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## The Liberal Estate: Reflections on the Politics of Think Tanks in Central and Eastern Europe

In her intriguing book *The March of Folly* Barbara Tuchman reconstructs, as an early example of policy analysis and policy failure, the debate among the leaders of Troy concerning whether or not they should accept the Greek-proffered Trojan Horse. “The episode of the Horse”, writes Tuchman, “exemplifies policy pursued contrary to self-interest in the face of urgent warning and feasible alternative”.<sup>1</sup>

Although modern policy analysts are not noted for their knowledge of Homer and Antiquity, the question of why the Trojans rejected Laocoon’s warnings may nevertheless have occurred to them amidst their endless policy discussions and international conferences. In fact, it is policy analysts who are best placed to guess why Laocoon’s arguments were neglected.

My own experience as the director of a public policy research institute in post-communist Eastern Europe and as someone who has tried to peek inside the ‘wooden horse’ tends to make me believe that Laocoon’s failure was rooted in the fact that he acted much more as a public intellectual than as a policy analyst. I cannot imagine any respected policy analyst beginning a speech with “Are you mad, wretched people?”, as Laocoon did, and I cannot imagine any (Western) policy analyst failing to refer to hard data to back up his warnings.

But could Brookings have saved Troy? I doubt it. Nor will independent public policy research institutes in Central and Eastern Europe ‘save’ democracy and market reforms. However, in my view the model of closed policy-making which still dominates the region bears significant responsibility for the economic and political failures of the immediate post-communist era. In this study I discuss the particular role played by Central and East European public policy research institutes in the period of transition to market economies and liberal democracies and reflect on the challenges they will face in the future. What I am really interested in is the nature of the influence of post-communist think tanks.

In post-communist societies, a ‘think tank’ is something everybody hears about but nobody studies: most of the new policy research institutes are better known in Washington and Brussels than in their own countries. New policy gurus are more interested in proving their influence with their donors than in reflecting on their role. Western grants and increasing budgets are the major arguments for the policy value of “fifth-estate institutions” in the period of transition.<sup>2</sup> Some of the most respected East European think tanks exist because of their donors, on behalf of their donors, and for the sake of their donors, trapped in a classic vicious circle. They are inventive in producing proposals, ingenious in producing accounting reports, and professionals in not producing trouble.

The intention of the present paper is neither to ‘measure’ the policy impact of independent research institutes nor to assess the influence of Polish or Bulgarian think tanks. What I am asking is *why* they are influential, focusing on the nature and limits of their influence. The experience of one particular institute—the Center for Liberal Strategies in Sofia (CLS)—will serve as the focal case, but strictly as a ‘respected patient’ at a psychoanalytic session, aiding us in our search for the identity of liberal think tanks in Central and Eastern Europe. The very fact that the institution under investigation is a center for liberal strategies will serve to limit the scope of my study to liberal think tanks in the region. This ‘narrowing’ has its legitimacy in the fact that most of the best known policy institutes in the region define themselves as liberal (in the broadest sense of the term). In addition, the public in general and the vast majority of the policy elite tend to view think tanks as promoters of liberal policies.<sup>3</sup> It is, therefore, not because of the CLS that I will focus on liberal think tanks; rather, it is due to the special role of liberal think tanks that I have selected the CLS as the focus of this analysis.

### **Think Tanks and the Invisible Hand of Transition**

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<sup>1</sup> B. Tuchman, *The March of Folly: From Troy to Vietnam* (New York: Ballantine Books, 1992). p.16

<sup>2</sup> The reference to independent public policy research institutes as the ‘fifth estate’ is borrowed from a recently published article by C. Goodwin. (‘The Fifth Estate: Institutions for Extending Public Policy Debate in Emerging Democracies. Lessons from the American Experience’, in *Beyond Government. Extending the Public Policy Debate in Emerging Democracies*, ed. G. D. Goodin [?] and M. Nacht (New York: Westview Press, 1995).

<sup>3</sup> Among the most visible liberal think tanks in the region are: the Albanian Center for Economic Research, the Institute for Market Economics and the Center for Social Practices in Sofia, the Center for Liberal Studies and the Liberal Institute in Prague, the Lithuanian Free Market Institute, the CASE Foundation, and the Gdansk Institute for Market Economics in Poland.

All the recently published studies on Central and East European think tanks are implicitly or explicitly comparative in nature, basing their analysis on a more or less fixed point of departure:<sup>4</sup> they all try to interpret post-communist policy research institutes through the experiences, performance, and philosophies of American think tanks. Such an approach is legitimate in many respects: for a long time, think tanks were perceived as typically, if not exclusively, American institutions.<sup>5</sup> It is the American environment of policy-making marked by fragmentation and the separation of executive and legislative power, the American distrust for federal bureaucracy, the weak American party system, the American philanthropic tradition, and finally, the American tax regime which made policy research institutes such as Brookings, the American Enterprise Institute, and the Center for Security and International Studies into autonomous and influential players. Anglo-Saxon culture, founded upon the power of rational argument, is the proper context for understanding the power of twentieth-century independent policy research institutes in America and Britain.

