

# ASIAN JOURNAL OF PUBLIC AFFAIRS

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An Evaluation on Sustainability and Effective Allocation*

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*Microfinance and Community Currency: the Case of Banco Palmas, Brazil*

**Rafael Barreto Souza and Lorryne Porciuncula**



Lee Kuan Yew  
School of Public Policy



## VISION

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The Asian Journal of Public Affairs (AJPA) is a global public policy journal in Asia committed to encouraging dialogue and debate about critical issues that affect the Asia Pacific region.

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The journal promotes research in public policy by graduate students and practitioners across the world showcasing best practices in policy implementation across Asia.

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## THE DYNAMICS OF DONOR-THINK TANK ENGAGEMENTS IN BANGLADESH

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*Ahmed Khaled Rashid*<sup>16</sup>

*The objective of this paper is to explore donor perspectives on supporting think tank institutions and the implications of the donor funding preferences on the think tanks. Donors demonstrate a deep insight into the challenges the think tanks face in influencing policies in a divisive and confrontational political milieu. Yet, the donors expect to see concrete results or outcomes from the think tanks they fund. Thus, donor preferences gravitate toward isolated project-based engagements with think tanks rather than medium to long-term provision of operational and organisational support. The unpredictability and ad hoc nature of funding undermine the consolidation of research capacities and organisational development in the long run. The paper argues that funding organisations must re-orient their approach in supporting research and knowledge production with multi-annual and core support to think tanks. This will improve think tanks' ability to produce policy relevant research and analysis that will potentially contribute to the socio-economic development of Bangladesh.*

### **Introduction**

Think tanks (or policy research organisations) are generally referred to as “non-profit, non-partisan organisations engaged in the study of public policy” (Abelson 2009, 9). Think tanks play a mediating function between the government and the public; identify, evaluate, and articulate current and emerging issues, problems and proposals; and organise and transform issues and ideas into policy debates (McGann and Weaver 2000, 3). While considerable attention is paid to think tanks' activities in policy research, analysis, advocacy, and various forms of liaison with governmental and non-governmental agencies, much less focus is given to think tanks' resource mobilisation and financial sustainability, particularly in the global South.

Think tanks in developing countries rely on a range of domestic and international financial sources. These include funds from international governments and aid agencies (bilateral and multilateral), international foundations, domestic foundations, organisations, government agencies, and for-profit organisations. Think tanks also generate income through fees from

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training courses, publications, conferences, and various other activities. Increasingly, think tanks in developing countries are receiving significant attention and investment as donor countries and organisations believe that public policy is enhanced if it is informed by research-based evidence (Nachiappan et al. 2010). A survey conducted by International Development Research Centre (IDRC) (2011) revealed that the highest funding sources (in terms of percentages) for think tanks are international governments, aid agencies, international foundations, and International non-government organisations.

All of the different international aid agencies (hereinafter 'donors') have a wide variety of priorities, perspectives, and modalities of supporting and funding think tanks and research organisations. This study, taking Bangladesh as a case, explores whether any such discernible approaches or patterns of donor funding to think tanks exist and analyses the implications of the funding mechanisms to think tanks. The study deals with a very small piece of the much bigger puzzle of donor-think tank engagements, acknowledging there are numerous contextual, institutional, organisational, and situational factors that influence these relations.

Bangladesh provides an excellent context for initiating such a study. The country has a vibrant civil society, active media, and a long tradition of non-government activism. Bangladesh is reported to have more NGOs per capita than any other developing country (Kabeer et al. 2010). Civil society and non-governmental organisations have played a critical role in fostering socio-economic development and democratisation, and they continue to do so. Although the development of think tanks in Bangladesh is a relatively recent phenomenon, the country is reported to have 34 think tanks, which puts Bangladesh in the sixth position in Asia in terms of number of think tanks (McGann 2012, 25). Like in any other country, think tanks in Bangladesh range in size of staff and budget, and vary enormously in areas of specialisation, research output, and ideological orientation. Generally, though, a number of Bangladeshi think tanks have been successful in attracting donor interest as they present an opportunity to provide independent research data and analysis (Evaluation of Citizens Voice and Accountability 2008, 20).

