Corporate Interests and Think Tanks – An Overview of Current Debates

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- How do corporations fund think tanks?
- How do think tanks manage potential conflicts of interest?
- How transparent and traceable is corporate funding to think tanks?

Some highlights:

- **Financial sector.** In late 2013, a US Senator’s call on financial institutions to reveal their funding for think tanks sparked some heated debates. Senator Elizabeth Warren (2013) argued that voluntary disclosure could compensate for current gaps in lobbying regulations, and that companies’ shareholders have a right to know how funds are spent. Natasha Hakimi (2013) speculated that this public call scared both think tanks and their donors, but Laurie Bennett (2013) strongly doubted that anything would change as a result due to entrenched systemic resistance to change. Haley Edwards (2013) and Brooke Williams (2013) both highlighted that think tanks’ engagement in financial sector reform processes in the US can have significant policy and regulatory implications.

- **Tobacco sector.** Writing in the Guardian, Jamie Doward (2013) recently explored whether think tanks receiving funding from tobacco companies had shaped UK government policy on cigarette packaging, while Rebekah Wilce (2013) looked into tobacco industry links to think tanks.

- **Hydrocarbons and energy sector.** Corporations’ possible influence on policy formulation via their funding of think tanks has been especially closely watched with regard to energy policy and climate change. Suzanne Goldenberg (2013) recently alleged that much funding of climate change “denial” by think tanks in the US had taken place via trusts that enabled their donors to remain anonymous and untraceable despite nearly USD 120 million flowing through such channels, while Joe Romm (2012) cast doubt on whether hydrocarbon corporations really believe the findings of the think tank reports they sponsor. Ken Silverstein (2013) and the Heartland Institute (2013) pointed out that the renewable energy industry too has vested interests which it may at times promote by supporting think tanks. Earlier, John Tierney (2008) had noted that both sides of the climate change debate give money to research organisations, but asserted that only climate change sceptics are constantly asked to disclose their funding.

- **Defence.** Gin Armstrong et al (2013) and David Kronin (2013) recently voiced concerns about the influence that think tanks funded by defence companies may have on foreign policy formulation. In an earlier piece, Christopher Preble (2010) had taken a similar line, but pointed out that funding from public bodies such as the Department of Defence may equally compromise think tanks’ neutrality.

- **Other sectors.** While other sectors seem to have attracted less attention from commentators, possible think tank conflicts of interest have been highlighted regarding the regulation of the garment industry (Lee Fang 2013), health care reform (Dan Eggen 2010), US government bailouts of large corporations (Bill McMorris 2013), and shaping public and expert opinion on online piracy legislation (Dylan Byers 2011).
Financial Sector

Bennett, Laurie. 2013. *Think tanks are hardly quaking in their boots*. Muckety.  
http://bit.ly/1a3Psbj  
Article. Claims that the issue of transparency in think tank funding “has largely been ignored - partly because of larger concerns about dark money in politics, partly because media and journalists rely on think tanks.” Claims that newer think tanks in particular are often are partisan.

Bennett, Laurie. 2013. *Think tank critical of Elizabeth Warren has many corporate connections*. Muckety.  
http://bit.ly/1kd9eIG  
Article. Maps the connections between Third Way, a think tank critical of donor disclosure, and financial corporations through its trustees. Also maps the connections between Third Way and members of the US Congress.

Article. Discusses the implementation of the Dodd-Frank financial regulation law. In passing, notes the role of think tanks as auxiliaries for the interests of the financial industry. Claims that stretched government regulators face “lawyers, lobbyists, and under-written think tanks – all of whom have the time and money to present extensive, if wildly biased, legal and economic arguments”.

http://bit.ly/1iPwA2L  
Article. Claims that Elizabeth Warren’s call for think tank financial transparency is scaring think tanks with “hands in Wall Street’s pockets.”

http://bit.ly/1ajedRa  
Article. Claims that the think tank Third Way has avoided disclosing who its donors are, and received the majority of its funds from the financial sector, or from Third Way trustees who work or previously worked in the financial sector.

