

# How Transparent are Think Tanks about Who Funds Them?

## A survey of 169 think tanks in 47 countries worldwide

Transparify, Tbilisi/Georgia, 07 May 2014  
[www.transparify.org](http://www.transparify.org)

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## EXECUTIVE SUMMARY

### Why think tank transparency matters

Think tanks have become key players in democratic politics. As such, they have a responsibility to be transparent about their operations. Transparify's aim is to provide think tanks committed to intellectual independence and excellence in research with a tool for signalling to policy makers, the media and the public that they deserve their trust and respect.

### What we measure

Transparify rates the extent to which think tanks publicly disclose through their websites where their funding comes from, awarding up to five stars depending on the level of disclosure. Institutions rated with the maximum of five stars are highly transparent about who funds them. Think tanks with four stars are broadly transparent. Institutions with three stars or less currently lack transparency. For details on our methodology and data quality safeguards, please see Annex I.

The ratings for US think tanks capture the status quo as of April 15<sup>th</sup>, 2014. The ratings for think tanks based in other countries capture the status quo between November 2013 and February 2014.

### Key findings

***Out of the 169 think tanks that Transparency rated worldwide, only 35 are transparent about who funds them. The remaining 134 think tanks currently still lack transparency.***

- **By region.** Variations within regions by far exceed variations between different regions. There are highly transparent think tanks and very opaque institutions in every region.
- **By country.** Montenegro, Georgia and Macedonia have the most transparent think tank communities. We found three highly transparent think tanks in Montenegro, compared to only two in the entire United States. However, nearly all US think tanks do disclose at least some funding information.
- **By transparency level.** The maximum possible five-star rating was achieved by 21 think tanks. These institutions disclose in great detail who funds them, with what sums, and for what research projects, setting the gold standard for the field as a whole. We found such highly transparent think tanks in all major continents, distributed across 16 different countries. A further 14 think tanks achieved a four-star rating, meaning that they are broadly transparent, but provide less detailed data.

### Momentum towards greater transparency

***There is a clear trend towards greater transparency in the sector, across regions and countries.***

The number of transparent or highly transparent think tanks increased from 25 to 35 over the first four months of 2014 alone, an increase of 40%. Looking forward, at least 28 think tanks in our sample are likely to become more transparent by year end. This suggests that funding transparency may well become the norm among major think tanks a few years from now.

## WHY THINK TANK TRANSPARENCY MATTERS

**“Think tanks can play a positive role producing independent, in-depth policy research to inform politicians, media and the public.** However, our data shows that some major think tanks still are not as financially transparent as they could be. A lack of transparency can raise questions about hidden agendas and thus undermine the effectiveness of the think tank sector as a whole.<sup>1</sup>

Transparify’s aim is to provide think tanks committed to intellectual independence and excellence in research with a tool for signalling to policy makers, the media and the public that they deserve their trust and respect. A policy research institution publicly recognized for its financial transparency can hardly be accused of harbouring ‘hidden’ agendas.

Every think tank needs money to operate, and there is nothing wrong with accepting funding from a variety of public, non-profit and private sources. The problem is not funding – the problem is hidden funding, no matter from which source.

**We encourage think tanks to disclose who funds them,** the funding amounts, and the research the funding supports. Equally, we urge donors to encourage the think tanks they support to be fully transparent about their finances, and to eventually make financial transparency a precondition for providing future funding. And we respectfully suggest that journalists in future add the phrase ‘does not disclose its funders’ when reporting on policy prescriptions issued by opaque organizations.

**“The number of transparent think tanks increased by 40% in early 2014, and we expect it to double by the time of our next ratings.”**

Think tanks have become key players in democratic politics. As such, they have a responsibility to be transparent about their operations. We are aware that contexts may differ, and that financial transparency is only one aspect of overall transparency. At the same time, we think that assessing whether the public can follow the money provides the best entry point for gradually improving the wider accountability of the sector.

**Transparify has rated and reached out to 169 think tanks worldwide, and the great news is that many major institutions agree that transparency is a good idea.** Our research revealed that 21 prominent think tanks are already excelling in transparency and setting standards for the field by disclosing their donors and projects funded. An additional 14 think tanks are quite close to meeting this high bar. Moreover, there is momentum towards greater transparency. The number of transparent think tanks increased by 40% in early 2014, and we expect it to double by the time of our next ratings at the end of the year.

Think tanks can be a great asset for a society. Their contribution is even more valuable if they are also role models of transparency.”



*Hans Gutbrod*

Dr Hans Gutbrod  
Executive Director of Transparify

<sup>1</sup> See Annex II. Transparify has compiled hundreds of articles and studies on think tanks into four annotated bibliographies, which are available on our website: <http://www.transparify.org/publications-main/>

## WHAT WE MEASURE

Transparify rates the extent to which think tanks publicly disclose through their websites where their funding comes from, awarding up to five stars depending on the level of disclosure.

Multiple steps reinforce the reliability of Transparify's rating results:

- Systematic and transparent approach with clear categories
- Ratings by two separate raters
- Adjudication process
- Respondent validation
- Full replicability of results by third parties

The ratings for US think tanks capture the status quo as of April 15<sup>th</sup>, 2014. The ratings for think tanks based in other countries capture the status quo between November 2013 and February 2014.