Literature has highlighted different dimensions of donor-dependency of think tanks. Studies by Srivastava (2011), Mathur (2009), and Hay and Sudarshan (2010), revealed that resource constraints are one of the key challenges for South Asian think tanks, undermining their ability to influence policies. Nachiappan et al. (2010), studying think tanks in East and Southeast Asia, focused on the political nature of think tanks' work and noted that if donors expect think tanks to effectively contribute to policy, they should also be aware of the politics underpinning their existence. Sobhan (2000) observed that as Bangladeshi think

tanks became dependent on donors, they surrendered control of their research agenda to donor wishes. Mujeri (2009), exploring the research-policy links in macro-economic policymaking in Bangladesh, noted that a common feature of donor-funded efforts in public and private research institutions is the lack of sustainability. Mujeri cited examples in which donor-funded tools were developed to serve a specific purpose, often with the support of expatriate and domestic consultants hired from outside of the institution. In the absence of in-house capacity building, the tools became redundant to the normal work of the institution upon the conclusion of a project.

Other literature has reflected on donors' focus on results. Garrett and Islam (1998) noted that donors and clients want to know whether the research they fund makes any difference to not only public policy choices but also people's lives. Thus, donors are looking for demonstrable impact in thematic areas such as poverty, food insecurity, malnutrition, and environmental sustainability through policy influence. Crespin (2006, 439) noted that in many donor agencies, the search for efficiency creates incentives towards working for results on specific indicators at the expense of processes that actually deliver on the ground. Donors seek to support initiatives that ensure delivery of fast, concrete, and visible results.

Some perspectives on donor funding modalities to think tank research emerged from literature. Nair and Menon (2002) and Pronk (2009) reflected on funding models adopted by the Dutch Ministry of Foreign Affairs (DGIS) in 1992 through the "Multi-annual Multidisciplinary Research Programmes (MMRPs)." These MMRPs, carried out in nine Southern countries, emphasised adoption of research and analytical parameters based on local experiences and expertise. "Guidelines for Research in Partnership with Developing Countries" developed by the Swiss Commission for Research Partnership with Developing Countries [KFPE] (1998) reflected key principles of funding research organisations in the South, such as providing long-term trans-disciplinary collaborative research support, equal representation, a focus on methods rather than results of the research, and ensuring that research is visible and palpable for the local community. Some perspectives also emerged from two ongoing multi-country initiatives that support institutional strengthening of think tanks. These are the Think Tank Initiative<sup>17</sup> (TTI) of IDRC Canada, which provides core funding to 49 think tanks in 22 developing countries in Africa, Latin America, and South Asia, and the Think Tank Fund<sup>18</sup> (TTF), which supports independent policy

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<sup>17</sup>[http://www.idrc.ca/EN/Programs/Social and Economic Policy/Think Tank Initiative/Pages/default.aspx](http://www.idrc.ca/EN/Programs/Social_and_Economic_Policy/Think_Tank_Initiative/Pages/default.aspx)

<sup>18</sup><http://www.opensocietyfoundations.org/about/programs/think-tank-fund>

centres in around 20 countries across Europe and the South Caucasus.

Against this backdrop, the key research questions of this study are:

- What are the key attributes sought by donors in think tanks and what are the donor preferences in terms of funding modality?
- What are the think tanks' perspectives on donors' expectations and funding modality?
- To what extent do donor and think tank perspectives converge or diverge, and what are the implications, particularly, of the divergences?

Since the notion of “key attributes” can be quite broad and fluid, the study mainly focuses on three dimensions: think tanks' research quality, organisational development, and policy linkages. In terms of funding modality, the study mainly looks at project-based funding (funding received to undertake a defined programme of research) and core funding (funding allocated as part of the budget for support of general research and other organisational activities).

