, they applied what they understood could be the difficulties of the political world, but they had no ambition for being part of politics.

I don't think that those of us who were part of the old school of think tanks ought to feel threatened. We certainly should not look down our nose at the newer groups that have come along and are operating much closer to the edge of political action. It's a free country in any event, still a relatively free country, where the first amendment is concerned [LAUGHTER]. People are perfectly free to adopt different strategies in the kind of work that we do.

At the same time, I do believe that there are tradeoffs and that emphasizing marketing, communication skills, and getting closer to politics does have its costs and dangers as a matter of strategy.

I want to emphasize two kinds of being political. One is operating much closer than the older think tanks do to some particular worked out political doctrine, and distinguish that from operating very close to immediate partisan politics. Let me use the example of Heritage, which we've talked about, and also bring in the CATO Institute. Heritage not only outflanked AEI back in the late 70's and early 80's by being much better at marketing with its amusing anecdote that Tevi gives us, but it also was explicitly a conservative movement institute. It did have something close to official position. The research that it did always had to come out and show how it fit into the conservative movement.

It set itself up as the oracle of what the conservative movement stood for and was attempting to achieve. It was a movement organization. CATO is a cradle organization. Not so much that they like to be a political movement, but they're not. They belong to the Libertarian creed. Everything that they do fits into that. It emphasizes the virtues of Libertarianism and all of its work fits into that template.

When you move that close to having a doctrine, you are going to sacrifice something in the research that you do. Intellectual work is inherently individualistic. You cannot have it be too much of a hierarchy where work has to be filtered and filtered before it can come out.

I think that these, CATO, Heritage, that have much more of a sense of philosophical purpose, have achieved some very, very important things. Preaching to the choir isn't important. I think that showing how research fits into a particular set of views that are organized views in the political world is extremely valuable. I know that the competition was very useful for AEI. It improved our marketing work substantially.

I don't think AEI will ever market things as well as Heritage does, but I don't think Heritage will ever produce as much original arresting creative research as AEI does. So there is a tradeoff there. I'm frankly uncertain of the terms of that tradeoff, because I can see cases today where Heritage and CATO have both done some very distinguished, original research, there is no denying that.

I'm particularly impressed by a foundation that Tevi does not mention, and that is the [Reason Foundation](#) out in Los Angeles. Reason is at once the home of Bob Poole, who does the most important original research on surface transportation, air transportation, air security, and airline security; amazingly good

work. He does tremendous original work. People across the political spectrum look to him as an authoritative source.

And at the same time, Reason has produced, what is to me, the most successful example of new media communications, Reason TV, which also has the advantage of being completely hilarious. Its viewership, I don't know what the numbers are, I think its viewership dominates everybody up here at the panel, everything that we're doing. So Reason has somehow been able to combine original research with marketing pizzazz to a very admirable degree.

I think that when one moves beyond a set of political doctrines or ideology to immediate partisan politics, one is getting into a very dangerous territory. Several people, I think Michael especially, emphasized that Heritage and CATO never hesitate to criticize. Heritage in the Reagan administration was a firm critic of Ronald Reagan in many cases where he was straying, as a matter of practical necessity, from conservative doctrine. CATO, of course, is very critical of everybody all the time [LAUGHTER].

It used to infuriate me in the Bush 43 administration that people would sometimes describe AEI as the cat's paw of the Bush Administration. We were very close to them. We had many, many people serving in senior positions in the Administration, but if you looked at AEI's work product on a day to day basis, it was extremely critical. We never pulled our punches.

In fact, one of my jobs was to field angry telephone calls and letters from very, very senior people in the administration who were furious about what we were doing. When you get too close to partisan politics in our business, the suspicion arises that your work is simply being tailored to those who want to acquire and maintain power and that is a very, very dangerous thing. I think that CAP in its early years has wandered too far in that direction. I'm not certain of this, but I would be very surprised, I do not know of a case where CAP has been strongly critical of anything that the Obama Administration has --

NEERA TANDEN: I'll be happy to provide examples --

CHRISTOPHER DEMUTH: Oh I'll give you a chance. [LAUGHTER] When I visit their website, it looks to me, I mean it is researchy, they've got people that are talking about research they've done, some of it is not particularly close to immediate politics, but the positions are very much like the White House website. They are very much on message and I think that that is a great danger.

Neera gave us two examples of work that they had done, both were during the Bush Administration, when they were in opposition. It's fun to be in opposition, you know, you have a lot of independence. When your friends are on the inside, that is the real test. I'm interested to hear what she says in response. She gave a couple of examples of how the work is becoming more variegated. Reputation is everything in this business. I am not the only person that has this impression of CAP's work. Everybody at CAP must know this, and I would expect that they will evolve in the direction of a greater degree of independence over time.

My big concerns are these. These institutions are hard to sustain, and sustaining the kind of research that I described briefly at the beginning is very, very difficult. My big concerns are not so much that we have all these new people coming in on the left and on the right. It is that the changes in our politics due to changes in the media and communications technology, they have created such a premium on creating the appearance that our problems have clear, simple solutions and that the only reason we have not adopted them is the veniality and skullduggery of people on the other side.

The rawness of our political rhetoric is pretty remarkable. We now have the head of the Democratic National Committee saying that Republicans want to bring back racial segregation in America. Our

rhetoric in the political world has become so heated and in many cases irresponsible. I think it's something that if you're trying to think with some disinterestedness, you have to keep a little bit of distance from it.