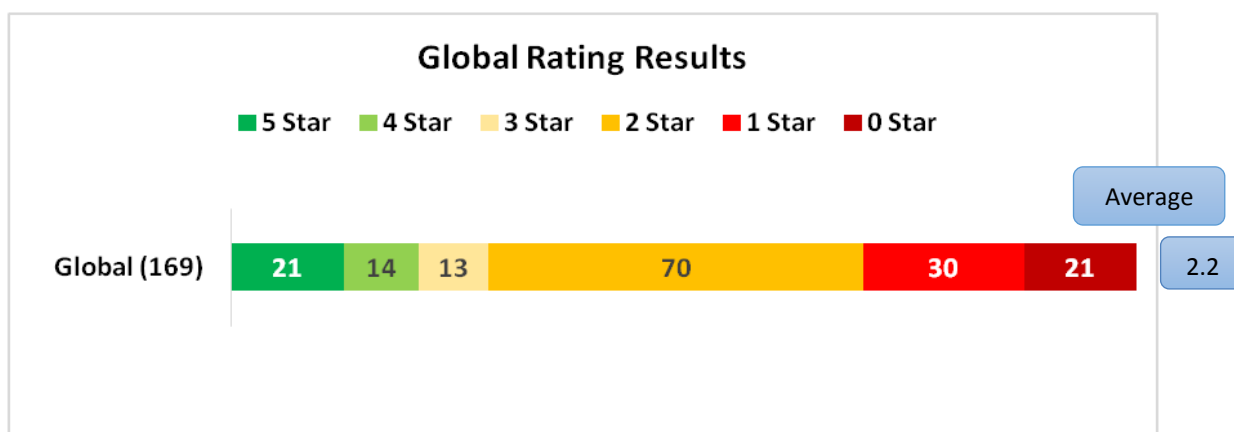
For details on our methodology including selection and data quality safeguards, please see Annex I.

## KEY FINDINGS

### Global Overview

Out of the 169 think tanks that Transparency rated worldwide, only 21 are currently highly transparent (five star institutions). A further 14 are broadly transparent (four stars). Globally, we thus found a total 35 highly transparent and transparent think tanks.

The chart below shows the distribution of think tanks according to their score. The highly transparent think tanks are represented by the dark green field on the far left of the chart.



Transparent players are still outnumbered by institutions that only disclose limited funding information. Globally, 13 think tanks were rated with three stars, 70 with two stars, and 30 with one star. The exact rating criteria for each category are detailed in Annex I.

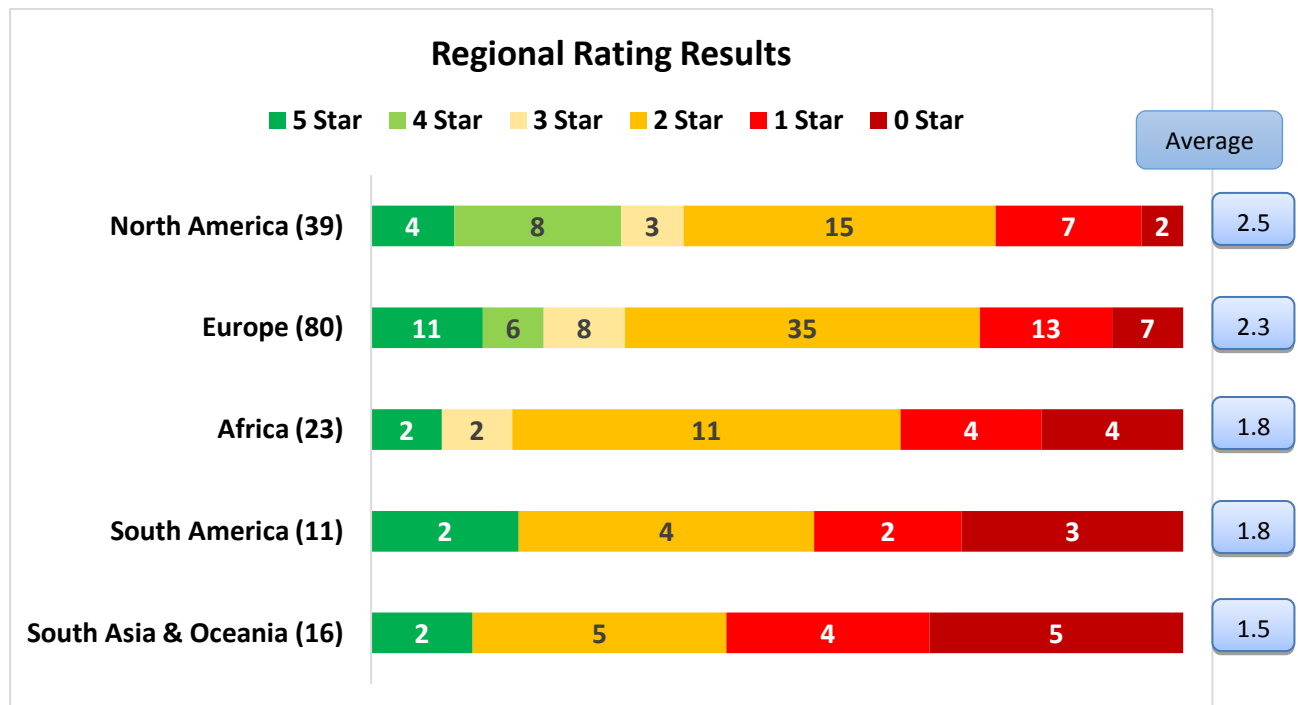
On the highly opaque end of the spectrum, in dark red on the far right of the chart, are the 21 think tanks that disclose no relevant information on their funding sources at all (zero stars). These are a small minority, clearly demonstrating that most think tanks do recognize that disclosing funding information is part of good practice in policy research.

The average transparency level for our global sample of 169 think tanks is 2.2 stars.

## Think Tanks by Region

Transparify rated 169 think tanks located in 47 countries. Grouping think tanks by region, we found that institutions located in North America (Canada, Mexico and US) are the most transparent, with an average rating of 2.5 stars. They are closely followed by think tanks based in Europe.

Think tanks in South America, Africa and South Asia & Oceania<sup>2</sup> have average scores of less than two stars, which is below the global average. However, it is striking how close their average scores are to those in the more transparent regions.



It is important to emphasize that the variations within each region are greater than the variations between regions. For example, over half of North American think tanks score less than the global average.

As the chart illustrates, there are highly transparent think tanks in all continents. As long as there is political openness, where in the world a think tank is located does not seem to matter much for transparency. Instead, variations in individual institutions' approaches to transparency appear to be the main factor driving differences in scores. We have made our full data set available on our website in order to enable other researchers to explore possible correlations of transparency in greater depth.

