

Strategy for the Think Tank Fund 2008-2010

The Think Tank Fund of the Open Society Institute aims to support independent policy centers that strengthen democratic processes in their countries by identifying and analyzing policy options, consulting with the government and advocating their recommendations, involving stakeholders outside government circles in policy debates, and making their findings widely available to the public. The Think Tank Fund fosters institutions that carry out non-partisan policy relevant research and promote inclusive policy change. 'Inclusive policy change' refers to a policymaking process that is open, transparent, and responsive to the public interest. The Think Tank Fund pursues this mission through two distinct grantmaking programs in support of independent, multi thematic policy centers active in various social and political areas. The fund complements its grantmaking with a series of activities aimed at capacity building of its grantees.

The Think Tank Fund has emerged from a variety of grants administered by the Human Rights Governance Program (HRGGP) in Central and Eastern Europe, the South Caucasus, and the former Soviet Union (excluding Russia and Central Asian Republics). These grants to various think tanks were administered on behalf of the OSI Board, the OSI President and the Policy Advisory Board up to 2005. Originally an integral part of the HRGGP, the Fund has evolved into an independent grantmaking program. The Fund draws on specific country-by-country funding strategies based on needs assessment, cooperation with national Foundations for Open Society and careful selection of potential grantees. Gradually expanding its geographical scope over the last two years, the Fund has reached a consolidated portfolio of more than 30 grantees in some 15 countries over the last two years. This paper is the first effort to articulate a single strategy for these various grant making activities.

This paper describes each of the two broad funding areas in order to distinguish the unique elements of each grantmaking program and to demonstrate how these grant portfolios merge into one network program. The program's grantmaking priorities for the next 3 years are furthermore elaborated. In the coming period, The Think Tank Fund will place greater emphasis on the development of institutions, capacity building for policy research and analysis, and the exchange of experiences / good practices among the groups it supports. The final section of this paper details the implications for the institutional development of the Fund itself.

PROGRAM AREAS

Core and Institutional Support to Multi Thematic Think Tanks

Building capacity for high quality policy research and advocacy

Geographical focus: The Think Tank Fund, under this funding area, aims to support policy centers in Albania, Armenia, Azerbaijan, Bosnia and Herzegovina, Croatia, Georgia, Macedonia, Moldova, Montenegro, Serbia and Kosovo, and Ukraine.

Policy development and debate are critical components for effective governance within a functioning democracy. Development of and access to policy alternatives, however, continues to be a serious challenge for many of the countries in which the Think Tank Fund is active. The result has been a dearth of high quality applied research with clear policy implications. Throughout the region only a small number of non-governmental organizations have emerged with a clear policy agenda. Using a variety of approaches, these organizations are producing relevant research and creating openings for civil society in the policy

development process. The Think Tank Fund provides core and institutional support to think tanks working to promote alternative policy options, informed debate on governmental decision-making, and constructive advocacy interventions that enhance policy development processes. The Fund understands core funding to include basic institutional costs such as payroll, rents and maintenance as well as some of the core program development expenses (e.g. publications, co-funding for key projects). Core funding should allow an organization to consider its strategy, to support developmental and innovative research, and to explore new areas of work. Groups are expected to emphasize institutional development and growth in their proposals, rather than simple maintenance or discrete project activities.

The Think Tank Fund currently directs its support primarily to those groups examining economic, political and social reform issues in their countries, with emphasis on governmental responsibility and effectiveness. The Think Tank Fund's strategy is not to support specific issues or themes but to encourage an approach to public policy work that promotes inclusive policy change using a combination of the following methods. Policy centers must undertake thorough research and develop thematic expertise in order to inform public debate responsibly and to position themselves as credible partners for the government and other actors. Recognizing that different issues will necessitate varying means of engagement with the government—sometimes even requiring an adversarial approach—organizations should be able to influence the government in both defining priorities and developing policy options. We encourage think tanks to prioritize the needs they see as most pressing and act on them, rather than be only lead by donors' priorities, a regular occurrence across the region

Applied research and engagement with the government are insufficient on their own, however, to create inclusive policy change in democratic societies. To foster sustained impact, organizations must engage stakeholders from across the spectrum, involving other civil society actors and the media in the policy debate as well as the relevant governmental actors. Meaningful public advocacy, therefore, is an essential ingredient in the policy development process. In order to ensure that the policy development process does not end with simple declarations, but rather changes in concrete practices, some degree of monitoring is required. All too often policy change exists only on paper. By galvanizing public demand and monitoring governmental implementation, organizations not only promote policy options but also advocate policy change. Finally, the Think Tank Fund understands that the extent to which organizations employ each of these tools will vary, depending upon the national political context, the capacities of the individual organization, and the issues being addressed. In each target country, the Think Tank Fund would aim to develop a comprehensive funding portfolio of several independent policy centers working on a wealth of issues.