It is not coincidental that in Eastern Europe, Latin America, and Asia no one tries to translate the term 'think tank', but rather adopts the concept in its English wording, with all its cultural connotations. It is also not by chance that influential think tanks are still exceptional in Germany or France. The American stamp on the think tank phenomenon and the fact that it is mainly Americans who write and publish on the role of independent policy research institutes has resulted in the prevalence of a democratization paradigm in the analysis of non-American think tanks.

At the heart of the democratization paradigm is the notion that independent policy research institutes are important because they contribute to the opening up of policy-making and to the process of globalization. The conviction that open public debate contributes to the quality of policy decisions constitutes think tanks as powerful instruments for the democratization and rationalization of the policy process. It is this democracy-building function that has encouraged the export of American think tanks over the past 10–15 years. What the United States is eager to export in the post–Cold War world is not just particular economic policies (deregulation and competition) or values ('multiculturalism' and respect for human rights), but a specific process of policy-making. The structure of policy-making has been recognized as the primary guarantee of the sustainability of reforms.

The fact that most Central and East European think tanks have been initiated and supported by American sources (both private and government) has contributed to the dominance of the democratization paradigm in the interpretation of East European think tanks. Seduced by the politics of imitation, most of the institutes in the region have consciously adopted the strategies and language of the best-known 'fifth-estate' institutions in the United States. In many cases, the emergence of think tanks in the region can be interpreted as the replacement of Western foreign advisors by local 'free advice brigades': Poland's CASE represents a kind of collective Jeffrey Sachs.

The popularity of the democratization approach in analyzing post-communist policy institutes is also rooted in the fact that it is a donor-serving approach. Most studies focus on the management of the institutes, their funding, PR strategies, media–government relations, and their sustainability. Post-communist policy institutes have been the object of well-designed studies, but they have been studied much more as management units than as policy units. The supply–demand rhetoric which dominates the discourse on the think tank phenomenon is also misleading. To assert that policy institutes in the post-communist world have to work to create demand for their products has frequently been the easiest way of avoiding the question, "What do think tanks really produce and how do they create their spheres of influence?"

The problem with the democratization approach is that it falls short of understanding the political rationale of post-communist think tanks and fails to map their place in the politics of transition. As Karl Mannheim argued in his classic writings on the sociology of knowledge,<sup>6</sup> the transfer of ideas to another social environment in itself changes their meaning and function. This is also true of institutions. The fact that post-communist think tanks have been shaped on the American model does not mean that they must inevitably play a similar role in the policy-making process. The mystery of the post-communist think tank is hidden behind the facade of annual reports and pathetically styled presentations seeking to prove its influence. The origin of post-communist think tanks and their political agenda distinguish them from the American model. Their increasing influence should be understood in the context of the political strategies of

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<sup>4</sup> Among the recent studies on Central and East European think tanks, there are two which, although not referred to directly in this article, are of crucial importance for our understanding of the think tank phenomenon in the region. The first is Eric Johnson, 'Think Tanks: A Voice for Reform', CIPE Website; the second is a lecture presented by Craig Kennedy at a conference on think tanks in Central and Eastern Europe held under the auspices of Freedom House in 1997 in Budapest.

<sup>5</sup> See James McGann, 'Academics to Ideologues: A Brief History of the Public Policy Research Industry', *PS: Political Science and Politics*, vol. 25, no. 4, 733–40; R. K. Weaver, 'The Changing World of Think Tanks', *PS: Political Science and Politics*, vol. 26, no. 3, 563–78.

<sup>6</sup> Karl Mannheim, *Essays on the Sociology of Knowledge* (London: Routledge and Kegan Paul, 1952).

liberal intellectuals in the second stage of the transition rather than that of an analysis of the relations between the social sciences and the state in the late 1990s.

The major thesis of the present article is that think tanks in Central and Eastern Europe constitute a break from the politics and influence of liberal intellectuals in the 1980s and early 1990s. In light of currently growing political and economic populism, the rise of think tanks can be interpreted as a new strategy for the institutionalization of the liberal political agenda following the electoral failures of liberal parties in the region.

### ***The Center for Liberal Strategies in Sofia***

Reflection on the history of the Center for Liberal Strategies in Sofia provides us with a good opportunity to consider the main characteristics of think tank politics and influence in the region. The CLS was established in early 1994 as a non-governmental, non-profit organization. It was designed to promote public debate, exercise influence on the policy-making process, and act as a forum for crisis resolution. Its mission statement is similar to that of most think tanks in the region. In its orientation, the CLS is a pro-democracy, pro-market, and pro-civil society institution. Its founders are well known, well respected, and well connected personalities, who are loved by the media and regarded as 'politically correct'. From the outset, research in various areas of the social sciences, public education, and open seminars and conferences have been listed as the most valuable tools for realizing the center's goals. Designed as a think tank, the CLS has consciously copied the profile and practices of institutions such as the AEI and the CSIS, as a result of which it has benefited from both funding from and contacts with its Western counterparts. The organization was designed as a joint venture between a group of politically active researchers and the Friedrich Naumann Foundation. However, the CLS distanced itself from the FNF as early as mid-1994 and formulated its own goals as an independent 'think and advocacy' tank with diversified funding, which is interested in playing an autonomous role in public life.

