Think Tanks, Funding, and the Politics of Policy Knowledge in Canada

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Les relations entre les centres de recherche ou groupes de réflexion et leurs bailleurs de fonds sont importantes dans les théories et les discours publics abordant la question de l'orientation politique de la recherche sur les politiques publiques. Pourtant, très peu d'études examinent systématiquement ces relations à travers un ensemble de cas. Cet article, avec des méthodes comparatives et relationnelles, teste les théories élitiste, pluraliste et de terrain, en analysant des données portant sur le financement et l'orientation politique de 30 groupes de réflexion de 2000 à 2011. Les résultats démontrent que les dons provenant de l'étranger contribuent à soutenir certains groupes de réflexions conservateurs, mais ce financement demeure tout de même marginal dans l'ensemble. Au niveau national, les groupes de réflexion sont financés de manière contrastée: les groupes conservateurs sont financés principalement par des donateurs privés, alors que les groupes de réflexion centristes sont financés principalement par l'état. Depuis 2005, les liens entre l'ensemble des groupes de réflexion conservateurs, financés par des donateurs privés, sont devenus plus serrés. En revanche, les liens entre l'ensemble des groupes de réflexion centristes se sont relâchés et leur financement dépend de plus en plus de leurs propres revenus et des intérêts de leurs investissements. Ces résultats laissent planer un certain doute sur les prédictions qui découlent des théories élitiste et pluraliste et confirment en partie les suppositions de la théorie de terrain.

The relationships between think tanks and their funders are central to theory and public discourse about the politics of policy knowledge, yet very little research systematically examines these relationships across cases. This article evaluates elite, pluralist, and field theories by

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analyzing original data on funding and politics for 30 think tanks from 2000 to 2011 with comparative and relational methods. I find that foreign donations help support some conservative think tanks, but that it is a small amount of money relative to other funding sources. Domestically, think tank funding is structured by an opposition between donor-funded conservatives and state-funded centrists. Since 2005, the cluster of conservative think tanks funded by private donors has become tighter, while the cluster of think tanks supported by the state has become looser and more reliant on self-generated revenue and interest and investments. These findings cast doubt on predictions derived from elite and pluralist theories, and offer some support for field theory.

HOW FUNDING INFLUENCES knowledge production in think tanks has been at the center of scholarly debate and public discourse since think tanks first emerged on the American political and intellectual scenes. Money is at the heart of how think tanks are classified by insiders and outsiders, and is a common heuristic for judging credibility and broad political "allegiances."

Knowledge of think tank funding has been shaped by pluralist, elite, and, most recently, field theory. Each depicts think tanks, and the environments they operate in, in fundamentally different ways. Pluralists emphasize diversity of interests at the institutional and organizational levels, often depicting think tanks as representatives of many social groups competing over governance (Polsby 1983). Elite theorists, on the other hand, see think tanks as tools for advancing the interests of an integrated corporate-political elite (e.g., Domhoff 2010). In field theory, think tanks operate in complex environments where they have to manage relationships with their more economically and politically powerful sponsors (Medvetz 2012).

These theories have mostly been developed in the context of the United States, where funding is dominated by private donations (Medvetz 2012; Rich 2004; Smith 1993). In other countries, think tanks rely less on donations and more on the state, on collaborative (if often strained) relationships with universities, and on foreign donors (on Canada, see Abelson 2009; on transnational elite policy groups, see Carroll 2007; Carroll and Carson 2003). Yet considering other countries has mostly led researchers to loosen their restrictive definitions of "think tank" (see cases in Stone and Denham 2004), rather than systematically and empirically examine how the politics of policy knowledge is shaped by different funding environments.

In this article, I begin by considering how the case of think tanks differs from other research in the sociology of knowledge that addresses funding and resources. I then outline elite, pluralist, and field theories of think tanks and funding. I discuss predictions derived from these theories, which I evaluate using data collected from the Canada Revenue Agency (CRA) for 30 organizations over 11 years. I use Qualitative Comparative

Analysis (QCA) to identify think tank funding models, and Correspondence Analysis to map out the think tank funding environment.

My findings provide only qualified support for predictions based on elite and pluralist theories. Instead, in support of predictions based on field theory, I find evidence that the think tank funding environment is increasingly divided between centrists funded by the state, and conservatives funded by private donors. Conservative think tanks have been increasingly funded by private donors since 2005, while centrists have turned toward self-generated revenue and interest and investments to offset reduced support from the state. There is little evidence that think tanks are the representatives of many interest groups or the tools of an integrated corporate-policy elite. Rather, think tanks face amplified versions of common organizational problems, such as resource dependencies and conflicting institutional logics, in uncertain environments with limited diversity. To raise funds, they promote themselves as certain types of organizations that cater to types of funders with shared interests.

LITERATURE AND THEORY

Funding in Knowledge Production

There is extensive research on funding and knowledge-production in academic settings—for example, on intellectual reward structures (e.g., Merton 1973; Rossiter 1993; Siler and McLaughlin 2008), evaluative processes in decisions about the allocation of centralized resources (e.g., Cole 1992; Lamont 2009), and on how specific organizational configurations shape scientific work (e.g., Fuchs 1992; Whitley 1984). Other research examines commercialization in the higher education sector (e.g., Berman 2011; Slaughter and Leslie 1997), or the distribution of unique forms of capital in intellectual fields (Bourdieu 1990).