Secondly, so many think tanks have come to Washington. I mean it really has become a hothouse. There are some good organizations outside. Los Angeles has the Reason Foundation and Claremont nearby. There's the Manhattan Institute, there's the Pacific Research Institute, universities like Hoover at Stanford and The Madison Center at Princeton, these are independent sources of criticism and thought. But I think that it's risky that there are so many think tanks that are in this political hothouse of Washington where it could become more and more difficult to sustain the really, really important work that we do.

So I just want to say that the ambition of being able to think about politics, about how we can achieve solutions that are compatible with the contentiousness of our politics, the diversity of our political community, is enormously important. I don't think it's bombast, I think that the work that we do is tremendously important, so that those of us in think tanks, on the left and on the right, realize that our purpose is not to be in politics, not to go along for the ride, but to improve our respective parties and to improve the political system as a whole. And if we keep that in mind, that is our best protection.

So those are my thoughts and we're going to now turn to the panel. I think we'll start with Neera, because you said you wanted to say something --

NEERA TANDEN: [LAUGHTER] Yes.

CHRISTOPHER DEMUTH: -- and I threw down a bit of a gauntlet [LAUGHTER] so, why don't you talk and then I'm going to go back to Tevi and we'll move down the row.

NEERA TANDEN: So let me say a few things about progressive or conservative orthodoxy, because Michael mentioned the importance of being able to criticize your friends and I think that is important. However it is also really important to be able to put out ideas that aren't in the "mainstream." Will mentioned an important element of think tanks, which is to be able to put out ideas that political leaders and the political process is too timid to respond to, and to create that space that allows them to adopt those ideas. And that has been a central part of our mission.

I have received numerous calls from the Obama Administration on the occasions where we have said things that are critical, and of course we do have a progressive viewpoint, so those items that we have criticized loudly might be, as Michael just said, the inverse of things that Heritage has, if not applauded, at least been silent about.

But oftentimes when the Center for American Progress will be on the front page of the *New York Times* is when we are critical of the Obama Administration. That has happened several times on EPA rules, immigration reform, and climate legislation. Our scholars are scholars and have views on what policies should be adopted and they share those with the paper, and in each one of those times I've received angry phone calls from the Administration and I say what I always say, which is that we're an independent think tank and we have views on policy and they are not always going to align with the Obama Administration.

But beyond just taking a position on our particular views, CAP has put forward proposals on Social Security reform that changes the benefit structure in a way that many progressive organizations have criticized us for. We have a long standing relationship on education reform with the U.S. Chamber of Commerce and AEI itself in the past around teacher pay and the importance of reforming teacher pay.

I would say that too often we make a distinction between older organizations and the things that they have done and this newer crop, because I think some of the issues Tevi has raised have really occurred in a variety of organizations. The Center for American Progress has never fired or let go a person because of ideological incoherence with the organization. That has happened at AEI with David Frum.

We have a wide variety of thinking that goes from the center to the very left and we celebrate that. When the Center for American Progress was created, we thought it was critical to have a good rich debate on particular ideas. I don't read every report. We don't have a team that reads every report. When we have different teams that have different views, we put them both out and explain why they have different views, because we do believe that at the end of the day ideas are the most important thing.

We believe in it, and we have a view of being progressive, but we try not to be doctrinaire. When the facts change around policy we acknowledge that and we acknowledge that we were wrong on that occasion. I think for an organization to stand the test of time, it has to ensure that it is putting ideas front and center and that that is the most critical element and we believe we do that.

CHRISTOPHER DEMUTH: Great, thank you very much. Tevi --

TEVI TROY: Yes, first I'd like to thank all the panelists for their really thoughtful remarks. Obviously they all read my article carefully and I really appreciate the responses. I have to say a special word for Chris Demuth, since there is a danger in having a moderator who knows more about the subject than all the panelists, especially someone who has been at it longer. I once heard an aphorism before I once went on one of these panels that said that the best known person on the panel is usually the least prepared. Well that was totally *not* the case in this instance, where Chris obviously put a lot of thought into his remarks and I applaud them.

I agree with Neera on her comment that think tanks have become more important than ever and I think it's possible that in the future think tanks will continue to be more important and more political. But I also think that there is a danger that increased politicization can harm think tanks, and so we'll see how that plays out in the years to come.

I don't have a problem with think tanks having a political point of view. I don't have a problem with think tanks having a marketing arm. Although Will's question was telling in how think tanks have become too oriented in their marketing. When you start to hear people in the think tank world, and I've heard this, talk about the scholar to marketer ratio, then you know that there is a real focus on marketing and the different characters of different think tanks.

The character point I also think is important. Chris said that there is a feel to CAP's papers that make them feel like they're kind of defending one side or beating the drum a little too hard. It is sort of like the famous comment about pornography at the Supreme Court, you know it when you see it.

There is a feel to papers at various think tanks, that you can tell when certain think tanks are banging the drum a little too hard in one respect or another. And I'm not calling out CAP alone on that, I'm just saying that is something you see and reputation is important in this business. Reputations are developed over time and I know CAP is a new organization.

Neera said something about the newer think tanks versus the older think tanks. I do think there are some distinctions to be made, but I think all think tanks, or most think tanks, have evolved over time and have made changes over time and you can see some of the things that I talk about in the piece have happened to older think tanks as well as to the newer think tanks. So it is not just those young whippersnappers' attitude that I'm trying to convey.

Will made another couple of points I want to address, how think tanks kind of live to have their ideas embraced, but the question is will they be? One experience that I've seen and I've talked with people in the Obama Administration who have expressed this, that if you're inside the Bush Administration and Heritage writes a piece that is praiseworthy of your policy, the communicators will say, within the administration, do you have another think tank that will praise your stuff?

