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**Chinese Think Tanks, Policy Advice and Global Governance**

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中国智库, 政策建议及全球治理

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## Abstract

Soon after leaving his post in the Chinese government, Zeng Peiyan, a former Chinese vice premier, was elected chairman of the executive council of the China Center for International Economic Exchanges (CCIEE), a high-level think tank that was established 2010 in Beijing. The official press release and the state sponsored media in China announced and then anointed this new organization as "China's top think tank" and a "super think tank." A number of other former high level government officials were recruited to serve on the Board and the think tank was launched with great fanfare with think tanks and policymakers being invited to the inaugural conference last Spring.

CCIEE's initial research agenda is ambitious and includes the continuing financial crisis, the emergence of China and the new world financial order, the strategic cooperation between China and the United States, the decision-making systems of foreign governments and international organizations including the World Bank, International Monetary Fund and the World Trade Organization and finally, the role of think tanks in formulating government economic policy.

Other Chinese think tanks such as the Chinese Academy of Social Sciences, the Shanghai Academy of Social Sciences and the China Institute of Contemporary International Relations have dramatically increased their profiles at international meetings and expanded targeted outreach activities to think tanks around the globe. This paper will attempt to chronicle the rise of Chinese think tanks on the national and international stage. The paper will also attempt to identify the strengths and weaknesses of Chinese think tanks in the domestic and international political context. Finally, the research attempts to make some comparisons to think tanks in other emerging powers such as India and Brazil.

## 摘要

前中国国务院副总理增培炎卸任后不久，当选为中国国际经济交流中心执委会主席。该中心 2010 年于北京成立，是一家高位阶智囊机构。中国各官方媒体公布了此消息并将这家新机构定位为“中国顶级智囊机构”及“超级智囊”。许多前中国政府高官获聘任职于该机构董事会。该机构高调举办了启动仪式，众多智囊组织及政府决策部门代表受邀参加了去年春天的成立大会。

中国国际经济交流中心的初期研究议题雄心勃勃，其中包括持续蔓延的金融危机，中国崛起及国际金融新秩序，中美战略合作，外国政府及国际货币基金组织，世界银行和世贸组织等国际机构的决策体系，以及智囊组织在政府经济政策制定中所扮演的角色作用。

中国社会科学院，上海社会科学院及中国现代国际关系研究院等其他中国智囊机构在国际会议中的知名度日益攀升，对全球范围同行机构的影响力亦与日俱增。本文着重记述中国智囊机构在国内和国际舞台的兴起历程，阐述其在国内外政治语境中的优势及不足，并与印度及巴西等其他新兴大国的智囊机构进行横向比较。

## **Introduction**

In this paper I will explore the emergence of Chinese think tanks on the national and international stage as key policy advisers and actors for the Chinese government. This discussion will also explore the rise of Chinese think tanks in relation to selected BRIC countries. Finally, I will examine the constraints placed on independent and government-affiliated think tanks and the implications they have for policy advice and public policy in China.

In an age where the power of a computer chip doubles at least every 18 months, where the average young adult is training for jobs that do not yet exist, and where flying halfway around the world requires less than a day, the resulting surge of new information often raises more questions than it answers. In this increasingly complex, interdependent, and information-rich world, governments and individual policy makers face the common problem of bringing expert knowledge to bear in governmental decision-making. In response, growth of public policy research organizations, or think tanks, over the last few decades has been nothing less than explosive. Not only have these organizations increased in number, but the scope and impact of their work has also expanded dramatically at the national, regional and global level. Twenty years ago, when the first global meeting of think tanks in Barcelona, Spain was organized, many of my colleagues suggested that the term “think tank” did not travel well across borders; today, the term has become an accepted transnational concept.

In 2003, the investment bank Goldman Sachs identified Brazil, Russia, India, and China (the BRIC countries) as having the potential for the highest economic growth rates over the next 50 years.<sup>1</sup> It projected that by 2050 the BRIC economies will be larger than those of the G6, the BRICs’ currencies will appreciate by up to 300 percent, and the BRICs’ total U.S. dollar

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<sup>1</sup> Wilson and Purushothaman, “Dreaming with BRICs: the Path to 2050.”

spending will be four times that of the G6. (Goldman Sachs also examined South Africa, and hence, the BRICs are now often referred to as the BRICS.) The report's projections assume ideal domestic situations in which policies and institutions create an economic and political environment that will foster long-term stable growth and development.

The goal of this paper is to assess the role public policy research institutes—otherwise known as think tanks—play in providing research and analysis on domestic and international issues in China and global institutions. These organizations are often independent of government and are an integral part of what is known as civil society. Think tanks are one type of civil society organization (CSO) or non-governmental organization (NGO), and they are currently contributing to the sustained growth and development of China and the other BRICS countries. Think tanks will be indispensable to policymakers and the public if they are able to provide high-quality information, analysis, and recommendations regarding issues critical to the growth and development of these countries. It is important to recognize that establishing and maintaining sound policies at the domestic level is the primary precondition for sustained economic growth in the BRICs. Their independent expertise, their ability to facilitate much-needed cross-sector involvement, and their role in monitoring governmental actions render these organizations crucial to the development process. This paper will attempt to provide an examination of current development issues in China and selected BRICS countries as well as an assess the degree to which think tanks in China are equipped to help the government face these challenges. I will include South Africa in this group of emerging economies and will as previously noted will refer to them as BRICS (Brazil, Russia, India, China and South Africa).

