

New kids on the European blocks: European party foundations and their think tank partner networks

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Dieter Plehwe*, Matthias Schlögl†

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*WZB Berlin Social Science Center; contact: plehwe@wzb.eu

†University of Bath; contact: m.schloegl@bath.ac.uk

1 Introduction

The EU has been trying to improve political participation of the European citizenry in European public affairs in a number of ways including new modes of participation and – most recently – by way of strengthening European political parties through European Foundations. The rejection of the constitutional treaty in popular referendums in France and the Netherlands in 2005 had added to the urgency of addressing Europe’s democracy deficit: the ‘permissive consensus’ of the European population with regard to European integration can no longer be taken for granted even in countries that belong to the founding members of the EC/EU (Startin and Krouwel 2013). The rejection of the treaty was a major blow to political unification. It also frustrated the high hopes placed in the previous opening of venues of deliberation and negotiation to civil society groups and citizens. The institutional recognition and the ways of integrating a wider variety of groups and voices by new modes of participation (online consultations, citizen initiatives etc.) apparently has not, or not yet at least, sufficed to create a stronger backbone of legitimacy and support for the European multi-level polity (Kohler-Koch and Quittkat 2013).

The limits of European political parties are well known (Priestley 2010), and not easy to overcome unless a stronger transfer of authority to the European parliament would upgrade the role of EP elections, parties, MEPs, and the European political space and public sphere at large. Short of such a major institutional reform effort, the Commission in typical halfway manner stepped up the organizational capacities of the parties by way of legal recognition and limited funding of European party foundations in 2008 (Regulation (EC) No 1524/2007)¹. The key goal of the European Commission when they launched the Foundations at European level was to ‘promote democracy, dialogue and debate with European citizens.’ (Dakowska 2009: 210). It is therefore to be seen at least as another attempt to strengthen the participatory part of the European democracy. However, Gagatsek and Van Hecke 2011 see the European Political Foundations as an instrument of the European Political Parties and therefore as part of the representative

¹However, it has to be noted that party foundations, while established in several european countries.

wing of European Democracy.

Each of the new foundations has to be officially recognized by a faction of the European Parliament, which in turn is closely related to a European political party. After the start of operations in 2008, the major foundations quickly attracted partner organization networks across the EU, frequently beyond the realm of the national political parties that make up the national membership base of the European parties.

Each of the European party foundations has attracted think tank partner networks of variable size. But only the Conservatives and the Socialists have a party and think tank base in each of the member states. The smaller European political parties, their foundations and think tank partner networks instead are characterized by strong asymmetries (Gagatek and Van Hecke 2011). Both the smaller European Parties and their foundation networks are strong in some countries, weak in others and virtually not existing in yet another group of EU members.

We follow (Usherwood and Startin 2013) and (Koger, Masket, and Noel 2009) who are certainly right to point to the need for political sciences to look beyond party politics to explain political strength and weakness of specific political forces, and of political power relations. To assess the constituencies and capacities of European parties, we argue it is necessary to take a closer look at civil society, including both for profit private sector organizations and not for profit groups. A good way of looking beyond the party organizations is to shed light on para-political organizations such as think tanks. Think tank mode of politics can possibly explain strength of political positions (like Euroscepticism) in countries without political parties adopting and advocating such perspectives. We suggest to think of political parties more as networks or movements² than as closed entities, though we suspect para-political organizations like think tanks to be rather more elitist and less subject to democratic control than parties themselves.

In times of increasing political apathy civil society institutions become more and more important in the political discourse. No matter if they are called Unions, NGOs or Think Tanks. However, we think that for many reasons - including their

²An expression that is more and more used by political parties themselves to overcome the bad associations people have with the word ‘party’

capacities to spread ideas, organize transfers from academic to media and political spheres and develop personnel - think tanks have played³, and are certainly going to play in the future, a special role in the political discourse (compare think tank literature: Rich 2004, Mirowski and Plehwe 2009 et al.).

Nobody so far to our knowledge has looked at party and foundation related network of think tanks and foundations as an potential factor of civil society influence on the policy making process. Thus our research question is two-folded. In a first step we want to know if and how European foundations are really contributing to the promotion of ‘democracy, dialogue and debate with European citizens’ (Dakowska 2009: 210). So far this is a claim not substantiated by research of the foundation practices. In a second step we explore the wider realm - the network we spoke about before - of one foundation. The first part of the research question is of course extended by the second one: it is obvious that the success of the model ‘European foundations’ is closely related to the network the political parties can build with them (including their links to civil society and the public at large).

2 **AECR, ECR and NDF**

For testing our hypothesis we decided for the youngest party foundation, New Direction, The Foundation for European Reform (NDF). NDF was founded in 2010 and has listed 23 partner organizations, which are or were thus officially related to the Foundation up to now. NDF has been recognized by the Alliance of European Conservatives and Reformists (AECR) and is therefore entitled to receive funding from the EU. It is important to note the three different entities: The Alliance of European Conservative and Reformists (AECR) is the European Party, the European Conservative Reformists (ECR) is the group in the European Parliament and the New Direction Foundation⁴ (NDF) is the Foundation at European Level.

The AECR ‘campaigns for radical reform of the European Union and aims to spread conservative values’ according to its website (www.aecr.eu/about-us). While the literature counts the group among the ‘soft Eurosceptics’ in distance to ‘hard

³Compare for that the importance of IPPR and Demos for Labour in regaining Downing Street No. 10 (Schlesinger 2009: 8 ff)

⁴Short for: New Direction, The Foundation for European Reform

Eurosceptics' who oppose EU membership as such (Szczerbiak and Taggart 2008), support of EU membership is rather lukewarm in the case of NDF and AECR. NDF aims to reduce funding of the EU as a whole (NDF 2013) and of the EP in particular (Van Orden and Eppink 2011), and advocates a European austerity regime in general. NDF vigorously opposes ideas suggesting a need for increasing European taxation and redistribution policies. AECR is also opposing the common currency; current proposals advanced by Olaf Henkel, the former head of Germany's associations of industrialists, suggest dissolution of the comprehensive European monetary policy system. The 'solidarity' manifesto for 'controlled segmentation' of the Eurozone was presented by NDF in Brussels in January 2013 (Manifesto 2013) declaring the end of the Eurozone a precondition for the preservation of the common market achievements.