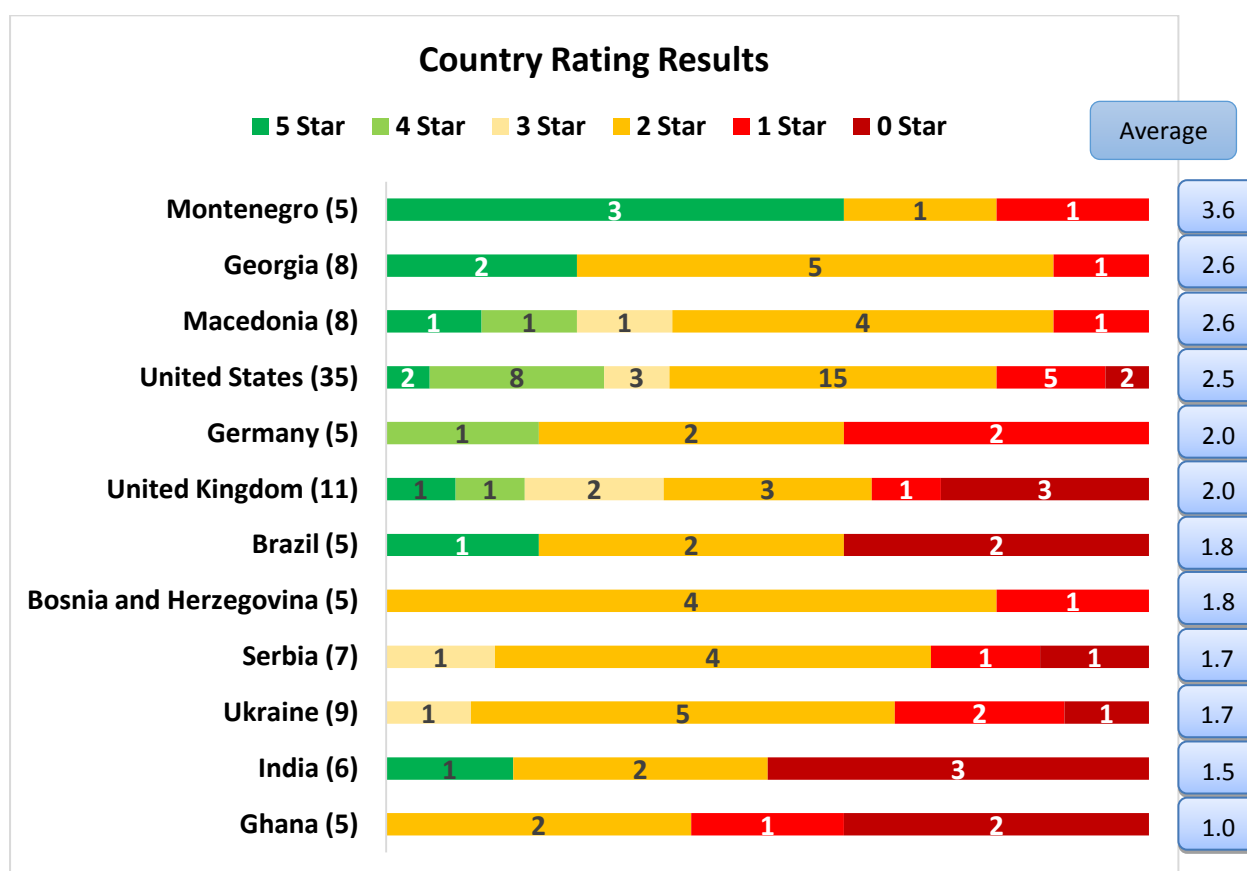
<sup>2</sup> This regional group includes think tanks from Australia, Bangladesh, India, New Zealand, Pakistan and Sri Lanka. The only Singaporean institution we rated is also included in this group. The complete data set of all think tanks and all countries can be downloaded from our website: [www.transparify.org](http://www.transparify.org)

## Think Tanks by Country

Transparify rated five or more think tanks each in a total of twelve countries,<sup>3</sup> allowing cross-country comparisons.

Institutions in Montenegro outperformed their peers elsewhere by a large margin. Three of the 21 highly transparent think tanks we found worldwide are based in this European country. In fact, we found more highly transparent think tanks in Montenegro than in the United States, despite our US sample being seven times as large.

Policy research institutions in Georgia (2.6) and Macedonia (2.6) also performed well on average, followed by those in the United States (2.5).



In some countries, discussions of accountability by non-profit organizations may be a more recent phenomenon. Yet, some think tanks located in such countries already excel in transparency, and the current momentum towards more transparency seems to span the globe. A total of five think tanks from Serbia, India and Ghana have told Transparify that they intend to update their financial information in the coming months.

<sup>3</sup> Transparify rated think tanks in a total of 47 countries. The complete data set of all think tanks from all countries can be downloaded from our website: [www.transparify.org](http://www.transparify.org)

## Highly Transparent Think Tanks (five stars)

Out of our sample of 169 think tanks worldwide, 21 received the maximum possible five-star rating, reflecting their exemplary transparency when it comes to publicly disclosing their sources of funding. These think tanks use their websites to disclose in great detail who funds them, with what sums, and for what research projects. They set the gold standard for the field as a whole.<sup>4</sup>

These 21 leaders in the field are listed in alphabetical order below:

- African Economic Research Consortium (Kenya)
- Bruegel (Belgium)
- Center for Democratic Transition (Montenegro)
- Center for Global Development (United States)
- Center for the Study of Democracy (Bulgaria)
- Centre for International Governance Innovation (Canada)
- Centre for Monitoring and Research (Montenegro)
- Centre for Policy Research (India)
- Economic Policy Research Center (Georgia)
- European Centre for Devpt and Policy Mgmt (Belgium & Netherlands)
- Grupo FARO (Ecuador)
- Institute Alternative (Montenegro)
- Institute for Public Policy Research (Namibia)
- Institute of Southeast Asian Studies (Singapore)
- Instituto de Pesquisa Econômica Aplicada (Brazil)
- International Food Policy Research Institute (International)
- Overseas Development Institute (United Kingdom)
- Reactor - Research in Action (Macedonia)
- Stockholm Environment Institute (Sweden)
- Transparency International Georgia (Georgia)
- World Resources Institute (United States)

We found highly transparent think tanks in all major continents: Africa, Asia, Europe, North America and South America. They are also very widely spread across countries: 16 nations are home to at least one transparency leader.

