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## Abstract

The G20 is an evolving international institution. Aided by both advances in information technology and support from home governments, a number of knowledge actors and networks seek to influence global economic governance with policy analysis and advice. This paper assesses the international G20 think tank network called Think20 and the policy advocacy of private research institutes (such the Lowy Institute in Australia and the Centre for International Governance and Innovation in Canada) which are in the orbit of the G20 policy community. Think20 assists the global economic governance processes of the G20 by developing 'coordinative discourses' for policy development and implementation.

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Keywords: Global governance, knowledge utilization, discourse institutionalism

# **Points for Practitioners:**

Ideas matter but ideas that imply major policy reform and innovation need to be made to matter if the are to direct government action. Networks provide one mechanism to broadcast and disseminate 'communicative discourses' to many different publics – local as well as global – as well as the infrastructure to crystalise and amplify 'coordinative discourses' underpinning the policy blueprints and reform proposals of governments that must motivate their own bureaucracies as well as collaborate with foreign government. This paper discusses some of the network tools and practices for consensus building in 'transnational policy communities' that cultivates global policy coordination.

# The Group of 20 Transnational Policy Community: Governance Networks, Policy Analysis and Think Tanks<sup>1</sup>

# Introduction

Ideas matter; but ideas also need to be made to matter. The new social technology of networks is one important mode of making ideas matter. In contemporary world affairs, the Group of 20 (G20) has become a pre-eminent venue of policy deliberation (see *inter alia*, Hajnal, 2014; Kirton, 2013; Postel-Vinay, 2013). In the coalescence of G20 as both an institution and as the core of a transnational policy community, certain leading think tanks have played a behind-the-scenes role in international economic and financial policy analysis. With Australia as the 2014 Chair of the G20, this paper addresses how one Australian think tank has networked itself internationally. The Lowy Institute for International Policy is the lead organisation on G20 issues in the Australian context and has been quite successful more generally in embedding itself in both international knowledge networks and transnational policy communities.

The first half of this paper addresses the contemporary role of knowledge organisations, and in particular, think tanks. Researchers and their organisations have become transnational actors, aided by the internet and digital communications, largely in response to cross-border regional and global policy quandaries increasingly apparent in the twenty-first century. Knowledge organisations respond to international organisations, governments, and global initiatives requiring data, evidence and analysis that is reputable, sound and rigorous to help map, monitor and interpret pressing policy problems. The policy roles of think tanks, researchoriented non-governmental organisations (NGOs), university institutes and philanthropic foundations have been legitimated when and if they are incorporated into a transnational policy

community and contracted, or at least recognised, by governments and international organisations.

The second half takes an empirical focus on the G20 as an institutional core to a community of transnational policy making. The G20 is a still evolving 'Leaders Level' grouping of the world's major economies or 'systemically important' countries representing two-thirds of the world's population (including 60% of the world's poor) as well as between 80-90% or the world's gross product, trade and economic growth (Cooper and Thakur, 2013: 3). The Leaders Summit came into being in the wake of the 2008 international financial crisis but was built upon an existing legacy of informal governance among Finance Ministers and central bank governors.

This paper views the G20 process through the lens of one Australian think tank – the Lowy Institute – to address how policy analysis and expert knowledge is incorporated into a transnational policy community. Foremost, this paper addresses non-state organisations and their network contributions to global policy processes rather than an assessment of the substantive financial and economic issues under the G20 remit. A secondary concern, is to show how the Lowy Institute through its G20 Studies Centre, as well as its network relationships, seeks to exercise some influence in policy deliberations: it can be seen as both a 'gateway' into governance and a 'gatekeeper'. Utilising the concepts of discursive institutionalism, the Institute provides both communicative and coordinative discourses (Schmidt, 2008). Lowy acts as a gateway in the sense of being an interlocutor between intellectual and policy interests, between government and the public, and as a bridge between the international and the national domains. However, the Lowy Institute becomes part of gatekeeping processes in that international forums are usually exclusive and to participate in a specific transnational policy community any organisation or individual needs to have either

official standing or recognised expertise and professional credentials in order to participate in coordinative affairs.

## **Knowledge Organisations and Transnational Policy**

Over the past century, the think tank organisational form has spread around the world and boomed in numbers. As societies and economies have developed and diversified, the demand for policy analysis and advice has grown in parallel. Think tanks represented custom-designed organisations for brokering academic research to an educated lay public, for synthesising or translating dense theoretical work or statistical data into manageable artifacts for use in policy making; and for then 'spinning' or communicating these policy relevant items to political parties, bureaucrats and other decision-makers or regulators. The effectiveness, and legitimacy, of think tanks within the public sphere rests in the analytical service they (claim to) render in connecting 'research and the real world', 'knowledge and power', 'science and politics'.