## Methodology

Some of the initial ideas and research questions of this study were developed through a review of literature. However, substantively, this study is based on primary data, collected through key informant interviews conducted with representatives of five donors and five think tanks in Bangladesh. In selecting the donors, the main criterion was that the donor has collaborated and funded multiple Bangladeshi think tanks in the past five years. The study also aimed for a mixture of different sizes and types of donors. Based on their average annual development aid to Bangladesh, two of the five donors can be termed large, one medium, and two small. All the donors (four bilateral and one multilateral) are members of the OECD Development Assistance Committee (DAC). The donor representatives interviewed were senior management staff. The think tanks studied for this paper varied significantly not only in terms of size, age, and research focus, but also in terms of ideological orientation. All of the respondents were Executive Directors of think tanks.

The interviews lasted for about an hour on average. All of the interviews were recorded and transcribed. The data was organised by topic and by groups (donors and think tanks) to look across all respondents and their answers in order to identify consistencies and differences. Connections and relationships between the topics were explored and information was then identified and categorised into different themes. While some of the themes were pre-set, other themes emerged from the data. Finally, the data were interpreted to extrapolate the key findings. The identity of the respondents and the organisations are purposefully kept anonymous.

Statistics on flows of funds, disaggregated by donors and think tanks, would have been useful for this analysis. However, such data proved to be extremely difficult to obtain. Another challenge for this study is the scarce literature on the topic of donor funding to think tanks in Southern countries. Particularly, the number of studies focusing on Bangladeshi think tanks is extremely limited. While the literature provides some important insights, these do not directly relate to the topic of this paper. Hence, this study is exploratory in nature and raises as many questions as it tries to answer.

## Major findings

The views and perspectives of the donors and think tanks are categorised into six thematic areas: 1) contextual factors affecting donor-think tank engagements, 2) the results-focus, 3) research quality and research topics, 4) policy linkages, 5) organisational performance, and 6) funding modality. These themes are often closely interrelated and the insights shared by the respondents percolate across multiple themes. Therefore, even though the findings are presented in thematic sections, strict boundaries cannot be drawn between them.

### *Contextual Factors Affecting Donor-Think Tank Engagements*

Donors demonstrated a very deep and insightful appreciation of the role of think tanks in a developing country like Bangladesh, particularly their role in producing knowledge. One respondent noted: "In a context where information can be scarce, think tanks are one of the main sources of knowledge and evidence-based analysis, be it in the form of a presentation, a published report, or a policy brief." Donor respondents stated that they themselves use this information and pay very close attention to think tanks' research and dissemination activities. Respondents noted that they maintain relations with the wider think tank community, even when they are not funding them.

The donors demonstrated a keen awareness of and insight on the different political dynamics that underpin think tanks' work. These include any perceived political orientation of the think tank or its leadership, and an understanding of sensitivities related to issues on which the think tanks are working. In other words, donors displayed a nuanced understanding of the different "positions" the think tanks are holding. Respondents noted that the some of the think tanks already have, or gradually develop, an inclination to one political ideology, or government, and this becomes evident when some think tanks turn out to be more active during one regime than the other. Donors generally do not want to be perceived as supporting a particular think tank or a figurehead of a think tank which can potentially be deemed partisan. Thus, the contextual factors, and in particular, the contentious nature of the political milieu influences the funding choices of the donors.

Aside from the funding considerations, the donors demonstrated awareness of the general conditions and constraints under which think tanks function. Respondents noted that think tanks in Bangladesh lack operational space to function effectively. Respondents remarked that think tanks are constantly balancing what topic they can research (and what topics they cannot), what kinds of meetings can be organised, and who can be invited.