## Think Tanks in the BRICS: An Overview

The task of forging a domestic environment capable of maintaining protracted growth over the next 50 years is herculean from any perspective. The burden of this challenge need not be placed solely on the shoulders of domestic policymakers and government officials but may be shared by domestic think tanks. With their capacity to perform independent analysis, their ability to facilitate cross-sector involvement, and their role in monitoring governmental actions, think tanks are a vital resource to the BRICS for creating effective growth strategies in national economic policy. As represented in the chart below, an overall disparity in think tank prevalence (in terms of both total number of think tanks and think tanks per capita) exists between the BRICS and the G7 countries.<sup>2</sup> This relative absence of guidance and informed input from independent policy research institutions ultimately hampers the BRICS' capacity to develop and implement the economic and social policies necessary for sustained growth.

**Figure 1.** Number of Think Tanks (TTs) in the BRICS Countries and the G7

<i>BRICS Countries</i>			<i>G7 Countries</i>		
	<i>Total TTs</i>	<i>TT per capita</i> <sup>3,4</sup>		<i>Total TTs</i>	<i>TT per capita</i>
Brazil	82	0.43	Canada	97	3.07
Russia	112	0.77	France	176	2.87
India	292	0.24	Germany	194	2.35
China	425	0.34	Italy	90	1.58
South Africa	85	1.89	Japan	103	0.81
			United Kingdom	286	4.86
			USA	1815	5.88
<b>Total</b>	<b>996</b>		<b>Total</b>	<b>2761</b>	

<sup>2</sup> McGann, "2006 Global Think Tanks Trends Survey."

<sup>3</sup> TT per capita given in units of 10<sup>-6</sup>.

<sup>4</sup> Source of population data used to calculate TT per capita: Latest available estimates (mid-year estimates, 2009–10) from UN Statistics Division, *Population and Vital Statistics Report*.

## *Brazil*

Over the next 50 years, Brazil's GDP growth rate is forecasted to average 3.6 percent, with the size of its economy overtaking Italy's by 2025, France's by 2031, and the United Kingdom's and Germany's by 2036.<sup>5</sup> Though the Lula administration made notable gains in reducing inflation and the public debt despite exorbitant public spending programs, Brazil's growth potential will not be achieved unless current Brazilian trade and fiscal policies undergo substantial reforms.<sup>6</sup> The proper research and implementation of these policy changes has become increasingly unlikely as indigenous think tanks struggle for solvency due to public sector austerity, diminishing foreign aid, and limited access to grants from private donors. Brazil also bears the legacy of a protracted military dictatorship (1964–1985), which significantly undermined the growth and consolidation of its independent policy research community. However, the relative economic stability and recent upsurge of political solidarity has created an opportunity for cooperation between think tanks and the government in pursuit of macroeconomic policy that is conducive to prolonged growth and development. Since the country's return to democracy, social and political freedoms have been restored and think tanks have enjoyed a high degree of freedom in relation to the production and dissemination of intellectual output.<sup>7</sup>

## *Russia*

By 2050, Russia's economy is predicted to surpass the other BRICS countries, and its GDP per capita will be comparable to those of the G6.<sup>8</sup> This project suggests that such growth

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<sup>5</sup> Wilson and Purushothaman, "Dreaming with BRICs: the Path to 2050," 10.

<sup>6</sup> Brazil Institute, *Brazil Institute Special Report*, 2.

<sup>7</sup> Garrison, *From Confrontation to Collaboration: Civil Society – Government – World Bank Relations in Brazil*, 4.

<sup>8</sup> Wilson and Purushothaman, "Dreaming with BRICs," 4, 10.

can only be achieved if political and judicial institutions in Russia become more hospitable to Russia's private sector, in both its for-profit and not-for-profit organizations, and if advances are made to remedy Russia's dearth of skilled labor. In the face of increasing government centralization, think tanks are under more and more scrutiny from government officials and are deprived of resources. NGOs in Russia are often excluded from the policymaking process, and a circuitous tax structure creates disincentives for domestic donations.<sup>9</sup> A new bill, which took effect in 2006, further threatens the capacities of indigenous think tanks by creating burdensome registration requirements, particularly for institutions that receive foreign donations.<sup>10</sup> Think tanks, with their apolitical and dispassionate position, can facilitate public-private cooperation in order to overcome these obstacles. The expansion of Russian think tanks should focus on procedures and programs that encourage policymakers to develop and implement policies and reforms, help sustain economic growth, and inform the public about the necessity for a vibrant, stable civil society in sustaining economic growth. In addition, by engaging the public with lectures and activities, Russian think tanks and other NGOs could improve public perceptions of civil society and encourage democratic discourse. Finally, a partnership between think tanks and program-focused NGOs should be developed to assist the Russian government with the analysis and implementation of national projects in key policy areas such as agriculture, education, housing, and public health.

### *India*

India's economy is projected to achieve levels of growth at close to 5 percent until 2050, which would distinguish it as the fastest growing, consecutively growing economy of the BRICS

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<sup>9</sup> United States Agency for International Development, *The 2005 NGO Sustainability Index for Central and Eastern Europe and Eurasia*, 169–175.