http://bit.ly/1mjHknc  
Article. Discusses the financial sector’s donations to think tanks in the UK. Notes that when the author contacted think tanks, many refused to disclose their donors, and several refused to give any information about their funding at all. Reviews claims that senior politicians were “bashing” bankers too often for the financial crisis in a report funded by The City of London Corporation, an important financial sector player. Discusses other think tanks that publish financial research with funds from financial organisations. Concludes by saying that more transparency is needed for the media to accurately report on the findings of think tanks and their potential biases.
Monbiot, George. 2011. **Wealth Destroyers.**

Article. Alleges a lack of political and financial accountability in the City of London Corporation. Notes the City of London Corporation’s “extensive partnership work with think tanks... vigorously promoting the views and needs of financial services.”

Salmon, Felix. 2013. **When the 2-and-20 crowd drives economic research.** Reuters.
[http://reut.rs/1eYBUNW](http://reut.rs/1eYBUNW)

Blog. Explores American financial sector funded economic research in Washington. Notes that several wealthy individuals who made their money in finance are donating tens of millions of dollars to think tanks studying economic policy. Argues that influence “is a zero-sum game: if the financial sector has a lot of it, that means the rest of us have less.”

Warren, Elizabeth. 2013. **Letter from Elizabeth Warren.**
[http://1.usa.gov/LFDE4c](http://1.usa.gov/LFDE4c)

Letter. A letter from US Senator Warren to six of the largest American financial institutions urging them to voluntarily disclose their financial support to think tanks. Notes that companies must disclose their lobbying efforts under law, but no such law exists for contributions to think tanks that influence policy in ways that are similar to lobbying efforts. Asserts that shareholders have a right to know which think tanks companies support to be able to decide whether that corporate expenditure is a beneficial contribution. Claims that economic think tanks' research and analyses of economic issues have considerable influence on policy and suggests that a more transparent relationship between think tanks and financial institutions is necessary and will benefit the companies’ stakeholders, policy makers and the public.

Williams, Brooke. 2013. **Volcker Overruled?** Harvard University Edmond J. Safra Center For Ethics.

Blog. Discusses the Bipartisan Policy Center’s lobbying efforts on financial regulation and its funding from corporations with vested interests in “shaping policy.”
Tobacco

Article. Claims that two think tanks, the Adam Smith Institute (ASI) and the Institute for Economic Affairs (IEA), received “tens of thousands of pounds in funding from leading tobacco companies” and did not disclose these donors or the amounts. Explores whether the two think tanks had an effect on government thinking, especially on the recent debate on cigarette packaging. Speculates that the transfers may have breached World Health Organisation regulations about transparency on tobacco funding. Notes that IEA’s director is also an independent business advisor for the government, raising questions about the connections between corporations, think tanks and the government.

Article. Explores the connection between the Institute of Public Affairs Australia and tobacco companies. Quotes IPA’s director who wrote that IPA “may take positions which are somewhat different from those of the funders. Obviously that doesn’t happen too often, otherwise they’d stop funding us.” Claims that it is more media savvy for companies to pay “credible commentators,” like those employed at IPA, to handle their public relations.

Article. Argues that corporate-funded think tanks should disclose their funding when they “speak on matters of public interest.” Discusses think tank funding from oil and tobacco companies.

Claims that the BBC does not follow its own ethical guidelines regarding identifying sources’ significant contributors. Argues that if think tanks refuse to disclose their funding, they should not be allowed on air. Notes that the BBC interviewed the director of the Institute of Economic Affairs (IEA) on cigarette packaging regulation without disclosing that the think tank had received money from tobacco companies.

Article. Discusses the responses to his piece about the BBC failure to disclose the IEA’s funding from tobacco companies. The think tank said it did not “believe it was appropriate or necessary in this case to include details about where the Institute of Economic Affairs gets its funding, information which the IEA does not publish.”

Article. Alleges a number of conflicts of interest involving think tank funding in Australia. Cites politician who “says the benefactors of think tanks should be declared if their purpose is to persuade governments to change policy based on their research ideas.” Cites a think tank employee claiming that disclosing donors is irrelevant if the organization only
“promotes discussion and debate.” Discusses donors from tobacco, oil, mining and other industries that give money to think tanks, and the related potential for conflicts of interest.