The ten point 'Prague Declaration' originally passed by AECR serves as the manifesto of the European right wing movement (compare www.aecr.eu/about-us). The primary aim combines neoliberal and conservative nationalist inclinations by way of mixing notions of free enterprise and national prosperity:

'1. Free enterprise, free and fair trade and competition, minimal regulation, lower taxation, and small government as the ultimate catalysts for individual freedom and personal and national prosperity. . . '

Europe is referred to in negative terms several times (waste, bureaucracy etc.):

'9. An end to waste and excessive bureaucracy and a commitment to greater transparency and probity in the EU institutions and use of EU funds.'

Only the last goal stated makes a positive claim with regard to pan European cooperation:

'10. Respect and equitable treatment for all EU countries, new and old, large and small.'

AECR was founded in 2009 by 8 parties. David Cameron - Prime Minister of the United Kingdom, head of the British Conservative Party and driving force behind the AECR foundation - is said to have left the EPP (European Peoples Party) in order to succeed in the Tories leadership contest that took place in 2005 (Bale, Hanley, and Szczerbiak 2009: 86). He has been criticized for this decision by left

media (e.g. the Guardian), the Labour Party and even his own party fellows.

Ever since its foundation AECR has been dominated by three parties: The British Conservative Party, the Polish Law and Justice Party and the Czech Civic Democratic Party. In the other EU-countries the electoral base of the ECR (AECR) is very small to none existing: Only in the United Kingdom and the Czech Republic the share of total MEPs is higher than 20%. 7 out of 10 country delegations have only 1 MEP. This is a severe problem as the EP has strict rules on how groups have to be composed to retain their group status (Bale, Hanley, and Szczerbiak 2009: 97). The ECR therefore cant afford to lose many of its country delegations. It is a matter of survival for the AECR/ECR to gain ground in countries they are not or only very weakly represented at the moment.

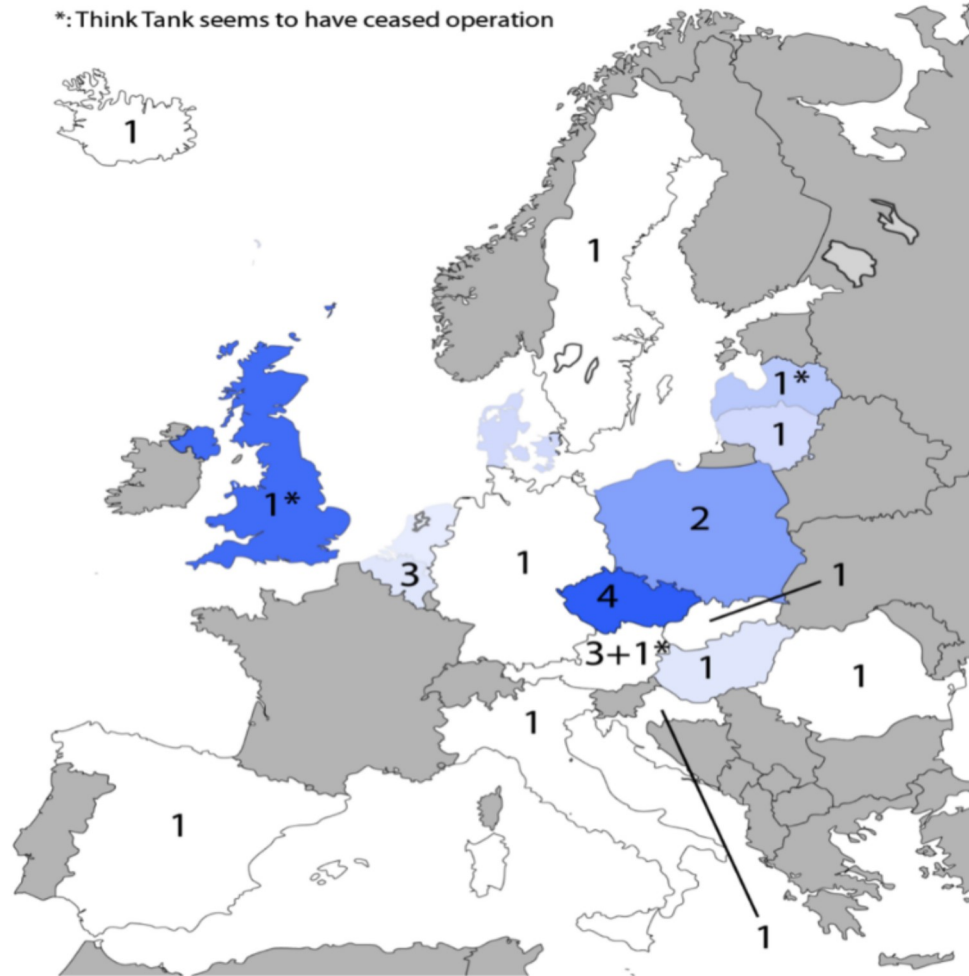
While the MEPs of the ECR come from only 10 countries, the NDF has partner think tanks in 15 countries. Not all of them in countries that send ECR-delegates to Brussels, which results in a total spread (ECR and NDF) of 20 countries.

What is therefore the main purpose of the NDF? Is it really used to ‘promote democracy, dialogue and debate with European citizens’ (Dakowska 2009: 210) (please refer to our research questions on page 4) as the EC intended with the creation of European Foundations, or is it rather used to ally with potent forces to broaden the electoral base of AECR/ECR?

2.1 The structure of AECR/ECR/NDF at a glance

We already mentioned that there is not as much overlapping between countries with AECR MEPs and those with NDF-think tanks as one might think. While AECR so far has no MEPs in Germany or Austria, for example, the NDF has attracted partners both in Germany and Austria.

The map (Figure 1) on page 7 shows two different informations. The darker the blue color of the country the higher the share of ECR MEPs within the country delegation. It is therefore that though in absolute numbers the UK delegation is the biggest the Czech Republic is colored darker than the UK. A second point we can already see in this first chart is that there are a considerable number of countries colored in white. In those countries the ECR doesn’t have any MEPs,

Figure 1 – Share of MEPs vs. number of think tanks

but the NDF has partner think tanks. The AECR seems to use the NDF and its think tank network to broaden its electoral base and reach into countries where they don't have any MEPs yet. Also remarkable is the number of think tanks that seem to have ceased operations: within the short period of our research 3 think tanks shut down their website while a new one joined the network.