Ideas matter but so do interests. While policy research and analysis may be under-girded by sophisticated and rigorous methodologies in order to produce an evidence base for decisionmaking, nevertheless, such analysis enters a political domain where it can be distorted or put towards uses other than intended. For governments and international organisations, it is politically useful to sponsor so-called independent 'thinking outfits', especially if they are civil society based, as it provides a democratic patina of consultation. The label 'think tank' has symbolic power or capital signifying that those employed in them are creators of quality policy analysis (Rich, 2005: 13). It is also convenient for policy communities and decision-makers to buy into this myth of the separate world of science and social inquiry and the popular representation of think tanks and other knowledge brokering institutions as 'bridges' between knowledge and power.

While ideas and interest matter, they are mediated by and channelled through institutions. However, the institutions of global policy making are underdeveloped and evolving. Such institutions need an armoury of ideas, arguments and justifications to construct meaning and shared understanding behind the perceived need for widened mandates or enhanced regulatory powers. Think tanks are one set of knowledge actors providing such analytic discourses. Coordinative discourse refers to the creation, elaboration and justification of policy and programmatic ideas among transnational or national policy communities. By contrast, communicative discourse is concerned with the relationship between policy makers and the public (Schmidt, 2008: 310). G20 processes are characterised more by the coordinative discourse created within Leaders Summits, the meetings of Finance Ministers and central bank governors and the various G20 networks (at informal, lower levels of policy making, where policy provisions are drafted) than by the communicative discourse, since the public is generally, more often than not, absent from the policy making process.

As detailed below, knowledge organisations and 'knowledge networks' are intertwined in a triple devolution of governance: First, a sideways partial delegation of governance responsibilities to non-state or quasi-state actors; second, an upward decentralisation into transnational policy communities; third, delegation to experts where power can lie in the ability to constitute, control and legitimise the very issues that are the subjects of political deliberation and public debate.

# The Knowledge Brokerage Ecology

The contemporary ecology of knowledge brokering has changed in that an *organisation* – as a physical or centralised locus of expertise and information – is no longer as necessary as it was last century. The think tank increasingly faces competition from new types of research and analysis organisations as well as new platforms and media for public affairs communication.

Today, there is more 'interchangeability between the think-tank public intellectual and the academic public intellectual' (Misztal, 2012: 128). Universities have established their own policy research centres rivalling the independent or 'stand-alone' institute. Many of the world's leading NGOs have developed a strong in-house capacity for policy research. Business associations, multi-national corporations, professional bodies and trade unions are better able to proselytise their policy perspectives with in-house research units. Global task-forces are convened from time to time to address pressing cross-border issues. As discussed below the G20 now attracts a range of 'free advice' providers.

Interlocutors and research brokers will continue to be important given the need for editors and skilled curators, organisations as much as individuals, to help those within policy processes to quickly discern the credibility and quality of knowledge(s) produced by disparate scientific and advocacy groups. Information technology also makes knowledge sharing a fast and cheap process compared to the situation three decades ago when news-papers and books were published only in hard copy. The rapid dispersion and at the same time the massive proliferation of knowledge complicates the absorption of information by policy making communities. A problem for both local and global governance becomes one of 'editing' the over-supply of evidence and analysis from NGOs, universities and advocacy groups to weed out unreliable expertise and dodgy scientific advice.

National policy makers will continue to draw upon the expertise concentrated in think tanks. Even so, the venues of governance have widened above and beyond the state alongside the growing array of international associations, global public-policy networks (GPPNs) and transnational public-private partnerships. These decision-making venues also act as magnets for advisors and analysts. For instance, with official encouragement from national governments in the association of Brazil, Russia, India, China and South Africa has prompted the creation of a BRICS think tank network to provide research and analysis on developmental strategy. A

recent phenomenon in the think tank industry has been the internationalisation of some of the larger American institutes establishing offices in transition economies or close to regional power centres. For example, the Carnegie Endowment for International Peace has a presence in Beijing, Beirut, Brussels, and Moscow. Most think tanks establish or participate in knowledge networks; for instance, the 'grand-daddy' foreign policy think tank of the USA, the Council of Foreign Relations, has established the 'Council of Councils' of leading foreign policy institutes from around the world in a common conversation on issues of global governance and multilateral cooperation. Membership roughly tracks the composition of the G20.<sup>2</sup> The upwards decentralisation of governance among an array of new global and regional decision making forums of mixed public-private composition also disaggregates and disperses knowledge functions. Civil society based transnational advocacy networks have proliferated. Gatherings of experts and policy practitioners such as the World Economic Forum in Davos on general matters of global governance, and others on specific matters such as the Evian Group on trade policy, also engineer elite policy dialogue between corporate leaders, public sector officials and specialist social scientists. These are non-state actors feeding advice and analysis to policy makers and the media in the hope of changing policy agendas.

Incorporated into knowledge networks, think tanks can also become part of a mode of governance. This is a third involution rather than an outward devolution of governance from public agencies. The ecology of transnational policy making exhibits a lower degree of institutionalisation of *de jure* legal and political processes than witnessed at the national level. The governance impact of knowledge organisations and networks may well be more pervasive in terms of problem formulation and agenda-setting. This dynamic is further entrenched when these organisations are contracted or commissioned by international organisations or governments to provide policy monitoring and evaluation services.