And similarly within CAP, people in the Obama Administration might ask if you have another think tank that will praise it, because there is a sense that these people are so on your side that it doesn't really help to have their research back you up. It doesn't foster your point or bolster your argument.

Will also mentioned the bipartisan think tanks, which I talk about a little bit in my piece. For the most part, I think that there is a marketing and growth opportunity at bipartisan think tanks. I don't think that the current marketing of bipartisan think tanks has hit the right note. They seem to be, from my perspective, liberal organizations for the most part that say that they have some conservative people on board. I know at least one think tank that I've been talking to that has its own ratio of how many conservatives they can have for the majority of liberals that they do have.

The blurring of the line between think tanks and lobbying is something that a couple of people have mentioned to me, and it is an interesting piece to be written. It is not the piece I wrote, but it is something that is worth looking at.

I just want to close by talking about Mike's threshold question. I agree exactly with Mike that it is the threshold question. Are you going to allow people to have differing points of view within the think tank or are you going to have a party line? And Mike explains why Heritage takes the perspective that there should be one position and that it is potentially damaging to the organization if you have different perspectives on an issue coming out of the same organization. So I agree with Mike that that's a threshold question, but I would be on the other side of the threshold.

I sort of cut my teeth at AEI. My first boss was Chris, and I did take his advice and go into government, because I think it does give you a different perspective on how the stuff works. However the economist table at AEI was sort of infamous for having people who are conservative and Republican and generally sympathetic to the same points of view, but who would have really knockdown, drag out articles about free trade and about immigration. And you would see this in their papers and there was no sense, at least that I had from my perspective, that AEI was saying that you can't say this or you can't say that or that one person's argument about free trade was better than the other's. I laud that aspect of AEI. I think it's an important piece of making a think tank the kind of organization that is well-respected on both sides of the aisle, even if it's not agreed with on both sides of the aisle. So I agree with Mike that that's the threshold question, but I'd be on the other side of the threshold.

MICHAEL FRANC: On Tevi's last point, I'd just add that we have our kind of cross-pollination internal discussion when those issues do arise. Most times it benefits all the analysts, no matter what their original discipline is, because they tend to see angles and aspects of their own work that they may not have appreciated until they heard what the national security aspect might be or when the immigration debate caused the folks from homeland security to look at the guys who were free market economists and compare notes and understand there were competing values at work and maybe there is actually a way to reconcile those values consistent with a conservative mindset.

Maybe that is another way of saying that Heritage has for a long time adhered maybe to what William F. Buckley, during the early days in the *National Review*, talked about as fusionism. That we think the

whole is greater than the sum of the parts when you can fuse together the different traditions of conservative thinking into a coherent final result.

The other thing I'll just mention is that in terms of the politicization, sometimes what may look at first blush like it's an overtly political kind of injection into the political process is done for the opposite end result, and I'll give you an example. This past year Heritage invested some time and resources, and I traveled to participate on panel discussions before the Republican Presidential debates. And the whole point of that was to invite journalists who were covering the debates, activists, and think tanks representatives from those respective states like New Hampshire or Iowa or, of all places, Las Vegas, to basically try to convince them to cover substance, to not succumb to the temptation to let gotcha questions or the horse race aspects of a presidential race trump what really was important there.

So we were trying to inject ourselves into part of the political process to try to pull them out of the worst features of that political process and try to elevate what we felt was really, really important there. Ultimately, that led to a Heritage-AEI Presidential Debate here in Washington focused on foreign policy, which a lot of people think was the most substantive out of all the five thousand debates that they've had so far.

And I just want to make the point that sometimes you have to jump into that process in order to extract them from it, so maybe lawmakers and candidates can see what is really important.

WILL MARSHALL: We are talking about things that are happening in the think tank world, but it's really a microcosm of what is happening with the political world in general. So I guess a good question is, what obligations do think tanks have to push back against the tribalism, the creation of separate zones of partisan truth, the lack of communication between the two sides, and the polarization that we are seeing today? Are think tanks going to be brought into the partisan theater that is Washington? A friend of mine, a member of Congress, who will be nameless, called it a low rated reality TV show. [LAUGHTER] Or can think tanks push against these tribalistic dynamics and try to ground the debate in reality? Can we defend the reality principle in the political debates?

I think the answer is that we have to or otherwise why are we in this business. And since there has been some criticism about progressive institutions, let me just say that there is a highly ideological style of debate now in argument that we've seen in Congress and in the country, we see it on the campaign trail, that is abstracted from the actual details of policy.

I saw this strikingly during the great debate over Obamacare. I was listening to the opposition and I didn't hear an argument against the Obama Healthcare Bill, I heard an argument against a government takeover of healthcare. I heard an ideological argument. I didn't hear a real analysis of the details or what was wrong with this bill, why it won't work or why its constituent parts add up to some kind of illegitimate or improper expansion of federal power. You just heard these broad ideological strokes substituting for real argument.

So I would say that because conservative think tanks make a strong point that they are not Republican think tanks, but that they are trying to inform and raise the quality of thought in the conservative movement, you have got some work to do, just as progressive think tanks have to do on our side in pushing back against the tribal truths that we're often asked to just legitimate and ratify without analysis.

CHRISTOPHER DEMUTH: Thank you Will. We are going to open up the conversation to questions and discussion from the audience. We have got plenty of time. As most of you know, C-Span is with us today. I'd like to ask after I call on you, if you could introduce yourself briefly before asking your question.