Table 1 on page 8 summarizes those insights. Especially the very uneven electoral base becomes obvious: Only UK, Poland and the Czech Republic send more than 1 MEP. The UK alone accounts for almost 50 percent of ECR members. But relatively speaking, the representation from the Czech Republic is the largest (40 percent; UK: 30 percent and Poland 20 percent of total MEPs elected from the

Table 1 – Comparison think tanks, parties and MEPs

Country	Think Tanks NDF	Parties AECR	MEPs ECR
UK	1	2	26
Poland	2	2	11
Czech Republic	4	1	9
Belgium	2	1	1
Lithuania	1	1	1
Italy	1	1	1
Latvia	1	0	1
Hungary	0	0	1
Denmark	0	0	1
Netherlands	0	0	1
Iceland	1	1	0
Slovakia	1	1	0
Luxembourg	0	1	0
Georgia	0	1	0
Austria	4	0	0
Croatia	1	0	0
Germany	1	0	0
Romania	1	0	0
Sweden	1	0	0
Spain	1	0	0
Total	23	12	53

country). In terms of national parties affiliated with AECR, the national parties are strongly polling in the UK, in Poland, and the Czech Republic, naturally.

3 Think tanks and the sphere of politics

Ever since scholars began to research the think tank phenomenon there is a dispute on the definition of those institutions. Most researchers agree that they operate somewhere in the near of the political sphere (Stone 2001, Weaver 1989, Misztal 2012 and others more). However, that is where the agreement ends: While some (e.g. McGann and Weaver 2005) think that ‘think tanks are an integral part of the civil society and serve as an important catalyst for ideas and action in emerging and advanced democracies around the world’ (ibid.: 3) others think

that ‘Rather than advocating the public interest, think tanks are also interested in firstly, empire building. This is most evident when winning grants or contracts becomes an end in itself.’ (Stone 2007: 17).

It is known from the literature that think tanks are used for lobby purposes on a regular basis (see Zetter 2008 on third party endorsement). Additionally think tanks are under potentially strong influence from funding sources no matter if they are public or private due to their lack of independent finance. They have also been used successfully to strengthen specific wings of political parties (e.g. Thatcherism replacing welfare compromise Tories and New labour replacing more interventionist minded traditionalists, see Denham and Garnett 1999: 48 ff). It is important, therefore, to subject individual think tanks to critical analysis with regard to their financial, ideological and personnel resources to understand the way in which they influence society.

Think tanks may indeed be considered strengthening participation and dialogue, but it needs to be clarified who is intended to participate and for which purposes: think tanks tend to be elitist organizations: ‘The elite venues, dress-codes, the jargon and scientific debates serve to keep the general public at bay and help to demarcate boundaries of the policy community.’ (Stone 2007: 16). Additionally they are very intransparent⁵. During our research we found only very few think tanks that actually publish any budget data, none of them revealed funding sources⁶.

The claim to enhance participation and dialogue requires visibility and transparency. While the European Party Foundations are subject to stringent transparency rules, the think tanks populating their partner network are not. It is hard to see how think tank (networks) without those rules could contribute to participation and dialogue in the European Union.

In order to assess the situation with regard to NDF and partners, we will look closer at a few partners. We are choosing partners in countries where AECR has

⁵As most US-based think tanks are registered as charities this is not true for them. They have to file so-called 990-forms. In these forms they have to disclose their budget in great detail.

⁶It is not very surprising that think tanks tend to hide their funding sources. The power of these institutions lies in their independence, revealing information that could suggest dependence is against their interest.

no official membership base. These countries should be of particular interest with regard to who is related to an NDF partner think tank, and what is the relationship of the specific groups to the political spectrum .

4 Case studies

To better understand the network, the wider realm of the AECR/NDF (please refer to page 4) we are going to start the empirical part of our study by presenting three small country studies.

For those studies we researched the constituencies of all NDF-think tanks in the country. Unfortunately most (NDF) think tanks are not very transparent with regards to financial sources and stakeholders. We had to rely on network analysis considering both staff and board members of think tanks. We searched for linkages to the academic world, to political parties, corporations and business associations, to NGOs and any other societal group. In the case of interlocks / linkages to corporations and financially strong organizations we considered it likely that interlocks identify sources of finance.

Although it is interesting to open the black box of think tanks in general, we will use the limited space to look closer at countries where AECR has no political party member in order to answer the question raised in the beginning: are the foundations and their partners instruments of other groups in addition to the (representative/legitimate) political parties? To this end we can look at think tanks in six countries of which we selected three (please go to our website⁷ to see details for all the other think tanks).

We already mentioned that we are going to have a closer look on those countries that have no MEPs in the AECR, but think tanks in the NDF. We decided for Austria, because it has though no MEPs 4(!) think tanks, for Germany because it is the biggest economy in the EU and has no populist right wing party so far⁸ and Sweden. Though Sweden has a populist right wing party comparable to the

⁷<http://thinktanknetworkresearch.net>

⁸The NPD has to be considered an extreme right wing party and is not comparable to e.g. the FPÖ in Austria or the Sweden Democrats in Sweden. The FDP on the other hand is a classical liberal party.

Austrian FPÖ, the NDF chose Captus - which we found has only ties to liberal groups in Sweden - as a partner think tank. Sweden is therefore our counter-example to Austria and even Germany.

4.1 NDF think tanks in Austria

Austria is a special case within the NDF. 3 of the 4 Austrian think tanks are interconnected and the other one seems to have ceased operations. Barbara Kolm is the ‘grand dame’ of the Austrian neoliberal/neoconservative think tank scene. She is member of the Mont Pèlerin Society (MPS)⁹ and – according to our data – involved in at least 4 think tanks. The Hayek Institute and the AEC (Austrian Economics Center) are the more important NDF think tanks in Austria. Barbara Kolm, the head of both institutions, was during the 90s a FPÖ¹⁰ politician and has well established links to the Austrian business and academics sphere. The board of both think tanks contains if not the ‘who is who’ of Austrian business, nevertheless a distinguished group of finance and industry managers. On the industry side these are for example: Franz Wohlfahrt, the General Director of Novomatic¹¹, Marcus Mautner Markhof, CEO of Thonhauser¹² and son of the famous Austrian industry patriarch Leo Mautner Markhof¹³, Peter Mitternbauer, CEO and CFO of Miba, a supplier for the automotive industry mainly owned by the Mitternbauer family and Markus Beyrer, former secretary general of the Federation of Austrian Industries and former CEO of the Austrian industry-holding¹⁴ Michael von Lichtenstein, nephew of the governing prince of Liechtenstein and chairman of the board of ‘Industrie und Finanzkontor’, a financial service provider, and Stefan Zapotocky, former CEO of the Vienna Stock Exchange, are the more prominent figures among the finance managers.

⁹The MPS was founded in 1947 by Friedrich von Hayek and 36 liberal intellectuals. Today it is recognized as one of the driving forces behind neoliberalism. The MPS is still an important place of communication and discussion for neoliberal academics. Please see Mirowski and Plehwe 2009 for a detailed analysis.