Seeing the geographic diversity of these highly transparent think tanks is a very encouraging finding for those campaigning for greater transparency in policy research. It clearly shows that there are no structural barriers preventing think tanks in any of those 16 countries from becoming fully transparent about who funds them, with how much, and for what work.

At the same time, think tanks in those countries that want to become more transparent, but are unsure how to proceed in practice, are able to draw on the example of at least one model institution that demonstrates how funding transparency can be implemented in practice in the national context.

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<sup>4</sup> Transparify has compiled a brief guide for think tanks wishing to pursue five star excellence in financial disclosure, available here: <http://www.transparify.org/get-five>

## Transparent Think Tanks (four stars)

A total of 14 think tanks were rated as four-star, meaning that they are broadly transparent. Four-star institutions disclose all their major funders. Typically, they do not reveal exactly how much money they receive from any given donor; instead, they group all their major donors into several funding brackets, allowing third parties to discern the general makeup of their funding structure.

In alphabetical order, the four-star institutions in our sample are:

- Brookings Institution (United States)
- Center for Research and Policy Making (Macedonia)
- Center on Budget and Policy Priorities (United States)
- Freedom House (United States)
- German Council on Foreign Relations [DGAP] (Germany)
- Heritage Foundation (United States)
- Institute for Public Policy Research (United Kingdom)
- International Crisis Group (Belgium)
- New America Foundation (United States)
- Policy Association for an Open Society (Czech Republic)
- RAND Corporation (United States)
- Stockholm Intl Peace Research Institute (Sweden)
- Urban Institute (United States)
- Woodrow Wilson Center (United States)

All four-star institutions in our sample are located in Europe or the United States.

Transparify hopes that many of these already transparent think tanks will take the final step towards excellence in transparency over the coming months by disclosing the exact sums they receive from each major donor and other pertinent funding information. There are good reasons to think that this may happen, as the next section explains.



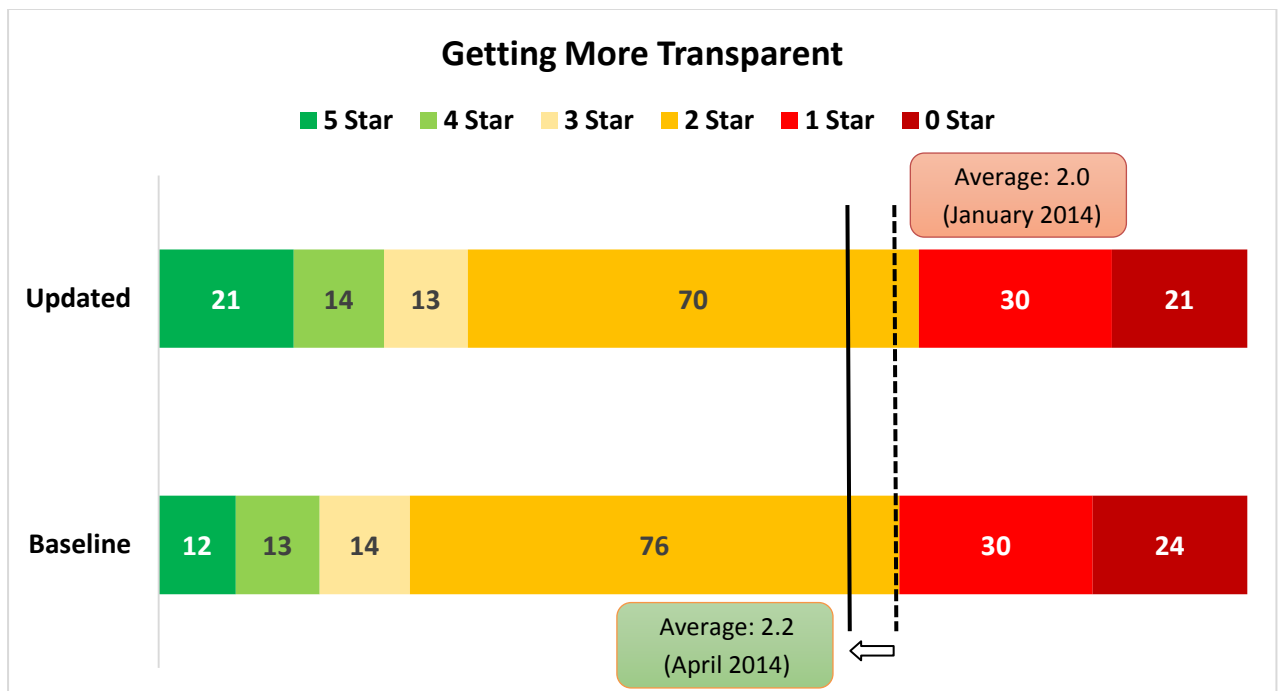
## MOMENTUM TOWARDS GREATER TRANSPARENCY

### Recent momentum towards greater transparency

While conducting its research, Transparify witnessed strong momentum towards greater transparency within the think tank community. Between January and April 2014, a total of 15 think tanks updated the financial information they provided online. Transparify re-visited the websites of these think tanks and updated the ratings.

Ten institutions had added so much information that they now have a four-star or five-star rating. Five think tanks made more moderate improvements, but reported plans for further information releases in the near future.

The chart below captures this movement towards transparency by think tanks during early 2014. Global average think tank transparency increased from 2.0 stars to 2.2 stars within a few months, represented by the shift of the vertical line further towards the left.



This improvement in the sector’s overall performance was largely driven by the strong increase in the number of highly transparent (five-star) institutions, from 12 think tanks in January to 21 institutions by mid-April.

Thus, the number of transparent or highly transparent think tanks increased from 25 to 35 over the first four months of 2014 alone, an increase of 40%.