<sup>10</sup> Proskuryakova, "Russian Civil Society Will Find It Harder to Breathe."

nations.<sup>11</sup> The biggest challenge facing India is sustaining this high level of growth while at the same time ensuring that this increasing wealth is equitably distributed.<sup>12</sup> To support inclusive growth, the Indian government must focus on strengthening infrastructure, reviving agriculture, and creating jobs.<sup>13</sup> Indian think tanks and NGOs have the potential to develop policies that could alleviate these problems, but first they must learn to operate independent of the government and to work with business and community organizations in addition to the traditional government sector. NGOs in India also face shortages in their leadership, staff, and budgets.<sup>14</sup> They have turned to consulting to raise funds, which is risky because heavy involvement in profitable activity could compromise their agenda-setting independence.<sup>15</sup> Indian NGOs will be most effective if they focus on policies that will counteract inequality, such as productive agricultural practices and a decentralized healthcare system. Prime Minister Manmohan Singh has also emphasized the need for research on foreign economic issues and regional specialists on India's relations with the rest of the world.<sup>16</sup>

### *South Africa*

Although the South African economy is not expected to grow as dramatically as the other BRIC countries, it represents a significant source of growth in the developing world and faces economic challenges that require cooperation between the government and indigenous think tanks.<sup>17</sup> In South Africa, as in India, the economic policy focus should be on income equality. Since the 1994 democratic transition, South Africa has posted positive growth every year, but it has not been enough to overcome the high levels of unemployment, low levels of investment, a

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<sup>11</sup> Wilson and Purushothaman, "Dreaming with BRICs," 4, 10.

<sup>12</sup> Dasgupta, "India's Economic Challenges," 1.

<sup>13</sup> Idem, 1–2.

<sup>14</sup> Sooryamoorthy and Gangrade. *NGOs in India: A Cross-Sectional Study*, 4.

<sup>15</sup> McGann, "Think Tanks and Policy Advice around the World," 6.

<sup>16</sup> Singh, "Research Agenda for Economic Think Tanks."

<sup>17</sup> Wilson and Purushothaman, "Dreaming with BRICs," 4, 10.



poor education system, lack of infrastructure, and the effects of HIV/AIDS that plague the economy.<sup>18</sup> NGOs could be influential in addressing all of these concerns, but first they must establish solid lines of communication with the government. Under apartheid, many Civil Society Organizations (CSOs) were repressed, so government-NGO cooperation is a new development in South Africa.<sup>19</sup> Despite a recent decrease in foreign aid, public policy research organizations in South Africa have continued to attract the preponderance of foreign donations to fund their programs.<sup>20</sup> Developing healthcare systems for the poor and instituting more primary education throughout the country are the most significant opportunities for NGOs to influence the government. NGOs should further cooperate with the government to balance unemployment concerns with the need for trade liberalization, which is necessary to attract greater foreign investment.

### *China*

In recent years, China's burgeoning economy has garnered international attention for its remarkable growth rates, trade surpluses, and rising presence as a key player in the international arena. However, China faces many challenges moving forward in various issue areas, such as the environment, energy resources, the burden of communal ownership of land, housing demand, and government relaxation of the restrained appreciation of the yuan. These challenges necessitate large amounts of thorough research and analysis beyond the scope of the Chinese government's internal research-gathering agencies. Such research could be supplemented by home-grown economic think tank participation. However, especially since the Tiananmen Square protests, increased government scrutiny has hampered the autonomy of Chinese think tanks. In addition, the research capacity and efficiency of Chinese think tanks remain

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<sup>18</sup> Knight, "South Africa 2006: Challenges for the Future," 1.

<sup>19</sup> Institute of Development Studies, "Civil Society and Governance in South Africa: Case Studies."

<sup>20</sup> Govender, "Trends in Civil Society in South Africa Today."

encumbered, as they were in the Soviet model, by an absence of horizontal communication and cooperation. Despite government interference, think tanks (particularly economic think tanks) nevertheless demonstrate promise in expanding their role in the coming years. This potential stems from a growing demand from the private sector for think tank research, increased cross-cultural exposure to Western-educated senior policy analysts, and the departure from Marxist-Leninist ideology as seen in the shift in research focus to finding “practical approaches to opening markets and improv[ing] property rights and macroeconomic co-ordination.”<sup>21</sup>

### **Think Tanks: Catalyst for Sustained Growth and Development**

While the BRICS and their respective think tank environments are unique in many ways, they display a significant commonality: their potential for outstanding growth is hindered by political and cultural restrictions on civil society. One prerequisite for sustained growth and development is government cooperation with think tanks, which would allow for the formulation and implementation of more effective economic and social policies. The Goldman Sachs report identifies four key policy challenges: economic policy, trade policy, education policy, and good governance. Other issues not identified in the report but likely to require attention are the environment, energy, and employment and labor force issues. It is our assessment that the current policy research capacity in the BRICS countries is not sufficient to deal with these challenges. This evaluation is based on documents provided by international organizations, for-profit institutions, non-profit institutions and NGOs, scholarly journal articles, information from the indigenous think tanks themselves, and the Foreign Policy Research Institute’s research findings and Think Tank Database.

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<sup>21</sup> Naughton, “China’s Economic Think Tanks: Their Changing Role in the 1990s,” 626.