Q: Hi, I'm Doug Feith. I'm here at the Hudson Institute. Thank you all for the extremely interesting remarks. One has the impression that there's a lot of money behind pretty much any position on any major issue. And I'm just curious if somebody has some facts about the amount of money that goes into different think tanks. There were some comments made about think tanks being a conservative preserve, but is that really true? Would one say that the resources are spread generally evenly between left and right or does one side have a particular advantage in the funding of this kind of public policy research?

MICHAEL FRANC: I'll give you an example. I would argue that depending on the policy area, especially something like, say, healthcare, the balance of resources is heavily weighted toward what would be left of center research. Examples of this would be, at one point some of our healthcare team, at the time four or five policy experts, were looking at the resources available to the Commonwealth Fund, the Robert Wood Johnson Foundation, and the Kaiser Foundation. They churn out papers every day that are very detailed. So they fund researchers at great expense to do regression analysis and all kinds of detailed stuff on every aspect of the healthcare system and they're injected right into the public policy making process.

But are they think tanks or not? We see them as research institutions that are just like think tanks and they have a very, very big effect on the public policy debate. Some of the huge entities out there had been around for a long time. We tend not to think of them as think tanks. In fact we haven't mentioned them today, they are actually worth considering in answering that question.

NEERA TANDEN: On healthcare, I wouldn't consider Commonwealth and Kaiser, but this is probably where we'll disagree. I wouldn't consider them particularly partisan, more ideological than partisan. I would say if you look at the organizations that are the subject of Tevi's analysis, PPI and CAP are I think the only multi-issue, ideologically associated organizations, and on the right there is Heritage, AEI, CATO, you know, our budgets are dwarfed by their budgets.

So in terms of institutions that work across issues, in national security as well domestic and economic policy focus, I think if you did that level of analysis you would see that the left or center left remains outgunned. But I hear the point that some organizations in particular issue areas have a big role as well.

TEVI TROY: Unlike Chris, Neera, and Will, I have not had to raise money for a think tank, so I'm not really on the front lines of the money raising side of it. There has been a lot of talk over the years about how many of the top foundations are skewed to the left, that there were only a couple of lesser resource conservative foundations that helped create the conservative moment of think tanks, but I think there is also an issue of intellectual resources. There was a time when it was pretty clear that the left was outdone intellectually. In the 70's and 80's when the conservative think tanks were in their ascendancy, and it was because of something that Chris touched on, which is that the conservatives either weren't welcome or didn't feel welcome, or both, on university campuses.

So a lot of them came into the think tanks and were sort of an, I guess, arbitrage opportunity for conservative intellectuals at that time. The left has worked hard to try and catch up since then, but there certainly was that initial period when conservatives had that advantage.

I just want to say one thing on the conservative arguments on the healthcare debate. This was something I followed very carefully and I will agree with you that there are some people who did take the name calling approach, but you also had some really smart, substantive people who looked at the bill and went piece by piece, and not ideologically, but really went fact by fact. Yuval was actually one of the people who really took that approach to the healthcare bill. So I would not condemn all conservative healthcare analysts with that broad brush.

MICHAEL FRANC: I would even add, if I could, that during the floor debate there were times when even U.S. Senators were substantive [LAUGHTER] in that Orin Hatch and John Cornyn mounted a very serious effort to educate their colleagues about the constitutionality of the individual mandate, for example. There were a lot of serious amendments offered and considered in the Senate debate, so it wasn't all just rhetoric. Although I think Will's point in general is a very good one, that there was a lot of talk at the 30,000 foot level and not as much key analysis done at the ground level.

CHRISTOPHER DEMUTH: But I think Will was talking mainly about the political rhetoric as opposed to --

MICHAEL FRANC: Well, yes, but my point is that there were moments in the debates where there substantive issues actually being discussed.

CHRISTOPHER DEMUTH: Actual lucidity, yes.

MICHAEL FRANC: One in a while.

NEERA TANDEN: They were brief moments, [LAUGHTER] but there were moments.

CHRISTOPHER DEMUTH: In answer to Doug's question, I would say that one always thinks that the competition, whether it's a different ideology or a different organization, the other guys always have the most money. My view is that it's different in marketing and communications, but when it comes to the core work of doing original, important research, I think that the resource constraint is very much resources as opposed to financial resources.

As I look around at all of the think tanks on both sides of the aisle, it seems to me that the tough thing is finding people that have the unusual mix of abilities who are willing to devote their careers to this sort of thing and that if you can find those people, it's never difficult to find the money for them.

Q: I'm Steve Hayward. For Tevi this may be a little awkward, because having taken after your brother a few years ago, I risk starting a family feud by taking after you. But I do want to launch a missile at you, for you to respond, and for the rest of the panel to decide if they want to take your back or join the pile on.

It seems to me there are two problems here with the premise of your argument or the subtext that emerges from the title, or the premise of this panel, or of think tanks becoming too political. There is an empirical problem and a theoretical problem.

The empirical problem would start here. We live in a time when everything is becoming more politicized. This week it is school lunches in North Carolina. Last week it's a Super Bowl car commercial for God's sake. Not the first one, by the way, that's become a matter of political controversy.

So my hypothesis is that if there were a way of doing a rigorous quantitative analysis of politicization in society, I wouldn't be surprised to find that think tanks actually lag other trends that have gone on in society. Now, we don't have the data for that. I don't think we can get it in a way that would be reasonably recognized, so we have to go to the theoretical problem.