Organizational theories have been the most direct in addressing the links between funding and knowledge-production. For example, Whitley (1984) differentiated between types of dependence in scientific work, including degrees of control over economic resources and variations in how scientists allocate rewards and recognition. Building on Whitley's "task uncertainty," "mutual dependence," and "reputational autonomy," Fuchs (1992) developed a theory of how organizational configurations produce levels of cognitive integration or fragmentation in intellectual fields.

Appropriately, most of this research focuses on comparisons within academic fields. Research on funding outside of academia generally examines the consequences of market logics on science (Evans 2010; Mirowski and van Horn 2005; Murray 2010; Owen-Smith 2003), or broadly considers commercial and academic cultures (Baber 2001; Kleinman and Vallas 2001).

Think tanks differ from the usual cases in theoretically interesting ways. First, in the most general sense, research funding is not awarded to individuals on the basis of intellectual merit recognized via peer evaluation but, rather, is raised by the executive members of organizations that employ policy researchers. Think tanks do not control the allocation of resources among themselves, and the academic system of "organized skepticism" (Merton 1973) does not apply. Most of the time, think tanks do not compete for resources in ways familiar to academic researchers. Finally, although think tanks may be funded in part through donations from corporations, they do not contribute to the development of products for a market. How corporate funding influences think tank work will be different from how it influences work in the natural sciences and engineering (e.g., see Evans 2010; Kleinman 2003).

Think Tanks and Funding

Elite and pluralist theory traditions have strongly shaped research on think tanks by defining them as (i) the intellectual pawns of an integrated corporate-political elite, or (ii) a diverse set of organizations that reflect the interests of many groups competing over "who governs." In recent field theory,[1] the focus is not on whether think tanks are the pawns of elites or representative on larger groups, but rather on (iii) the complicated organizational and political environments in which they operate, and the underlying dependencies on powerful sponsors.

Peschek (1987), Dye (2001), and Domhoff (2010) have developed elite and power-structure theories in the tradition of Mills (1959) and Hunter (1969), and have examined interorganizational networks of elites and corporate funding (Domhoff 2009) to argue that think tanks plan policy to further their class interests. Carroll and Carson (2003) make a similar argument at a global scale, maintaining that corporate-policy interlocks are part of a project of international elite integration and consolidation of corporate capital. In short, right-wing think tanks are "neoliberalism's organic intellectuals," furthering the interests of the most powerful (Carroll 2007). Similar arguments can be found in general-audience books on think tanks and economic elites (e.g., Gutstein 2009; McQuaig and Brooks 2010).

In response to elite theory, pluralists depict think tanks as a diverse set of organizations promoting the interests of many groups competing to set policy agendas (see Polsby 1983; on pluralism generally, see Alford and Friedland 1985; Dahl 1974, 1989; Lukes 2004). In short, the think tank community is diverse because the political world is diverse. Think tanks themselves downplay their allegiances to larger groups in an effort to

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[1] By field theory, I do not only mean the version initially developed by Bourdieu (e.g., 1984). I am also referring to the variety of field theories in organizational sociology (see Scott 1998) and the social movements literature (for a general theory of fields, see Fligstein and McAdam 2012).

promote their intellectual independence (for a discussion of pluralist claims advanced by think tanks, see Medvetz 2012). Some think tank researchers have furthered this idea by incorporating formal independence in their operationalization of "think tank" (Rich 2004; Stone 2000; Weaver 1989). They often use a one- or two-year snapshot of total revenue to compare the relative size of think tanks that qualify for their organizational set. Discussions of where money comes from are usually included in descriptive profiles of specific organizations, rather than in examinations of the links between politics and funding environments.

In his field analysis of American think tanks, Medvetz (2012) recasts think tanks as hybrid organizations operating in the space between the political, economic, academic, and media fields. Building on Bourdieu (e.g., 1990), he argues that think tanks are unique in their ability to draw on the "capitals" defining those fields and to put them to work in novel ways and new contexts. Rather than defining think tanks as the tools of elite or nonelite interest groups, this reframes think tanks as dependent on a wide range of external actors, and emphasizes the meanings and strategies they develop around the resources they accumulate.

Economic capital is perhaps the most consequential and symbolically powerful form of capital for think tanks. To general audiences, they must present themselves as independent, while at the same time signaling their dependence to potential funders in a "market of donations" (Medvetz 2012). This introduces questions that organizational scholars have long focused on, including: How do environments constrain organizational autonomy through resource dependencies (Burt 1980; Emerson 1962; Pfeffer 1978); what challenges and opportunities are presented by conflicting institutional logics (Binder 2007; Evans and Kay 2008; Friedland and Alford 1991; Murray 2010; Quirke 2013; Thorton, Ocasio, and Lounsbry 2012); and how do institutional entrepreneurs and "challengers" interpret and respond to these environments (DiMaggio 1991; Fligstein and McAdam 2012; Rao, Monin, and Durand 2003)?