Currently, think tanks and other CSOs face numerous restrictions that impact their operations. For instance, NGOs in all of the BRICS countries suffer from a lack of funding due to limited domestic sources of support and diminished foreign aid in recent years. Other encumbrances on NGOs in the BRICS countries include restricted access to policymakers, stringent registration rules, an inability to form effective partnerships with other CSOs, and a lack of independence from government structures. These hindrances impair the abilities of think tanks to provide independent expertise, aid cross-sector involvement, and scrutinize government actions—all capacities necessary for the construction of sound policy for economic growth. Before they can fulfill the Goldman Sachs report’s predictions, the BRICS governments must recognize the practical value of think tanks and actively address these political and cultural barriers to the establishment of an effective and stable civil society. While developed countries and foreign donors should encourage the BRICS countries to enact reforms aiding the development and operation of domestic NGOs, the BRICS countries themselves must acknowledge their national interest in supporting and sustaining a robust policy research community and civil society if they are to realize their full growth potential.

### **The Growth and Evolution of Think Tanks and Policy Advice in China**

Think tanks—or in Chinese, *zhiku* (智库) or *sixiangku* (思想库) — are not new to China. Some argue that certain institutions comparable to think tanks played an important role in Chinese policy decisions even hundreds of years ago. Early think tanks were, however, limited in number and not institutionalized. In the last few decades, the think tank landscape in China has grown in terms of the number of think tanks, their influence, and the amount of institutionalization.

The proliferation of think tanks in China accelerated rapidly during the latter half of the 20<sup>th</sup> century. Initially, think tanks in China existed to justify government policies, not to conduct independent research. They consisted of hierarchical structures dominated by Soviet-style ideologies and bureaucratic structures housed within government ministries. But, given the increased importance of the Chinese economy to all corners of the world, think tanks began to specifically focus on economic issues and equip China for rapid development and integration into the global economy. Since the Tiananmen Square protests in 1989, think tanks have experienced gradual reemergence into Chinese society, specifically civilian and university-affiliated research organizations. Although many institutions experienced greater autonomy and increased influence on policy, they continued to be confined by formal structures of the government and Communist Party.

The growing existence and influence of think tanks in China can be attributed to the country's remarkable economic growth. As a result of the increasingly interconnected international system and the rapidly developing economy, Chinese leaders face complex domestic and foreign policy challenges. The heightened demand for innovative policy initiatives has increased the relevance of think tanks in China. More specifically, input from think tank scholars, due to their professional expertise, has become increasingly important, especially in the areas of foreign investment and international finance. Finally, the rapid development of China's market economy has made the Chinese economic and socio-political structure more pluralistic and spurred dramatic growth in the number of interest groups promoting change. These interest groups, in turn, are more involved in the research of think tanks in order to influence government policy and public opinion.

## **“Three Generations” of Think Tanks in China**

China has had a turbulent political history that lends itself to an equally turbulent think tank history. These sections of think tank history can be divided into the Maoist period, pre-Tiananmen modern period, and post-Tiananmen modern period. As such, think tanks in China are generally classified into the first, second, and third generation, respectively.

The “first generation” of think tanks was established during the Maoist period under Soviet-style Communist rule.<sup>22</sup> As such, the think tanks were very closely modeled after Soviet research institutes. All research methods were aligned with those taught in Soviet institutions. Foreign policy research institutes during Mao’s China were not allowed to conduct policy research. The central government opposed reformative thinking and the proliferation of think tanks.

In the 1980s, under Deng Xiaoping’s open-door policy, “second generation” think tanks began to emerge. These think tanks were less censored and were encouraged to be innovative. They lost their Soviet-style research methods. Their primary role was to aid the government in policy research, especially in the areas in which the government did not think traditional policy research was adequate. However, due to the new liberation of their research, think tanks were not fully trusted by the government. As a result, the think tanks received finances from individual sources in the central government and were held accountable to government leaders. The central government sponsored or even founded think tanks in order to be able to have complete control over their research and their publications.

The Tiananmen Square incident in 1989 bred deep insecurity within the central government. In the immediate aftermath of the Tiananmen incident, think tanks were either shut

down or temporarily put on hold. Traditional Soviet-style think tanks saw this as an opportunity for resurgence. However, the changing landscape of China's economy redefined the context in which think tanks function in China. This shift manifested itself in the National Co-operative Law. Implemented in 2007, the National Co-operative Law represented a mild liberalization for rural civil society. New co-operatives developed in evolutionary and peaceful ways, had great respect for private property, and were self-motivated and voluntary in nature (bottom-up process). This process contributed to the expansion of democratic concepts by giving citizens effective means to shape their future lives and their world. In this sense, the new co-operative movement helped to build and change civil society in China, making civil society institutions more of a critical dialogue partner with the state. As China's market became increasingly free, think tanks too seized the opportunity to find private financial sources. They began to use media and overseas sources as outlets for civil society. Their scholars, looking to profit from their access to the media, began representing their own views in the media rather than those of the institution. Lastly, the newly acquired money and independence from government leaders allowed them to become financially autonomous and intellectually free. Today, Chinese think tanks fill a gap caused by the Cultural Revolution and other isolationist policies of the past.

### **Expanding Role and Influence of Think Tanks in China**

The policy arena in China is becoming progressively open and there are an increasing number of actors involved in public policy decisions. This change has not only affected the domestic activities of Chinese think tanks, but has also had a profound impact on the influence of Chinese think tanks on the world stage. A Brookings fellow noted in a recent speech that more

and more representatives from Chinese think tanks are coming to the United States every week to meet with U.S. institutions to exchange policy ideas.