Think tanks will continue to play a vital role in policy debates within polities and across them although they face stronger competition from a range of other knowledge brokers. Moreover, many of these organisations have adapted rapidly to the opportunities afforded by new information technology. This is particularly the case with some of the newer initiatives like Centre for International Governance Innovation (CIGI) in Canada which has made heavy investment in IT and communications, in a strategy "to influence public opinion first, then governments will follow" (Kuntz, 2012). The leading think tanks have highly sophisticated web-sites and communications programmes. The solid reputation of these elite institutes for rigorous analysis may also shed a favourable light across the entire industry. The 'social prominence' of the think tank in public debate is high. However, maintaining scientific quality and research reputation (with highly educated or experienced professional staff) entails equally high costs. Not all think tanks can sustain such costs, nor desire to do so when the dynamics of digitised (new) media generates demand for celebrity 'policy wonks' who are noted more for their contribution to 'info-tainment' than for their scientific pedigree (Misztal, 2012: 128).

## Transnational Policy Communities and Information Overload

Information overload creates 'white noise' in governance processes. At the same time, new niches emerge for knowledge 'editors' to validate reputable analysis and quality research in order to distinguish it from that which is of low quality or sub-standard. However, there is also growing space and demand for 'curators of dialogue'. As social networking and the blogo-sphere expands, the internet and mobile phone communications become the infrastructure of a digital (global) public sphere (Castells, 2008). In this sphere, the transnational policy communities and networks that are creating a transnational public sector might become a force for democratisation by creating new spaces for 'stakeholder' interests and participation. However, the arcane technical interests, the professional communication codes, and issue

specific technocratic character of many networks can also be exclusionary. Networks use coordinative discourses and techniques that facilitate policy construction but which can also create technocratic distance from national publics. Investment in communicative discourses usually comes after coordinative policy processes become established.

'Transnational policy communities' are broader constituencies than the traditional constellation of 'international civil servants' who work for international organisations. Today, these civil servants are complemented on the one hand, by 'internationalised public sector officials' who often interact via transnational executive networks of judges, regulators and other government officials who need to collaborate with their overseas counterparts (Slaughter, 2004). On the other hand, there is a diverse but growing assemblage of consultants, foundation officers, business leaders, scientific experts, and NGO executives who proffer their services on the international stage (Stone, 2013). Think tank pundits are but one set of actors here. These transnational policy professionals hold power as a result of their (semi-)official position; their control of information and other organisational resources; their technical expertise or epistemic authority; or their often lengthy international experience as career officials and consultants. The geographical dispersion of transnational policy communities means that policy actors meet irregularly, are highly reliant on information technology, and travel frequently. In other words, the values guiding the behaviour of bureaucrats are increasingly shaped by the imperatives of the global economy and a professional awareness of the constraints on sovereign control of policy that prompt new modes of collaboration.

Transnational policy professionals are not directly comparable to traditional bureaucrats. Their hybrid character as often being both private and public actors at the same time, suggests that they could present difficulties of management and accountability for nationally constituted citizenries or parliaments. The networks, partnerships and global or regional programmes they work in are 'radically decentralized': that is, 'they are not organizationally connected within

any overarching constitutional structure allocating complementary roles and responsibilities in relation to a shared democratic public, as are the multiple public agencies within the state' (Macdonald and Macdonald, 2010: 24). Potentially, there are fewer incentives and pressures to sustain sophisticated communicative discourses for quite disparate publics, citizenries and electorates.

Many publics are ill-informed or apathetic about global affairs. However, governance networks and global programmes are increasingly important as providers of public goods and services alongside governments and international organisations. The growth of transnational policy communities challenges some interests and generates new debates over who should have responsibility for managing global affairs. For example, the G20 is one venue where such deliberations take place. To illustrate: the G20 has become a magnet for attracting expert advice, and not least from Australia which will hold the G20 Chair in 2014. The G20 reflects how knowledge brokering organisations operate in global policy making: first, it shows how the knowledge-policy nexus fuels global policy making; second, the centrality of networks as the social technology in support of global summitry; and third, the truncated technocratic character of the public sphere in the G20 orbit.

# G20 / Think20

The Group of Twenty (G20) is the premier forum for international economic cooperation with members from 19 countries and the European Union. G20 Leaders, Finance Ministers and Central Bank Governors meet regularly to address global economic and financial challenges. In December 1999, the finance ministers and central bank governors of advanced and emerging countries of systemic importance met in Berlin, Germany, for an informal dialogue on key issues affecting global economic stability and have since met annually. The G20 was upgraded in 2008, when US President George W. Bush convened a meeting of G20 Leaders in

Washington, D.C. as the magnitude of the international financial crisis threatened to engulf the entire global economy. The G20 was viewed as the most suitable forum for achieving a high-level coordinated response from political leaders, given that it represents both advanced and emerging economies from all corners of the world. In addition, its relatively small membership allows the Group to reach agreements on global economic matters (see Hajnal 2014 for a discussion of G20 evolution).