So two quotes, one the high and one the low. A slight paraphrase of Churchill who said the distinction between politics and policy diminishes as the point of view is raised. At the summit he said true politics and policy are one. This distinction between sort of pure policy analysis and politics is one that I think is unsustainable.

And the proof of that would be the low example, which is Mayor LaGuardia, who famously said, I think it's him who said that there's no Republican way to pave a street and there's no Democratic way to pave a street. That may have been true once, but it's not true anymore. There is a different ideological way to pave roads.

So for example, the Heritage Foundation could put out a paper saying that the best way to pave the roads is to privatize it and contract it out the way Indiana has done. And the Center for American Progress could put out a paper, and may have done so, saying that there are actual reasons why that is pennywise and pound foolish, and where there are sensible means of accountability and quality control, it should stay a public sector function.

With both cases you can be cynical and say Heritage is siding with associative general contractors and CAP is siding with the public employee unions; that's easy to do. The harder thing is to take the idea seriously, and say they stand on their own and sincerely hold perfectly plausible points of view.

That gets us then to the marketing problem. In the old days when you had that argument, it would take a month for the back and forth between CAP and Heritage to play out in the letters to the editor of the *New Republic* or the *Washington Post*, and it would all be kind of genteel, and it would take a month to go five rounds. Today, we can have 15 rounds of that argument by lunchtime.

So here is my challenge, is this a bad thing? I mean take the issue of this week. All the networks right now are talking about high gas prices. Do we really want to have a world where the news media and the people talking about this are taking their talking points and their themes from the American Petroleum Institute, the Sierra Club, and the politicians on Capitol Hill? Or shouldn't we, as think tanks, be right smack in the middle of that in a timely way every day? And it seems to me that's not a bad thing. So this is a way of saying, what's the problem here? I don't actually see one. [APPLAUSE]

TEVI TROY: Well first of all Steve, it was well noted in the Troy family the missive you sent after my brother a couple years ago [LAUGHTER] and I think this one is less damaging and I think I can handle it. I agree with a lot of what you say, and I am a progressive in this sense. I'm for progress. I like to see better technology. I like to see more outlets for think tanks writers to be out there, to say things.

When I first started in this business working for Chris at AEI, if you were a conservative and you had something to say and you didn't get it in the *Wall Street Journal*, *Commentary*, or *National Review* you were done. Now you have all sorts of outlets. I think that is a good thing. So I agree with you that arguments can be had out in the public sphere faster and I don't have a problem with that.

In terms of the question of whether think tanks lag on politicization, I would say they probably do and that's a good thing. However the question is by how much do they lag, how long will they continue to lag, and are they moving politically faster towards the rest of this society?

So I don't disagree with the sum of your comments, but I stand by my initial premise that think tanks have become more political over time and it is something to be watched and something that could be dangerous.

Q: My name is Howard Rosen and I'm with the Peterson Institute for International Economics, and was involved in helping start that Institute 30 years ago, so I'm very interested in the whole issue of think tanks as institutions.

Tevi, you raised a very interesting issue. But I have to admit that I think the article, which I hope was there to raise an idea and see people's responses, but certainly this discussion, really reflects what the

problem is. And that is that there are names for everything, but what we call research has changed during the last few decades. I feel what has happened is that we have moved a lot into commentary, rather than research.

The fear was when I was coming into this 30 years ago, that there was the difference between advocacy research and independent research. Now we've gone even further and devalued further so that I can't even see that we would call any of this research, and in fact Doug pointed out the problem when he asked if anyone up there had any facts.

There is not one fact that was presented today. For me this raises a lot of questions. Number one, so if there has been a change in the nature of the output from think tanks, what is the implication of that? We may not be able to test it empirically, but we can test it qualitatively.

Second is have there been shifts in the nature of funding for these kinds of organizations? We have data on that. The first example I would give, and one very important development that wasn't raised here, was the fact that 30-40 years ago the federal government got out of the business of doing policy research and the government itself now does advocacy research. So if we want to do fair evaluations of policies and the government can't do it itself, who does it? What has happened to government research on policy?

What's happening to the composition of the funding in the private sector? It used to be concentrated heavily from foundations because we had a tax rule on them that they had to disperse 10 percent of their earnings. So they had to put it somewhere, and that's what created a lot of organizations. But we've had changes in the stock market return now, so some foundations are not doing as well as before. We have also seen this shift towards corporate and private money. So there's an empirical question, which is has the shift towards more corporate and private funding had an effect on the nature of the output of these organizations?

And there is a major policy issue, which Tevi raised, and that is that we give a tax exemption to these organizations. How important is that tax exemption to these organizations? I mean, we can judge that empirically. How much federal revenue are we losing by allowing organizations to put out blogs or daily newsletters that look very much like what a private organization might do? Like Kaiser or something like that. And to what extent are these think tanks starting to look like journalists? The press and journalism pays taxes, so why doesn't this sector of the economy pay taxes?

I just want to end very briefly and I think this is another serious policy question. I know personally every year when they put out a survey of the salaries, and usually it's the salaries of the top people at these think tanks, I'm personally appalled when I see some of these incredibly large salaries in million dollar figures at what are called "nonprofits" that are getting tax exemptions.

And let me just end with a specific case. People who do international work used to think that we were above this fray because international issues were not as partisan as many others. Of course, we all know that that's no longer the case, so that is why we are concerned about this too. We're now doing a study looking at what effect the debate has had on trade policy and globalization. To what extent have we, the think tanks, who are throwing around the numbers of how many jobs it was going to create or not create or whatever. To what extent has the debate itself affected public opinion towards the issue? And we may be in a situation where the internal Washington fight has now turned against us and public opinion is now moving against globalization only because of the food fight that people saw. And that becomes a serious question.

