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Tapping the Power of International Think Tank Cooperation

Policy Brief

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THE NEW INSTITUTE is a mission-driven Institute of Advanced Study and a platform for change. It strives to develop powerful visions to fundamentally reshape society and practical solutions to turn those visions into a reality. It works in strategic partnerships with a variety of institutional and individual stakeholders – changemakers who share a common set of values and objectives.



The Global Solutions Initiative (GSI) is an independent, non-profit organization. Founded in 2017, GSI established itself as a guiding force in global policy through its advice for multilateral organizations like the G20 and G7. With a comprehensive program of research, outreach, and advisory activities, the GSI brings together policy, academia, civil society, and the private sector. The annual agenda culminates in the Global Solutions Summit, a high-level gathering of leaders, pioneers, and thinkers. The Berlin-based GSI is guided by the vision of its leaders Dennis J. Snower and Markus Engels and diverse international thought leaders. It strives to recouple economic progress with social and environmental prosperity to improve global governance and the everyday lives of people around the world.

GLOBAL CHALLENGES AND THE G20

There are numerous global challenges for which we urgently require global solutions, among them climate change, digital governance, migration, and financial stability. They also include challenges such as inequalities and food crises that are caused by the mechanisms underlying the current globalized economy. The policy actions of one country alone are insufficient to address these global challenges, because spillovers will impair a single country's efforts or because the scale of action is simply insufficient. Thus, solving our global challenges requires collective action through multilateral cooperation.

An important forum to coordinate collective action on global challenges is the G20, working closely with the G7 and regional unions. At the global level, the G20 is unique as the flexibility in its agenda allows the group to quickly respond to emerging challenges, such as the financial crisis of 2008 – around which the group was formed – or the COVID-19 pandemic. The presidency can host emergency meetings and add current items to its agenda, while relying on the existing G20 framework and platform of cooperation through which actors meet regularly.

On the downside, there may be too much focus on acute challenges, with the likely result that longer term challenges are edged out of the agenda or are treated as secondary. Some commentators even diagnose that governments face a "profound loss of direction about why to cooperate in the first place" (Kharas, Snower & Strauss, 2020), owing to rising populism and nationalism in many countries. To overcome this, areas of strategic cooperation that all countries agree to need to be

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identified. Think tanks play an important supporting role and can address the aforementioned problems of multilateralism and the G20.

THE ROLE OF THINK TANKS AROUND THE WORLD

Think tanks, in various shapes and sizes, exist in most countries in the world. Think tank scholars provide expertise on issues relevant for public policy, for example by analyzing data sources, conducting surveys, catalyzing academic research or evaluating public policy measures (cf. McGann. 2016).

»Solving our global challenges requires collective action through multilateral cooperation.«

Apart from scholarly research and policy recommendations, think tanks often also foster exchange between the world of academia and the practical worlds of policymaking and business. In contrast to universities and other academically oriented research institutions, think tanks are focused on policy-oriented research, and hence need regular exchange with practitioners. Often, former practitioners (from politics or business) are among the ranks of their staff. Further, for effective policy advice, close communication channels with practitioners are important.

If think tanks can operate independently of government and business, such communication is particularly valuable as it offers a safe space for developing mutual understanding of positions and finding areas of overlapping interests. That way, and with profound knowledge of scholarly work and access to data, think tanks can successfully inform political decision-making.

HOW THINK TANKS CONTRIBUTE TO GLOBAL PROBLEM SOLVING

For successfully supporting problem solving in global governance processes, the national interests of all negotiating parties (e.g., in the G20) need to be understood and overlapping interests need to be found. Based on this, international consensus can be developed to deliver mutual gains.

In contrast to international organizations and their research departments, think tanks can work without being tasked by governments and hence freely point out sensitive issues of current or future concern, as long as they are independent. They can point out where (proclaimed) national interests stand in the way of solving problems, and where current public policy is ill-directed. And they can highlight issues which are not currently on the agenda of governments, but should nevertheless be addressed, in order to minimize future risks.