This article takes a broad look at the relationship between funding and the politics of policy knowledge for think tanks in Canada. To access whether or not think tanks are supported by transnational interest groups, I examine the extent to which conservative, centrist, and left-progressive organizations are supported by foreign donations. I then evaluate predictions about funding and the politics of policy knowledge by analyzing funding data with two formal comparative and relational methods. Does the availability of substantial funding from both the state and private donors create an environment where organizations are sponsored by both the state and private donors at the same time (i.e., integrated elite), or a divided environment with private donors and the state supporting different think tanks? If the environment is divided, do conservatives, centrists, and progressives tend to be funded in similar ways? Finally, focusing on a subset of cases, are the best-funded think tanks supported by both the state and private donors, or by one or the other?

Predictions

Elite theories propose that think tanks are part of an integrated group of political and economic elites advancing their common class interests. We would expect to see conservative think tanks advancing those causes to be well funded by both the state and private donors. Think tanks not advancing those interests would be outside of the corporate-policy elite. Rather than pluralistic diversity, this suggests exclusion and marginality. We would expect think tanks aligned with nonelite publics to be less well funded.

In pluralist theory, think tanks are part of larger coalitions of actors with shared interests and objectives. Therefore, we would expect to find distinct clusters of politically similar think tanks around interest groups that can afford to sponsor them rather than one cluster of think tanks around an integrated elite and a collection of poorly funded think tanks promoting nonelite causes. The more clusters of think tanks there are, the more support for pluralist theories. In particular, we would expect to see multiple clusters of think tanks with private donor funding, because different types of donors would support different types of think tanks.

From a field-theory perspective—and organizational theory generally—think tanks operate with strong dependencies in uncertain environments shaped by conflicting institutional logics. Think tanks catering to the same types of funders would be expected to have common political ideologies. One of the key ways this differs from pluralist theory is the emphasis on dependencies and catering to funders rather than simply representing elite or nonelite interest groups. It stresses that there are delicate balancing acts, tenuous and difficult relationships, and images to be maintained. Rather than finding that think tank funding is shaped by an integrated elite or by pluralistic struggles among many different interest groups, we would expect to see limited diversity. Think tanks cater to powerful economic and political elites, as well as the more powerful social movements and unions. The more powerful the sponsor, the more we would expect them to imprint the funding environment for think tanks.

Elite and field theories would both predict that the most economically successful think tanks would be those effectively drawing on the resources of both the state and private donors. While elite theorists would attribute this to their membership in the corporate-policy elite, field theorists would interpret this as effectively catering to the common interests of key sponsors.[2] While elite theorists would cast the rest of the field as marginalized outsiders, field theorists would predict that they are oriented to other powerful sponsors.

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2. This is important in Canada, where corporations do not have the same incentives to fund think tanks as they do in the United States. In the United States, the presidential political system provides incentives for think tanks to lobby specific members of congress.

DATA AND METHODS

Data

Canadian think tanks have to file annual T3010 Information Returns with the CRA to maintain their tax-exempt charitable status. The returns are available in a searchable database, making it is possible to look up information for specific organizations at specific times. To evaluate claims about funding and political orientations, I collected financial data from 2000 to 2011, or from founding date to latest filing, for 30 think tanks. To automate the collection process and eliminate human error, I used a Perl script to scrape data from the charities listings for each organization and create a data set of all publicly available information.[3]

The case-selection process was inclusive. I compiled a list of think tanks mentioned by interviewees, from the literature, news stories and op-eds, and public lists and rankings (e.g., McGann 2010). I excluded university-based institutes, consulting firms, some very small single-issue think tanks, and one nonprofit think tank without charitable status.[4] Finally, I included two organizations whose activities are more extensive than others in the analysis: the David Suzuki Foundation and the Institute of Marriage and Family.

Coding

Under "Section E: Financial Information" of the Information Returns, I combined municipal, provincial, and federal funding into "state funding," and I classified rental income, memberships, dues, fees, and sale of goods and services (except to government) as "self-generated revenue." I combined entries for tax-receipted and non-tax-receipted gifts, and gifts from other registered charities, as "private donations."

To evaluate claims about think tank funding and political orientations, I coded think tanks as "conservative," "centrist," or "left/progressive." These coding decisions were informed by substantive knowledge gained as part of a larger study of think tanks in Canada. I conducted 53 semi-structured interviews with think tank directors, rank-and-file researchers, communications specialists, and academic economists and political scientists who have worked with think tanks. Following Small's (2009a, 2009b) work on sequential interviewing and best practices for elite interviews (Hochschild 2005; Spector 1980), I recruited and interviewed people for

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3. Andrew Osmond wrote the Perl script, and I am very grateful for his expertise.