While government and university think tanks are reaching high stages of maturity, independent think tanks are still lingering in the infant stage and lack the experience and established network ties of older government-affiliated think tanks. Many of the top think tanks in China are not based in China but are instead branches of international think tanks based in other countries, such as the Carnegie Endowment for International Peace. The presence of such globally connected think tanks has resulted in a marked increase in political interest to further understand the role think tanks may play in shaping China's future. Despite their limited scope, independent think tanks play an important balancing role because they are an inside source from which foreign institutions can gain first-hand perspective on China's development. In response, the number and strength of interest groups in China has increased as China's economy continues to catapult China to the forefront of international relations. A few key independent think tanks have begun to gain traction and legitimacy with both the Chinese government and outside institutions through secondary influence exerted through scholarly ties, conferences, and utilization of mass media.

The primary form of influence for think tanks in China is directly submitting reports on issues at the request of the government; in recent decades, however, these institutions have discovered alternative ways to employ their research. Most think tanks are becoming globally integrated with other think tanks and scholarly institutions, either through increased communication or educational exchanges. Personal connections amongst scholars from these various institutions are important for sharing information and ideas. In addition to personal ties, regular conferences between leading institutions have encouraged heightened integration.

Furthermore, many think tanks are increasingly turning to mass media as a venue of influence in the increasingly globalized world. It is true that because Chinese leadership positions are not dependent on a voting system, the need to influence the public is less essential than in countries that rely on a democratic electoral system. However, reassuring public opinion is important to maintain the appearance of a collective government to the rest of the world. Thus, educating the public on specialized topics has become increasingly appealing as an indirect but efficient means of influence.

It is important to examine the major milestones in the development of think tanks in China in order to fully understand the contemporary approach and influence of Chinese think tanks today. Two key events, the Cultural Revolution and the Tiananmen Square protests, interrupted this development.

1956-1966

Think Tanks exist to justify government policies, not to conduct independent research. Hierarchical structures, dominated by Soviet-style ideologies and bureaucratic structure, housed within government ministries.



1976-1989

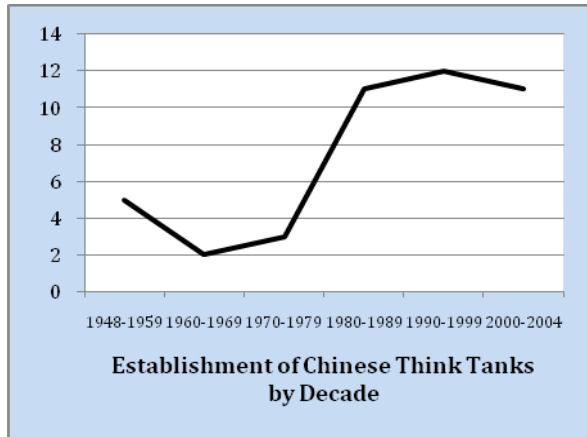
Think Tanks focus on economic issues, equipping China for rapid development and integration into the global economy. Experience greater autonomy and increased influence on policy, although they still exist within the formal structures of government and Communist party.



1989-present

Chinese society experiences the gradual reemergence of Think Tanks; specifically civilian and university-affiliated research organizations. Located outside government, yet still controlled by Chinese Communist Party (CCP) and government.





### **Globalization, Economic Growth and Think Tanks in China**

The ability of an individual think tank to tangibly influence public policy in China depends on the affiliation of the specific institution. Compared to Europe or the United States, where independent institutions dominate in both quantity and quality, China is a country where government-affiliated think tanks hold much greater power than their autonomous counterparts. The majority of Chinese think tanks are sponsored or directly affiliated with government agencies, such as the Development Research Center of the State Council and the China Institute of Contemporary International Relations. Completely independent think tanks are virtually nonexistent since the government has made a concerted effort to limit the number, role, and influence of these types of think tanks. In fact, many high-level ministerial officials are directly involved in the undertakings of some of the major government-affiliated think tanks in China. For example, Politburo Standing Committee member Xi Jinping is president of the Central Party School, a think tank that essentially serves as a proxy institution of the CCP and plays a major role in defining the position of each Party Central Committee. As a result, government-affiliated think tanks are able to exert a strong influence on China's political climate. These institutions have the resources and the funding to dictate the quality, quantity, and influence of the research. For example, the China Foundation for International and Strategic Studies (CFISS) is

closely affiliated to the Chinese military, and officials are reluctant to share certain types of information related to national security, such as questions regarding nuclear weapons and weapons development. While understanding that there has been tremendous improvement in exchanges and openness, it is also important to recognize that a sense of self-censorship exists within Chinese think tanks that limits the scope and influence of their research.

The Chinese government sees the need to increasingly heed public opinion in its decision-making and uses input from think tanks as a way of maintaining legitimacy through a more collective leadership strategy. Some retain sufficient non-official status and are able to propose and debate ideas more freely; ultimately, however, the government decides the key policy issues in China.