Think tanks can add significant value to the G20 process and other global governance forums, especially where they collaborate internationally. The T20, the official G20 engagement group of think tanks, has been set up to facilitate such collaboration and to provide research-based policy recommendations for the G20. The

network started with a set of scholarly essays in preparation for the G20 Seoul Summit in 2010 (Dervis, 2010). The think tank group later became officially part of the G20 dialogue with civil society - the engagement groups – under the auspices of Mexico's G20 presidency in 2012. During Germany's G20 presidency in 2017, the T20 process became more formalized, with scholars producing research-based policy recommendations, organized into task forces which addressed the various priorities of the G20 presidency. With more than 100 contributing think tanks from the G20 and beyond, the T20 has become a major network of expertise for issues on the G20 agenda. It also allows for policy engagement with the G20 sherpas (Kharas, 2020).

USEFUL THINK TANK PRODUCTS FOR THE G20

The G20 can, broadly speaking, deliver three things: (i) supply top-level political impetus to efforts of collective action and international agreements, sometimes including financial commitments; (ii) set norms and principles for international policymaking and national policies of its member states; and (iii) start concrete policy initiatives. This list follows from studying and characterizing past achievements of the G20, as we have done, e.g., in Görlich and Stein-Zalai (2020).1 Along the same lines, Kharas (2020) argues that the G20 is an important forum where areas of strategic competition and areas of strategic cooperation can - and should - be defined.

Against this backdrop, there are two sorts of policy advice that are considered particularly helpful for the G20: Narratives and concrete policy recommendations.

Narratives can open pathways for international collaboration. International negotiations are strongly influenced by narratives. which provide the underlying rationale for policy action and paragraphs in final communiqués (Hampson and Narlikar, 2022). In that sense, a narrative provides the "umbrella" under which coalitions can gather, and it provides a story of how the outcomes can be presented to voters at home. Think tanks, in an international collaborative process, can help to develop such narratives. If narratives are backed by scientific research and are supported by an international group of independent research institutions, they gain credibility which is helpful for negotiators. The T20 is an ideal forum to identify, develop and discuss such narratives for the G20.

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Concrete policy recommendations that provide solutions to current issues on the G20 agenda are similarly helpful. As we mentioned above, the G20 countries know well how to cooperate within their processes, but they often lack the ratio-

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nale for why to collaborate. With concrete policy recommendations, it may be possible to skip the why-question and directly provide the how-to. Making concrete policy recommendations requires profound knowledge and analyses of the empirical facts, knowledge of theoretical models of economic activity and behaviors, as well as institutional knowledge about national and international institutions and initiatives. Think tanks are important suppliers of such expertise and by collaborating internationally, valuable ideas can be tested and spread, or adapted to different contexts. Again, the T20 is an ideal forum in which to do that.

A PROCESS FOR INTERNATIONAL THINK TANK COLLABORATION

It is not an easy task to align an international group of researchers behind a common set of issues and foster their cooperation, especially if the institutional setup of think tanks is diverse and when political priorities change quickly. Furthermore, the set of issues discussed in the G20 is very broad.

It is important that recommendations are based on current scientific evidence

»Structured processes for collaboration are key for think tank engagement and a successful advisory process.« and that, ideally, various country positions are adequately reflected. Such balanced evidence or opinion would then help politicians to find positions of overlapping interests, and such think tank advice is likely to have an impact. It may help if this advice is backed by a diverse group of think tanks or experts (Berger et al., 2021). Importantly, advice needs to reflect state-of-the-art research and data, and provide actionable recommendations, ideally alongside narratives that highlight overlapping interests and provide research-based pathways that give direction to support the G20.

If think tanks manage to collaborate globally to understand different national problems and positions and identify the overlapping interests of countries, they can make an essential contribution to international governance forums, such as the G20. By doing this work, think tanks can help shape a rules-based international system that eventually makes every country better off.

Structured processes for collaboration are key for think tank engagement and a successful advisory process. In addition, a structured process is helpful to improve the continuity and coherence of the work. The following elements are important to define the process:

- 1. Set overarching topics (e.g., task forces), which are aligned with the presidency's agenda but also allow for more forward-looking input.
- 2. Define the final products with the needs of policymakers in mind, and as well as taking the capabilities and resources of the think tanks into account (e.g., policy briefs).
- 3. Be inclusive of think tanks with various disciplinary backgrounds and origins.