Open Society New Response Projects

Policy Response to Populism and Threats to Open Society

Geographical scope: The Think Tank Fund, under this funding area, aims to support policy centers in Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Romania, Poland, Slovakia and Slovenia.

Recent political developments in Central Europe demonstrate that populism and anti-democratic values continue to thrive in some new EU member states. An increasing number of governments show little interest in independent oversight of government activities, protection of minority rights, media independence and the rule of law. Public discourse in some of the new EU member states has taken a particularly negative turn with attacks against vulnerable groups and minority communities as well as against

NGOs promoting tolerance and accountability. Debates within EU member states on issues such as minority integration, immigration and security exacerbate negative discourse at the local level. Civil society in the region seems ill-prepared to counter these illiberal tendencies systematically and consistently.

Most think tank leaders agree that more should be done, and that liberal democratic values are at the core of their missions. However, given the current funding environment, tackling these types of issues is increasingly difficult. The Think Tank Fund response was to establish a competitive project fund that supports established policy centers in the region confront the negative tendencies and to promote policy research and alternatives on political and social issues critical to effective and accountable democratic governance in their own countries.

Open Society New Response Projects should reflect the core values of the applicant organization as well as tackle key social and political policy areas. Open Society New Response Projects aim to tackle the key social and political policy areas by providing think tanks with the opportunity to: a) sustain their work on sensitive and unpopular social and political issues, particularly work that seeks to improve the position of disadvantaged and marginalized groups; b) promote transparent and effective democratic processes in their countries and to counteract illiberal tendencies; and c) advance systems for monitoring the performance of governmental institutions in ensuring tolerance and public accountability and thus counteracting threats to open society.

The issues to be addressed should be important in the policy context of the applicant's country and linked with the promotion of open society values. Applicants should have already undertaken similar research and policy work for a number of years. They should clearly demonstrate that the proposed research is in line with their missions. Funding requests can be related to new initiatives or to ongoing activities that require funding. In line with the Fund's overall aim to foster inclusive policy change, Open Society New Response Projects should increase public participation in policy discussions, influence public policy discourse and help to shape the policy agenda. Projects should aim to address the full policy cycle and reach out to relevant stakeholders. Priority will be given to research and policymaking that directly respond to threats to liberal democratic governance and promotes open society values. The Think Tank Fund will avoid providing support for single-issue think tanks and funding for individual projects that fall within the mandates of other OSI programs. Not-for-profit policy centers and independent research centers associated to Universities alike are both eligible for support in this funding area. Given the pilot phase of this funding program, we will revisit this thematic focus and evaluate the effectiveness of our support in the middle of implementation of this strategy.

ADDITIONAL PRIORITIES

Capacity building

The fast pace of societal changes, complex transitions, difficult political environments, slow economic growth, corruption and sluggish democratic reform currently shape the policy context in Eastern Europe. Policy centers, despite the lack of competition from other groups who can offer competent independent policy analysis, face a number of common problems. Different international, governmental, intergovernmental or private donors support these centers; however, their support is often restricted to particular projects. Perhaps one of the greatest dilemmas confronting the policy centers is the lack of understanding by and interest from the public in the policy process and the complex issues the groups are trying to tackle. Lack of political will and low capacity of politicians and civil servants alike to introduce

inclusive policy change only makes matters worse. Against this backdrop, think tanks should know not only the nature of the issues but also how they can and should effectively respond. At the same time, successful policy work should be complemented by strong organizational development that allows the centers and its researchers to engage in and influence the policy processes in their countries and the entire region. How these groups tackle these topics will inevitably impact plans for fundraising, strategic development and daily management practices. While there are no 'one-size fits all' models for the development of policy centers, it is important to help them in exploring typical patterns of development, sharing good practices and identifying reasons for failures.