The CLS was set up at a stage in the post-communist period in Bulgaria when political and social nostalgia began to dominate the public debate: most people had started to be highly critical of the post-communist changes. At the same time, pro-reform political parties were weak and constantly involved in internal dissension: the magic words of 1989 were exhausted. A Freedom House survey of think tanks in Central and Eastern Europe illustrates the fact that most of the respected policy institutes in the region were established at a time when the first democratic governments had been removed from office and the pro-reform consensus undermined. The bitter experiences gained during the first stage of the reforms had convinced both democratic activists and public intellectuals that an entirely new approach to the policy-making process was needed. When evaluating the political environment in Bulgaria at the end of 1993 the first post-Cold War Bulgarian ambassador to the United States, Ognian Pishev, wrote that what was still lacking was "first, a strong, professional public administration. Second, independent policy research centers capable of producing informed, critical studies of government policies. Third, truly 'civil' communication between government institutions and the public."<sup>7</sup>

The CLS came into existence when both reformist politicians and pro-reform intellectuals were on the defensive. The Institute for Market Economy and the Center for Social Practices were also established during this period, when there was a pressing need for civic strategies directed towards keeping the reformist agenda moving ahead.

The three major factors which are known to determine the success or failure of a post-communist policy institute—*independence, policy relevance, and team spirit*—shaped the CLS's initial strategy. I understand 'independence' in terms of the following four traits: (i) independence from political parties; (ii) independence from any particular economic interests; (iii) independence from the government and its agencies; and (iv) relative independence from foreign donors by means of diversified funding sources. The non-hierarchical organization structure for administering research activities is the second major point in the CLS's philosophy. The Center does not have a board of trustees and organizationally it is designed as a loose coalition of independent researchers who benefit from working together and share a profound interest in the policy-making process. The CLS's Fellows form the board of directors, and the chairman of the board is simply 'first among equals'. Faced with a choice between managerial despotism and liberal anarchy the CLS's founding fathers voted for utopian consensualism. The Center's non-hierarchical character has resulted in some managerial disadvantages, but it has protected it from bureaucratization and dependency on a single leader; it has also stimulated a high level of emotional commitment on the part of the Fellows. The fact that researchers are strongly involved in the process of setting the agenda of the CLS is a

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<sup>7</sup> 'The Opening of Public Debate on Economic Policy in Bulgaria', in Goodwin [ ? 'Goodin' in note 5] and Nacht, 178.

guarantee against its over-commercialization. In a sense, the CLS is a final attempt to adopt the Yugoslav model of 'self-management' in the Balkans.

Remaining independent while avoiding marginalization: this has been the major problem faced by the CLS. The notion of independence differs in accordance with the political environment. The independence of American think tanks is a function of their legal regulation: the rules on taxation clearly define the status of these institutes and distinguish them from political parties or businesses. In Eastern Europe, on the other hand, think tank independence is much more a matter of public perception. The CLS has continuously had to convince the public that it is neither indecently close to the Government nor indistinguishable from the Opposition. The separation of the CLS from the Naumann Foundation clearly demonstrated that any direct involvement with a political group or party risks destroying public confidence in its institutional independence.

The prevailing long-term crisis in academia served as an important precondition for the emergence of powerful policy institutes in Eastern Europe (from which the CLS has also benefited): low salaries and the decline in the public prestige of university teachers were only two important factors. The decline of research and the gerontocratic character of the academic establishment also helped to convince political scientists and economists to leave academia and pursue policy studies in new settings. One of the major differences between American think tanks and public policy institutes in Central and Eastern Europe is that in the latter there is no direct road to policy institutes from academia: before they manage to find an appointment in a think tank, most Central and East European analysts generally spend some time working either for the government (Parliament) or in the media. The close link that—from the very start of the transition—has developed between the politics of intellectuals and the newly established policy research institutes, provides the key to understanding the 'particularity' of East European think tanks. In my account, liberal think tanks are viewed as expert entities inhabited by former intellectuals.

### ***Social Scientists versus Public Intellectuals***

The drawing of a distinction between social scientists and intellectuals is crucial to an understanding of liberal think tanks in post-communist Europe. The social scientist as an important figure in the field of decision-making emerged with the process of modernization and the new conceptualization of the power attributed to the social sciences in contributing to the solution of a wide range of social, economic, and political problems. Since the beginning of the twentieth century, the social scientist has been valued as a source of information and analysis, as someone able to assist in policy-making and to advise governments: the Weberian social scientist largely replaced the Machiavellian philosopher as a counselor to the state. The social scientist as an ideal type does not subscribe to any specific ideology, nor does he have his own political agenda; he is perceived as a neutral figure who provides arguments for the policy-making process, but is not a player in the power game. The American research centers which emerged at the beginning of the century (Brookings is the most powerful example) were established as Weberian-type institutions which incarnated this neutral role of the social sciences.<sup>8</sup>

The intellectual—whose 'star' as a public actor rose at almost the same time—is a figure distinct from and, in a way, an alternative to the progressive social scientist. While the social scientist is seen as a value-free individual, the intellectual is an advocate of particular ideas and a partisan of particular values. The influence of the intellectual is not derived from his competence in particular matters or fields. The power of the discourse developed by intellectuals can be identified in the historically new notion of public opinion which came into being at the time of the French Revolution. The intellectual is not limited by his research or his proficiency; he addresses a definite public rather than society in general. Intellectual discourse is charismatic and not fact driven. It is a discourse about politics, not about policy.