The political stance of the leadership in China naturally affects the dialogue and freedom of Chinese think tanks, especially with regard to domestic social issues. For example, certain research topics are sometimes off-limits because such practices would essentially acknowledge the existence of certain political and social issues that directly challenge party rhetoric. Under Hu Jintao, the ways in which the government addresses internal grievances were redefined under the “harmonious society” ideal. As part of this change, the leadership recognized the legitimacy of grievances behind protests of various interest and minority groups. This allowed for a greater breadth in research topics handed down by the government and more latitude for think tanks to offer policy advice. Yet, despite the opportunity to pursue more liberalized research, the major focus of research institutions in China today is economics and international security concerns, two transnational factors that are extremely important to China’s future and political leadership. Despite the greater flexibility in research, however, the domain of China’s research institutions is not yet equal to think tanks in other economically powerful countries.

There are very few independent think tanks in China, and the few that exist are small in scale and restricted by tight budgets. In the ensuing years, government think tanks will likely remain the most prominent, influential, and powerful actors in terms of policy research in China. However, there are positive signs that the organization is opening up its door to the international community by hosting conferences and dialogues with attendance from delegates around the world. Recent developments suggest that other think tanks, especially those affiliated with universities or the private sector, will gradually exert influence on China's decision-making process by offering a more critical view of policy development in China. Provided below are some of the leading think tanks in China.

### **Leading Think Tanks in China**

#### **China Institutes of Contemporary International Relations (CICIR)**

Deriving directly from the State Council, CICIR's focus includes strategic, political, economic, and security studies.

#### **China Institute for International Studies (CIIS)**

A think tank of China's Ministry of Foreign Affairs, CIIS' emphasis is foreign policy research that is presented directly to policymakers.

#### **Chinese Academy of Social Sciences (CASS)**

CASS is made up of 37 research institutes affiliated with the Chinese Academy of Sciences that concentrate on fostering the development of social sciences in China. A number of the centers in the institute focus on international economics, development and politics.

#### **Development Research Center of the State Council (DRC)**

As the name implies, DRC conducts research on economic and social development as an affiliate of the State Council and is actively involved in the policymaking affairs of the central government.

#### **Shanghai Institutes for International Studies (SIIS)**

Founded by Jin Zhonghua, an advisor to the first Premier of the PRC, Zhou Enlai, SIIS dedicates research to the modernization of China regarding politics, economics, and security.

#### **Unirule Institute for Economics**

Unirule Institute of Economics is an economic think tank that has consciously organized itself as "independent" organization with nongovernmental funding. Its research is focused on the "China Market Reform Initiative."

### **The Cathay Institute for Public Affairs**

Works to create a greater capacity for sustainability and development in China concerning a higher quality of life and increased cultural understanding on a global level.

European political foundations such as the **Konrad-Adenauer-Stiftung (KAS)** and **Friedrich-Ebert-Stiftung (FES)** have offices in China and are actively engaged with the knowledge and policy communities there. Recently, the **Carnegie Endowment for International Peace** and the **Brookings Institution** both opened centers in Beijing. There has been a marked increase in the interest in understanding the role think tanks might play in shaping the country's future by academics and policy elites in China.

### **Limitations of Chinese Think Tanks to Influence Current Global Governance**

Despite the growing role of Chinese think tanks in fashioning China's domestic and foreign policies, many limitations exist that inhibit their development. The extent to which Chinese think tanks are able to project influence on the international stage is contingent upon two major restrictions: the political space that Chinese think tanks possess in gaining state recognition and China's capacity to leverage global governance in a way that is conducive to its national interest. As a result, internal political limitations make it difficult for Chinese think tanks to influence the structure and course of public policy both on the global and domestic level.

Internally, Chinese think tanks face strict governmental control and monitoring. Unlike numerous think tanks in the U.S. that are privately initiated, funded, and operated, think tanks in China mainly receive funding from the government. Current state laws stipulate that all NGOs, including think tanks, must have a sponsoring governmental agency.<sup>23</sup> This inevitably limits the flexibility of Chinese think tanks in defining and pursuing research methods that may not be in

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<sup>23</sup> McGann, "Global, Regional and National Think Tank Trends," 6.

line with communist ideology. For example, human rights and civil liberty are considered taboo issues in almost all think tanks in China.

In addition, China's approach to global governance remains fundamentally state-centric. The Westphalian notion of nation-state sovereignty still prevails in China's international involvement.<sup>24</sup> For example, due to national security concerns, China has been persistently unwilling to share information on disease outbreaks, which jeopardizes China's cooperative engagement in global health governance.<sup>25</sup> The implications of these restrictions are self-censorship, constraints on critical analysis and innovative ideas, bureaucratic clichés, and governmental unpreparedness in response to global challenges and opportunities.<sup>26</sup>

Externally, China's lack of experience with the existing international structure, compounded by China's increased economic wariness and protectionism, hinders the abilities of Chinese think tanks on the system level. As Hongying Wang and James Rosenau suggest in their article entitled "China and Global Governance," China's relatively low profile in international organizations stems from three major concerns. First, China was a relatively weak nation when other countries called for increased internationalism and the expanded role of IGOs. China was more focused on reaping the benefits of having access to the vast resources provided by IGOs, rather than playing a major role in the institutions themselves. Second, as a relative newcomer, China has not yet fully grasped the various, intertwined international rules and regulations. Lastly, the "China Threat" theory, popularized in the 1990s, still affects Chinese leaders' decisions to limit involvement in IGOs so that other countries do not perceive China as a threat

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<sup>24</sup> Chan, et al, "China Engages Global Health Governance: Processes and Dilemmas," 15.

<sup>25</sup> Chan, et al, "Rethinking Global Governance: a China Model in the Making?"