¹⁰The Austrian right wing party once lead by Jörg Haider. When the party got into government the EU passed the famous sanctions against Austria

¹¹A globally acting gambling corporation.

¹²Supplier of hygiene services and devices for the food & beverage and wine sector

¹³Who was a personal friend of the former FPÖ vice-chancellor Susanne Riess-Passer

¹⁴Which manages all state owned or partly state owned corporations.

Some of those managers (especially Beyer, Liechtenstein and Zapotocky) are also somehow connected to the recent scandals that are frequently summarized under the term ‘System Haider’: various cases of corruption and illegal party financing. The Hayek Institute and its appendixes, while pretty marginalized during the 90s, got access to money and ministries during the ÖVP/FPÖ governments (starting in 2003) (DIE ZEIT!!!). Karl Heinz Grassner, then finance minister and now right in the middle of the scandals mentioned above, is said to admire Friedrich August von Hayek and paved the way towards government funds for the institute.

However, according to ‘Die Zeit’ the institute lost some of its supporters and board members through its near to the FPÖ. Heinrich Neisser (ÖVP politician and former executive board member) and Ewald Nowotny (Governor of the Oesterreichische Nationalbank) left the Institute because of its ideological focus.

It is also very important to note that several board and staff members as well as ‘Endowed Guest Professors’¹⁵ of the Austrian think tanks are member in the ‘Mont Pèlerin Society’ (MPS). Incidentally, Barbara Kolm is also a member in good standing of the Mont Pèlerin society. The Austrian think tanks are thus tied into important neoliberal networks that have been organizing and expanding across the world in the post WW II period.

4.2 The case of Germany

The Institute for Free Enterprise (IUF) is the only German NDF think tank. It has very close ties to the ‘Liberaler Aufbruch’, an libertarian section within the FDP (German Liberal Democratic Party): Oliver Knipping, founder and Executive Board member in the FDP. Furthermore the IUF is known for FDP-friendly output such as the defense of the party against the SPD electoral slogan: ‘Finanzhaie würden FDP wählen’. There is also a long list of FDP politicians that spoke on IUF events, including Holger Krahmer, Daniel Bahr and Frank Schäffler. We can therefore also note a deep ideological connection between a right wing liberal element of the FDP and the IUF.

¹⁵The Hayek Institute invites economists to teach at the Vienna University of Economics and Business. However, these ‘Guest Professors’ are co-sponsored by the Austrian ministry of science.

Through network analysis we also identified close links to the ‘Liberales Institut’, a think tank financed by the ‘Friedrich Naumann Stiftung für die Freiheit’, which is the party foundation of the FDP. There were several speakers from the Naumann foundation at IUF events, they co-organized some events, produced at least one report together and we found even two personnel interlocks¹⁶. While NDF is the party foundation of the AECR and the German liberal party FDP belongs to the Liberal European party, the NDF partner in Germany has close ties to FDP/Liberales Institut. Should we consider the NDF partner think tank an instrument of foreign parties or of a certain wing of the local party. It is likely that the IUF / NDF connection in this case is rather instrumental for both - the foreign European political party and the local minority party wing.

We also found connections to other (neo)liberal institutions such as the ‘Hayek-Gesellschaft’ or the ‘ASU - Die FamilienUnternehmer’.

The IUF has also ties to climate skeptic circles in Germany. To be more precise they organized events together with ‘Europäisches Institut für Klima und Energie (EIKE)’, which is according to Kraft 2010 the ‘Spearhead of climate change denial in Germany’. Next to EIKE-supporting lectures like ‘Wo bleibt der Klimawandel’, IUF invited EIKE representatives to speak at some of their events¹⁷.

It is interesting to note that we found fewer business connections in Germany than in Austria. However, the party connections seem to be more tight than they are in the case of Austria. More interesting however seems to be the pretty tight connection to the ‘Mont Pèlerin Society’. Like in the case of Austria several of the important Board members¹⁸ are also member in the MPS.

¹⁶Wolfgang Müller and Sascha Tamm both Executive Board members of the IUF are former employees of the Naumann foundation

¹⁷E.g. Michael Limburg, spokesperson EIKE gave a lecture at the ‘Libertärer Jour Fixe in Berlin’, 15.04.2009

¹⁸At least 8 staff and board members are also member of the MPS. It is important to keep in mind that the MPS does not publish a list of members, we are therefore limited to information published by the media or people themselves.

4.3 Captus in Sweden

Like in Austria and Germany the AEER has no MEPs in Sweden. Other than in Germany and Austria the one and only think tank in the NDF is small and the website gives not a lot of information.

It is important to note that Captus published the liberal conservative weekly newspaper ‘Captus Tidning’ until 2008. On their website they claim to have placed more than 750 articles in press between 2005 and 2010. It seems that since then operations have been cut down significantly. Why that has happened has to be subject to further research. However, in 2012 NDF published a study together with Captus that dealt with taxation in the European Union.

It was obvious throughout the analysis that Captus is more directly connected to various corporations than its Austrian and German pendants: SYSAV (disposal company), Rymdweb (internet service provider), Il Porto Group (investment consultancy) and Neo (magazine) just to name a few. While the think tanks in the later two countries do have connections to trade or industry associations they do only occasionally have ties to the ‘real business’.

What is also striking in comparison to the Austrian think tanks is that Captus doesn't seem to be very (neo)conservative. While the NDF think tanks in Austria team up with a party that can only hardly be called ‘pro-immigrant’¹⁹, one of the few constituencies we found for Captus is explicitly ‘pro-immigrant’ and tries to increase the chances of immigrants. We can observe here an interesting feature of the NDF think tanks: The partner think tanks of the New Direction Foundation are broken up in a (neo)liberal and a (neo)conservative group. While the Austrian think tanks belong certainly to the later and Captus to the former the IUF has to be located somewhere in between²⁰. Therefore it is not surprising that we didn't find links to the ‘Sweden Democrats’ (the Swedish right wing populist party), but the ‘Moderaterna’ (a Swedish liberal-conservative party). However, it is in-line with what we stated before: there are two clusters in the NDF, one (neo)conservative leaning toward right wing populist parties and a (neo)liberal block leaning towards

¹⁹The Austrian FPÖ is known for its xenophobic policies.

²⁰While it doesn't contribute at all to the migration debate, it is right in the middle of another (neo)conservative favorite topic: climate change denial.

more liberal, center-right parties.