Article. Claims that tobacco companies are giving donations to think tanks belonging to the State Policy Network. Lists SPN’s donors for 2010.
Hydrocarbons, Energy and the Environment

http://bit.ly/1aDmcGm  
Article. Discusses Exxon Mobile’s funding of think tanks that “undermine the scientific consensus on climate change.” The Royal Society, a group of British scientists, urged Exxon Mobile to stop funding groups like the George C. Marshall Institute, which has published reports claiming that rising temperatures are not due to the increase of carbon dioxide in the atmosphere. The Royal Society also asked Exxon Mobile for a list of other organisations that have received similar funding to determine if they had also been reporting misleading information on climate change.

http://bit.ly/1hMbYoo  
Journal article. Claims that funding by the “elite” influences the policy-making process and the knowledge-shaping process for environmental policy. Discusses the idea that “secrecy” is a “dimension of power” and that “elites” keep certain information from becoming public to avoid changes to the status quo in the defence and environmental sectors. Includes case studies.

http://bit.ly/1aDo6DI  
Academic paper. Explores US Internal Revenue Service data on think tanks and other organisations to analyse donations to the “climate change countermovement” (CCCM). Discusses the different legal classifications of the think tanks included in the report: 501(c)(3) non-profits that can receive tax-deductible donations but are limited in advocacy activities, 501(c)(4) social welfare organisations that cannot receive tax-deductible donations but are able to advocate in political campaigns, and 501(c)(5) and 501(c)(6) bodies that are trade associations. Claims to observe a shift in CCCM funding: Exxon Mobile and the Koch brothers no longer publically fund CCCM organisations, but there is an increasing amount coming from undisclosed funding sources, which provided USD 78 million to CCCMs from 2003 to 2010.

http://bit.ly/1eba95g  
Article. Argues that enforceable rules on think tank funding will be the only way to force corporations to disclose their donations. Discusses the financial relationships of climate-sceptic think tanks that influence EU policy.

http://nyti.ms/1ajeq6Q  
Article. Reports on a “draft plan” of companies to fight international environmental treaties with a “cadre of scientists who share the industry’s view on climate science.” Claims that the plan called for USD 5 million in spending to “maximize the impact of the scientific views consistent with ours on Congress, the media and other key audiences.” Reports that the plan had not yet been accepted or funded at the time of publication.

Article. Explores the Donors Trust and Donors Capital Trust, two conservative trusts that fund think tanks and other organisations with a record of pushing against environmental regulation. Notes that the donors are able to remain completely anonymous through these trusts, which allegedly channelled nearly USD 120 million to more than 100 groups between 2002 and 2010. Claims the trusts have no transparency or accountability and that the money is virtually untraceable.


Blog. Explores the “co-sponsors” of the Heartland Institute’s conference on climate change and claims that many of the sponsors are funded by the oil industry. Breaks down relevant donors and amounts (when available) for each organisation that sponsors the conference.


Article. Claims that the Bipartisan Policy Center “seems more like a voice for corporate interests” and lists its energy industry donors.


Opinion piece. Claims that many conservative think tanks are funded by “Big Carbon” companies. Discusses the funding links to energy companies of three major Australian think tanks that are sceptical about climate change. Argues that these think tanks would refute climate science with or without these donations, but they would be “less effective” without the funding.


FAQ. Rebuts criticisms of the Heartland Institute, its policies, and its donors. Notes that one of the people critiquing Heartland’s association with oil corporations represented renewable energy firms. Also claims that the environmental movement is a “political” movement and discusses scandals within the climate change movement. States that in the past Heartland published their donors and encouraged other organisations to do the same, but because some people “abused” this information they stopped disclosing them.


Blog. Heartland Institute writer claims that “The Heartland Institute is under constant attack on all fronts by an organized leftist campaign out to destroy us — and our advocacy or free markets — for supposedly being ‘shills’ for the fossil fuel industry.” Claims that the Center for American Progress had been advocating for alternative energy while taking donations from First Solar, an American solar energy company. Claims there is a bias against conservative think tanks that receive corporate funding, notably from the fossil fuel industry. Opines that corporate donors are only a problem if their funding changes the discourse of a think tank, but not if they support a think tank that holds similar views to their own.