4. The CRA does not regulate or collect data on university-based policy research institutes. Even if it did, university institutes have different funding and organizational structures. As previously discussed, there is a debate in the think tank literature about what organizations count as think tanks. Although this analysis focuses mostly on organizations that fit the most restrictive definitions, my methodological choice is not meant as a stance in that debate.

their position in the think tank field. The interview schedule was adapted for different types of participants to improve data quality by focusing on their unique knowledge, but most addressed issues directly related to funding. Interviews generally lasted between 45 and 90 minutes and were analyzed thematically and comparatively (Miles and Huberman 1994) using TAMS Analyzer 4 (Weinstein 2006). In addition to this, I drew on a range of documentary materials,[5] discussions in the literature (e.g., Abelson 2009), their general reputation in the policy community, and by reading opinion pieces and publications.

Of these codes, "conservative" captures the most variation (in part because there are so many of them), from politicized economic libertarians and social conservatives to those closer to the center-right. "Centrist" is less varied, but includes think tanks that promote both center-right and center-left positions on a range of policy issues. Compared to others, their employees tend to be more politically diverse. The "left/progressive" code includes the social democratic Canadian Centre for Policy Alternatives, the liberal-left Caledon Institute of Social Policy, and the environmentalist David Suzuki Foundation. The research design requires setting aside more nuanced political distinctions, but these general political orientations enable us to look at patterns across a larger number of cases, which is an analytically useful trade-off.

Qualitative Comparative and Correspondence Analyses

I used crisp set QCA (Amenta et al. 2009; Ragin 1987; Rihoux 2006; Rihoux and Ragin 2008) to simplify and formalize the analysis of think tank funding. I created a data set of binary variables indicating the "presence" or "absence" of each funding source in each organization's total funding. To determine the relative importance of each funding source for each think tank, I calculated the percentage of total funding it contributed to each year. I coded funding sources as "1" if a think tank made 20 percent or more of their total revenue from that source, and "0" if it contributed less than 20 percent.[6] In most cases, the funding models were consistent across every year, enabling me to simply code each source with an overall "1" or "0." When there were changes over the years, I considered each case individually, looking at the percentage of revenue generated by each source. Each time, it was easy to determine whether an overall "1" or a "0" was most appropriate.

The truth table algorithm generates a list of all the logically possible combinations of funding sources and then matches them to empirical

5. Including annual reports, publications, speeches, organizational histories, communication reports (three, confidential), strategic plans (three, confidential), and opinion pieces and news stories by or mentioning Canadian think tanks.

6. If a think tank did not make at least 20 percent of their funding from a source, there tended to be a steep drop-off.

cases in the data set.[7] Logically possible funding models without empirical matches were dropped from the analysis. This enabled me to inductively identify how think tanks are actually funded, and to compare across organizational cases.

I also used correspondence analysis (Breiger 2000; Greenacre 2010) to examine how politics and funding shape the social space think tanks operate in. While QCA's configurational approach enables some balance between holistic case analysis and generality across a moderate number of cases, correspondence analysis is a method for examining the associations of categorical variables relationally in a multidimensional space (Le Roux and Rouanet 2004). Bourdieu used it extensively in his field analyses (e.g., Bourdieu 1984, 1990), and it is increasingly used in relational cultural analyses (Mohr 1998). The two methods are complementary (Breiger 2000, 2009; O'Neil 2008). For the analysis, I created a data matrix with each think tank occupying a row, and each column representing a major funding source: donors, the state, self-generated, and interest/investments. Each cell contained the percentage of total revenue the source accounted for. I used the ca package for R (Nenadic and Greenacre 2003) to map the underlying structure (Le Roux and Rouanet 2004) of think tank funding and politics.

FINDINGS

Foreign Donations and Transnational Elites

Table 1 reports on all foreign donations to think tanks in 2009 and 2010. It shows that foreign donations almost always go to conservative organizations, but that it is not an especially important funding source overall. Notably, at just under 4 million, the Fraser Institute made more from international donors in 2009 and 2010 than most Canadian think tanks made from all of their funding sources combined (see Table 3 for context). However, it accounts for only 14 percent of their total funding. Foreign donations also contribute a meaningful amount of money to the social conservative think tank Cardus and the free-market conservative think tank the MacDonald-Laurier Institute. In the bigger picture, however, it is a relatively small amount of money going to mostly small think tanks. The funding environment for Canadian think tanks is mostly domestic, and arguments about think tanks as supported by transnational elites may be overstated.

State and Private Donor Funding: Integrated or Divided?

Table 2 reports the results of the QCA. Combinations of funding sources are represented with an asterisk (logical "and"). The rows show the

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7. I used the QCA package for R developed by Thiem and Dusa (2013).

Table 1

International Funding for Canadian Think Tanks (2009–2010 Combined)

Think tanks	Politics	Amount	Percentage of total
Cardus	Conservative	$638,749	22
Fraser Institute	Conservative	$3,816,662	14
MacDonald Laurier Institute	Conservative	$105,374	15
Suzuki Foundation	Left/progressive	$973,756	5
Centre for Cultural Renewal	Conservative	$8,604	3
Asia Pacific Foundation	Centrist	$83,048	3
Centre for the Study of Living Standards	Centrist	$25,786	2
Institute for Marriage and Family	Conservative	$229,567	<1
Institute on Governance	Centrist	$13,868	<1
Canadian Centre for Policy Alternatives	Left/progressive	$5,414	<1

number and names of cases matching each funding model. The comparative analysis identifies 15 different ways that think tanks combine individual revenue sources into broader funding models. They are not all equally common. Twenty organizations use the same five models, and the remaining cases tend to be variations on a common theme: Think tanks are funded by either private donors or the state, often supplemented by more minor amounts of money from other sources. Only four of the cases combined private donors and state funding.