It is remarkable and could be linked to the notion that Captus is situated on the liberal side of the NDF spectrum, that we did not find any connection to the ‘Mont Pèlerin Society’.

We already mentioned at the beginning of this section that Captus is not very well equipped neither with money nor with staff. It is therefore in another group of NDF think tanks: that of low resources and low power.

4.4 What do we learn from the case studies?

NDF think tanks are not as homogeneously as the term ‘NDF network’ might suggest. We find various kinds of think tanks in the network, in regard to their structure as well as their topics.

Even in countries with no AEER MEPs the NDF think tanks do have connections to parties and therefore the local political sphere. These political parties are - like the think tanks themselves - very different: they vary from the classical liberal FDP in Germany, to the (neo)conservative and xenophobic FPÖ in Austria.

The kind of constituencies is also varying: While the Austrian think tanks and the German IUF have ties to associations and other ‘meta-organizations’, we found in the case of Captus a lot of corporations. While the IUFs connections to the FDP are very close, those of the Austrian think tanks to the FPÖ and Captus to the Swedish Moderate party are definitely weaker.

The Mont Pèlerin Society provides venue for participation in European policy affairs and dialogue for specific interests that use think tanks to strengthen their position in domestic society and manage to sideline traditional hierarchies (e.g. official party affiliations).

Political reasons, economic and ideological interests play important roles in this ‘think tank style of politics’. In order to gain a better picture of the network as a whole we will look at the people populating the NDF and the partner think tanks world as a whole.

5 Interlocks: clues about network coordination

In this section we use SNA to identify the group of NDF and partner think tank activists who hold functions in more than one organization. Based on the findings presented in the previous section, we assume that there are a number of key people who tie two or more think tanks within the network. Based on the presence of Mont Pèlerin Society intellectuals in several think tanks we also believe it is likely that we will find a larger number of people who are member in this ideological association. We thus use SNA both for exploratory reasons and to test the MPS hypothesis.

The NDF-website contains a section on ‘Partner Think Tanks’, which serves as the basis of our organizational network analysis that relies on think tank affiliates (staff and board members) to see if there are links beyond the nominal partnership status. It is not clear in fact what kind of commitments or benefits the term ‘partner think tank’ indicates, i.e. if we can speak about a network in formal sense or if we have to consider the network to have a rather loose and informal character.

In the absence of published information on the relationship of the foundation and its partners we hope to understand the mechanism of collaboration somewhat better by way of examination of the personal relationships within the network in a first step. Scholars have demonstrated the relevance of social networks with regard to the transfer of concepts and instruments across organizations. Davis and Greve 1997 demonstrated the relevance of corporate interlocks for the adoption of management models in U.S. Corporations, for example. We are fully aware of the fact that these theories are based on research done on US-corporations and not on European think tanks. However, we think that keeping in mind that ideology plays a certainly highly important role in the world of think tanks (Rich 2004) these theories apply well to networks of policy research institutes. Thus looking at a group of think tanks of similar normative and political orientation we hold that individuals who serve in different organizations can even more easily serve as transfer agents for sets of ideas and instruments to be used by the different organizations.

Think tanks are small organizations compared to corporations (on average the

NDF-think tanks employ only 8.3 people²¹), thus their employees and board members heavily define them. It seems only logical that what is true for big corporations is even more true for small organizations like think tanks in which the board frequently outnumbers the staff. Although advisory board positions could be considered symbolic and therefore marginal, in the case of think tanks they can provide a crucial resource in terms of ideological orientation and prestige that matters a great deal next to financial sources and backing from decision makers. Think tanks use famous advisory board members as ‘ambassadors to the media’, for example, and recognized (‘brand’) names to solicit funding. Beyond assessment and quality control board members in many cases are critical for general programmatic direction and the development of core messages and story lines (compare e. g. Saloma 1984).

5.1 The NDF network

We found about 170 board members and a total of more than 350 people affiliated with NDF think tanks. Of these people 210 have more than one affiliation, but only 27 have more. Thus the group of people connecting the think tanks with each other is - in relation to the number of affiliates - pretty small. Figure 2 on page 18 shows staff and board members for each think tank.

We already saw in the country studies (Austria and Germany) that the MPS plays a certainly important role among the NDF think tank affiliates. The MPS density is especially high within the above mentioned group of 27 highly connected people. Table 2 on page 20 features some of the most central people.

²¹Please see figure 2 on page 18 for details

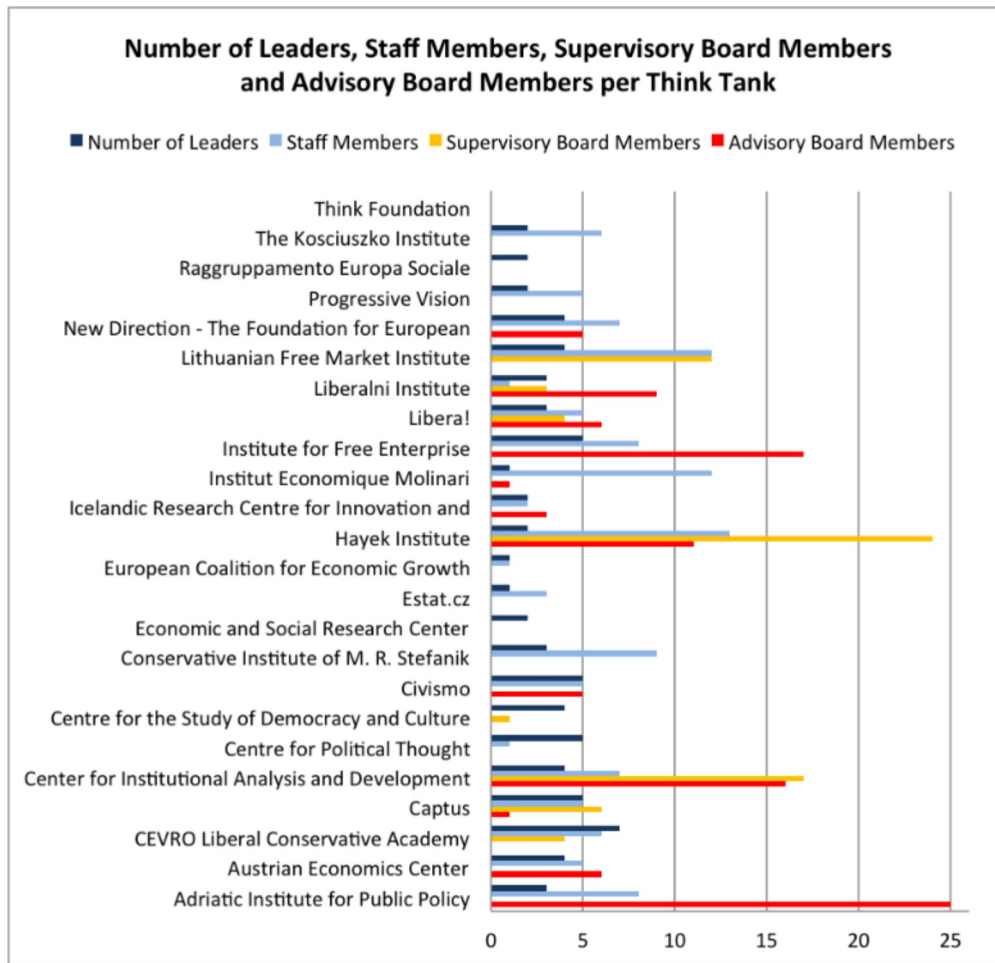
Figure 2 – Board members and staff, NDF partner think tanks