Article. Discusses corporate donations to the Heartland Institute and suggests that corporations “with strong environmental images” should take a think tanks’ work into account before funding them. Claims that “in the era of Wikileaks... people outside can discover anything, so they need to be transparent.”

Plehwe, Dieter. 2014. Think Tank Networks and the Knowledge-Interest Nexus: The Case of Climate Change. Critical Policy Studies journal (forthcoming)

Journal article. Warns of “an unprecedented level and scope of expertise-backed lobbying in policy-making across both the domestic and supranational arenas”, with think tank networks “designed to promote or to disrupt political discourse”. Uses climate change debates as case study. Notes that there are still various ways to conceal funding in the US. Suggests studying think tanks using a network approach, rather than as individual agents. Includes bibliography. Please contact the author for a copy of the article.


Blog. Alleges that while Exxon Mobile publicly claims that it no longer funds certain think tanks, in reality it has been funding think tanks that have run “international seminars” for “climate change deniers across the globe.” Exxon Mobile responded that they annually publish their contributions to a wide range of public policy organisations in order to be transparent.


Article. Discusses a report examining 28 companies that had publicly voiced concern about climate change, but privately funded organisations that deny climate change. Notes that the report is thorough, but incomplete because companies do not have to list donations to think tanks.


Article. Reports that scientists were offered money by an Exxon Mobile-funded think tank to write independent reports refuting climate change.


Article. Claims that the Center for American Progress has “praised” the US government’s renewable energy loan program while having ties to the renewable energy industry and being funded in part by First Solar, a solar energy company. Quotes the director of the Center for Responsive Politics saying that “the only thing more damaging than disclosing your donors and having questions raised about the independence of your work is not disclosing them and have the information come to light and undermine your work.” Includes a letter from the Center for American Progress in response to the article, and the author’s response to that letter.
Silverstein, Ken. 2013. The Bipartisan Lobbying Center. Harvard University Edmond J. Safra Center For Ethics. [link]
Blog. Explores the personal and financial connections between the Bipartisan Policy Center and the private sector. Notes that the BPC has Exxon Mobile and Marathon Oil on the membership list for its energy project, which produced a report that allegedly “paid lip service to alternative energy but heavily promoted the fossil fuel industry.”

Think Tank Watch. 2013. GM Pulls Money From Think Tank. [link]
Discusses an incident in which General Motors discontinued funding the Heartland Institute following leaks over a strategy of climate change denial. Includes several relevant links.

Blog. Argues that people want reporters to write where American think tanks that doubt global warming receive their money from, but that nobody asks how much money scientists from NASA receive for their research or how Al Gore spends his money in the global warming debate. Claims that the government gives more money than corporations, with one researcher reporting that he had received USD 250,000 from the food industry throughout his career compared with USD 10 million from government agencies. Notes that both sides of the climate change debate give money to research organisations, but asserts that only climate change sceptics are constantly asked to disclose their funding.

Opinion piece. Alleges that a Transparency International report’s findings on the state-owned Venezuelan oil company PDVSA were “factually inaccurate in almost every respect”. Claims that Transparency International is biased on this subject because its donors include the British Government, the US government, Shell and Exxon Mobile. Laments that “The international corporate media considers TI to be a reliable source, despite the fact that almost all their funding comes from western governments and big business.”

Union of Concerned Scientists. 2007. Smoke, Mirrors & Hot Air. [link]
Report authored by the Union of Concerned Scientists. Details Exxon Mobile’s “disinformation” campaign on climate change. Alleges a tactic of “information laundering” through “seemingly independent” organisations. Suggests that Exxon Mobile stop funding organisations that promote climate change denial and disclose the funding it has given in the past. Includes appendices with information about organisations that Exxon Mobile has funded and scientific spokespeople affiliated with Exxon Mobile funded groups.