## Number of transparent institutions expected to grow steeply

An additional 23 think tanks let us know that they plan to disclose more financial information online in the foreseeable future, for example as part of a wider overhaul of their websites. Adding the five think tanks that have already made moderate improvements but have more ambitious plans, this means that a minimum of 28 think tanks are likely to become more transparent by year end. We expect that many of these 28 think tanks will have achieved a five-star or four-star level of disclosure by the time we re-rate our current sample in winter 2014/2015.<sup>5</sup>

These institutions are marked as “updating” in the United States table below, and in the full data set available on our website.

Shortly before this report went to press, the Carnegie Council for Ethics in International Affairs informed us that they had recently disclosed additional funding information. The aggregate numbers given in this report and data set do not take this update into account. Please see the footnote in the US table above for more details.

## The future is transparent

This strong trend towards transparency, which holds true across countries and regions, suggests that within a few years, a four-star or five-star level of disclosure may well become the norm among major think tanks worldwide.

## Follow-up ratings in winter 2014/2015

Transparify will re-rate all the think tanks in our current sample in winter 2014/2015 to document the general movement of the sector towards greater transparency. In addition, we plan to use the second round of ratings to rate a large number of additional think tanks for the first time.

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<sup>5</sup> Several think tanks planning to disclose more data may not have communicated their intentions to us.

## SPECIAL FOCUS: THINK TANKS IN THE U.S.

US think tanks typically dwarf their counterparts elsewhere in the world in terms of budget size and influence on domestic and global affairs. The 35 US think tanks we rated have a combined budget of over one billion dollars. For this reason, we present the data for US think tanks in this special section.

Only two of the US institutions we rated, the Center for Global Development and the World Resources Institute, are highly transparent (five stars). Eight think tanks are broadly transparent (four stars).

THINK TANK	SCORE	COMMENTS
<b>Center for Global Development</b>	<b>*****</b>	<b>HIGHLY TRANSPARENT (five stars)</b>
<b>World Resources Institute</b>	<b>*****</b>	
Brookings Institution	****	BROADLY TRANSPARENT (four stars)
Center on Budget and Policy Priorities	****	
Freedom House	****	
Heritage Foundation	****	
New America Foundation	****	
RAND Corporation	****	
Urban Institute	****	
Woodrow Wilson Center	****	
Council on Foreign Relations	***	
Foreign Policy Research Institute	***	☺ Updating <sup>6</sup>
Revenue Watch Institute	***	
American Enterprise Institute	**	
Atlantic Council	**	☺ Updating
Baker III Institute for Public Policy	**	
Carnegie Council for Ethics in International Affairs	** <sup>7</sup>	☺ Has updated
Carnegie Endowment for International Peace	**	☺ Updating
Cato Institute	**	
Center for a New American Security	**	
Center for International Development	**	
Earth Institute <sup>8</sup>	**	
German Marshall Fund of the US	**	☺ Updating
Human Rights Watch <sup>9</sup>	**	
National Bureau of Economic Research	**	
Peterson Institute for International Economics	**	
Stimson Center	**	☺ Updating
United States Institute of Peace <sup>10</sup>	**	
Center for American Progress	*	
Center for Strategic and International Studies	*	
Hoover Institution	*	
Hudson Institute	*	
Pew Research Center	*	☺ Updating
Belfer Center for Science and International Affairs	0	
Open Society Foundations <sup>11</sup>	0	

<sup>6</sup> For think tank research on emoticons see <http://www.nber.org/digest/feb10/w15386.html> (retrieved 20 April, 2014)

<sup>7</sup> Carnegie Council recently updated the information it provides through its 2013 annual report online. Transparify has not re-rated Carnegie Council as it learned of this update only after April 15<sup>th</sup>. A preliminary review suggests that the Carnegie Council's transparency now is at four stars. We will formally assess the Carnegie Council during the 2015 ratings.

<sup>8</sup> Earth Institute emphasized to us that they are not an independent think tank and operate under Columbia University. Earth Institute accept donations on their website. We did not remove them from our list, or change their rating.

<sup>9</sup> Human Rights Watch emphasized to us that they do not consider themselves to be a think tank.

<sup>10</sup> United States Institute of Peace explained to us that they are by statute a wholly and exclusively state-funded institution.

The World Resources Institute has an annual revenue of 52 million dollars, placing it among the world's largest think tanks, and the Center for Global Development is widely recognized as a leading institution in international development research. Recent statements by the Center for Global Development and the World Resources Institute explain why these institutions are so strongly committed to transparency (please see Annex II).

The complete data set of all<sup>12</sup> think tanks, containing every institution's rating results, can be downloaded from Transparify's website.

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<sup>11</sup> Transparify is funded by the Think Tank Fund of the Open Society Foundations (OSF). As OSF is listed by the ranking used for selection, our raters applied rating criteria as they did with all other institutions. The OSF website highlights George Soros as their founder, but does not specify the funding source on its expenditure page. OSF emphasized to us that they do not consider themselves to be a think tank and that they are funded exclusively by George Soros.

<sup>12</sup> The complete data set includes two institutions with a strong United States presence that we rated, but that are not included in the US table above. The International Food Policy Research Institute (IFPRI) is headquartered in the United States, but is best characterized as an international institution. The International Crisis Group (ICG) runs a US charitable 501(c)(3) legal entity for funding purposes, but its headquarters is in Belgium. IFPRI is highly transparent (five stars), and ICG is broadly transparent (four stars).

## ANNEX: METHODOLOGY

### What we measure

*Transparify rates the extent to which think tanks publicly disclose through their websites where their funding comes from.*

We visited think tanks' websites and looked at the funding and donor information disclosed online, including in annual reports. Institutions rated with the maximum of five stars are highly transparent about who funds them. Think tanks with four stars are broadly transparent; typically, they do not disclose exactly who gave how much, but instead group their donors into funding brackets. Institutions with three stars or less currently lack transparency.

Multiple steps reinforce the reliability of Transparify's rating results:

- Systematic and transparent approach with clear categories
- Ratings by two separate raters
- Adjudication process
- Respondent validation
- Full replicability of results by third parties

The ratings for US think tanks capture the status quo as of April 15<sup>th</sup>, 2014. The ratings for think tanks based in other countries capture the status quo over a longer time period, between November 2013 and February 2014.