The G20 is not an international organisation like the United Nations. It lacks intergovernmental treaty status. As an informal forum for debate, it operates without a charter, votes or legally binding decisions. It is, in effect, a self-appointed club of nations, where members interact as equals and emphasis is given on reaching consensus. Unlike the formal institutions of international organisation, it is not itself an implementing body. Striving for consensus within the G20 entails high demand for data, policy analysis and interpretation. For example, in 2006, study groups were introduced on an *ad hoc* basis. Their purpose is to 'maintain momentum of analytic work in the G20 that may not be carried by the main agenda' (G20, 2008: 24-25).

The G20 operates without a permanent secretariat. Consequently, bureaucratic preparation for 'Ministerials' has been done by G20 deputies. For the meetings of the finance ministers and bank governors, the G20 deputies established an administrative process known as the 'Troika'. This committee is composed of official representatives the previous, current, and immediately upcoming chairs. The Troika provides continuity between meetings but otherwise the host country provides secretariat services for the G20, and changes each year. Among its duties, the Troika proposes agenda issues for the G20, selects speakers in consultation with members, and deals with the logistics of meetings. It also gives the current and upcoming chairs ready access to the experience of the previous year's chair. Each chairing country establishes a G20 website for their year. In addition to background information available to the

public, a confidential members-only site is maintained to circulate background papers and other material for meetings, and to archive documents. Work of study groups is also posted for discussion. For the Leaders Summit, the role of the 'Sherpa' has also become crucial.<sup>3</sup> The interactions among the Sherpas, the study groups and the deputies are the official core of the G20 'transnational policy community'.

In 2012, the G20 formally recognised that its activities were enriched by the contributions of academia and think tanks, or specialised research centers when the Mexican Presidency organised a meeting of think tanks in Mexico. It was the first time researchers were invited to take part directly in the discussions of a G20 Presidency. The rationale behind the incorporation of think tanks and research institutes was that 'think tanks significantly contribute to the transparency, analysis and evaluation of public policy', including the G20 process.<sup>4</sup> The think tank invitees would play a role in following up Summit results and commitments by delivering a Think20 report with specific recommendations to the next G20 Sherpa Meeting. Whether the report and analytical support is taken on board remains a moot point. Nevertheless, these institutes have some indirect influence in collaborating with the G20's "outreach strategy" and desire to generate wider societal legitimacy (Harris-Rimmer, 2013: 174).

Nevertheless, think tanks have been long-standing advocates of the essential role of policy analysis in G20 processes. Three of the most important rationales proffered by the think tankers of the utility of Think20 initiative in their report included:

- Serving as an ideas bank, and providing new ideas and policies for G20 governments.
- Providing a potential source of accountability, through monitoring how well G20 governments delivered on their commitments.

• Working to deliver buy-in to the G20 process, through helping to explain the importance of the G20 and of (at least some of) the policies it is trying to promote (Thirlwell, 2012).

In short, Think20 was designed to be coordinative; that is, to provide pragmatic policy proposals and research services for G20 processes. In addition, in its public outreach it would help provide a communicative discourse for the educated lay public. Knowledge and policy become inter-meshed in global summitry.

Although touted by some as being initiated by the Mexican Government and organised by COMEXI - the Mexican Council on Foreign Relations - Think20 has a history going back to a May 2010 meeting at Langdon Hall in Canada convened by CIGI. Bankrolled by Jim Balsillie, the Blackberry billionaire, CIGI is a non-profit, non-partisan international affairs research institute housed in the former Seagram Museum in Waterloo but now also providing higher education via the Balsillie School of International Affairs. CIGI is a central player in Think20. Indeed, CIGI lays claim to being an instigating force behind the creation of the G20: "We promoted research-based policy recommendations in the years before the first G20 summit (Washington 2008), suggesting the 20 finance ministers' meetings be elevated to the leaders' level, because the G8 was too narrow to engineer global economic cooperation" (Kuntz, 2012). However, former Canadian Finance Minister, Paul Martin, who interacts regularly with CIGI on G20 issues, and who is regarded as the central policy entrepreneur behind the G20, had sought to mobilise think tank representatives and other civil society actors into G20 discussions for several years previously (Cooper and Thakur, 2013: 46). In many respects, the Lowy Institute can be considered the Australian counterpart to CIGI in Canada.

Even before the emergence of Think20, a number of economic policy think tanks individually sought to inform G20 processes and in particular, the Washington DC based Peterson Institute for International Economics. For example, the Institute's Senior Fellow

Edwin Truman was recruited by US Treasury Secretary Timothy Geithner as a temporary advisor to develop policies for the April 2009 G20 London summit. Other think tanks that have since developed 'critical mass' analytic capacities on G20 affairs include the Brussels based Breugel which interacts with Think20 as well as the Chongyang Institute for Financial Studies (RDCY) at Renmin University in China, and the Institute of Global Economics in Korea, all of which provide regular studies of G20 developments, and "policy suggestions" for G20 Summits (RDCY, 2013).