Of the four cases that do combine state and private donor funding, the Centre for International Governance Innovation (CIGI) stands out.[8] First, unlike other think tanks that have received a lot of private donations, donations to CIGI have come from philanthropists with a vision for a state-of-the-art global think tank with a nonpartisan intellectual culture.[9] The same philanthropists—primarily Jim Balsillie and Mike Lazaridis, formerly of Research in Motion (now BlackBerry)—founded and help support the Balsillie School of International Affairs, which offers PhDs and MAs in international relations, and the Perimeter Institute for Theoretical Physics. In some years, their donations have been matched by the Government of Ontario, with other support from the City of Waterloo and

8. Funding for the Canada West Foundation and the Centre for Cultural Renewal is strongly weighted toward private donations. From 2000 to 2005, the Caledon Institute was primarily funded by the state, but from 2005 to 2010 it was funded by private donors.

9. Whether or not it lives up to that vision is another matter.

Table 2

How Think Tanks are Funded in Canada

Funding models	***n***	**Cases**
Donor	8	Fraser, CD Howe, Suzuki, Frontier, Institute of Marriage and Family Canada, Montreal Economic Institute, Institut Economique de Montreal, MacDonald–Laurier Institute, Public Policy Forum
Donor * Self	3	Cardus, Canadian International Council, Canadian Institute of Strategic Studies
Donor * Self * Other	1	Canadian Centre for Policy Alternatives
Donor * Other	1	Atlantic Institute for Market Studies
Donor * Interest	1	Mackenzie Institute
State * Self	5	Conference Board, Social Research and Demonstration Corporation, North-South Institute, Canadian Council on Social Development, Institute on Governance
State * Interest	1	Asia Pacific Foundation
State * Self * Interest	1	The Centre for the Study of Living Standards
State	1	Canadian Policy Research Network
Donor * State	3	Centre for International Governance Innovation, Canada West Foundation, Centre for Cultural Renewal
Donor * State * Other	1	Caledon Institute
Self * Interest * Other	1	Change Foundation
Self	1	Canadian Tax Foundation
Interest	1	Institute for Research on Public Policy
Other	1	Conference of Defense Associations Institute

*A combination of funding sources.

the federal government. In addition to these funding sources, they have grants from federal agencies (such as the Social Sciences and Humanities Research Council, Environment Canada, the Department of Foreign Affairs and International Trade, and Industry Canada) and from foundations and corporations.

Table 2 shows that the most common funding model is to rely on donations alone. With the exception of the Public Policy Forum, these are all think tanks with strong political reputations. The David Suzuki Foundation is environmentalist, and the others are conservative. The second most common model partners state funding with self-generated revenue. Think tanks using this model include the Conference Board of Canada and Social Research and Demonstration Corporation, both of which make a considerable amount of money with contract research for a range of

Table 3

Think Tanks by Politics and Average Annual Revenue, 2005 to 2010

Think tank	Politics	Average funding
Conference Board of Canada	Centrist	$27,517,825.00
Centre for International Governance Innovation	Centrist	$26,981,214.00
Fraser Institute	Conservative	$11,563,259.17
Institute of Marriage and Family Canada/FF	Conservative	$10,916,416.00
David Suzuki Foundation	Left	$8,418,011.17
Social Research and Demonstration Corporation	Centrist	$6,754,165.17
Canadian Tax Foundation	Conservative	$5,241,500.00
Change Foundation	Centrist	$5,224,422.17
Canadian Centre for Policy Alternatives	Left	$3,940,422.17
CD Howe Institute	Conservative	$3,795,843.50
Institute for Research on Public Policy	Centrist	$3,662,959.83
North South Institute	Centrist	$3,089,387.17
Canada West Foundation	Conservative	$3,006,783.33
Asia Pacific Foundation	Centrist	$2,947,026.40
Canadian Policy Research Networks (defunct)	Centrist	$2,779,504.20
Institute on Governance	Centrist	$1,868,853.17
Canadian International Council	Centrist	$1,846,010.00
Canadian Council on Social Development	Centrist	$1,639,883.67
Montreal Economic Institute	Conservative	$1,307,289.33
Frontier Centre for Public Policy	Conservative	$1,132,945.67
Cardus	Conservative	$1,127,639.83
Atlantic Institute for Market Studies	Conservative	$1,033,730.00
Caledon Institute	Left	$856,511.67
MacDonald-Laurier Institute	Conservative	$516,032.33
The Centre for the Study of Living Standards	Centrist	$464,282.17
Conference of Defense Associations Institute	Conservative	$354,644.83
MacKenzie Institute	Conservative	$206,505.50
Canadian Institute of Strategic Studies	Centrist	$66,796.00
Public Policy Forum	Centrist	$13,938.33

clients. Unlike those making money almost exclusively from donations, none of these think tanks have strong political reputations on the right or the left. With the exception of the now defunct Canadian Policy Research Networks, no think tanks rely on the state for more than 80 percent of their funding.