### Rating criteria

The rating criteria for the number of stars to award are clearly defined as follows:

RATING		CRITERION
Five stars	*****	all donors listed, clearly identifying funding amounts for, and sources of, particular projects <sup>13</sup>
Four stars	****	all donors above USD 5,000 listed in 4+ precise funding brackets, with anonymous donors no more than 15% (if membership base: precise number of members)
Three stars	***	all or most donors listed in 2 or 3 broad contribution brackets [e.g. "USD 5,000 to 15,000, the following donors"]
Two stars	**	all or many donors listed, but no or little financial information
One star	*	some donors listed, but not exhaustive or systematic
Zero stars	0	no relevant or up-to-date <sup>14</sup> information

<sup>13</sup> Transparify has compiled a brief guide for think tanks wishing to pursue excellence in financial disclosure, available here: <http://www.transparify.org/get-five>

<sup>14</sup> Institutions whose latest funding information was three years old or even older at the time of rating (for example, 2010 annual reports) received zero stars because whatever information they were providing was significantly out of date.

## **Preparation phase**

### **Designing the process**

The rating system was designed based on the professional experience of the Transparify team, gained while overseeing 100+ research projects, including dozens of countrywide surveys, for more than 30 donors across numerous countries. The team has extensive previous experience in operationalizing research.<sup>15</sup>

### **Piloting the system**

The rating system was successfully piloted on a sample of prominent think tanks from around the world in late 2013 before roll out. The pilot results showed that the system can be applied across a wide range of think tanks.

### **Recruiting and training raters**

Transparify recruited a total of twelve individuals with completed university degrees and a broad portfolio of language skills into the core rating team. We trained these raters via a PowerPoint presentation, and provided them with a standard protocol to follow when searching for financial data online. After the training, Transparify tested all new candidate raters on calibrated ratings to ensure that they returned reliable results.

One rater did not return consistent results; this person was dropped from the team, and all think tanks rated by him were re-rated by a different person.

## **Selecting think tanks**

To achieve the maximum amount of coverage and a good cross-selection, Transparify identified leading think tanks from around the world, drawing on third party lists. The selection emphasized a diversity of countries, and focused on institutions working broadly on public policy.

United States institutions were selected according to the 2012 “Global Go To Think Tank Index” by James McGann at the University of Pennsylvania, probably the most widely cited global think tank ranking.<sup>16</sup> We included all institutions<sup>17</sup> listed in the US top 30, and added some extra institutions to provide sufficient coverage in case the rankings shift over the coming years.

Institutions located in Central and Eastern Europe are overrepresented in the sample, as this is an area of particular interest to our donor, the Think Tank Fund,<sup>18</sup> which has worked with many think tanks in this region. Institutions in Central and Eastern Europe were selected from a list provided by the Think Tank Fund.

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<sup>15</sup> Short team bios are available on Transparify’s website.

<sup>16</sup> The 2012 ranking was released in January 2013. See: [http://gotothinktank.com/dev1/wp-content/uploads/2013/07/2012\\_Global\\_Go\\_To\\_Think\\_Tank\\_Report\\_-\\_FINAL-1.28.13.pdf](http://gotothinktank.com/dev1/wp-content/uploads/2013/07/2012_Global_Go_To_Think_Tank_Report_-_FINAL-1.28.13.pdf)

<sup>17</sup> Some US institutions included in the McGann rankings expressed doubts about the value of including them in Transparify’s data set. In order to remain consistent in our selection methodology, Transparify nevertheless included these institutions in the data set. Please see the footnotes in the US section for details.

<sup>18</sup> See: <http://www.opensocietyfoundations.org/about/programs/think-tank-fund>

We did not rate any think tanks in Arabic-, Chinese- or French-speaking countries as our raters did not have the required language skills.

## **Rating process**

### **Rating think tanks**

At least two raters assessed each institution independently from each other. No rater knew which other person assessed the same institution, and all raters worked from different lists. They visited think tank websites and searched for financial data following a standard protocol, and then awarded between zero and five stars according to the type and extent of information available on how the think tank was funded. The criteria for the number of stars to award were clearly defined (see above).

In exceptional cases in which think tanks did not seem to fall into any fixed category, raters could return a verdict of “other”. All institutions rated as “other” subsequently underwent separate review.

All institutions were assessed on the information they provided in their national language by raters with relevant language skills. The sole exceptions were think tanks in Hungary, which were assessed using Google Translate.

### **Quality control through adjudication**

In cases where two raters returned different results, an experienced adjudicator revisited the think tank’s website and determined the final score, using Transparify’s rating methodology.

The adjudicator reviewed 40 out of the 169 ratings we conducted in detail. Out of these:

- 22 ratings needed resolution, as they had a 1-star disagreement between raters
- 18 ratings were marked for in-depth adjudication, requiring substantive judgement (these were typically think tanks with unusual state- or endowment funding models, or those whose financial information was fragmented across several web pages)

The overall gradation of categories worked well, though as in all quantitative research there can be challenges in identifying exact cutoffs. For example, at what point is information given in an annual report outdated and no longer relevant? In consultation, we decided that an institution receives zero stars if its most recent financial information is presented in an annual report from 2010. In another case, an institution accounted diligently for its five largest donors that contributed 69% of its funding, but had comparatively little on its other donors. The adjudicator rated this three-star, as the four-star cohort displayed more comprehensive disclosure. In such cases, adjudication contributed to refining future ratings, and ensured the integrity of the process.

### **Third party quality control**

The rating for any given institution can be replicated by any third party, as the methodology and the rating system are freely available on our website.

## **Respondent validation**

### **Validation of results by email**

The final score was sent to the Executive Director of each think tank rated with 0-4 stars with a letter inviting the institution to double-check our findings and demand adjustments from us if appropriate. The email was addressed to the generic contact email address (such as “info@”), to allow each think tank to handle the engagement as they preferred. Where think tanks did not provide email addresses on their website, we contacted them via their web forms.