Responses from think tanks closely echoed the insights shared by donors. Think tank Executive Directors highlighted the challenges they faced in making a compelling case for the credibility and relevance of their research, and for influencing policymakers. Furthermore, respondents noted that too often their recommendations are viewed through a prism of politics: political polarisation makes it difficult for the think tanks to have influence, because research findings are interpreted through a partisan lens. One respondent noted: "The government sometimes doesn't like knowledge because finding information and facts can be dangerous, if it turns out to be implicating the government itself." Respondents noted that a big challenge for think tanks and other research organisations is the general lack of appreciation for and confidence in the political leadership, media, and general public in terms of knowledge and research. Respondents underscored the critical importance of changing the mind-set of the government and bureaucracy.

The perspectives of donors and think tanks on contextual challenges are very similar, but this does have two important implications. First, reflections shared by donors seemed to indicate that they placed a special emphasis on assessing the political climate and the contextual sensitivities when funding think tanks. This is because of the closeness of the think tanks' policy-oriented activities to the political processes. While it is normal for donors to consider the contextual factors for funding any type of organisation, the funding agencies seemed particularly wary of the political implications of their support to think tanks, because of the nature of think tanks' work and the bearing it may have on the political debates. Donors' circumspect approach inevitably affects the funding levels and the choice of research topics.

Second, the responses suggest that due to the political nature of think tanks' work, donors are more inclined to have short-term, project-based, often one-off engagements with think tanks that provide them the leeway to be flexible in making and altering decisions about supporting think tanks. Three of the five donors stated that they provided core support to think tanks previously but currently no core funds are provided. This is possibly reflective of the increasingly intolerant, divisive, and confrontational nature of the political environment prevailing in Bangladesh.

### *The results focus*

The study demonstrates that while the donors have a keen understanding of political and contextual challenges encountered by think tanks, they also seek to showcase concrete results. Donor agencies have various levels and dimensions of accountability to their own governance structure and procedures, as well as taxpayers, politicians, civil servants, and other domestic constituencies. The accountability features also vary significantly because of the heterogeneity of the donors. Findings suggest that such pressures lead donors to seek more accountable results from their funding of think tanks. The defining elements of “results” vary depending on various factors, such as the type of donors and think tanks involved, the nature of collaboration, research topics, and timeframe.

Donors displayed different levels of expectations in terms of policy influence. One respondent underscored think tanks’ role in “supporting” the policymaking process, not necessarily “influencing” it. Another respondent noted that think tanks must complement the policy making processes, and raise the voice of the unheard. However, overall, all respondents acknowledged that the ideal role of think tanks – influencing policy making – is not always possible. One respondent noted that think tanks “ought to be close to the policymakers but they also should keep a certain distance to maintain independence.” Closeness of the think tanks to the government, in more cases than not, determines how influential they are. However, as previously noted, donors also seem to dislike being labelled as supporting any particular ideology or agenda.

The donors placed stronger emphasis on the consensus building function of the think tanks rather than the policy influence function. Respondents stated that they want to ensure that different views and perspectives are heard and taken into account, whatever the topic. From a donor perspective, it seemed critical that the policy recommendations and advice from think tanks be “balanced.” Thus, a key attribute sought by donors in think tanks is the ability to advance dialogues to bring about consensus and thereby enhance the likelihood of government adopting research-based policies. The emphasis is on playing a facilitative role – being independent, inclusive, and plural.

Having said this, some donor respondents raised concerns regarding the usefulness of research in a broader sense. Even if research is not directly influencing policies or building consensus, the research findings ought to be put to use in building policy capacity, informing discussions, forming the basis for future research, fostering knowledge-sharing, and creating regional or international networks. One donor respondent noted: “Too often, research is done just for the sake of doing research as a routine activity and there is an

obvious discrepancy between the number of research organisations coming up and the number (sic) of research put to use.” Donor respondents seemed to be less likely to support think tanks with a purely academic focus, with little or no leverage over practical policy discussions that are unconnected to reality and politics.

Some donor respondents considered reputational gains as a desired outcome when funding a think tank. The value-added for donors is often the association with leading think tanks or a critical piece of research that addresses a policy problem in a timely and credible manner.