<sup>26</sup> Li, Cheng. "China's New Think Tanks: Where Officials, Entrepreneurs, and Scholars Interact."

to their sovereignty.<sup>27</sup> These three concerns contribute greatly to the limitations of Chinese think tanks. Nevertheless, China's research institutions have still gradually been playing a greater role in influencing policy decisions due to their increased interaction with the rest of the world.

### **Chinese Think Tanks' Influence on Policymaking and World Governance**

China's deepened involvement in world affairs and contact with other countries precipitated a recent demand for Chinese leaders to gain a deeper knowledge about global issues. With more and more ministerial-level officials seeking the advice of think tank scholars, the ability of think tanks to influence Chinese public policy gained momentum.

In order to closely analyze Chinese think tanks' influence on the domestic policymaking process and world governance, one must first identify the unique characteristics that define these institutions. Think tanks in China are different from those of other countries in that they lack autonomy from the central government. David Shambaugh writes in his article that "independent" international relations think tanks do not exist in China. With the exception of the China Society for Strategy and Management, all of the think tanks operate within administrative hierarchies such as the State Council ministry, a Central Committee department, or one of the general departments of the People's Liberation Army (PLA) (Shambaugh: 575-596).

In the past, China's international relations (IR) think tanks could not exert independent influence on the Chinese political structure since most of them were embedded in the ministries and commissions of the State Council and departments of the Chinese Communist Party. They were often compartmentalized and limited by parameters, only reflecting Marxist-Leninist views. However, as the political and economic landscape began to reform in the 1990s, these

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<sup>27</sup> Wang and Rosenau. "China and Global Governance," 22-23.

institutions underwent a transformation not only in their organizational structure but also in their research methods. Specifically, they moved away from ideological dictates of Marxism-Leninism to more practical, empirical, and descriptive methods of analysis. They also became much more aware of the interaction between domestic and international systemic variables and its effect on foreign relations, thus exhibiting a much more thorough understanding of international organizations (such as the World Bank and World Trade organization) as well as functional issues in world politics (such as environment, arms control, etc.).<sup>28</sup>

The venues through which Chinese think tanks effectively influence the CCP's policies differ according to their affiliation. Zhu Xufeng describes what he classifies as semi-official think tanks as a crucial component in the policy research and consultation system outside the Chinese government. The best examples are the Chinese Academy of Social Sciences (CASS), and the Development Research Center of the State Council (DRC). Although these are funded by certain government agencies and have government officials as the leading personnel, they exercise a high degree of autonomy because they are allowed to get funding from other government departments or agencies and sometimes even international organizations. Nowadays, with diminishing funds from their official sponsors, semiofficial think tanks have become increasingly market-oriented, and thus have not been hesitant to criticize the government's practices. For example, the DRC criticized the government's health policy reforms in its 2005 report.<sup>29</sup>

In addition, according to Bonnie Glaser and Phillip Saunders, it is equally important to analyze the characteristics of China's civilian foreign policy research institutes. These research

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<sup>28</sup> Shambaugh, David. *China and Global Governance: The Security Sphere*, 575-596.

<sup>29</sup> Xufeng, "The Influence of Think Tanks in the Chinese Policy Process: Different Ways and Mechanisms."

centers provide political advice to the leadership, conduct academic research, provide domestic education, gather information from foreigners, and influence the foreign policy decisions in China. Development of horizontal linkages among analysts through conferences and seminars, hiring of foreign-educated intellectuals as researchers, increased contact with foreigners, and expanded topics of research are all strategies employed to broaden the ability of civilian think tanks to project influence to the foreign policy research community: 597-616).<sup>30</sup>

Moreover, the willingness of Chinese institutions to constantly make an effort to increase interaction with foreigners and define a greater role for contemporary transnational issues in their research realms demonstrates their willingness and desire to play an increased role in affecting world governance. Chinese think tank analysts' recently travelled to India in the aftermath of India's nuclear tests. This trip helped provide insight into New Delhi's intentions and threat perceptions, a highly contested political issue in China. In addition, dialogues between Chinese researchers and their North Korean counterparts have served as an important link between Pyongyang and Beijing in periods of downturn in their official bilateral relationship. The interaction between Chinese think tanks and the US has also indirectly impacted China's foreign policy concerning US-China-Taiwan relations. These are all examples of institutions exerting greater influence on world governance and international relations through greater communication.

Furthermore, by participating in bilateral and multilateral conferences, Chinese analysts have demonstrated their objection to America's unipolar tendencies and have tried to gain sympathy for their own country's policies. They have expressed serious concern over strengthened US-Japan alliance in trilateral conferences with the US and Japan and have

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<sup>30</sup> Glaser and Saunders, "Chinese Civilian Foreign Policy Research Institutes: Evolving Roles and Increasing Influence," 597-616.



complained about America's arms sales to Taiwan in US-China Track II Conferences hosted by the Monterey Institute of International Studies and the CIIS, a major think tank in China. In the past few years, Chinese researchers have made an effort to communicate their message to the US government through interaction with foreign scholars. For example, prior to the revision of the US-Japan Defense Guidelines, Chinese scholars persuaded the visiting Japanese and Americans to exclude Taiwan from the Guidelines' area of coverage. In 1999 and 2000 they warned against the sale of Aegis destroyers to Taiwan.<sup>31</sup> However, since such efforts illustrate a fairly novel transformation in China's policy openness, we have not yet witnessed the implication of such attempts to influence international relations.