Table 2 – NDF think tank affiliations and MPS membership

Person	Think Tanks	Number of TTs	Member MPS?
Bouillon, Hardy	Hayek Institute, Institut Economique Molinari, Institute for Free Enterprise, Liberalni Institute, New Direction - The Foundation for European Reform	5	yes
Kolm, Barbara	Austrian Economics Center, European Coalition for Economic Growth, Hayek Institute	3	yes
Palmer, Tom G.	Adriatic Institute for Public Policy, Center for Institutional Analysis and Development, Institute for Free Enterprise	3	yes
Blankart, C. B.	Hayek Institute, Institute for Free Enterprise	2	yes
Blundell, John	Adriatic Institute for Public Policy, Hayek Institute	2	yes
Boettke, Peter	Center for Institutional Analysis and Development, Institute for Free Enterprise	2	yes
Boyfield, Keith	Progressive Vision, The Kosciuszko Institute	2	no
Curzon-Price, Victoria	Adriatic Institute for Public Policy, Hayek Institute	2	yes
Garello, Pierre	Center for Institutional Analysis and Development, Institute for Free Enterprise	2	yes

Continued on next page

Table 2 – NDF think tank affiliations and MPS membership

Person	Think Tanks	Number of TTs	Member MPS?
Kožušník, Edvard	Estat.cz, New Direction - The Foundation for European Reform	2	no
Liggio, Leonard	Center for Institutional Analysis and Development, Hayek Institute	2	yes
Mitchell, Daniel	Adriatic Institute for Public Policy, Austrian Economics Center	2	no
Müller, Wolfgang	European Coalition for Economic Growth, Institute for Free Enterprise	2	no
Pennington, Mark	Institute for Free Enterprise, Progressive Vision	2	no
Smith, Vernon L.	Austrian Economics Center, Hayek Institute	2	yes
Thomaschitz, M.	Austrian Economics Center, Hayek Institute	2	no
Vanberg, Viktor J.	Hayek Institute, Institute for Free Enterprise	2	yes
Wohlfahrt, Franz	Austrian Economics Center, Hayek Institute	2	no
Zundritsch, Richard	Austrian Economics Center, Hayek Institute	2	no

It is not very surprising that Prof. Hardy Boullion as a deputy director of the NDF is at the very heart of the network of people. According to our database he has no less than 10 official functions in think tanks, five of which are with NDF partners. Additionally he was endowed guest professor at the Hayek-Institute and is member of the Mont Pèlerin Society. However, there are several other important

people in the network: Barbara Kolm, for example, who is actively engaged in 3 out of 4 Austrian NDF-think tanks and also a Mont Pèlerin Society member. Or Prof. Victoria Curzon-Price, who is actively engaged in two NDF-think tanks and was endowed guest professor at the Hayek-Institute, is engaged in at least another 6 think tanks (two NDF partners) according to our survey, and is also a Mont Pèlerin Society member (she was president of this association of neoliberal intellectuals between 2004 and 2006). While most individuals are active in two NDF think tanks only, eleven of the multi-think tank affiliates are members in the Mont Pèlerin Society, and thus can be considered likely to meet in other venues as well.

Figure 3 – Interlocking directorates NDF

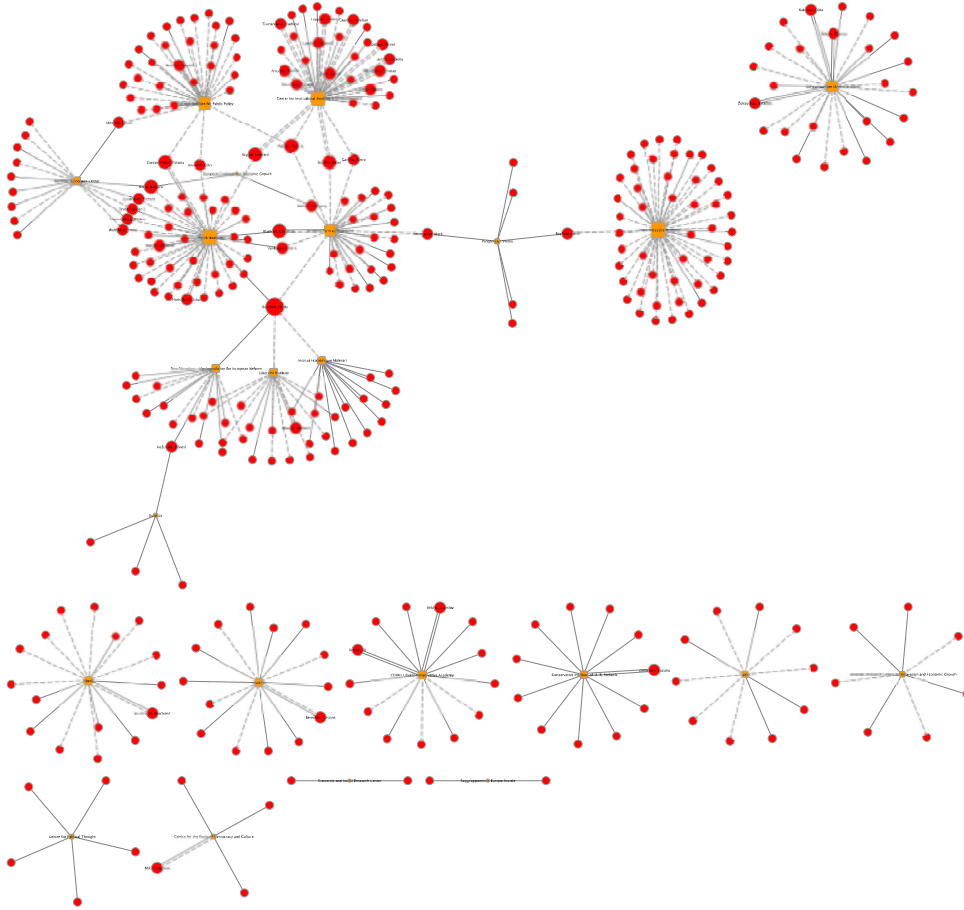


Figure 3 on page 21 shows interlocks within the NDF network. People are represented by orange circles, think tanks by yellow rectangles with rounded corners.