Respondents from think tanks expressed that the results-perspectives of the donors are often too short-term. Think tank executives noted that the donors typically want to see their supported research to have an influence on current policy discussions. Often the donors are reacting to isolated events or responding to something that is happening on the ground. While think tanks would like to study trends over several years in order to understand an issue, donors are generally not inclined to provide funding to research stretching over several years. One respondent stated: “Issues like poverty alleviation or terrorism require close monitoring and analysis over time but the donors are not always interested in long term engagement. The consequence of this is that we end up dealing with hypothetical trends.” Respondents noted that because of this, donors do not maximise their return on investment and sometimes waste their resources. As studies are not followed up and continued, it becomes difficult to connect with and build upon previous pieces of research. Research is done in isolation, and issues are not connected to each other. “In project based collaboration, it is easier to establish indicators of short-term results, but on many occasions these indicators are superficial and have no strategic implications,” one respondent noted.

The donor perspectives on short-term deliverable results are not shared by the think tanks. The divergences help explain two discernible trends. First, as the donors view that only few think tanks are maintaining acceptable standards of quality and performance, they tend to repeatedly support the same small set of “safe-bet” institutions that have retained a reputation of being competent, credible, visible, active, and well perceived by other donors, and who can deliver the “results.” During anecdotal exchanges with donors, the name of the same think tanks kept reappearing. In fact, all five donors interviewed stated that they had supported one particular think tank more than once within the past five years. An insight shared by a donor respondent was that the donor has supported “the same think tank to accomplish very similar type of work over several years.” Another respondent noted that donors are typically risk-averse, and are sometimes unwilling to take on a potentially relevant and innovative



project, if they are unsure about the credibility of the think tank or if they do not have any prior experience working with the institution. The reputational risks for donors when working with think tanks are high, because think tanks are trying to engage with the top echelons of political and policy-making circles. Second, donors end up supporting projects with a “reliable” institution even when that organisation does not have expertise in the issue area. In such cases, think tanks are forced to hire short-term external consultants to complete the projects or carry out the research. The core research areas of the think tank are gradually diffused. As one think tank executive noted: “Donors seem to like partners who have good reputation, accounting, and track-record of providing audited reports on time, rather than institutions that have substantive work and are challenging the status quo but don’t have anything to show for their efforts.” This trend of funding the same institutions in a cyclical manner leaves other think tanks constantly searching for projects and other scarce funding opportunities.

#### *Research quality and research topics*

Research quality is a critical issue for donors. All donor respondents stated that when they fund think tanks, they want a high quality of research maintained. Research quality will often be assessed using criteria such as quality of publications, presentations, and recommendations of the research findings. Respondents noted that in a project-funding scenario, assessment of the research quality is often easier since the terms of reference of the research are already agreed upon, and there are opportunities for close monitoring of research progress. Donors deemed incorporating reliable research approaches and methodologies important.

However, donors appeared to be less concerned about organisations’ core research competencies and continuity of research over time. One respondent noted that it is assumed that a think tank would not undertake research that does not fit within its long-term agenda. So when a donor is approached by a think tank, the donor tends to assume that this initiative is part of the think tank’s long-term goals and research agenda.

The think tanks’ Executive Directors noted that maintaining research quality is of critical importance for their survival and they are pleased to be evaluated on the quality of research publications, presentation of findings, and recommendations. Think tank respondents noted that while donors rightly emphasise quality of research, they also have a razor-sharp focus on specific themes and topics in which they are interested. The topic of research and proposed activities are rarely developed or decided on a bilateral basis.

A conclusion from this is that the perspectives of donors and think tanks do not

always converge in terms of research topic selection. The implication is that think tanks gradually refocus and reorient their research topic to suit the requirements of the potential donors. As the study has shown, the think tanks are more frequently approaching the donors with their “own” ideas and proposals for research. However, the ideas are often “revised” or “tweaked” to stimulate potential donor’s interest. Over time, some think tanks become experts in choosing topics and research areas that the donors are or may potentially be interested in. However, these topics may not always be core research areas for the think tank. Thus these institutions end up having little focus, and sometimes take on research that does not always have practical policy relevance. One think tank Executive Director stated: “Some think tanks are very good at picking issues that they can ‘sell’ to donors. With all-subject specialisation, and diffusion of core research focus, these organisations gradually become redundant.”