Today, Chinese think tanks exist to help Chinese leaders formulate policies on scientific and objective standards, to help us deepen our understanding of China's foreign policy decisions, and perhaps to internally influence political processes through access and interaction.

### **China's Civic Groups and their Influence on Civil Society**

In the Western world, IGOs and NGOs play a large role in the policy decisions of the government. In China, NGOs take an even bigger backseat. Also known as civic groups, they are limited in the ways they can speak to the government and are unable to participate in formal politics.

NGOs in China play a large role in civil society and maintain strong community support; however, they continue to fight for legitimacy and recognition from the government. Because NGOs disrupt the so-called "peaceful" setting of society by challenging its members, local governments find it hard to be able to directly support their efforts. For example, NGOs upset

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<sup>31</sup> *Idem*, 608.

local companies and enterprises by accusing them of not treating their workers fairly. Thus, governments do not feel completely comfortable backing them.

At the same time, however, the government needs support from NGOs to regulate public discontent. Again with the labor example, one worker actually told the NGO that had they not stepped in, he may have killed his boss out of frustration. NGOs lead citizens into negotiating and challenging their rights in the company, but by doing so, they allow citizens to combat their frustration in a peaceful and impactful way. Thus, the government cannot be rid of NGOs.

To stay alive—or to stay in the good graces of the government—NGOs have a thin line to walk on in terms of truly supporting their views or supporting government views. Government officials have tried to manage the administration of NGOs or informally stunt their growth. The NGOs realize that a certain amount of self-restraint is needed in order for the government to not feel the need to shut it down. As such, radical ideas and intensive outreach are hardly ever pursued.

The second tactic the government employs to limit the scope of NGOs is absorption strategy. Hotline, a labor sector help hotline, is a good example of the government's absorption approach. The government decides that instead of managing the administration or trying to influence the administration, they would recruit the top members of the organization into the Communist Party. By bringing them into their party and having them in turn represent the government's views, the government uses this absorption strategy to discretely regulate the NGOs.

As government leaders use these tactics in limiting NGOs, it is clear that the influence of NGOs is very arbitrary and inconsistent. NGOs cannot formally participate in the political discussion but their informal political outreach is also curbed by the government. As such, their

current approach is neither influential nor sustainable in the policy arena.

## **Conclusion**

Soon after leaving his post in the Chinese government, Zeng Peiyan, a former Chinese vice premier, was elected chairman of the executive council of the China Center for International Economic Exchanges (CCIEE), a high-level think tank that was established last year in Beijing. The official press release and the state sponsored media in China announced and then anointed this new organization as "China's top think tank" and a "super think tank". A number of other former high level government officials were recruited to serve on the board and the think tank was launched with great fanfare.

CCIEE's initial research agenda is ambitious and includes the continuing financial crisis, the emergence of China and the new world financial order, the strategic cooperation between China and the US, the decision-making systems of foreign governments and international organizations such as the World Bank, International Monetary Fund and the World Trade Organization and finally, the role of think tanks in formulating government economic policy.

Other Chinese think tanks such as the Chinese Academy of Social Sciences, the Shanghai Academy of Social Sciences and the China Institute of Contemporary International Relations have dramatically increased their profiles at international meetings and expanded targeted outreach activities to think tanks around the globe. These efforts appear to be designed to: 1) strengthen institutional linkages with leading think tanks in the fields of economics and foreign and defense policy to increase China's influence; 2) examine the organizational models and research programs for selective adaptation to the Chinese context and 3) increase China's influence in global and regional international organizations on issues they view in their national

interest and 4) engage in traditional intelligence gathering. Despite this increased visibility, many Chinese think tanks remain black boxes or enigmas that are difficult for scholars inside and outside China to gather even the most basic data. I have spent over 10 years researching and writing on think tanks in Mainland China, Hong Kong and Taiwan and have just scratched the surface. I have visited China a number of times but have not spent an extended time there nor have I had the benefit of conducting the empirical data that would support data and research that I have conducted to date.

Although the capacities in which Chinese think tanks are able to influence public policy may not be as open as think tanks in industrialized, democratic countries, the expanded domain in which these institutions are conducting research hints that the ability of Chinese think tanks to influence world governance is increasing. Government think tanks will remain the most influential in the policy community for the foreseeable future. Independent think tanks, however, will gradually grow in quantity, skill, and influence, which will improve the communication and integration between China and the world. Recently, many think tanks in China are addressing contemporary transnational issues such as north-south economic relations, globalization, terrorism, and regional economic and security cooperation. The China Institutes of Contemporary International Relations (CICIR) now has divisions of world economics and arms control studies and a sub-group of arms control studies division that analyzes drug trafficking and international crime. Just before the 9/11 terrorist attacks in the US, CICIR established a new Centre for Counter-Terrorism Studies. The CASS Institute of American Studies also recently created a center for arms control research. These aforementioned programs provide evidence that indicates that as the knowledge accrued in these institutions increases, so too will their ability to project confidence and expertise on issues of public policy both nationally and internationally.

Still, the majority of the think tanks in China maintain close ties to the central government. On one hand, this relationship may restrict the extent to which these institutions can directly influence Chinese policy; however, at the same time, one must understand the boundless opportunities to accrue knowledge when a research institution is backed by the sustainable resources of an economically powerful country.

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