Supervisory- or advisory board members are connected to the think tank by a dotted line, staff and executive staff by a solid line. The more connections think tanks or people have, the bigger the nodes are (degree).

Interestingly enough the analysis shows a split picture: A group of twelve interconnected think tanks and another group of twelve isolated think tanks. Though there are some Eastern European think tanks connected to this cluster – most notably CADI in Romania – the bulk is made out of Western European organizations. It is interesting to note that the group of twelve shrinks to a group of 6 think tanks connected through 5 links only if we remove advisory- and supervisory board members from the graph. Board members only are responsible for linking this group of six organizations to the rest of the network.

We can have a more detailed look at the core of the NDF network if we remove the individuals and the think tanks that are not connected to the one and only cluster.

Figure 4 – Interlocking directorates NDF - central cluster

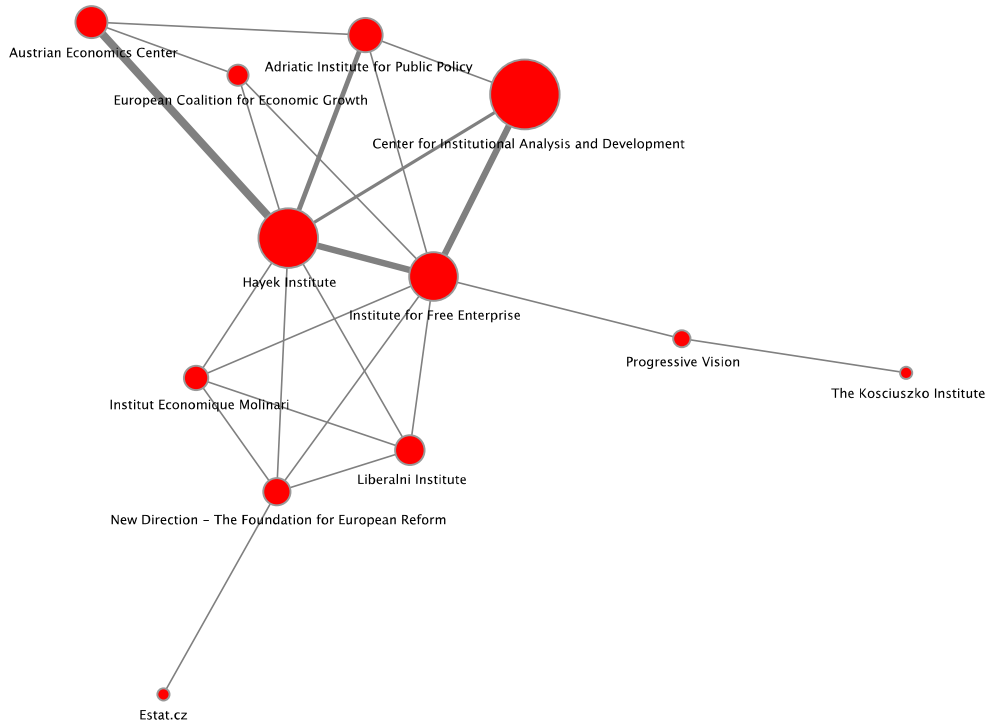


Figure 4 on page 22 shows a heavily interconnected graph with Austria's Hayek

Institute right in the middle. The size of the nodes – again the degree – is a bit misleading here, as it takes into account if there is more than one connection between two think tanks. However, leaving the outliers aside there is an inner circle of 9 think tanks among which the Hayek Institute and – to a slightly lesser extent – the Institute for Free Enterprise occupy a central position. Interestingly, the core of the NDF partner network is located in countries with weak or no local affiliates of AECR, and no representation in the EP. Only Liberalni Institute from the Czech Republic is a bit more central in the network compared to Estat.cz, Progressive Vision in UK or the Kosciuszko Institute from Poland.

The network analysis reveals that the NDF network combines interlocked think tanks mostly in countries that have so far remained outside the political party network of AECR. The foundation seems to provide AECR with a link to friendly groups in other parties and para-political forces that eventually could be turned into political parties. Germany’s new party ‘Alternative für Deutschland’ could be such a case: The German NDF partner think tank IUF includes board members like Prof. Charles Blankart who belongs to the founders of ‘Alternative für Deutschland’. In this case, the think tank could also be regarded both as a bridgehead of the AECR group in Germany, and as an external network that enables interest groups and social strata that were so far confined to a proto-political local political fringe group.

We have so far used social network analysis (SNA) to study the internal structure of NDF and partners, and to embed the NDF partners in their social environment. Since we found a large number of isolated think tanks among the NDF partner organizations and many activists with common MPS membership we felt compelled to ask if the focus on the NDF network only could be misleading with regard to ties between affiliated individuals. In order to find out we have to go beyond the narrow borders of the NDF and look for ties between think tank affiliated individuals outside of the NDF network, e.g. in other think tanks and think tank networks.

5.2 NDF and the Stockholm Network

When searching for neoliberal/neoconservative think tanks in Europe the most obvious place to begin with is the Stockholm Network. Comparable to the global Atlas Economic Research Foundation network in terms of coverage in the global South, Stockholm network claims almost all of free market think tanks in Europe among its members (Plehwe, Walpen, and Neunhöffer 2005). The inclusion of the Stockholm Network into our SNA is promising for two more reasons: On the one hand, using the basic interlocks research presented above we cannot be ‘sure of the zeros’. Using the first SNA we cannot – with acceptable certainty – say that some think tanks have no connection to the core at all, only that they do not have a direct connection. In other words: there could be think tanks we did not include in our survey that connect the institution to the core. Most likely those think tanks are member in the Stockholm Network. Therefore including the Stockholm network think tanks improves our certainty about those think tanks that appear not to be connected to the core. On the other hand it is of course very interesting to see how deep the NDF network is embedded in a larger ‘neoliberal/neoconservative world’ of European think tanks.