### *Policy linkages*

The importance of policy linkages seemed to vary depending on the size of the donors (categorised by annual aid figures to Bangladesh). Larger donors placed more emphasis on this than smaller donors. Policy linkages, here, refer to the think tanks’ efforts to engage with policy communities in an organisational context and must be distinguished from broader issues of policy influence discussed earlier. Policy linkages can be assessed in terms of type and extent of dissemination, meetings, and consultations with policy actors and other stakeholders, contacts with government officials, and media outreach. One large donor noted that in some instances, visibility and media coverage are one of the most important results sought. Visibility is often easier to obtain with project-based support, as the direct association of the donor to a piece of research or advocacy can be easily highlighted and communicated. Another donor noted that they are less concerned about the number of dialogues or contacts. Rather, the focus is on what policy-relevant information emerges from these consultations, contacts, and communications and to what extent stakeholders, such as other researchers, think tanks, media, and strategic partners are engaged.

Think tank respondents echoed many of the donor perspectives of policy linkages. Respondents noted that the organisations’ efforts to establish dialogue and linkages with policy stakeholders are important components of policy influence efforts. However, some think tank respondents noted that the language of the research could have important implications. They stated that donors invariably want the research to be conducted in English and rarely support research in the local language, Bengali. Respondents noted that research, dissemination, and advocacy in Bengali might have a better chance of influencing policy discourses.

The donor opinions in terms of strategies of policy linkages align with think tank respondents. However, think tanks emphasise the advantages of using the local language for research and dissemination activities; such use facilitates engagement at all levels from policymakers, practitioners to beneficiaries.

#### *Organisational performance*

Donor respondents displayed little interest in aspects of organisational development or performance. Respondents ranked organisational development as the least important attribute of the think tanks they are funding, in comparison with research quality and policy linkages. Organisational performance includes a number of issues such as recruitment and retention of staff, financial management, infrastructure, and improvements in funding situation. Respondents stated that governance can be an area of interest in some cases. When undertaking specific projects, donors are typically confined to assessing the terms of reference of research, and the profile of the assigned researcher. Respondents noted that they rarely go into a detailed assessment of overall standards of organisational practices or the qualifications of personnel. Donor respondents displayed a short-term perspective and ambivalence vis-à-vis questions about financial stability and sustainability of the think tanks.

In contrast to donors' observations, think tank respondents considered organisational performance an important aspect for their respective organisations. Respondents stated that in a typical project funding scenario, donors are rarely concerned with organisational aspects that can have far-reaching implications for think tanks. The development of human resources or capacity building is hampered as projects typically lack allocations for such activities. Think tanks often overextend their human resources across too many projects. Staff members are hired on a project basis and leave the organisations once a project ends.

These divergent views suggest that there is a mismatch between donors' short term perspective and think tanks' long term concerns of organisational sustainability. It must be stressed, however, that in project funding scenario, there is limited scope for incorporating organisational development issues. However, from the think tanks' perspective, it was apparent that the incorporation of elements of organisational development, even if on a small scale, could aid the organisation significantly in the long-term.

#### *Donor dependency and funding modality*

Issues of financial dependency and funding modality are closely tied to different perspectives discussed earlier, thus this section refers frequently to the previous findings.

The donors interviewed did not appear to have any special programmatic or strategic focus on supporting think tanks. Typically the funding to think tanks is made as a small grant covering time periods ranging from a few months to a year. Multi-annual engagements are less common. Donors acknowledged that decisions to fund think tanks are often made on a rather *ad hoc* basis.