NEERA TANDEN: I wanted to respond to a few things that you said. First of all, on salaries, I can assure folks that CAP is not anywhere close to a million dollars, so I welcome everyone to look at that [LAUGHTER]. My family might not think it's so great, but it is overall a great thing.

But you raise a number of serious issues. One I think is diverse funding. It is critical to have diversity of funding because there are interests allied with funding and it is important to balance that out. Any organization that disproportionately relies on one source of funding or one kind of funding can end up speaking to that funding. That is a challenge overall, and something we work on to ensure that we've diversified our funding and that we're not dependent on any single donor or any kind of particular set of funds either.

But I'd very much disagree with this idea about the research world declining, and I take the point very seriously. There is, in many ways, too much commentary coming out of think tanks. I'm pushing all our teams to focus more on analysis and less on commentary. But there is a lot of commentary out there.

Having just recently served in the government and served 10 years ago, government policymakers vitally depend on the research and analysis of outside think tanks. That role has not declined or increased in the last 10 years or 12 years. I served in the Clinton White House and the Obama White House. You still need that research and it is taking place. I think it's too dismissive to think that think tanks aren't offering that analysis and research and new policy ideas, and that there isn't a vital role taking place. Also the federal government itself has each of these departments as their own research and analysis teams but sometimes they're, frankly, slower than the think tanks out in the world, and haven't addressed new policy issues the way think tanks have. So I think it paints with too broad a brush to think that that research role has declined.

The challenge we have, and I think it's really important for people to understand, that information changes so quickly in government today, and the number of issues that pop up in a White House today versus five years ago, 10 years ago, 15 years ago, just the media conglomeration of these issues, issues pop up very quickly. You need a lot of sources for analytics and research and that is a vital role that think tanks are playing and continue to play. We should recognize it as the need for information has grown in importance.

MICHAEL FRANC: Don't lose the distinction between what we at Heritage would call a 'foundational paper' on a policy area, and then everything that is a derivative of that. Sometimes you may see the derivatives and not see what was in the foundational paper, because the foundational paper may be kind of boring, there's a lot of footnotes, has an appendix A and appendix B, but it yields op-eds, blog posts, and shorter derivative papers. It yields all kinds of media appearances that drive the findings and the ideas in that foundational paper. So the scholarship ought to be at the root of all these derivative activities that people tend to see on a day to day basis, and I think that is essential to the integrity and the credibility of think tanks.

At Heritage, just FYI, we have like 700,000 donors and that gives us independence. We have most of our budget coming in from ordinary Americans who go to Heritage.org, click on a couple links and they're giving us money. We get some money from foundations and a very small percentage from corporate sources, and that gives our scholars independence when they approach issues that might not be there, as Neera said, if you get a lot of your money from just one source.

WILL MARSHALL: You raise a lot of good questions and I'll comment quickly on a few. I think you put your finger on a problem, which is the proliferation of think tanks. It's a crowded, noisy marketplace. It gets harder to be heard, so there's a premium on digesting things, boiling them down, and getting it out fast before somebody else does, because you have got so many competitors. So that pressure is on the

primary research and analytical initiatives of any think tank. You have to balance it, but we are all facing that pressure and competing in that marketplace

The lines between commentary and empirically-based arguments are being blurred in the digital age. Any digital scribbler can now be a think tank unto himself or herself, get on Wikipedia, and get the facts you need. You have got a 600 word piece out and you're competing on an even footing with the mighty Heritage Foundation or CAP, at least momentarily.

But you know, the think tanks play a really important role validating ideas and lending weight to them based on their track records, so these brands are important. And preserving them, I presume, is important to the people who run the think tanks.

Secondly, you have a fascinating question about the tax deduction. What is the public mission of think tanks and do they deserve this, that is a good one. I think I'll mostly punt on that, except to say as a friend of mine once said, well why don't we just call them all deduction foundations? [LAUGHTER] So, I understand that, but my guess is that the same people who fund most of the think tanks would find a way to fund think tanks even if they couldn't deduct their donations. Any of us who have worked in (c)(4) organizations have found that it is the same donor universe.

NEERA TANDEN: Can I just add that there is a public role for what these institutions are doing. I might not agree with what Heritage did on welfare reform, but it was an important contribution to the debate. So it is not like there is no argument for why these institutions should have a 501(c)(3). Maybe we are particularly invested in it, but the idea of it is that you're having an impact on public policy, changing the debate and discussion, and providing ideas to the policymakers. It seems to me it is an important public service.

WILL MARSHALL: I wasn't commenting on the merits of the case, I was just saying I don't think it makes as much of a difference as perhaps people think it does. And lastly, if you want to get rich, don't go into the think tank business. There are a lot of better ways to do it. It's good that we know what everybody makes, but it's not a lucrative career path for people.

CHRISTOPHER DEMUTH: I agree that the tax exemption is not particularly important. If it went away, I think the institutions would survive and do pretty much as they are. The cost structure is a little different, but notice that the *Nation*, the *New Republic*, *National Review*, and the *Weekly Standard* are all for-profit taxable organizations. Not that they've ever made any money to tax [LAUGHTER]. But, they are not not-for-profit.