Although a young international grouping, the G20 has evolved quickly. Debate has intensified as to whether 'the G20 can move from being a crisis committee to being a steering committee' (Cooper, 2012: 1). Institutionally, it remains weak without a permanent secretariat and dependent on each host country capacity for preparations of meetings and summits and for ensuring continuity between meetings. Indeed one of the recommendations of the first Think20 Report was to state that the Troika Process was not working and that serious consideration be given to creating a 'Bureau' to perform on-going secretariat functions. However, not all in the G20, or Think20, support the idea of institutionalising G20 functions.

The creation of Think20 also raises issues about participation and representation in global policy. First, the process for the group's composition was not a transparent one. On the one hand, this might reflect on the credibility of G20's intent to make itself more democratic. On the other hand, Think20 is a private association and even more informal in constitution than the G20. Another assumption that has been made is that think tanks invited to Think20 ought be selected on the basis of G20 membership. Most members in Think20 are represented by a country-specific research organization. Yet the February 2012 meeting of Think20 included a Singaporean body (which is not a G20 member). Some G20 members such as Saudi Arabia or Argentina were not included. However, the institutes behind Think20 argue they are neither an advocate nor mirror of the G20, hence no need to copy its composition when useful or relevant

research from elsewhere can be drawn in. Indeed, the G20 itself can be quite 'porous' to other states (Cooper and Thakur, 2013).

A further critique suggests the roles and responsibilities distributed among Think20 institutes are in tension with aims of the G20 to give a voice to emerging and developing economies. The organisation and management of Think20 resides in a club of institutions from the G20's advanced economies, thereby perpetuating traditional North-South relations and under-representation of developing economies' interests. For example, two European critics argue "...the African continent is represented in Think20 by only one regional forum, while the EU is represented by four research institutes" (de Ridder and Sánchez Díaz, 2012). Another Canadian critic suggests that it is not simply a limited range of think tanks involved, but that university researchers (such as those affiliated with the G20 Research Group) have been left out of the G20 (Kirton, 2012: 1).

Think20 is a recent innovation, and new initiatives are easy to criticise as their architects experiment with network design, or try to mobilise enthusiasm from whomever they can, or as they scramble to raise funds that may well tie their hands with certain conditions. Think20 discursive or ideational impact on G20 processes is dependent on the definition of policy 'influence' or 'impact' that is adopted. Impact is also time and context contingent on the country chairing the G20 process. Think20 role is advisory and informal, notwithstanding the formal invitations extended by the Mexican Chair of the G20, then the Russian Chair and in 2014, the Australian Chair. Unless its expert services are systematically incorporated into G20 processes recommendations, Think20 could become intellectual ornamentation to the G20's democratisation process. Indeed, this new think tank summit, operates in tandem with a proliferation of other forums surrounding the G20. That is, the B20 (for business), L20 (for labour unions), Y20 (for young people), and the CS20 (for civil society organisations). All clamour for attention and for adoption of their recommendations. Nevertheless, as the Russian

Sherpa stated: "In order to stimulate investments we need to discuss these issues with business, we need to involve think tanks, we have to go to civil society and get to know their point of view on what needs to be done" (Yudaeva, 2013). Yet, the Russian Presidency has been criticised for designing the Think20 process so that it would have a minimal impact and no influence in official deliberations. <sup>5</sup> Notwithstanding the set-backs, this article argues that discursive influence diffuses over the longer term, and while Think20 is a 'broad church' of analysis, its major achievement has been to cultivate a consensus within national policy research communities of the contemporary need for global coordination on economic and financial management. Incorporation into G20 outreach processes is a form of policy impact even if the research, analysis and recommendation has little bearing on policy outcomes.

Among this G20 orbit policy analysis and advocacy, there is not so much *scientific* competition as organisational competition among different knowledge brokers, sectional interests and policy entrepreneurs. The Council of Councils was mentioned earlier. Another G20 Foreign Policy Think Tank Summit was called mid-2012 by the University of Philadelphia and co-sponsored by Fundação Getulio Vargas (Brazil). The newly created FutureWorld Foundation also claims to build 'on a request from the G20 to create a community of think-tanks' (2013). The G20 Research Group is another global network directed from the Munk Centre for International Studies at the University of Toronto.

In Australia, however, the think tank G20 representative role is almost exclusively associated with the Lowy Institute. Mirroring 'troika' principles, it co-chaired the Think20 meeting in Russia in December 2012. And in the run-up to the 2014 G20 Meetings of Finance Ministers and Central Bank Governors and Deputies, followed later in the year with the Leaders Summit, the Institute will play a central player in Australian policy circles on matters of global economic governance.

In addition to the St Petersburg Leaders Summit in September 2013, the G20 related events in 2013 organised by Russia below<sup>6</sup> give an indication of the range of responsibilities for Australia and other future chairs:

- five meetings of finance ministers and central bank governors
- a joint meeting of finance ministers and labour ministers;
- a meeting of labour ministers;
- a meeting of labour ministers with social partners;
- five Sherpa meetings;
- 15 working group meetings (framework, international financial architecture, anticorruption, development, energy sustainability);
- three meetings of a task force on employment;
- six seminars (public debt management, financial literacy and education, international financial architecture reforms, trade, energy, financial inclusion);
- three conferences (economic growth and sustainability, rating agencies, financial literacy and education);
- Civil 20 summit;
- Business 20 summit;
- Y20 summit;
- Business 20 meeting;
- Civil 20 meeting;
- meeting of social partners (B20 and L20); and
- a Think 20 meeting.