State and private donor funding are politicized within the think tank community, with both types of funding sending signals about what funders can expect and how outsiders should perceive the legitimacy of funding relationships. Interviewees from think tanks receiving government contracts, for example, argue that they are an effective way of placing limits on supporters who feel they have a license to influence what the think

tank does in general. Contractual relationships reduce the pressure to be "beholden" to key donors and to be politically consistent.[10] On the other hand, think tanks not involved in contract research routinely dismiss those who are "not real think tanks." They argue that contracts signal accountability to a funder, compromising their control over research and communication. When potential funders want to offer a contract or a grant, these think tanks encourage them to give their money in the form of a donation or as support for an event instead.[11]

Political Patterns in the Funding Environment

The QCA identifies the combinations of funding sources supporting think tanks, but it does not reveal their overall importance relationally. This is accomplished with correspondence analysis, which reveals the structure of the funding environment by mapping the associations of funding sources across cases. The results are presented in Figures 1 and 2, which differentiate between "centrists" (labeled in standard font), "conservatives" (italics), and "left/progressives think tanks" (monospaced font enclosed in braces). The closer organizations are to one another, the more similar they are. Funding sources are represented by triangles. Full names of the organizations are listed in the Appendix.

Figure 1 reveals that the think tank funding environment is structured by an opposition between donor-funded think tanks and non-donor-funded think tanks from 2000 to 2005. Non-donor-funded think tanks tend to supplement state funding with self-generated revenue, or are funded almost exclusively by interest and investments. This opposition accounts for 49 percent of the variance.

Some donor-funded think tanks also generate some of their own revenue and are minimally oriented toward the state (e.g., Canadian Institute of Strategic Studies, Canadian Centre for Policy Alternatives, Canadian International Council, Conference of Defense Associations Institute). An additional 35 percent of the variance is accounted for by the opposition between (i) think tanks funded by the state and self-generated funding, and (ii) those funded by interest and investments. The fact that the funding sources are positioned so far apart, and away from the intersection of the axes, indicates that combinations of funding sources tend to be heavily weighted toward one source, not equally shared.

With few exceptions, the cluster of think tanks funded by private donors are conservative, and those not funded by private donors are almost all centrist. The two most well-known left/progressive think tanks

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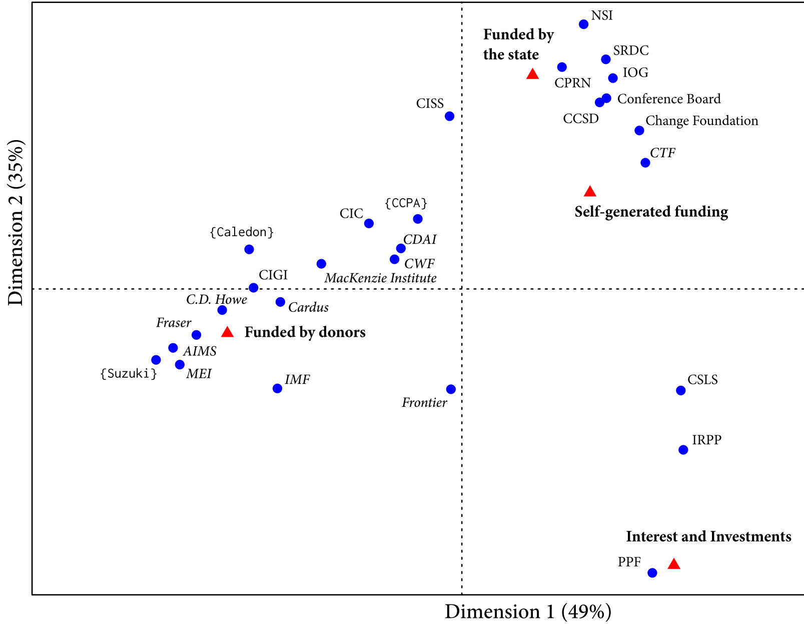
10. Among others, Glen Hodgson, an executive member of the Conference Board of Canada, made this argument in an interview.

11. Among others, Bill Robson, the president and CEO of the CD Howe Institute, made this argument in an interview.

Figure 1

Correspondence Analysis of Think Tank Funding (2000–2005)