Despite the program developments mentioned above, the Think Tank Fund primarily provides institutional grants to organizations working in priority areas. In fact, our willingness and ability to provide core support to independent policy centers is the strength of the program, especially since most donors limit funding to project-based grants. The rationale for continuing to provide institutional grants is as relevant today as ever.

Groups require institutional support to develop their capacity to maintain core activities, respond to changes in the local context, initiate new programs and phase out initiatives. Furthermore, the sustainability of a group will depend upon its credibility as a reliable partner and accurate source of information; that credibility usually originates in the successful implementation of the core activities of an organization. Our funding provides organizations with the resources to develop and implement these core programs. We provide policy centers with the flexibility to initiate new programs and respond to local developments. Furthermore, because our funding is not always tied to a specific project, we give groups the financial freedom to phase out programs and think creatively about their ongoing strategy.

This funding role has often meant that the Think Tank Fund is in a unique position to see how an organization may require assistance and to influence organizations in their development. While it is important not to overstep our role as donors and seek to control organizations, our funding relationship provides us an opportunity to assist our grantees in their operational, institutional, and programmatic development. Taking greater advantage of this possibility in the future will be a priority. Greater emphasis on this kind of support will reinforce grantees' efforts to build capacity and sustainability.

The Think Tank Fund, in addition to the provided grants, is devising a range of capacity building activities to support its grantees. These activities would rely upon peer-to-peer exchange of experiences and advice as well as link the institutional development with the substantive work of the centers. We suggest this kind of tailor-made capacity building activities with a view to complement other efforts in the field and the existing discussion space created by the PASOS network and the OSI's Local Government and Public Reform Initiative (LGI).

Networking and exchange of good practices

The Think Tank Fund has developed a strong set of partner institutions over the last two years in the areas in which it is active. In their respective fields, these groups are leading policy debates within their own countries as well as throughout the region. With this network of strong institutional partners, the Think Tank Fund is well placed to complement the existing areas of cooperation and collaboration, facilitated by networks such as OSI's Local Governance and Public Reform Initiative (LGI), Policy Association for Open Society (PASOS), the Network of Institutes and Schools of Public Administration in Central and Eastern Europe (NISPAcee) and the informal network of think tanks supported by the European Stability Initiative.

First, there exists an opportunity to promote partnerships bilaterally. Already a few bigger independent policy centers have made efforts to share expertise with other, less experienced groups. Other think tanks working on similar cross-cutting issues, such as monitoring the European Neighborhood Policy for example, could benefit from peer support and exchanges of good practices. Using its differing funding mechanisms, the Think Tank Fund provides grants to all these organizations and is thereby well placed to advance cooperation and exchange. The development of similar capacity building initiatives with other institutional partners will be made a priority.

Second, institutional partnerships should not be the only form of exchange; rather, the mobility of individual policy analysts should be encouraged through small travel and internship grants. Too often we draw upon the same, small pool of leaders and experts to be involved in programs. Increasing links among young policy analysts engaged in the supported organizations and providing opportunities for skills exchange will help to promote the development of future generations of think tank leaders.

Finally, the Think Tank Fund would encourage more networking among its grantees by strengthening existing associations and assisting in the development of new groupings. One method of fostering more collaboration will be to support and convene small meetings around important thematic topics that bring together individual stakeholders across borders and/or approaches. These meetings should have purpose to explore innovative ideas, identify trends and foster further collaboration that could be followed by other networks. We hope to work more closely with the HRGGP, LGI, and East-East programs of OSI and the newly created European Council on Foreign Relations to develop this concept further and organize events on concrete themes related to the trends of our funding.

INTERNAL DEVELOPMENT AND IMPLICATIONS FOR IMPLEMENTATION

The current portfolio of the Think Tank Fund encompasses more than 30 grants in 15 countries. The Think Tank Fund is set on a steady growth path, expecting to reach 40-odd grantees by the end of 2008 in all target countries. Given the limits in financial and human resources, the Fund's portfolio is expected to stabilize around this number in the current region. Once this point is reached, the Fund will be a leader in providing core funding to think tanks in non-EU member states. The Fund would like to use the acquired competences to help other OSI network programs and national foundations working with think tanks in the traditional region. The Fund's potential for expansion could be realized either through support to think tanks in new regions or by adding new types of support in the existing region. These ambitious goals will be matched with internal development of staff and their competencies. Finally, the Fund would need to secure sufficient human resources to keep the high quality working standards.