These tasks are the organisational responsibilities of national bureaucracies. Host country think tanks, civil society or business groups also performs roles of public platform, providers of informed commentary for the media and other policy analysis consumers, and a social and

networking venue for leading opinion leaders. In order to participate in Think20 necessitates think tank capacity at the nation-state level.

## The Lowy Institute for International Policy: Interpret, Inform, Influence

Located in Sydney, the Lowy Institute was founded in April 2003 through the philanthropic support of businessman Frank Lowy. In a nutshell, the vision of the Institute is "is an open Australia, engaged with the world".<sup>7</sup> Over half of the Institute's annual operating income is provided by donations from the Lowy family. The remainder of Institute's funds comes from *inter alia*, grants from major Australian and international philanthropic foundations; philanthropic donations from private individuals; corporate memberships and sponsorships; grants from the Australian Government or other governments, and events and ticket sales. In the space of a decade, the Institute has risen to considerable prominence in Australian public affairs and policy circles and is considered to be one of the leading think tanks in Australia (Gyngell, 2008).

The think tank scene in Australia has grown over the last decade. In the half century after World War Two, only a half a dozen or so institutes emerged and were loosely modelled after British and then later American counterparts (see *inter alia*, t'Hart and Vromen, 2010). However, in comparison to many other developed nations, Australia has a relatively small population of these organisations. Even fewer are focused on world affairs. The Australian Institute of International Affairs is the longest standing and has moved beyond its traditional scholarly orientation in recent years to seek participation in, or to convene for Australia, 'tracktwo diplomacy' processes. Likewise, the Business Council of Australia which is more a business lobby group than think tank has put itself in the frame as an agent of informal diplomacy and the importance of business in embedding the bilateral relationship with the USA (Denton, 2011; see also Bell, 2007).<sup>8</sup> The Committee for the Economic Development of

Australia has increasingly broadened its focus to encompass some issue and activities overseas. It acts in tandem with other similar bodies (such as the Conference Board in Canada or Committee for Economic Development in the USA) via its International Cooperation Network and there are aspirations within CEDA to develop its own more regionally focused network. There also a number of institutes that address defence and security issues such as the Australian Strategic Policy Institute (ASPI), and the new and relatively minor, Air Power Australia.

University based centres include the Strategic and Defence Studies Centre at ANU, and with broader policy focus the Australian APEC Study Centre at Monash, or Asia Link, which undertake research and policy analysis on regional concerns. The Department for Foreign Affairs and Trade (DFAT) has funded a number of bilateral study centres particularly for East Asian studies. In 2004 the Howard Government announced the establishment of the United States Studies Centre at the University of Sydney. Founded and funded in the wake of the Iraq War, (with Rupert Murdoch a lead donor to it), its early focus was on understanding the causes and consequences of anti-Americanism. In sum, there is an active community of both private sector and university based policy analysis on global and especially regional affairs.

In the region, historically there have been a number of associations into which Australian think tanks, university centres and government agencies have sought to plug themselves into: It included bodies like Pacific Basin Economic Council (PBEC), Pacific Economic Cooperation Council (PECC) and APEC in the area of economic cooperation (O'Neill 2008). Today the Asia Pacific is heavily networked for policy analysis and debate via a range of initiatives like the ASEAN-Institutes of Strategic and International Studies, the Council for Asia-Europe Cooperation (CAEC) the Council for Security Cooperation in the Asia Pacific (CSCAP), NEAT – the Network of East Asian Think Tanks and the Sentosa Round Table all of which are waning somewhat in relation to other dialogue mechanisms such as the Shangri-La Dialogue and the Boao Forum (Stone, 2011; 2013).

To-date, most academic analysis of Australian think tanks has focused on their impact on domestic policy and politics. It is unusual to see discussion of Australian think tanks projecting Australian interests in the region or globally. Indeed, it is rare to see academic mention of the Lowy Institute. Instead, the rise of these think tanks is better noted in the media. For instance, veteran commentator Paul Kelly notes how Lowy and ASPI 'elevated' security issues during the Howard era to "broker a dialogue involving government with advisers, academics and journalists on the agendas that link foreign, defence and national security policy and, in the process, create new networks" (Kelly 2006: 21-22). Lowy has a wider remit than security and has generated considerable policy analysis of aid and development, diplomacy, and the international economy, as well as undertaking polling. This capacity and its new networks and rapid rise to prominence helped it secure federal government support to become the lead nonstate organisation in Australia engaging with the G20 in its 'track-two diplomacy' (Harris-Rimmer, 2013: 177).