- Ensure exchange formats, in which

 (a) scholars can discuss their work
 among peers, and
 - (b) multistakeholder discussions can take place to bridge the gap between idea and implementation.
- 5. Actively engage with the presidency's government, especially with the Sherpa, in order to develop an effective timeline for research and advisory work. Encourage international partners to do the same in their countries to spread ideas.

This structure makes the process easy to carry over and adapt across presidencies. It also reliably leads to outputs, which policymakers expect from the T20. Finally, it sustainably strengthens the ties between researchers and institutions.

CONDITIONS FOR SUCCESSFUL COLLABORATION

The G20 countries should have an inherent interest in actively supporting the work of think tanks in the T20 as well as the work of the other engagement groups for at least two reasons. First, the engagement groups' processes improve the quality of decision-making as new sources of experience and evidence are tapped into and evaluated. Coherence and continuity can be provided if engagement groups in subsequent presidencies work together and build on each other. We have outlined in the previous sections how the process to achieve this can be organized. Second, they help to address the legitimacy problem of the G20.

The G20 is not an international institution that is constituted under international law, even though its members are represented by their current governments –

sometimes, but not always, democratically elected. For that reason, the G20 cannot make binding decisions and leaders cannot be held accountable to comply with the communiqué. Furthermore, the composition of the group does not follow a transparent logic.

»G20 presidencies can benefit if they set the right conditions and tap into a global pool of knowledge, expertise and ideas.«

The dialogue with civil society, of which the T20 is part, is a response to the problem of legitimacy. The dialogue opens an opportunity for the presidency to interact with important stakeholder groups in society, for example, businesses, labor unions, women and youth organizations, or NGOs, and it gives these stakeholder groups an active channel to provide the presidency with recommendations, which ideally are synchronized with international partners participating in the engagement group.

All G20 presidencies can clearly benefit if they set the right conditions and tap into a global pool of knowledge, expertise and ideas for a successful presidency. We suggest three conditions needed for the T20, as well as other engagement groups,

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to realize their mission of improving the quality of decision-making, coherence and continuity, and increasing legitimacy by representation.

1. CONTINUOUS INVOLVEMENT

The G20 presidencies must ensure continuous involvement of all engagement groups. They should provide the mandates to lead organizations in time so that adequate preparations and handovers can take place. While this is vital for continuity, it also strengthens participation and thereby representation, as reliable relationships can be built. Commitment to the process, which builds on top of their regular work, will be rewarded in the long run.

2. FORMAL PATHS OF INFORMATION AND INFLUENCE

The G20 presidencies need to establish formal ways for the engagement groups to interact with government decision-makers. Theis should be a two-way process. On the one hand, it is important for engagement groups to learn from policymakers which issues are important to them and where inputs from an international civil society group is especially useful. On the other hand, recommendations need to reach the right decision-makers. Regular interaction between the Sherpa and the mandated leaders of the engagement groups must be ensured.

3. INDEPENDENCE

The participation of engagement groups only adds value when their work has been conducted independently of the government. If the engagement groups only duplicate the thinking of governments, decision-making quality will not improve.

Neither can dependence increase legitimacy. Furthermore, if the mandated lead institutions are not independent, there will be no or only limited participation by international partners.

When these conditions are met, think tanks can effectively inform forums such as the G20, which are so vital to find solutions to global challenges. In general, civil society is an important actor in driving the needed changes and transformations, both as a provider of ideas and demands from the group it represents, and as an implementer of the decisions made at the political level.

Note: A longer version of this article was previously published by the Asian Development Bank Institute in "A World in Crisis, a World in Progress: Growing Better Together". Available online: https://www.adb.org/publications/a-world-in-crisis-a-world-in-progress

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Examples for (i) are the G20's decisions to support the Basel III agreement for improved financial stability and the support for the Paris agreement. Examples for (ii) include the promotion of paradigms such as macroprudential financial regulation, or a standstill agreement for protectionist measures amid the financial crisis. Examples for (iii) are the "25 by 25" goal to improve gender equality by reducing the female employment gap, or the initiation of the base erosion and profit shifting (BEPS) initiative to combat tax avoidance.