Figure 5 – Interlocking directorates NDF - Stockholm Network

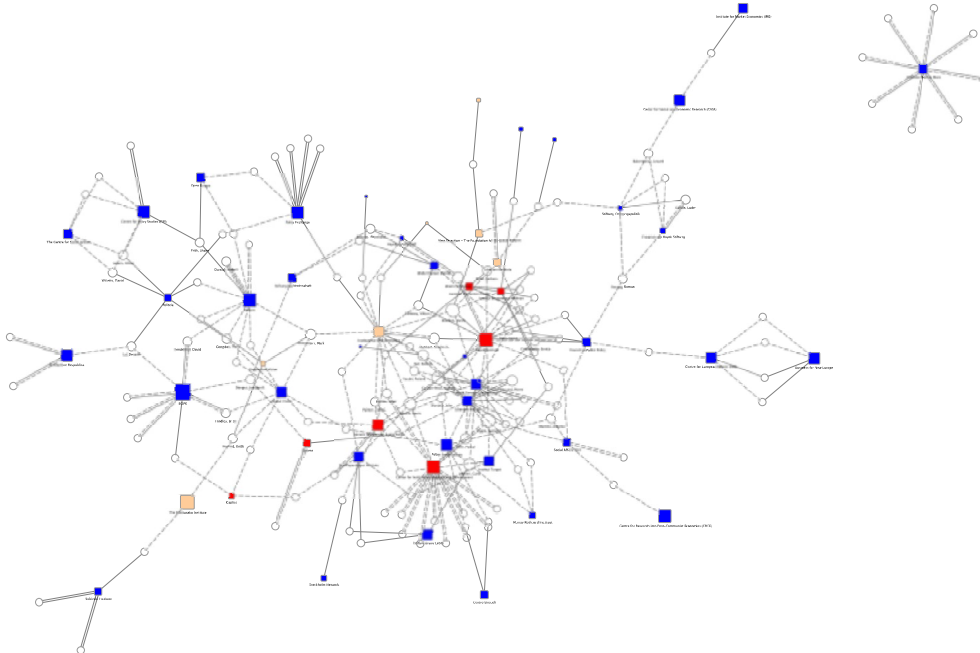


Chart 5 on page 24 shows the network graph. Again people are represented as circles, think tanks as rectangles with rounded borders, board members are represented through dotted lines, staff and executive staff through solid ones. Red rectangles represent think tanks that are member of both networks, orange rectangles are NDF only, blue ones Stockholm Network only²².

It is easy to observe just how deeply the NDF and Stockholm networks are interwoven: out of fourteen NDF-think tanks shown in figure 3 seven are also member of the Stockholm Network; all of these fourteen think tanks are in the very center of the network. The analysis shows two more NDF-members in Spain and Sweden, respectively connected to the core of the network (Civismo and Captus). We can therefore be more certain about the joint character of many of the Eastern European NDF partners in particular. But including the Stockholm Network it is obvious that the neoliberal network in Europe is considerably denser than the NDF-only network.

5.3 Results of the network analysis

Although the Stockholm and NDF think tanks engage several hundred people only a few are really important with regards to the interlocks. Of all the people engaged in those two networks about 210 have at least two connections, but only 27 have more.

The interlocking directorates in the realm of NDF show an inner circle of 9-12 (including the Stockholm Network 14) think tanks that are highly interconnected. This circle is dominated by Western Europe think tanks while a majority of NDF think tanks is situated in Eastern Europe. Those Eastern European think tanks connected to the core (like CADI) get their links through western European board members (like e. g. Pierre Garelo and Tom G. Palmer et. al. in the case of CADI). Additionally it became clear that the NDF cannot be understood as a detached network of think tanks. It is embedded in a pre-existing space of neoliberal European think tanks owing much to its older sister, the Stockholm Network (founded in the late 1990s). Think tanks central to the NDF tend also to be a member of the Stockholm Network. This scene is dominated by a small

²²For reduced graph size some of the isolated nodes have been deleted.

group of people (less than 30 probably). Some of them are actively engaged in up to ten think tanks and a good portion is member of the Mont Pèlerin Society.

The interlock analysis confirmed the importance of NDF and its partner network beyond the world of the political parties aligned in AECR. NDF provides for a complementary structure that allows para-political forces in countries without AECR membership to take part in the political networks of AECR, and facilitates a bridge to other countries and to Brussels. The local political forces are probably not easily considered tools of the AECR party, although they also may serve as a bridge into territories that seem not to be particularly friendly to this ideological and political orientation. In any case we can identify wings of other political parties, economic interests and intellectual and ideological groups that seem to be important for the NDF in addition to the AECR parties and ECR MEPs that are the main stakeholders of the political foundation.

6 Conclusio

Our pilot study of NDF confirmed our hunch that this European political foundation can hardly be understood as an instrument of the European political party only. Asymmetries of the political parties are compensated for by the extended think tank network. This leads us to believe that think tanks may serve as bridge-heads for future political expansion. They thus might be considered a new type of ‘fifth column’ if they were not linked to local political forces friendly to the foreign political party group. We found the linkages into local political parties in fact, mostly to minority wings of liberals or right wing parties like Germany’s FDP or the Austrian FPÖ. While these parties cannot officially cooperate with AECR, the case may signal the chances for success of the overall AECR strategy, namely to prepare the European political turf for a center right realignment to replace centrist cooperation between socialists and conservative mainstreams.

This AECR strategy is leading towards top-down political persuasion rather than the enhancement of political participation and open debate. It has to be part of future research whether this is only true for AECR or a feature of ‘European Political Foundations’ more general.

The strong asymmetry and complementarity of the AECR / ECR / NDF worlds may be unique among the foundations. We need to test the different, possibly competing hypothesis by adding cases (foundation partners set up to reinforce political parties who are member of the group, foundation partners set up to compensate for lack of local political party constituency). It is also unclear if the composition of the NDF partner network with a heavy concentration on PR/advocacy oriented organizations and a limited research capacity is representative for the other foundations and their partners. The depth analysis in any case showed that the AECR group of political parties in Europe is embedded in a wider civil society network of think tanks of which many are directed and coordinated by members of the Mont Pèlerin Society founded by Hayek, Friedmann and other dedicated neoliberal intellectuals more than 60 years ago. It will be interesting to see if the other foundation and partner network also feature such a common third party characteristic reminiscent of religious or secular world view communities like the Fabians or the Jesuits in their respective socialist and catholic communities. In any case future comparative foundation and partner network studies can be considered to offer rich and promising opportunities to study political forces beyond political parties and the social embeddedness of party related expertise in Europe.

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