### ***Powerful Knowledge and Poor Knowledge***

In his 'Think Tanks in Newly Democratic Eastern Europe' Kevin Quegley wrote:

In the formerly communist countries of Eastern Europe, policy analysis and development was a governmental monopoly. Policy development generally occurred within state structures, either at the government-controlled academies of sciences or at ministry-affiliated research institutes. Most research offered little in the way of policy alternatives, tended not to use up-to-date social science methodologies

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<sup>8</sup> J. M. Smith, *The Idea Brokers: Think Tanks and the Rise of the New Policy Elite* (Chicago: University of Chicago Press, 1993).

and targeted the government as the research audience. The notion of developing policy recommendations that were publicly debated was almost completely unknown.<sup>9</sup>

This is a convincing observation. But the communist legacy in the field of policy-making is much more complex and cannot be confined to the state monopoly on decision-making. A major characteristic of communist regimes which, later on, directly affected the work of the emerging think tanks was the special role which the social sciences—and social scientists—enjoyed in them. The ideological claim that socialist society was the only ‘scientific’ society legitimized academic discourse as a power discourse. Never having read Foucault, most social scientists working under communist regimes were nevertheless aware of the complex interplay between power and knowledge.

Three major types of expert setting could be found in the communist knowledge industry. As we shall see, they could be clearly distinguished from one other in terms of their markedly different degrees of intellectual and political freedom.

*Academia ('Heaven': maximum intellectual freedom)*

Academies of science and universities were the institutions producing theoretical science. These institutions were not directly involved in work for the government; their role was rather to legitimize particular decisions through theoretical reasoning and to safeguard the hegemony of the Marxist paradigm. Levels of academic freedom varied considerably among the different communist countries: Poland and Hungary were the most liberal, the Soviet Union and Bulgaria the least. There were also noticeable differences between academic fields. For obvious reasons, most anti-conformist scholars preferred to work on highly theoretical and abstract problems: ancient history, logic, and literary history were among the most popular research fields.

*The Ministerial World ('Hell': neither intellectual freedom nor political influence)*

Social science institutes or research units affiliated to the ministries were much closer to the positivist vision of the role of the social sciences, serving as suppliers of information. However, they never enjoyed any autonomous function in the policy-making process. The academic independence of these units was low and, in many cases, they were deeply involved with the bureaucratic structure of administration: they were just another ministerial department or agency.

*Institutions affiliated to the Nomenclature ('Paradise': guaranteed political influence, but no intellectual freedom)*

The third type of research setting was provided by the institutes in the political academy of the Communist Party. They were more directly involved in policy-making and were the only ones acting as ‘Advice Ltd.’-type companies. Not surprisingly, researchers in these institutes tended to be party loyalists rather than skeptical scholars. Their knowledge and skills were exploited in the process of preparing party programs, but few were involved in the day-to-day policy-making process.

Both institutes attached to the ministries and those in the political academies can be conceived of as ‘state think tanks’. However, the absence of a public sphere and free debate made the existence of independent policy institutes impossible under communism. The notion of institutes established in order to ‘think the unthinkable’ was not alien to communist decision-makers: the communist regime was obsessed with the notion of ‘the future’ and even tried to institutionalize the policy process as the planning of the future. However, while the communist state think tanks were encouraged to think the unthinkable, they were not allowed to think the forbidden.

The history of the varying influence of state think tanks on the policy-making process in different periods in the various communist countries has not been studied, but their rising role in the years of *perestroika* has been well observed. Nevertheless, one can say generally that the role which the social sciences played under the old regime ultimately resulted in the poor quality of their empirical studies, artificially difficult scientific language, and a lack of critical reflection on reality. The absolute dominance of the Marxist paradigm and Marxist vocabulary was another important feature of the way in which social scientists approached the policy-making process prior to 1989. Low-quality empirical studies and

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<sup>9</sup> K. Quegley, ‘Think Tanks in Newly Democratic Eastern Europe’, in *Think Tanks in a Democratic Society: An Alternative Voice*, ed. J. Telgarsky and U. Makiko (Washington, DC: The Urban Institute, 1996), 83.

impenetrable language were among the major obstacles preventing the emergence of powerful independent research centers. In Bulgaria, all attempts by the former institutes of the Bulgarian Academy of Sciences to transform themselves into independent policy research centers have failed. In other countries—Hungary for example—such attempts to carry out a transformation from below have better prospects.

Policy centers utilizing the social sciences never developed in the communist countries as they have in the US since the 1950s. Cost–benefit analysis, operational analysis, and other Western techniques were used in some of the research institutes (predominantly in those attached to the military–industrial complex), but the implementation of such methodologies was limited. There was no functional relationship between technological research and studies in the social sciences. Policy centers were never recognized as sovereign entities in their own right; they were never allowed to enter or otherwise attach themselves to the universities.

The newly born post-communist policy research institutes are in themselves a manifest rejection of the type of policy studies produced by each of the above-mentioned sectors of the communist knowledge industry. The new think tanks have consciously tried to avoid being overtheoretical in their research and to produce materials which are comprehensible also for the rank-and-file public. Social scientists who have come to work in or for think tanks have been not so much ‘refugees’ as ‘emigrants’ from academia. The emergence of a powerful public interested in addressing policy problems outside the scope of government was the major factor in the transformation of policy research. It was the public, not governments, which captured the imagination of the newly born policy institutes.