In the course of the discussions with the donors, a clear and strong preference for project funding over core funding emerged. Respondents noted that with core, multi-annual funding, it is difficult to observe the results in the short-term. It can be clear in some instances (e.g. more people hired), but typically donors seek results in terms of other thematic indicators such as poverty reduction, improved healthcare, and higher education rates. Furthermore, not all topics that the think tanks are researching are relevant for donors and therefore providing core funding would not make sense. Thus it is more common for donors to select the specific research programme and activities that are relevant to their country priorities.

Respondents remarked that it is easier to manage and monitor project funding because shared objectives are established at the outset. Core funding support requires more substantive and sometimes strategic involvement and guidance of the donor.

Respondents noted that core funding can make the think tank overly dependent on one or two donors and thus financially vulnerable. Unpredictability and variability of funding can pose a risk to think tanks. Respondents also opined that project funding allows think tanks to work on different issues/areas, independent of other donors that are giving core funding. Project funding can facilitate new contacts and expand networks, respondents noted.

The perspectives of the think tanks were completely different in terms of preference of funding modality. While project collaborations can be fruitful, think tanks would prefer to have longer term collaboration and core funds, which can be used to help build stronger institutions.

Think tank respondents noted that there is an over-reliance on donor funding and the corollary to that is the inevitable fluctuation in the flows of funds. The study revealed that over 90 percent of funding of the five think tanks interviewed came from international donors. Review of financial statements of think tanks showed a high degree of fluctuation in the expenditure of think tanks from year to year. The fluctuations ranged from a 30 percent decrease to 130 percent increase year to year. Since 90 percent of the funds are provided by donors, this fluctuation can be attributed to variations in donor funding levels.

Four out of the five think tanks studied previously received or are currently receiving core funding.

Think tank Executive Directors noted that the nature of project-based collaboration leaves little room for experimentation and innovation. Think tanks are sometimes boxed in isolated research projects, which is detrimental to the generation of new research ideas. Respondents asserted that think tanks survive on the ability to think independently and creatively. As they perceive that some of the donors are more interested in deliverables and “box ticking” exercises, think tanks are discouraged from thinking. Respondents noted that there are risks of think tanks gradually functioning like a bureaucracy, instead of being mentally agile and creative.

Respondents stated that with project based funding, think tanks lose the ability and agility to react to policy windows. The nature of policy formulation processes in Bangladesh is often fragmented and irregular. Policies are made on an *ad hoc* basis and there is no clear policy formulation cycle. In many instances, policy formulation inputs are irrelevant. However, when policy windows open and opportunities arise, think tanks must act swiftly to take advantage. If project-supported initiatives start and end in the specified time, then think tanks cannot take advantage of such policy opportunities so easily. Respondents stated that with core funding think tanks can be agile in taking up issues and undertake research or other advocacy activities swiftly in order to access windows of opportunities.

With project-based collaboration, think tanks can sometimes lose credibility among stakeholders in the policy community. Think tank respondents noted that in project-based collaboration, they must highlight the support of the donor(s) funding the particular project. Particularly, in dissemination and advocacy activities, research pieces are tagged with the donor’s name. This can sometimes result in undermining the credibility of research among policy makers, media, and other stakeholders who may perceive, sometimes wrongly, that the research in question is entirely donor-driven and fulfilling a donor agenda. Respondents noted that with core support, the particular pieces of research are not associated with any donors, which bolster the credibility of the research initiatives and possibly have higher chances of making an influence on the policy discourse. Think tanks also noted that the dimension of accountability can be different in core funding. While think tanks are accountable for the core funds in an administrative sense, they are able to set their own priorities in undertaking research and other activities (instead of addressing donor priorities, as is the case with most project-funding scenario). One respondent noted: “With so many diverse donors and projects, sometimes the sense of accountability to the (national) government and the people we are

claiming to serve is diluted and undermined. With core support, this is less pertinent, because we are in the position to set our own agenda.”