Union of Concerned Scientists. 2013. U.S. News Media Help Koch Brothers and ExxonMobil Spread Climate Disinformation, UCS Investigation Finds. [link]
Press release. Claims that eight top media outlets “failed to cite think tank funding in two-thirds of climate and energy sources in 2011 and 2012.”
Ward, Bob. 2006. **Letter to Exxon Mobile.**
http://bit.ly/1byM07h

Letter. Open letter from the UK’s Royal Society, an organisation of scientists, to Exxon Mobile. Questions the scientific information provided in Exxon Mobile’s marketing materials. Asks Exxon Mobile to disclose the organisations it funded in the past. Exxon Mobile later responded, claiming that the Royal Society’s letter “inaccurately” represents Exxon Mobile and notes that the company does not dispute carbon emission’s role in climate change. It also claimed that Exxon Mobile has funded initiatives and new technologies that will reduce carbon emission. See: http://bbc.in/1aK95pu
**Defence Industry**

http://bit.ly/1i4syk9  
Report. Examines the connections between the defence industry and think tanks in the US with reference to the debate on whether to attack Syria. Explores seven think tanks “with significant industry ties that weighed in on intervention in Syria.” The Brookings Institute alone was cited 31 times on a potential military intervention and received USD 1–2.5 million from Booz Allen Hamilton and USD 50,000–100,000 from Boeing, General Dynamics, Lockheed Martin, Northrop Grumman, and Palantir Technologies. Includes a methodology, a list of commentators and their affiliations, and a list detailing think tanks’ ties to the defence industry and their commentary on Syria.

http://bit.ly/1npWCtT  
Blog. Explains that an advisor to the Security and Defence Agenda, a “neutral” think tank that had received funding from Lockheed Martin, advocated for military strikes in Syria on a news programme. Notes that neither the advisor nor her interviewer replied to inquiries about why the funding connection was not noted on the news.  
Giles Merrit, director of SDA, later posted a reply, asserting that think tanks are for the most part transparent about their funding, but the “mud stuck” that they are corrupt. He also noted that Lockheed Martin has not had a financial relationship with the think tank since 2012. See here: http://bit.ly/1jNK2EC

Blog. Asserts that many government officials that enter think tanks have conflicts of interest. Discusses how think tanks are “luring” high-ranking military officers to work for them after retirement. Argues that these new employees would be more effective if there was a system in place to avoid conflicts of interest. Notes that several policy research institutes such as RAND receive money from government sponsors such as the Department of Defence, which may impact their research. Claims that defence contractors such as Lockheed Martin or Boeing could fund research to “advance their cause,” putting lives and taxpayer dollars at risk.
Other Sectors

   Article. Uses the Heartland Institute as an example of how corporations fund think tanks anonymously.

   Blog. Discusses an incident in which the New York Times disclosed the think tank affiliation of an op-ed author arguing against an online piracy bill, but failed to mention a potential conflict of interest. The think tank in question received funding from Google, a company that opposed the bill.

   Article. Discusses the role of interest groups, including think tanks, lobbying on healthcare issues in the US. Notes that several of the think tanks and non-profits are funded by or associated with pharmaceutical companies.

   Blog. Discusses the Bipartisan Policy Center’s funding ties to Walmart and other large retailers and the conflict of interest that may arise when BPC publishes reports and recommendations on regulations in the garment industry.

   Article. Claims that the former chairman of the Center for American Progress was a major proponent of the bailout of General Motors, which was a donor to CAP. Notes that CAP itself does not disclose funders from the “Business Alliance,” while it calls on the US Congress to pass more stringent disclosure laws.

   Article. Alleges a number of conflicts of interest involving think tank funding in Australia. Cites politician who “says the benefactors of think tanks should be declared if their purpose is to persuade governments to change policy based on their research ideas.” Cites a think tank employee claiming that disclosing donors is irrelevant if the organization only “promotes discussion and debate.” Discusses donors from tobacco, oil, mining and other industries that give money to think tanks, and the related potential for conflicts of interest.

This annotated bibliography was compiled by Ms Taylor Braun-Dorrell. Transparify will release a total of four bibliographies on think tanks in the course of 2014, and updated versions in 2015. Please register for updates at www.transparify.org or follow us on twitter @Transparify.