### ***Intellectuals and ‘Technopols’***

The post-1989 political landscape is dominated by two characteristic policy-making figures—the liberal intellectual and the ‘technopol’. They have taken over the pre-1989 roles of the social scientists as players in the public sphere and representatives of the politics of knowledge and ideas. The figure of the intellectual in Central and Eastern Europe is associated more with poets and philosophers than with social research. In general, the liberal intellectual is a writer who addresses the public as an audience of literate citizens, using the essay as his principal genre. His writings are not only understandable for the general public, but capture the imagination. The intellectual is convinced that ideas matter, but he is not interested in the ‘minor’ details of how or for whom. The rise of this type of intellectual was a direct result of the power of the free media and the emergence of hundreds of newspapers and journals.

The role of dissident intellectuals as symbols of political change (Havel, Michnik, Zhelev) and the fact that the intellectuals managed to form themselves as the legitimate counter-elite of the old order temporarily gave rise to expectations and speculations concerning the re-invention of democratic politics. These expectations were not realized, however, as the intellectuals’ marched through the institutions of power. The major characteristic of intellectual politics was the lack of genuine interest in the details of government and the attempt to reduce the political process to public debate. As Jerzy Szacki puts it, most expressively, “the dissident movement did not offer another policy in opposition to communism, but tried to create a new morality, a different view of the world, a different life style”.<sup>10</sup>

The ‘technopols’ are the first generation of reform-minded economists to take up roles in government: Balcerowicz in Poland, Klaus in the Czech Republic, and Kostov in Bulgaria are representatives of this type. They took their posts with a strong commitment to use power to help political processes follow the logic of reform rather than that of the ballot box. With the exception of Klaus, all were initially reluctant to join any of the political parties and to be viewed as ‘politicians’. With the collapse of the old order, they were no longer merely trying to advise the government, they became the government. It was the ‘technopols’ who tried to create research units inside the government and to get economists and political scientists committed to policy studies and policy advising. The Agency for Economic Co-ordination and Development, established in Sofia in May 1991, is a good example of a ‘technopol-inspired’ reform think tank. Because of its status the agency was highly independent and its director was directly subordinate to the Prime Minister. The notion of the unique character of the transition and the need for innovative policies contributed to the influence of such in-house think tanks all over the region. When the ‘technopols’ were expelled from power, the research units created by them also found themselves out in the cold. The fact that one of the founders—later the Director—of the Agency for Co-ordination and Development, Rumen Avramov, resigned and joined the CLS, is the best illustration of the difficulties facing independent analysis amidst the flow of incoming and outgoing governments.

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<sup>10</sup> J. Szacki, *Liberalism After Communism* (Budapest: Central European University Press, 1996).

The division between intellectuals and 'technopols' symbolizes the separation between intellectual liberalism and economic liberalism in Central and Eastern Europe. Intellectual liberals put human rights, political pluralism, and a free press at the top of their political agenda; as far as the economy is concerned, however, many of them continue to support some kind of 'third way'. By contrast, economic liberals have been the most prominent shock therapists and are prepared to live with a certain amount of illiberalism in the political sphere for the sake of achieving market reforms; in addition, their pre-1989 political record is not always convincing. The political tensions between the Liberal Democratic Congress and the Democratic Union in Poland before their merger as the Union of Freedom, and the open hatred between Václav Klaus's Civic Party and the Free Democrat intellectuals in the Czech Republic are the best illustrations of the significance of the split between the 'technopols' and the intellectuals. It was the policy institutes which made the first attempt to bring about real dialogue between political liberalism and economic liberalism in the region.

In 1993–94, all over Central and Eastern Europe the influence exerted by both the intellectuals and the 'technopols' was declining. The pain of the reforms and the dynamics of the political process produced a new reality in which reformist economists and intellectual gurus were deprived of their power and credibility. They had to choose between entering party politics or looking for new channels through which to institutionalize the politics of ideas that they represented. The earlier 'customary' discourses of both the intellectuals and the 'technopols' had been exhausted. The 'technopols' fell victim to the general discontent born of the difficulties of economic 'shock therapy'. On the other hand, the intellectuals were swept away by the rise of anti-minority sentiment, the desire for a politics strong on law and order, and the market-oriented restructuring of the media.

### ***The Rise of the Think Tanks***

Think tanks have brought about a break with the politics of both the intellectuals and the 'technopols'. They represent what might be called a 'second generation' strategy for preserving the liberal agenda. The rise of think tanks was a reaction to the misplaced ideas of the intellectuals and the arrogance of the 'technopols'. In contrast to the intellectuals, who have targeted only public opinion and have never managed to overcome their hostility towards governments, think tanks have made conscious efforts to influence new legislation and government decisions. In contrast to the 'technopols', who have concentrated all their efforts within the institutional framework of government, think tanks have continued to use the free media and to act as an advocacy group for liberal solutions.