Launched in August 2012, with a \$4 million grant over four years from the Australian Government, the G20 Studies Centre at Lowy "aims to deliver analytical support towards the building of a stronger and more effective G20, and of international economic governance in general". The rationale for its establishment and federal sponsorship is to take advantage of Australia's membership of the G20 "to contribute to the current debate over the evolving rules of the international economic game" and "shape that debate's results".<sup>9</sup> The Director of the Centre is Mike Callaghan, previously a senior public servant in Treasury who served as Australia's G20 Finance Deputy and a member of the Financial Stability Board. The Lowy Institute has said it is a "natural home for a G20 research program: it already has a significant record of working on G20-related issues including as a participant in the international Think 20 Initiative and through scholarly membership in the Shadow G20 established by Columbia University's Jeffrey Sachs".<sup>10</sup>

The Lowy Institute does not work alone in its G20 activities. Like CIGI in Canada, the Institute works with partners to amplify its influence. As noted by one CIGI insider:

"... at CIGI we constantly groom and develop our networks among other global think tanks (each with connections to their own national or regional policy makers) and through our own fellows' and staff connections to the greater policy world. This is how influence occurs — through people who assign credibility to one another based on experience, reputation and trust" (Kuntz, 2013).

The Asia Pacific 'Regional Think20' seminar in May 2013 was hosted by Lowy but also supported by the Korea Development Institute and the Asian Development Bank Institute. Australian G20 officials and the representatives of the Russian G20 Sherpas office also attended the meeting. <sup>11</sup> The interaction of the Lowy Institute with CIGI, and other transnational policy community actors, bolsters the credibility of the Institute within Australian policy circles. Rather than specific instances of impact on a particular decision or negotiation, influence is more relational and vested in personal and inter-organisational connections. Nevertheless, an influential role can still be had in effective planning and preparations for, international summits.

In the run-up to the Brisbane Summit of Heads of Government in November 2014, the G20 Studies Centre has argued the need for governance reform of G20 processes. Agendacreep has afflicted the G20 processes where new items of concern and agenda issues are added by each new country chair. The G20 Studies Centre is recommending an explicit multi-tracked approach: That is, the leaders meeting (and communiqué) become focused on a few key issues whereas the wider technical issues continue to be discussed and advanced among G20 members through ministers and officials. In short, "leaders do not have to be involved in everything" (Callaghan, 2013a: 6). Not only within Lowy but amongst other observers based in the media,

think tanks or universities, there is growing disquiet about the effectiveness and slow pace of G20 deliberations as the world's premier forum for economic collaboration.

Under the auspices of the G20 Studies Centre, Think20 produced a set of policy recommendations for the Brisbane Summit. The December 2013 meeting in Sydney represented the start of the third officially recognised "analytic input" to G20 processes with Australia "continuing with the Think20, as well as strengthening the concept over the course of 2014". Australian federal government patronage of Think20, arguably of greater substance than under the Russian Chair, is recognition "that the Think20 is a valuable aspect of the G20" (Lowy Institute, 2013: 3). Privileged access to submit recommendations to the Sherpa meeting also signals inclusion in G20 processes.

The work of the G20 Studies Centre is not that of an unreflective acolyte. While generally supportive of G20 mechanism, the Centre provides analysis and interpretation of its activities that is also supportive, albeit with recommendations to improve its administrative procedures in order to promote more tangible outcomes. Moreover, other institutes in Think 20 – *inter alia*, the Brookings Institution, the Indian Council for Research on International Economic Relations (ICRIER), Economic Policy Research Foundation of Turkey (TEPAV) or Centre for Strategic and International Studies (CSIS) in Indonesia – pride themselves on critical commentary and analysis.

Nevertheless, through its funding base, official patronage and responsibilities in G20 processes, the Lowy Institute G20 Studies Centre is not only directly linked and integrated with Australian foreign policy interests, but also becomes part of the G20 transnational policy community. Indeed, according to former Deputy Prime Minister and Treasurer Wayne Swan, the Australian Government's expectation is that the "G20 Studies Centre will put Australia at the forefront of G20 research in our region and across the world" (2012).

## Conclusion

The G20 is symptomatic of contemporary reconfiguring of global policy and reflective of how non-state knowledge organisations and networks in its orbit are remade as entrepreneurial agents of policy coordination. Expert organisations or knowledge networks do not stand apart from global policy makers in order to impose solutions upon them. Instead their impact is indirect as their role is to intervene in a way that facilitates awareness and dialogue so that the stakeholders understand jointly the collective problems of relevance to them so as to pose corresponding questions and explore possible solutions. Through global dialogues, various experts and knowledge networks, both private and public, are integrated into processes of global economic management. In other words, 'interpreting' and 'informing' (as in the Lowy Institute's motto) serves a social capital purpose building transnational and national policy community cohesion and consensus.

In Australia, the Lowy Institute creates a coordinative policy discourse for national policy makers, business elites and other opinion leaders. Via its public meetings, commentary, publications and web-site, it performs a communicative dialogue for the educated lay public. Arguably, the communicative discourse has less impact for the Lowy Institute as "public awareness of the G20 is virtually non-existent, and amongst non-government groups, including academia, patchy" in Australia (Blakers, 2013: 18). Incorporated as part of Think20, the Lowy Institute has had more influence in helping inform and sustain the coordinative global policy discourse of the wider G20 transnational policy community.