The donor and think tank preferences on funding modality diverge significantly. There seems to be an association between the donor desire to demonstrate immediate results and their funding modality. From the donors’ perspective the results they seek to showcase are effectively demonstrated with project based, short-term funding. Think tanks on the other hand deem that longer-term continued cooperation and core funds are more effective in enhancing research quality, organisational development, and policy linkages.

### **Conclusion**

This study has explored the donor and think tank perspectives vis-à-vis research quality, organisational development, policy linkages, and funding modality. Findings reveal that donor and think tank perspectives do not always align and each has different priorities, preferences, and expectations. While some divergences are expected, the extent of the divergences in several aspects is quite striking and has important implications. The donor preoccupation with seeing results and outcomes related to their respective thematic focus areas drives their short term project-based engagements with think tanks. The study shows that the donor agencies tend to collaborate with a small sub-set of think tanks that can deliver results in terms of conducting credible and independent research, complementing policy dialogues, building consensus, and enhancing visibility. The think tanks, on the other hand, prefer more long-term sustained research partnerships and core funding so that they are able to set their own priorities, maintain a long-term research focus, be in a position to be innovative and accountable, and influence policy processes.

These trends raise important development policy questions about the optimal utilisation of resources for research organisations. Notwithstanding the fact that donors are a heterogeneous set of institutions, who often function under stringent policies and priorities and are under increasing pressure to show results from their own domestic constituencies (such as taxpayers and media), the agencies can possibly re-orient their funding modalities and collaborative mechanisms, resulting in better functioning and stronger think tanks.

While this study raises a number of concerns, it does not suggest that effective collaborations are not taking place. There is evidence of the important contributions of donor agencies in building research capacities and supporting think tanks. Nevertheless, the following reflections emerge from the study that can contribute to establishing stronger collaborative mechanisms and enhance the efficacy of the think tank organisations.

- It is important that the donors adopt a balanced approach to supporting think tanks, combining short-term projects with longer term support and institutional strengthening. It is imperative that research initiatives that align with think tanks' core research foci are continued and followed up. There must be a deeper appreciation that some research topics and themes require longer-term engagement with the community or tracking of socio-economic indicators over time. Other issues require years of advocacy to be incorporated into the political agenda. Longer-term support will, more often than not, deliver the results that the donors seek, in terms of producing credible research that can influence policies. At the same time, think tanks should strive to maintain focus on core areas of research in order to build specialisation that will result in having a stronger stake in the policy debates.
- Promote partnership mechanisms that result in ownership of research topics by the think tanks and sustainability of research capacities. Special attention to these aspects should be given during the design phase of the research collaboration.
- Encourage institutional development of think tanks, even within a project-based collaboration. Capacity building of young researchers, as well as other functionaries in financial management, communication, and others, can be incorporated where relevant. Donors are sometimes well-placed to create networks and collaborative platforms at national and regional level that foster greater exchanges, sharing of ideas, and best practices. Think tanks themselves can collaborate and form strategic partnerships with other think tanks within the country. Indeed, perspectives shared by think tank Executive Directors seemed to indicate that such collaborations at national level rarely take place.
- Support initiatives that contribute to bolstering the confidence of the political leadership, attentive public, and media in knowledge and knowledge-based societies. This is a long-term perspective, and often challenging to address. However, collaborations that can demonstrate successes in finding "local solutions to local problems," building capacities of young researchers, and using indigenous methods and local language can favourably influence the policy makers and media.

This study has demonstrated that donor and think tank perspectives are not always based on common ground and this has implications for the efficacy of think tank organisations. Yet, as Mbadlanyana et al. (2011) noted, think tanks are potentially one of the best-suited organisations with intellectual capacities to develop innovative and advanced solutions to complex challenges facing the global South. Therefore, whether it is international donors or domestic governments supporting think tanks, it is critical that processes for effective collaboration are set into motion, emphasising tackling common problems

together, motivating all the partners to cooperate actively, offering the best chance of synergic effects, and ensuring that all those involved, right up to the end-user, really benefit from the research activities.

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