In the second stage of political and economic reform, think tanks appeared upon the public stage not simply as forums for the purpose of providing citizens with an opportunity 'to think, speak, argue and make themselves heard', but also as representatives of an autonomous, though marginal center of power in an attempt to offer alternative mechanisms for the institutionalization of liberalism. The mission which has underpinned the emergence of think tanks in Central and Eastern Europe has been determined to a considerable extent by the changed role of intellectuals in developing the reform process. The birth of these new institutions was not inspired by attempts to help social scientists take the place of the various problem-solving agents then in existence. Rather, they came into being as the result of the intellectuals and the 'technopols' seeking ways to preserve their influence on the policy-making process. It is not by accident that think tanks in Bulgaria are populated by philosophers and first-generation reformers, while Brookings-type social analysts are largely absent. The Director of the Institute for Market Economy is a philosopher whose specialist subject was Kant; the Director of the Center for Social Practices is a historian, famous for his work on Trotsky; while some of the other think tank 'gurus' in Bulgaria have backgrounds which would alarm anybody unfamiliar with communist and post-communist politics.

### ***Think Tanks Sticking with Fundamental Paradigms***

In her book on the role played by intellectuals in shaping public discourse Diana Stone makes a distinction between two different ways in which think tanks can exert influence on the policy-making process. In the narrow sense, 'influence' can be defined as the direct impact of policy research institutes on legislation or particular government decisions. 'Influence' in the broader sense can be interpreted as "the power to change the prevailing consensus or to preserve the existing climate of opinion".<sup>11</sup> Most think tanks came into existence as part of an effort to change the prevailing policy paradigm. Conservative think tanks in America were a fundamental part of the new policy consensus which came to prevail under President

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<sup>11</sup> D. Stone, *Capturing the Political Imagination* (London: Frank Cass, 1996), 100–101.

Ronald Reagan. It was the very idea of changing the earlier consensus which shaped the structure and strategies of the 'new partisans', AEI, Heritage and others.

In the case of liberal think tanks in Central and Eastern Europe, however, the objective was not to change the status quo, but to preserve the policy paradigm which had been established in 1990–91. According to Peter Hall, a policy paradigm is "an overreaching framework of ideas that structures policy-making in the particular field".<sup>12</sup> The policy paradigm established for economic management in 1990–91 was anti-Keynesian in its orientation and had its origin in the Washington-based consensus centering around privatization, limited state intervention in the functioning of the market, support for private initiatives, and anti-inflationary measures. This agenda for change was tested for the first time after 1992. It is not by accident that the rise of the political influence of think tanks in Central and Eastern Europe coincided with the rise of populist alternatives to the ongoing reforms.

The influence of think tanks in the region is one of the reasons why populist movements—which resulted in electoral victories for the former communist parties in Lithuania and Poland in 1993, and in Hungary and Bulgaria in 1994—did not manage to change the existing policy paradigm. One of the major roles that the think tanks of the region have played in the politics of transition is to maintain the original paradigm. Policy institutes such as CASE in Poland and IME in Sofia were not so much trying to offer alternative policies to those in the incoming government as doing what they could to limit their propositions to the rational actors outside the influential circles of power. During this period, think tanks in combination with a number of partners—including the IMF and the World Bank—were responsible for preserving the liberal consensus against strong political forces pressing to establish a new populist one. The radical pressure for market solutions emanating from the think tanks was intended to compensate for the weakness or even the absence of pressure for further reforms on the side of local business communities. It was the ability of the think tanks to shape public opinion which, in turn, secured their influence on the policy-making process. In a situation in which senior policy-makers spent hours reading the newspapers rather than memos, policy analysts capitalized on their good relations with the media and established themselves as voices to be listened to.

### ***How to Be Influential***

One of the main questions which Western scholars used to ask (and which post-communist think tanks avoided answering) was the following: 'Who are the principal targets of the post-communist think tanks?' Most institutes claim that they simultaneously target the legislature, the administration, and public opinion, but such a balanced strategy rarely prevails; it is the identity crisis of most institutes rather than holes in the constitutional or political machinery which makes answering the question so difficult. Like the first post-communist political parties, the first independent policy research institutes were catch-all think tanks: they targeted everybody all the time. But policy-makers are moving targets. In accordance with their preferred targets, we can identify three major types of policy institute which have developed in the last few years.

#### *Government-Oriented Think Tanks*

As a rule they are close to a political party or to a particular politician. These think tanks rise together with their political patron and, in most cases, share his political fate. In Bulgaria, an example of this type of think tank is the Democracy Foundation which works exclusively for the Union of Democratic Forces.

#### *Legislation-Oriented Think Tanks*

As a rule, these think tanks benefit from the donors' interest in producing new legislation. They try to keep a neutral profile but, in general, produce drafts which could never become law. The lack of political support for 'fifth estate' drafts has made most of the work they have done merely an exercise in political correctness.

#### *Media-Oriented Think Tanks*

This group of think tanks bases its influence on its popularity in the media and tries to behave as an autonomous center of expertise. The distinctive feature of media-oriented think tanks is their flexible research agenda. But quite often these institutes specialize more in high-quality journalism than in scientific

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<sup>12</sup> Cited by D. Abelson, *American Think Tanks and Their Role in US Foreign Policy* (London: Macmillan, 1996), 73.



policy research. The Center for Liberal Strategies can be identified as a media-oriented research institute. Even in the periods when the CLS worked closely with the government or the Parliament, it never became an 'invisible hand' drafting legislation or writing memos; the CLS has been much more in the business of talking to governments (whether shouting or whispering) than of advising them.