Q: Hi, I'm Noah Kristula-Green with the *Daily Beast*. I'm just wondering whether one of the elephants in the room that Tevi brings up when he's discussing the devaluing of the think tank isn't just whether think tanks are seen as marketing organs, but a devaluing of the research that they produce and the actual analysis they produce in service of their mission. The best example I can think of this would be a year ago when the Heritage Foundation released its analysis of the Paul Ryan budget, which said that it would reduce unemployment to 2.8 percent and that was widely mocked in media and other circles.

Isn't the concern here not just that you get involved in politics, but that by getting involved in politics it affects the research and the quality of the research you do. And this sort of extends to another point I want to make about the advantage of a think tank compared to academic institutions has always been that you're meant to have more academic freedom, but if you're going to get tenure at the academic institution then presumably that would provide you with the academic freedom that you would want to have anyway. So, I'm just wondering how you see think tanks as resolving that conundrum?

MICHAEL FRANC: Please let me respond to that. Robert Rector was widely ridiculed in the early 90's when he argued that if you have work requirements and other forms of personal responsibility injected into welfare you might see the rolls come down, maybe by 30 or 40 percent, I think then it came down by 70 percent. So the 2.8 percent projection, we don't have the Ryan budget, so we never really got to know what would happen. But I would just say it is important to be able to look at large complicated proposals, analyze them, and offer up what you think is your best analysis of it. Think tanks do it all the time and I don't see how you can actually criticize something that never came to pass, frankly.

TEVI TROY: Let me address the academic freedom point briefly. I just completely disagree with the notion that tenure leads to academic freedom and there have been a number of books and studies that have shown that. Naomi Riley recently wrote [The Faculty Lounges](#), which is a good book on this subject that is worth looking at.

I got a PhD at University of Texas. In fact I went there because I thought it would be less liberal than some of the Northeastern schools, but it was still pretty liberal. At one point, one of my fellow graduate students came up to me and asked if it was true that I had written for *National Review*. When I said yes, he said he was a conservative too but not to let anybody know. So, there is a sense --

NEERA TANDEN: Now you know what it's like for liberals in business.

TEVI TROY: So there was definitely a sense on campuses that even if you could get tenure, first of all you might not be able to get tenure if you are of a conservative bent and that is why these think tanks are so welcoming. There is a perception that these are the acceptable positions and if you go outside that realm of acceptable positions you will be ostracized within the department, even if you do have tenure. So I think that think tanks have served an important purpose in giving people with different points of view an opportunity to have their say.

CHRISTOPHER DEMUTH: I don't think that tenure is about academic freedom. I think that tenure is middle age burnout insurance [LAUGHTER]. And I think it's going away. It's going the way of the defined benefit plan and the higher education revolution that [Stewart Butler of Heritage writes about](#) in the same issue of *National Affairs*. So I think we'll actually see that think tanks were in the avant-garde of that particular issue.

MICHAEL HOROWITZ: I'm Michael Horowitz at the Hudson Institute and I want to enter into the Tanden-DeMuth discussion about whether progressive liberal think tanks tend to spike their guns in dealing with their friends in power. I will tell you, my experience leads me to come down on the DeMuth side. I work on a variety of human rights issues, trafficking, North Korea policy, internet freedom policy, and I find it easier when I want to show coalition support to get the Reformed Jews and Southern Baptists, than to find a progressive think tank joining a conservative think tank.

Take the recent trip of the Vice President of China here. Great question about whether religious and other activists in jail should have been spoken up for. Once again there was a letter cosigned by the National Association of Evangelicals and the Reformed Jews, but I couldn't find any progressive think tanks to take that sort of thing on. On trafficking issues I was able to find the National Organization for Women and Concerned Women for America. I didn't hear from progressive think tanks.

Now maybe it's a problem of you not reaching out enough, or us not doing it, but I think in terms of credibility, in terms of smoothing the hard edges of the political debate, I think you've got an awful lot more to do here.

And I want to raise one other question that broadly touches on it, which is that in my experience I find the left much more reluctant to criticize their friends in power than the right has been. I wonder whether you think that's true.

And the last point is to accept everything I've said, in so far as progressive think tanks, and to say that I've never seen a think tank take a bigger pounding from their friends like Will Marshall and Al Frum. You really write the book in terms of being independent, and I just wish there were more liberal think tanks like you.

NEERA TANDEN: I have to say, I do think a lot of this is where you stand is where you sit. In terms of our positions and issues, we have a general policy, which is that we are a think tank and so we do not sign as many letters as other folks, but on the actual substance of human rights in China, we've written extensively on this. We've pushed the Administration on issues of human rights not just in China, but in other parts of the world where the Administration has taken perhaps a more *realpolitik* position than we would support. We've written on that extensively.

So I think there is always a challenge between when the administration in power shares the broad ideology that you do, that perhaps you won't see as much criticism. But I can attest to, again, the number of times that we have been criticized for taking on particular Senators who are Democrats, particular members of Congress who are Democrats, and taking on this President.

Now we are a progressive organization and so there are many instances where the President has taken a progressive policy stance and we've argued for the progressive policy stance that he has taken. So we may not criticize him in each and every case, and certainly won't criticize him as much as Heritage, but the bottom line is, we are an organization that has particular views on policies and where we agree we say it and where we disagree we say it as well.

Q: Thank you, my name is Peter Gluck. I would like to talk about the donor think tank, particularly the research program of the think tank relationship. It may be that a think tank has hundreds of thousands of donors, but all donors are not created equal. Some give much more money than others and they have, what I believe to be, a precipitous impact on the research agenda of a think tank and on the work products of that research agenda.