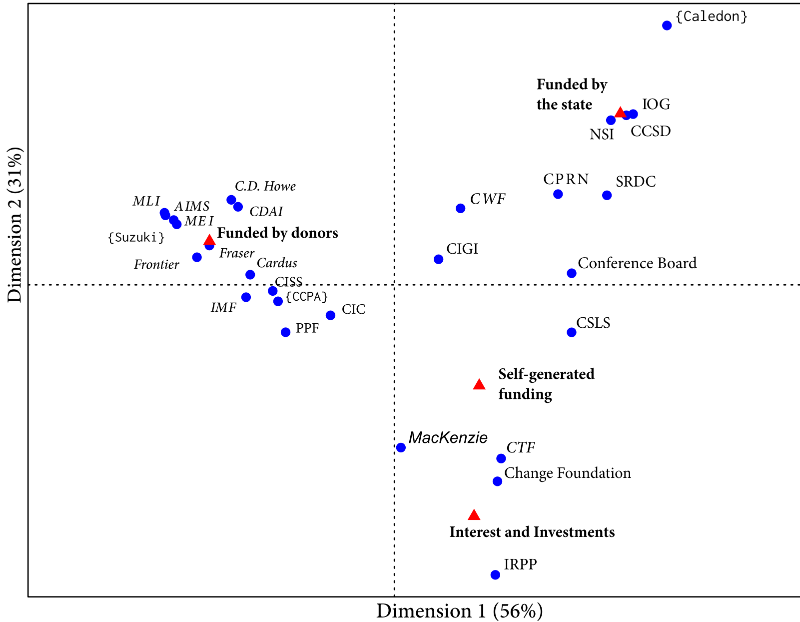


(the David Suzuki Foundation and the Canadian Centre for Policy Alternatives) resemble conservative think tanks more closely than centrists. CIGI is also supported primarily by private donors from 2000 to 2005 but, as previously discussed, it has a unique relationship with major Canadian philanthropists, making it different from other donor-funded think tanks. From a pluralist perspective, these are examples of think tanks being supported by interest groups outside the corporate-political elite. However, the diversity is limited.

The fact that most think tanks funded by the state are centrist does not necessarily mean that the state favors centrists. Because funding models strongly shape what think tanks do, and because they are difficult to change, state-funded think tanks have to be able to appeal to whoever is in power. Although this does not necessarily prevent them from criticizing the government or advocating unpopular policies (which may contribute to their credibility), it does mean that they will avoid becoming an organization that a government would be interested in defunding, or simply not

Figure 2

Correspondence Analysis of Think Tank Funding (2005–2010)



consider worthy of the "investment." Think tanks relying on private donors do not have the same concerns about swift changes in their sponsors' political ideologies. Instead, they can focus on catering to their political and intellectual preferences.

Recently, the Conservative federal government has controversially defunded or reduced support for many governmental and nonprofit organizations. Just as the scientific and social scientific communities are struggling with reduced resources and protesting censorship, some think tanks have found themselves with much less support from the state. Figure 2 shows the shift in the funding environment from 2005 to 2010.

After 2005, the cluster of conservative think tanks funded by donors became more tightly knit, while the cluster of centrist think tanks funded by the state started finding ways of generating their own revenue and relying on interest and investments. Overall, the opposition between donor funded and non-donor-funded think tanks has become stronger (from explaining 49 percent of the variance to 56 percent), and the opposition of

(i) state- and self-funded versus (b) interest and investment (35 percent) has realigned to a weaker opposition between state funding, self-generated funding, and interest and investments (31 percent).

In sum, the correspondence analysis reveals a politically patterned structural opposition between conservative think tanks funded by donors and centrist think tanks that are not funded by private donors. In the early 2000s, centrists were funded primarily by the state, but recently they have been generating more of their own funds and collecting revenue from interest and investments.

These findings challenge a key prediction derived from elite theory, namely that think tanks promote the common interests of an integrated corporate-political elite. If there were an integrated elite, the state and private donors would be positioned closely together in Figures 1 and 2 and would share political positions—whether centrist or conservative. Think tanks facing reduced funding from the state could turn to private donors for support. The findings also challenge pluralist theory, in which the think tank community represents a wide range of interest groups. Instead, there is evidence of only limited diversity.

Size Matters: Funding and Politics

So far, well-funded and resource-hungry think tanks have been treated the same. Do the patterns identified, considering all 30 think tanks, hold equally for those that are the best-funded? Table 3 lists think tanks by politics and average annual revenue from 2005 to 2010, showing that think tanks in Canada fall into five funding categories. Relative to one another, there are a couple of exceptionally well-funded think tanks operating with more than 25 million dollars a year, and a well-funded group working with between 8 million and 12 million dollars.

While the general pattern is separation of state and private donors, there are some well-funded exceptions. In 2005 to 2010, CIGI and the Conference Board effectively combined funding from both major sources. Elite theorists could claim this as evidence that these two think tanks are the true elites while the other think tanks are not. In response, pluralists could point to the existence of clusters as evidence that think tanks serve the interests of multiple interest groups, not integrated elites.

The two “largest” think tanks in Canada—the Conference Board of Canada and CIGI—have different funding models, but share some important similarities relative to the other think tanks in the analysis. CIGI, discussed earlier, is one of only a few organizations that have been repeatedly successful in getting funding from both private donors and the state.[12] However, it has done so in part by breaking out of the network

12. Counting the Institute for Research on Public Policy in the 1970s, which falls outside the window of this analysis.

of donors that supports many conservative think tanks, catering instead to the shared interests of key philanthropists, bureaucratic organizations (e.g., the Social Sciences and Humanities Research Council), and corporate sponsors. The Conference Board has also had some success in catering to government and private interests simultaneously, but rather than relying on donors—whom they have avoided in the traditional sense—they offer extensive contract research services, consulting, and corporate leadership training.