### **Lessons and Conclusions**

The CLS's experience with four different governments provides us with an opportunity to evaluate the effect that the changing political environment exerts on the performance of think tanks of this type. The Center has never been a contractor of any government and its funding has never been dependent on the political status quo; however, both its research agenda and public strategies have been very much affected by the nature of successive governments.

The CLS's experience in the period of Jan Videnov's socialist government (1994–96) is a powerful illustration of the paths open to such policy institutes to attempt to influence the policy-making process in an unfriendly political environment. When coming to power, the Socialist Party expressed its commitment to reshape the policy consensus and to put the country on the track of a 'socially sensitive model of transition'. The Socialists advocated a more active role for the state in the economy, less strict control of inflation, more opportunities for state enterprises, a revised relationship with the IMF and the World Bank, and closer contacts with Russia.

In this period, the CLS had little opportunity to exert a direct influence on government policy-making (including parliamentary debates). Decisions were confined, by and large, to the socialist establishment. The Government was suspicious of advice from independent sources. The Western sources of funding which characterized independent think tanks, not to mention their liberal profile, made them unwelcome partners and deprived them of opportunities to have a say in the policy-making process. However, even expressing one's opposition to the government is a form of influence: ironically, the anti-reformist Government made the think tanks more visible in the policy-making process than they had been before. The very existence of the agile think tanks—their numerous conferences, op-eds, and TV appearances—helped to delegitimize not just particular decisions, but the very structure of the neo-communist decision-making machinery.

Besides acting as a source of rhetoric for a range of opposition groups, think tanks also served to stem the populist temptations of the opposition amid the changed conditions of the anti-reformist environment. To put it in Gramscian terms, we can conclude that think tanks pushed the opposition parties to fight a 'war of positions' at a time when they would have preferred to pursue a 'politics of maneuvering'.

The adoption of American-style principles in the selection of the opposition's presidential candidate in Bulgaria—the CLS's most visible effect on the policy-making process during the period in question—is a powerful illustration of such pressure. The CLS issued a policy paper advocating the adoption of an open selection process for choosing the presidential candidate of the democratic opposition.<sup>13</sup> It managed to consolidate an advocacy coalition for the 'primaries', and in the end initiated a process which resulted in the first presidential primaries in Europe and the election of Petar Stoyanov as President of Bulgaria.<sup>14</sup>

The CLS's success in influencing the decision-making processes of the non-communist parties in Bulgaria and in eventually convincing them to follow a policy which they had initially rejected can be attributed to three different factors. First, the non-communist parties all recognized the gravity of the situation which had been created by the government with its tacit return to the communist-style decision-making machinery. They all had a profound interest in seeking the best strategies for winning the presidential election. Secondly, the CLS's ideas about the procedures to be applied in the election were backed by the expert community as a whole, and also enjoyed the sympathy of the independent media. Thirdly, there was an outside party (the US International Republican Institute) which vested the idea with authority and helped with its practical realization. The adoption of American-style principles for selecting the non-communist presidential candidate was one of the very few occasions when policy analysts were active at all stages of the policy-making process. The CLS initiated the idea, lobbied for it (in a period of less than 60 days CLS staff produced more than 60 publications and made countless TV and radio appearances). In the course of preparing for and during the elections, the CLS and some of the other policy institutes monitored the fairness of the process and fully documented it, collecting all publications on the primary

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<sup>13</sup> I. Krastev, 'The Opposition and the Presidential Elections. Four Scenarios', *CLS Occasional Papers* (1996).

<sup>14</sup> I. Krastev, 'Predizvikelstvoto: Predvaritelni Izbori', in I. Krastev, *Bulgarskie Izbori—1990–1996* (Sofia: CLS, 1997).

elections, holding interviews with the major decision-makers at different stages, and tabulating the results of the voting.

The role which the CLS and some other policy institutions played in breaking the old (and outdated) coalition, and replacing it with more appropriate, issue-oriented coalitions (comprising the media, different NGOs, and a range of political parties) is the most important aspect of the Bulgarian experience of independent think tanks amidst unfriendly political conditions. However, it must be kept in mind that the liberal think tanks' perception of their role has changed, becoming more political than policy-making. After all, it is the media-oriented think tanks which have become really influential over the last five or six years.

The activities of the Institute for Public Policies in Bratislava also serve to remind us that in hostile policy environments think tanks can exert strategic influence and foster new types of coalition with the media, NGOs, and reformist parties. Ironically, the experience of the CLS seems to suggest that post-communist think tanks are more effective in hostile than in friendly environments: acting as advocacy think tanks for reform they are more inspired to make intensive use of their abilities. In bad times think tanks have proved to be exceptionally good at utilizing their high media profile, as well as providing a forum for expressing independent opinions and formulating transparent arguments, and mobilizing their networking capacities and good contacts with like-minded foreign organizations.