We contacted all institutions rated with 0-4 stars this way, sending 154 personalized emails.<sup>19</sup> Out of these, 51 think tanks chose to reply, mostly expressing interest in the initiative. Ten institutions had queries about the result. In two cases, Transparify adjusted rating results, as those think tanks had added more information in the intervening time period. The overall process of contacting think tanks, and updating results where relevant, underscored the reliability of Transparify’s data.

### **Validation of US results by phone**

US think tanks typically dwarf their counterparts elsewhere in the world in terms of budget size and influence on domestic and global affairs. The 35 US think tanks we rate have a combined budget of over one billion dollars.

We decided to supplement our standard data quality safeguards (two independent raters, adjudication, verification by email) with an additional step for US think tanks that were rated with 0-3 stars and that had not responded to our original emails. In late March and early April 2014, Transparify contacted all these US think tanks, 19 institutions in total. Three institutions responded via email. We called the remaining 16 institutions and informed relevant staff about our initiative and the rating results for that institution. We asked for the relevant staff member’s email address and sent a follow-up email later that day, again relaying the rating score, and asking for any corrections to Transparify’s result within the week.

We kept a detailed log on all contacts, including voicemail, to document that we undertook extensive efforts to allow institutions to review their ratings.

While several organizations explained that they did not see themselves as traditional think tanks,<sup>20</sup> none of the institutions challenged the substantive accuracy of Transparify’s rating results.

## **Engaging with think tanks globally**

In all our outreach, in the US and globally, when think tanks engaged with email or phone calls, the response was overwhelmingly positive. More than twenty institutions said that they themselves had already been thinking about how to become more transparent, and were interested in looking at how other think tanks had displayed their funding information. In phone calls, several of the people we talked to stressed that they also believe that think tanks should be role models of transparency.

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<sup>19</sup> Three institutions (one each in Asia, Europe and Latin America) did not provide contact information in spite of repeated requests through their web form, and thus could not be contacted by email.

<sup>20</sup> There is no universally accepted definition of what constitutes a think tank. Enrique Mendizabal provides an overview of the debates at <http://onthinktanks.org/topic-pages/topic-page-think-tank-definitions/> (retrieved April 20<sup>th</sup>, 2014). To retain the neutrality of our selection method we used think tank listings provided by external sources.



The conversations highlighted the diversity of contexts. In some countries, legislation requires significant degrees of disclosure for nonprofits, granting rights of information to citizens against a service fee. In the United States, significant expenditure information is readily available through IRS 990 non-profit tax forms that are published and available online.<sup>21</sup> In some other countries, similar provisions do not exist.

Several think tanks in some post-Soviet states reported that there was a difficult political climate in their countries, making full disclosure difficult even though they favoured it in principle. Comparisons between countries may need to take such context into account.

The engagement also highlighted that a number of think tanks have developed succinct and attractive ways of being transparent that go beyond posting funding financial data online. Several think tanks emphasized that they had other transparency measures in place, such as disclosure policies, or making background data available. Such new and innovative approaches reinforced our observation that there is considerable momentum towards transparency in the field as a whole.

While Transparify strongly believes that funding transparency is an essential component of overall transparency, and a great entry point, we do not think that organizations' transparency efforts should end there.<sup>22</sup> We look forward to engaging with, and learning from, think tanks that have developed alternative transparency mechanisms.

## **Capturing recent improvements in transparency**

Fifteen think tanks informed us that they had placed more information online since receiving our email. We then re-rated these institutions. Ten think tanks had updated so much information that they achieved a four-star or five-star rating. Five other institutions had made moderate immediate improvements, but at the same time announced that they would place more information online in the future.

The rating results in the report show these 15 think tanks' transparency levels after they had updated.

### **Noting intentions to update**

In addition, 23 institutions informed us that they planned to place more information online in future. Adding the five think tanks that had already made moderate improvements but were planning to do more in future, this means that 28 institutions in total intend to update their financial information over the coming months. Many of these institutions suggested that they would seek a four-star or five-star level of transparency.<sup>23</sup>

The full data set on our website lists all of these 28 think tanks as "updating".

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<sup>21</sup> For sources and some analysis of this data see a blogpost by Transparify's Hans Gutbrod: <http://onthinktanks.org/2013/07/17/how-think-tanks-work-analyzing-budgets/>

<sup>22</sup> See Brooke Williams' recent blog post highlighting the broader move towards transparency in the United States: <http://www.transparify.org/blog/2014/2/25/why-american-think-tanks-are-becoming-more-transparent>

<sup>23</sup> As previously noted, the Carnegie Council for Ethics in International Affairs recently updated the information it provides through its 2013 annual report online. Transparify received this update only after April 15th, and thus the aggregate numbers given in this report and data set do not take this recent update into account. Please see the footnote in the US table above for more details.

## **Opening our findings to public scrutiny**

Anyone can visit the website of any think tank we rated and compare the information provided there against our rating criteria. Thus, the results can be verified and replicated by any interested third parties, keeping in mind that Transparify's ratings period covered web content available during late 2013 and early 2014.<sup>24</sup>

If Transparify gets notified of an incorrect rating result, we will follow up and, if applicable, correct that rating and announce the corrected rating on our blog and twitter account.

## **Transparify's future plans**

### **Capturing updates over the coming months**

Transparify will not update the data set again until our next rating in winter 2014/2015, as the data is meant to serve as a comprehensive snapshot of the first wave of ratings. However, if and when think tanks inform us during the intervening period that they have put additional financial data online, we will highlight this through our blog and twitter account ([@Transparify](#)).

### **Follow-up ratings in winter 2014/2015**

Transparify will continue its advocacy with think tanks and donors throughout 2014. In winter 2014/2015, we will re-rate all think tanks covered in the first round to monitor their progress. In addition, we plan to rate a large number of additional think tanks, possibly including think tanks in countries not covered by the current data set.

Think tanks that want their updated financial information to be taken into account are advised to complete this process no later than December 1<sup>st</sup>, 2014, to ensure that Transparify can take them into account. We will announce the exact time period for the winter 2014/2015 rating through our blog and twitter account ([@Transparify](#)) as soon as we have finalized the exact dates.