The transnational policy communities that serve the G20 or circulate around international organisations and international summits, are partially privatised domains of public deliberation with participation limited to stakeholders, office holders and designated experts. Networks such as these are elite groupings restricted, in the main, to those who have professional mastery

of social scientific communications codes, or to those who have either material power or political control over a given policy problem that is very often defined by these codes. As the G20 extends its policy networks and outreach beyond the ambit of states, the specific initiatives and activities of B20 and Think20 become a well spring of both entrepreneurial ideas and technical leadership for the G20.

This co-construction of knowledge and analytical frames for the purpose of global ordering does not imply that policy analysis is participatory or that decision-making is democratically deliberative. At one level, the public events, products and web-sites of (Australian) think tanks do provide a great deal of transparency and access. Yet, participation in their activities and networks is very much more limited, and usually by invitation. Just as the G20 was limited to relatively few members in order to facilitate the prospect for consensus and cooperation, so too highly restricted public participation in policy research via somewhat porous but mostly exclusive networks like C20, Think20 or B20 eases deliberation in the search for common policy ground. Whilst transnational networks and policy communities are forging new public policy spaces, the scope for ordinary members of the public to enter these spaces is stunted, particularly when combined with lack of awareness and political apathy.

The relative degree of insulation from society of the transnational policy community in the orbit of the G20 may assist in its effectiveness. The dialogues around G20 processes help in the construction of shared identities and problem definition. Ideas gain momentum, support and traction when they are repeated, translated, revised, reiterated, cross-referenced and disseminated through and beyond G20 policy networks when think tankers, opinion leaders and public intellectuals write, speak and 'appear on platforms' at each other's events and contribute to in-house journals, magazines, websites and twitter campaigns. These interpretative practices of consensus building create a unity and regularity of policy thinking. But as constellations of interests and stakeholders in their own right, knowledge networks are often composed of those

who wish their world-view or scientific rationality to have authoritative force in their own right rather than competing with others for influence over the Leaders who make or break policy. The think tanks and institutes discussed here sought to steer social and economic deliberations and structure global policy processes on the basis of their epistemic authority. Even in the more fluid and informal administrative fields of transnational policy communities, the epistemic authority of knowledge networks and other ideational actors remains indirect and requires the infrastructural support of institutions like the G20 and political recognition of national interests.

<sup>2</sup> Council of Councils: <u>http://www.cfr.org/projects/world/council-of-councils/pr1592</u>
 Accessed 14 August 2013

<sup>3</sup> Sherpa is a personal representative of a G20 member head of state or government. Sherpas are involved in scheduling and negotiations throughout preparatory process throughout the year. They work on coordinating the agenda and seeking a consensus at the top political level. They are engaged in the drafting of declarations and other relevant documents for the G20 Leaders (see Hajnal, 2014 chapter 3).

<sup>&</sup>lt;sup>1</sup> The support and assistance of Barry Carin, Gordon Smith and Michael Callaghan with their time and provision of documents are duly recognised. All errors and misinterpretations remain that of the authors.

<sup>&</sup>lt;sup>4</sup> 'Mexican Presidency of the G20 holds the first Think20 Meeting', G20 press release, 23 February 2012, <u>http://g20mexico.org/en/press-releases/226-presidencia-mexicana-del-g20-</u> <u>celebrara-primera-reunion-del-think-20</u>, Accessed 14 August 2013.

 $<sup>^{5}</sup>$  I am grateful to an anonymous reviewer for alerting me to this situation.

<sup>6</sup> G20: rebutting some misconceptions, 21 February, 2012:

http://lowyinstitute.org/publications/g20-rebutting-some-misconceptions; Accessed 14 August 2013.

<sup>7</sup> About the Lowy Institute: <u>http://www.lowyinstitute.org/about</u> Accessed 14 August 2013.
<sup>8</sup> Track two diplomacy is is a mode of unofficial or semi-official diplomatic activity or discussion. It involves academics and intellectuals, journalists, business elites and others as well as government officials and political leaders 'acting in their private capacity'. Usually associated with sensitive security issues it is nevertheless also evident in the field of economic policy (see Stone, 2011).

<sup>9</sup> 'Russia Makes Promising Start', <u>http://www.lowyinterpreter.org/post/2012/12/14/Russia-makes-a-promising-G20-start.aspx</u>; Accessed 19 April 2012.

<sup>10</sup> 'Lowy Institute welcomes Treasurer's announcement on new G20 Studies Centre', press release: <u>http://lowyinstitute.org/news-and-media/press-releases/lowy-institute-welcomes-</u> <u>treasurers-announcement-new-g20-studies-centre</u>; Accessed 14 August 2013. The Shadow G20 appears to have been a once-only event at Sciences Po in Paris.

<sup>11</sup> Russia G2: <u>http://www.g20.org/news/20130617/781450364.html</u> Accessed 14 August
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