In an anti-reformist environment, reformist think tanks must make a choice between three different types of behavior. The first option is to work with the government on issues on which both parties share a common agenda. However, in this way the think tank in question risks being perceived as a conformist institution (one example of this approach—and its consequences—is the Center for the Study of Democracy in Sofia). A second option is for the institution to stand up for direct opposition to the government, turning into a sort of 'guerrilla' group. The attendant risk of this option is being seen as too partisan to the detriment of the think tank's integrity (an example of this is the Center for Social Practices in Bulgaria). On the third option, the think tank tries to take a flexible approach to the government in search of issue coalitions, while at the same time maintaining a clear-cut political profile. The risk in this case is failure (in light of the above, it is perhaps unnecessary to say that, during the years of the neo-communist administration, the CLS tried to adhere to this third option).

As the latest developments in Bulgaria clearly show, the rise to power of a reformist government creates entirely new prospects for think tanks and their influence. In the emerging friendly environment, several factors have strengthened the position of think tanks: (i) the independent research institutes and the government share a common agenda; (ii) the new government does not trust the inefficient inherited bureaucracy; and (iii) the political parties now entering the political stage do not have their own policy research centers. Personal contacts between think tank gurus and the new government also matter. These advantages are, however, attended by the risk that independent policy research institutes might become part of the same policy environment which they are trying to rationalize. Indeed, it appears that some of the negative characteristics of the changed policy environment have already started to shape think tank activities in Bulgaria.

Describing the American policy environment Howard Wiarda wrote: "Government runs, in part, on the basis of memos. If a State Department or Defense Department official has your study in front of him and open at the time he is writing his own memo then you have influence. If your study is not open in front of him, or, even worse, you do not even know who the responsible official is, you do not have influence. It is as simple as that."<sup>15</sup>

In the context of the Bulgarian policy environment, Wiarda's observation might be reformulated as follows: 'Government runs, in part, on the basis of the absence of memos. If a cabinet minister has your telephone number in front of him and dials it at the time he has to make a decision then you have influence. If your study is on his desk, but the minister doesn't know your telephone number, you do not have influence. It is as dangerous as that.' Think tank influence on government today depends primarily on the personal access that analysts have to cabinet members or the Prime Minister. The result is that, while there are influential policy analysts, there are no influential think tanks.

The concession that think tanks frequently make at the expense of quality of research for the sake of giving immediate advice, as well as setting up new policy coalitions, is the other major risk the independent policy research institutes face with reformist governments. The influence of post-communist policy institutes is endangered by the fact that, while independent policy analysts are active at the level of policy formation they have paid little attention to policy implementation, policy evaluation, and policy termination. Taken in a comparative perspective, policy analysis in most countries in Central and Eastern Europe is in the pre-Lyndon Johnson period: while waiting for their 'Great Society' challenge, most think

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<sup>15</sup> Cited by D. Abelson, *American Think Tanks*, 73.

tanks comment on government policy but are not interested in studying or evaluating it. With repeated experience of rising influence on a wave of macro-analysis, think tanks consciously avoid micro-level problems.

In Central and Eastern Europe, ideas matter. The question is how they matter and for whom. A study of think tanks should address these problems, while providing a glimpse inside the 'wooden horse' of post-communist policy-making; in addition, such a study should present a vision for the future. I suggest that the evolution of think tanks in Central and Eastern Europe is essentially different from that of their American forerunners. In America, think tanks emerged for the purpose of utilizing the social sciences in order to solve particular social, economic, and political problems. In Eastern Europe, they represent a new strategy for maintaining the liberal agenda. At the beginning of the century, institutions like Brookings simply removed the footnotes from academic books in order to make scientific findings accessible to policy-makers. In Central and Eastern Europe, intellectuals re-wrote their essays on liberalism as policy papers in order to preserve their influence.

Within the framework of the democratization process, the major challenges to which think tanks must react in one way or another are as follows: dependence on foreign funding, lack of focus in roles and activities, overdependence on a particular person (in most cases, the founder of the institute), the risks of either moving indecently close to or unwisely far away from the government, and reliance on underdeveloped management and PR strategies. All of these challenges and risks have emerged, but there is one factor which has played an exceptional role in the rise of think tanks and which can also lead to their decline, namely, the actual state of the reforms and the role—or lack of it—of think tanks in their advancement.

Think tanks in post-communist Europe have been an effective agent of change as far as the structure of policy-making is concerned. They have not been successful, however, in promoting innovative policy or supplying useful research. Policy analysts in the region are rather knowledgeable managers of expert discourse than experts themselves. This fact greatly shapes the institutions in which they pursue their activities. The major challenge facing think tanks is that, while they have achieved their goal of keeping the liberal policy paradigm in place, they are not ready to exercise influence under the new conditions. Think tanks gained their influence by replacing the discourse of the intellectual with the discourse of the expert, but the lack of a community genuinely committed to scientific work and the investigation of society severely limits their capacity to produce innovative policy solutions.

The very nature of the influence exercised by think tanks during the rise of populism made them much more advocacy think tanks than policy research institutes. Think tanks failed to consolidate a solid base for future influence. They skillfully used the power of expert discourse for the preservation of liberalism and the influence of the 'chattering classes' (Margaret Thatcher) during a period in which liberal political parties were on the decline. But now liberal think tanks need to break with these successful—up to a point—strategies if they wish to preserve their influence. One precondition of this would be a return to social science proper. For a long time, old guard American think tanks were defined as 'universities without students': at present, Central and East European think tanks might be described as 'public policy research institutes without research'. This cannot go on for much longer.