Forbes Top Free-Market Think Tanks Combat The Hegemony Of The Bureaucrats

By Alejandro Chafuen January 30, 2014

In his book "Bureaucracy," Ludwig von Mises argued that it was extremely dangerous to let bureaucrats and government experts monopolize policy discussions. He wrote that "democracy becomes impracticable if the eminent citizens, the intellectual leaders of the community, are not in a position to form their own opinion on the basic social, economic, and political principles of policies. If the citizens are under the intellectual hegemony of the bureaucratic professionals, society breaks up into two castes: the ruling professionals, the Brahmins, and the gullible citizenry. Then despotism emerges, whatever the wording of constitutions and laws may be." In many cases, think tanks were created in order to put an end to the hegemony of bureaucratic and other ruling professionals.

Although the most comprehensive ranking of think tanks, the <u>GoToThinkTank</u> report, whose 2013 edition was released last week, also includes "bureaucratic" or government run think tanks, the large majority of think tanks are independent. James McGann, who prepares the report, has collected a list of 6,826 organizations which are asked to participate in the effort. There is considerable continuity in the process but also gradual changes and an increased number of categories and voters. The number of those who nominate and evaluate think tanks has grown to 1,947 from 120 countries.

Public policy experts nominated 1,647 think tanks. The top of the rankings include approximately 110 market-oriented, non-profit think tanks. These are institutes which in the majority of their publications and events describe the workings of the free market and promote private solutions to public problems.

<u>Cato Institute</u> received 19 mentions in different categories, <u>Heritage Foundation</u> 18, <u>American Enterprise Institute</u> (AEI) 13, and the <u>Fraser Institute</u> (<u>Canada</u>), with a much lower budget than its U.S. counterparts, received 14. According to the rankings, they are the leading think tanks in North America.

If we combine their budgets, the four represent over \$120 million in income, they have over one million supporters, and approximately 600 staff members and scholars. The <u>Hoover Institution</u>, at <u>Stanford University</u>, was ranked in first place among university-based centers, and <u>Mercatus</u>, at <u>George Mason University</u>, appeared in second place. The rankings include a couple of advocacy groups, <u>Freedom Works</u> and <u>Americans for Prosperity</u>, each getting only one mention.

<u>Brookings</u> continues as first in the overall ranking. The <u>Center for Strategic and</u> <u>International Studies</u> (CSIS), received 14 mentions and despite that most of their work goes beyond economics, it could be included among the leaders in the market-oriented group.

Outside the U.S. and Canada, Latin America has the highest percentage of marketoriented institutes appearing near the top. <u>Libertad y Desarrollo</u>, in Chile, was listed in 12 categories. It was followed by <u>CIDAC</u> in Mexico with 13, <u>CEDICE</u> (Venezuela) with eight, and CERES (Uruguay) and <u>CEP</u> (Chile), both with six credits. Approximately onethird of the top think tanks in the Americas promote free markets. In Europe, the number is much smaller, approximately one-sixth.

In the rest of the world, <u>IMANI</u> (Ghana) scores in 10 categories ahead of the <u>Adam</u> <u>Smith Institute</u> (U.K.) with 9, and ahead of <u>FAES</u> (Spain) six, and the <u>Friedrich</u> <u>Naumann Foundation</u> (Germany), five. The <u>Association for Liberal Thinking</u> (Turkey) and the <u>Istituto Bruno Leoni</u> (Italy) with four, the <u>Lithuanian Free-Market Institute</u> and the <u>Centre for Civil Society</u> (India) with three, have become key guideposts and educational centers in their countries.

Only a few market-oriented think tanks appear in the categories of health, science, energy, and the environment. This might help explain the pervasive growth of government in these areas.

As in previous editions, this report includes a detailed explanation of the methodology, and a request for recommendations for improvements. It reminds the readers that it is prepared "without the benefit of field research, a budget, or staff." The lack of proper auditing and the way the survey is conducted creates some inconsistencies, the inclusion of some defunct organizations, and some donor foundations rather than think tanks. Despite these weaknesses, few have attempted to create competing rankings. Those who have, like the <u>Center for Global Development</u>, focused on a subset that fits a particular criteria: the public profile of the largest U.S. think tanks. We are still far from having reliable data from across the globe which would allow for more relevant measurements such as <u>outcomes</u> per dollar spent.

The ruling professionals that preoccupied Mises are still there, especially in areas which seem too technical for the educated layperson, such as monetary policy, environmental science, and health care. As the GoTo report seems to indicate, think tanks will need to do better in those fields.

Tait Marsden, and Jordan Mittasch, Mannkal Foundation fellows (Australia), conducted research for this piece.