In the meantime, we welcome contributions to the transparency debate by think tanks, donors, researchers and other stakeholders on our blog at [www.transparify.org](#).

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<sup>24</sup> Historical webpages are preserved at [www.archive.org](#)

## ANNEX II: RESOURCES AND FURTHER READING

### **Best practices in think tank transparency**

Transparify has compiled a brief guide for think tanks wishing to pursue excellence in financial disclosure, available here:

<http://www.transparify.org/get-five>

We have also invited some highly transparent think tanks to share their experiences on our blog:

<http://www.transparify.org/>

### **Overviews of key debates on think tank transparency**

Transparify has put together four annotated bibliographies, summarizing key debates around think tank transparency. Each bibliography contains a brief narrative introduction to the topic. These are a great starting point for anyone interested in an overview of the entire field. The bibliographies are available on Transparify's publications page:

<http://www.transparify.org/publications-main/>

### **Recent posts on Transparify's blog**

- **Blogs by the Transparify team**

Secret Think Tank Funding and Reputational Risk

<http://www.transparify.org/blog/2014/4/29/secret-think-tank-funding-and-reputational-risk>

Corporate Interests and Think Tanks – An Overview of Current Debates

<http://www.transparify.org/blog/2014/4/14/corporate-interests-and-think-tanks-an-overview-of-current-debates>

When Think Tanking Hurts the Poor: Egypt and Beyond

<http://www.transparify.org/blog/2014/3/25/when-think-tanking-hurts-the-poor>

How We Rate Think Tanks' Financial Transparency

<http://www.transparify.org/blog/2014/3/17/how-we-rate-think-tanks-financial-transparency>

Are Think Tanks Turning into Lobbyists?

<http://www.transparify.org/blog/2014/3/12/are-think-tanks-turning-into-lobbyists>

More than 20 Think Tanks Join to Promote Transparency

<http://www.transparify.org/blog/2014/3/10/more-than-20-think-tanks-join-to-promote-transparency>

Does It Matter Who Funds You?

<http://www.transparify.org/blog/2014/3/4/does-it-matter-who-funds-you>

Who Is Who in Thinktankistan?

<http://www.transparify.org/blog/2014/3/2/who-is-who>

- **Guest bloggers**

*Transparify welcomes a diversity of viewpoints and does not edit the content of guest blogs. The views expressed in these blogs are those of the authors alone, and may not reflect the views of Transparify, or of their host institutions.*

Natalia Aquilino (CIPPEC, Argentina), Transparency from a Southern Think Tank's Point of View  
<http://www.transparify.org/blog/2014/4/24/transparency-from-a-southern-think-tanks-point-of-view>

Gin Armstrong (Public Accountability Initiative), War and Peace - and Numerous Conflicts of Interest  
<http://www.transparify.org/blog/2014/3/2/gin-armstrong>

Robert Bourgoing (aid transparency expert), Disclosing Funding Data to the Media: Why Shoot Yourself in the Foot?  
<http://www.transparify.org/blog/2014/4/23/disclosing-funding-data-to-the-media-why-shoot-yourself-in-the-foot>

Robert Brulle (Drexel University), Pulling Back the Curtain [on think tanks and climate change]  
<http://www.transparify.org/blog/2014/4/18/pulling-back-the-curtain>

David Earley (Brennan Center), Think Tanks Have Little to Fear From New IRS Rules  
<http://www.transparify.org/blog/2014/4/2/think-tanks-have-little-to-fear-from-new-irs-rules>

Richard Epstein (NYU), The Marketplace of Ideas Under Threat  
<http://www.transparify.org/blog/2014/4/24/the-marketplace-of-ideas-under-threat>

Paul Evans (Who Funds You?), Think Tank Transparency in the UK  
<http://www.transparify.org/blog/2014/2/27/paul-evans>

Brendan Fischer (Center for Media and Democracy), How a Fake 'Think Tank' Deceived 97% of Journalists  
<http://www.transparify.org/blog/2014/3/12/how-a-fake-think-tank-deceived-97-of-journalists>

Patrick Gilroy (PhD Student, Hertie School of Governance, Berlin), Voluntary Disclosure Can Restore Trust in Think Tanks  
<http://www.transparify.org/blog/2014/3/2/patrick-gilroy>

Nicholas Jones (former BBC journalist), Think Tanks and Media Manipulation  
<http://www.transparify.org/blog/2014/2/27/think-tanks-and-media-manipulation>

Michael Karanicolas (Centre for Law and Democracy), Think Tanks and the Right to Information  
<http://www.transparify.org/blog/2014/4/8/think-tanks-and-the-right-to-information>

Anna Longhini (PhD Student, Scuola Normale Superiore, Florence), A Rare Look at Italian Think Tanks  
<http://www.transparify.org/blog/2014/3/25/a-rare-look-at-italian-think-tanks>

Thomas Medvetz (University of California, San Diego), The Double Opacity of Think Tanks  
<http://www.transparify.org/blog/2014/3/10/the-double-opacity-of-think-tanks>

Adam Meyerson (Philanthropy Roundtable), Misconceptions About 'Dark Money'  
<http://www.transparify.org/blog/2014/3/28/misconceptions-about-dark-money>

Emily Peterson-Cassin (Bright Lines Project), Think Tanks Would Benefit from Better IRS Rules for Nonprofit Political Activity  
<http://www.transparify.org/blog/2014/4/4/think-tanks-would-benefit-from-better-irs-rules-for-nonprofit-political-activity>

Nicole Valentinuzzi (Publish What You Fund), Arguments for Aid Transparency Equally Apply to Think Tanks  
<http://www.transparify.org/blog/2014/3/28/arguments-for-aid-transparency-equally-apply-to-think-tanks>

Brooke Williams (Edmond J. Safra Center for Ethics at Harvard University), Why American Think Tanks are Becoming More Transparent  
<http://www.transparify.org/blog/2014/2/25/why-american-think-tanks-are-becoming-more-transparent>

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***Transparify walks the transparency talk.  
Our project proposal, including a detailed budget, can be found on our website.  
[www.transparify.org](http://www.transparify.org)***

## A big thank you to...

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