Two examples, you may say they're isolated, or they may be the tip of the iceberg that we happen to know about. David Frum at AEI, who was dismissed because he wrote a couple of op-ed pieces critical of the tilt to the extreme right of the Republican Party. And I had a conversation with Bruce Bartlett, also formerly of AEI, who told me that he was dismissed because his book on Reaganomics, which was critical of it, was not well received by their donors.

CHRISTOPHER DEMUTH: Bruce Bartlett was never at AEI.

PETER GLUCK: Thank you.

CHRISTOPHER DEMUTH: He was at the National Center for Policy Analysis in Dallas.

MICHAEL FRANC: I'll address the donor issue. The way we handle things at Heritage is when we solicit support from somebody we sell our mission and our approach to the world. Any individual donor is going to have more interest in one area than in another. So we'll show that potential donor our work in that area, but we never accept money on a contract basis. We don't say that we're going to publish a paper specifically for that donor with a certain conclusion, subject to that person giving us money.

So it is basically, if they agree with us as an institution, our mission in life, and they want to be affiliated with us, we welcome their support. And there are examples where we have lost six figure donors because we published something that they didn't like and they warned us in advance and they said don't do this because if you do, we'll withdraw our funding.

We ran it through the traps, we double checked with our analysts, we made sure this is what we wanted to say, we wrote it, we published, and they withdrew their funding. So that is an important test of the integrity of a research institution.

CHRISTOPHER DEMUTH: This idea of donor control at all of the major established think tanks is just baloney. It's just baloney. At AEI, no donor has more than a 1.5 percent of the donations. We lose donors all the time. And the two cases you mentioned were not cases when I was there, but I never, at AEI, and I've never at any other institute, seen anybody hired, fired, a paper torn up, a paper buried, because some donor was upset. I just haven't.

NEERA TANDEN: I would just say, briefly, we have a very clear policy that no corporate or individual support will support individual research, for this very reason, because I do think it becomes a challenge for folks who don't make that kind of commitment, but that we are very clear that no particular paper is written because of a contribution. For foundations it's different, but the foundations are funding broad research.

TEVI TROY: Just two quick points. I agree on the donor point, but I praised my friend Yuval twice, so I'm going to criticize him a little bit on one thing. In the article I mentioned the David Frum incident and I don't know what happened in that specific incident, I was not privy to the conversation, but I do know that Norm Ornstein was at AEI and remains at AEI and the things that he wrote in terms of blasting democratic parliamentary procedures in pursuit of the healthcare bill, I think were much more damaging to the Republican cause than anything David said in his after action report about healthcare. So I just don't see that as the cause, but again I wasn't in the room.

NEERA TANDEN: You could have asked David Frum, though; I think he would have had a particular view.

Q: I'm David Cowen from St. Andrews University. On the point on tenure, I always thought that tenure means never having to say that you're sorry. [LAUGHTER] This has been a very good discussion. I think you've highlighted a lot of the issues, a central one obviously being the kind of shout fest that eventually arises out of exchanges of ideas between the left and the right. What I'd like to ask, is does the panel have any proposals on how you actually solve this? How do you move forward? I'm not sure I've heard any solutions, because I guess bipartisanship is in the eye of the beholder. However do you have any proposals on how you get past this?

TEVI TROY: That is a very good question and people have asked me this. First of all, I don't support any government policy to address this. I think this is an issue outside of the government. I think it is a great thing that there are a lot of think tanks and they have things to say.

Basically the way you get to be a think tank is you get the 501(c)(3) designation, and there are tests that the IRS applies to see if you deserve the designation. And you call yourself a think tank. So there are plenty of organizations that have 501(c)(3) status but aren't think tanks. They do other things, other good things. So the universe we are talking about is those that have that outside blessing from the government of a 501(c)(3), plus also self-designate as think tanks.

I wonder if we will reach a point when the self-designation part of it will become an issue. Where some places will be either think tanks or public policy research organizations, and others have already taken up names like this, and will be ‘action tanks’ or whatever they want to call themselves.

But there is a distinction, perhaps people who are in the journalistic world or in the outside world might start making that distinction in the way they write about these places. But again, I’m not for any government policy to address it.

CHRISTOPHER DEMUTH: The very patient gentleman in the back, one last question, and then we’ll wind up.

Q: To some extent, Tevi, what you’re rearticulating is this founding debate about whether an institution can take the place of a virtuous individual. When I came to Washington in 1986, I was working for the Claremont Institute, and through a series of serendipitous events, I got to talking with Clarence Thomas, who sort of hired me as a think tank. And subsequently we hired two other political theorists and we did some real thinking. Read serious books and it wasn’t policy oriented or very specific at all, but he deepened his understanding of American political principles and then he could go out and choose among what the real think tanks were actually doing.

So I guess I’m asking, who reads your stuff and what effect does it have? Thomas acknowledged his debt to those of us who worked with him in his autobiography and in various other forms.

CHRISTOPHER DEMUTH: Tevi, we’re going to give you the last word here.

TEVI TROY: You ask a question that really goes to the heart of any think tank scholar or any writer, which is who reads your stuff and is there any value to it? [LAUGHTER] So it is an existentially difficult question that is challenging to all of us. One of my former bosses, when I told him I was going to the think tank world after working in government, said to remember that you are only as good as the last piece you wrote. So that’s just how it ended up.

CHRISTOPHER DEMUTH: We’ve come to the end of our discussion session and I would say that one piece of evidence for the value of what think tanks do have been these wonderful presentations that we’ve had on this panel from Tevi Troy, Neera Tanden, Michael Franc, and Will Marshall. Thank you very much, and thank you all.