The next tier of highly funded think tanks has strong ties to political movements and is funded almost exclusively by private donors. The Fraser Institute is one of the primary intellectual wings of the conservative movement in Canada and has partnered with conservatives in the United States and around the world to advocate for "economic freedom." This includes offering rewards to think tanks in developing countries for their advocacy of free market policies.[13] The Institute for Marriage and Family is complicated because it is formally part of Focus on the Family Canada (they share a budget). The David Suzuki Foundation—working with a few million less than the Fraser Institute and the Institute of Marriage and Family Canada—is a nonprofit that engages in a wider range of activities than organizations that see themselves strictly as policy institutes. In short, the second tier of highly funded think tanks keeps with the pattern of not combining state and private donor funding.

DISCUSSION AND CONCLUSION

This article addressed questions at the core of pluralist, elite, and field theories of think tank funding and the politics of policy knowledge. First, I showed that foreign funding goes almost exclusively to conservatives, but is more limited than claims about transnational elite policy groups imply. Second, the think tank funding environment is structured by an opposition between conservatives funded primarily by private donors, and centrists funded primarily by the state. That separation became stronger after 2005, even as the state reduced support for centrists. Finally, the most highly funded think tanks tend to either deviate from the general pattern by combining state and donor funding in unique ways (centrists), or are well funded exclusively by private donors (conservatives and left/progressive).

Given the strong separation of state- and donor-funded think tanks, these findings challenge theories that emphasize elite integration. The think tanks most aggressively pursuing the interests of corporate elites are often well funded by private donors but not by the state. Additionally, they are not the most economically successful, and there are many that are struggling economically despite their strong advocacy of corporate interests. Based on these findings, elite theorists could argue that CIGI and

[13] See www.freetheworld.com.

the Conference Board are Canada's "corporate-policy elite" and other organizations are not. However, this argument sidesteps empirical challenges to its validity by emphasizing organizations that fit the explanation and excluding those that do not (as critiqued in Medvetz 2012). There is little evidence that the rest of Canada's think tanks are marginalized outsiders, since many are well funded without catering to both private donors and the state.

The funding environment is sharply divided, but it is hardly an open space where many different social groups weigh in on policy discussion and attempt to influence governance. Although there is some variation among think tanks with similar funders, there are strong clusters with shared politics, and the largest think tanks tend to cater to the most powerful sponsors. If elite theorists have overstated integration, pluralists have overstated diversity.

Taken together, these findings suggest a more complicated reality where think tanks in Canada are neither the pawns of corporate-political donors nor representatives of many competing interest groups. Building on Medvetz (2012), a more accurate assessment of funding and the politics of policy knowledge would be that think tanks operate in an uncertain environment where they have to protect themselves from the changing passions of their sponsors. They have to make themselves appealing to groups of funders who share common interests; in the process, they become unappealing to other potentially generous funders. In this divided context, think tanks face amplified versions of common organizational problems such as resource dependencies and conflicting institutional logics.

Conventional wisdom to "follow the money" in single cases places blame on individual donors, as if switching out current donors for new ones would resolve larger conflict-of-interest issues. This obscures broader field dynamics and the considerable "money work" think tanks do as they cultivate relationships with funders, ensure donations "look right" on paper, manage public images, and keep doors open despite yearly fluctuations in funding. Further research should comparatively examine how think tanks actually manage funding relationships (as opposed to how we assume they do). We need further research on the institutional dynamics that shape think tank funding, making specific criteria more or less important to different sets of funders. And of course, there is work to be done to pull these broad patterns down to finer comparisons of fewer cases.

Finally, as granting agencies are renewing their strategic plans, as more research is being conducted outside of universities, and as the federal government is downsizing its research capacity, we need to take an empirical approach to debating models for funding research. This should include an examination of (i) how funding sources structure fields to the advantage of some and the disadvantage of others; (ii) how they promote homogeneous or pluralistic knowledge bases around social, political, and economic problems; and (iii) how the introduction of new interests complicates

the process of developing sophisticated explanations and interpretations. Such an approach might help foster a more realistic debate about the consequences of pushing more think tanks toward private funding.

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Appendix

AIMS, Atlantic Institute for Market Studies
CCPA, Canadian Centre for Policy Alternatives
CCSD, Canadian Council on Social Development
CDAI, Conference of Defense Associations Institute
CIC, Canadian International Council
CIGI, Centre for International Governance Innovation
CISS, Canadian Institute of Strategic Studies
CPRN, Canadian Policy Research Network
CSLS, The Centre for the Study of Living Standards
CTF, Canadian Tax Foundation
CWF, Canada West Foundation
IMF, Institute of Marriage and Family Canada
IOG, Institute on Governance
IRPP, Institute for Research on Public Policy
MEI, Montreal Economic Institute
MLI, MacDonald–Laurier Institute
NSI, North-South Institute
PPF, Public Policy Forum
SRDC, Social Research and Demonstration Corporation