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STRENGTHENING THE THINK TANK SECTOR IN SCOTLAND

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ABOUT IPPR SCOTLAND

The progressive policy think tank

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SUMMARY

The devolution of significant powers to the Scottish parliament has led to an increasing number of legislative, spending and policy decisions being made in Scotland. Over the past two decades we have seen a growing policy community in Scotland, aiming to influence and support decision-making. However, there have been concerns that few think tanks have developed in Scotland since devolution, to provide the good evidence and new ideas required to ensure that Scotland makes the most of its powers, and that decision-making is evidence-based and not simply dominated by the loudest voices.

This report considers the think tank sector in Scotland, its history and potential ways to strengthen the sector in the future. We undertook the fieldwork for this report in 2019, prior to the UK general election and prior to the beginning of the Covid-19 crisis and global pandemic. However, the themes we identified have only become more relevant since. As Scotland looks to recover, rebuild and renew, a strengthened think tank sector will be one crucial part of ensuring we include the full range of evidence and ideas, in making what will be incredibly important decisions that will not just determine Scotland's trajectory for the next few years, but for decades to come.

We have found that while 'think tank' is a contested term, and indeed a broad term used to describe a wide range of organisations, there are clear attributes and functions that mark think tanks out from other policy organisations. We have found that think tanks can play a positive role within policy making processes. They can be crucial to developing and communicating new ideas and evidence into the decision-making process. Furthermore, when they work well think tanks can be an important part of the democratic functioning of a polity, acting for public benefit as independent voices to translate research into an accessible form for policy makers and the public, and to identify problems and opportunities and policy solutions to address them.

However, there are also limits to think tanks, with other organisations sometimes better able to represent groups and interests, and to advocate for policy solutions on their behalf. This often means think tanks need to work in collaboration with other types of organisations to achieve impact and change. Equally, there are some common criticisms of think tanks – outside of Scotland – around key themes of a lack of trust and transparency and around public perceptions of some types of think tanks as elite and exclusive organisations.

Through our literature review, desk-based research and face-to-face research with policy organisations, funders and opinion formers based in and outside of Scotland, we have been able to develop a typology of think tanks and policy and research organisations in Scotland and understand the differing roles of different 'thinking' organisations.

We have found that Scotland has a growing think tank sector and increasing capacity and funding for policy research in Scotland focussed on devolved powers. There are dozens of policy institutes and academic policy units in Scotland and a significant number of policy-focussed advocacy, campaigning and representative organisations that have successfully shaped policy in Scotland since devolution.

However, much of the policy research capacity that exists in Scotland is academia-based, not focussed on the Scottish parliament, or it is focussed on influencing

policy through convening activities (such as conferences and events) rather than necessarily research to develop new ideas and evidence. Equally, the strong advocacy and campaigning policy sector in Scotland is not always based on public policy research.

There are active 'autonomous think tanks' in Scotland focussed on producing solutions-based research, aimed at the electoral cycle in Scotland. While their number has increased in recent years, and each can point to tangible and significant impacts, Scotland needs to strenghten this part of its policy capacity to ensure it can support the full cycle of policymaking, and match the scale of the think tank sector to the scale of the Scottish parliament's powers. However, in doing so it is important that Scotland ensures its think tanks are independent, transparent and trusted.

Through our work we have developed a typology of the different think tanks and policy and research organisations in Scotland, as follows:
- **autonomous think tanks** – such as IPPR Scotland and Reform Scotland (and hybrid think tanks such as Common Weal)
- **academies, and fellowship and membership policy institutes** – such as the Royal Society of Edinburgh
- **academic-based policy units and institutes** – such as the Fraser of Allander Institute, Policy Scotland, the Jimmy Reid Foundation and the Scottish Centre for European Relations
- **research consultancies** – including for profit and non-profit research organisations, and including units within larger consultancies
- **wider policy organisations**.

From our desk-based and face-to-face research we have developed seven key findings:
- Scotland is seen as a place with big opportunities for impact through public policy change.
- Greater levels of funding are needed to boost the depth and breadth of think tanks in Scotland to support decision-making in Scotland.
- There is evidence of increasing impact from think tanks in Scotland, but this story has not always reached opinion formers and potential funders.
- Potential funders do not always have confidence that policy work in Scotland can successfully navigate constitutional and party-political divides.
- For funders based in the rest of the UK, Scotland can feel further away in policy terms and they can feel less connected to the Scotland context, making funding decisions more difficult.
- Policy organisations in Scotland need to have a clearer focus on developing evidence-based policy prescriptions and solutions.
- In growing Scotland's think tank sector, priority must be placed on ensuring independence, transparency and trust.

To strengthen Scotland's think tank sector, we make seven key recommendations, as examples of actions that could strengthen the think tank sector in Scotland in a way that helps to support the policy-making process:
- Think tanks and policy research organisations in Scotland should consider developing a voluntary **'transparency and trust pledge'** to ensure the current sector and any growth in the sector is based on the crucial principles of independence, transparency and trust in terms of funding, governance and research output. As part of this, consideration should be given to how to ensure diversity within the think tank sector as it grows over time.

- The think tank and policy research sector should consider developing a **directory and annual review of think tanks in Scotland** to understand the scale, output and impact of the think tank sector in Scotland, to generate a greater awareness of the organisations working in Scotland and to generate potential new funding for policy research in Scotland.

- An **annual 'expo'** should be established, bringing together a range of 'thinking' organisations in Scotland and UK-wide trusts and foundations based outside of Scotland. The aim would be to help potential funders to understand the policy context in Scotland, and to gauge demand in Scotland for policy research, while also helping funders to potentially align their strategic priorities for Scotland.

- Scotland-based trusts and foundations should work with the think tank and policy research sector to establish a route to **consider the potential for public policy research** to deliver against their funding objectives. This could take the form of a new forum attended by policy organisations and relevant Scotland-based potential funders.

- The Scottish government and Scottish parliament should consider developing an **arm's-length 'seed fund'**, potentially delivered through an independent third-party charitable organisation, to strengthen the depth and breadth of Scotland's think tank sector. The Scottish government funds independent higher education research through its arm's-length agencies and it should look to do the same for public policy research too.

- The Scottish government and Scottish parliament should consider, more than 20 years on from devolution, how the founding **principles of openness, engagement and accountability, which underpin Scottish democracy, can be extended across the full policy cycle**, including policy development and policy delivery.

- The think tank sector and key potential sources of private funding should work together to develop a '**thought leadership accreditation' kitemark** to encourage private individuals and organisations to take a key role in thought leadership in Scotland, to consider funding policy research and to set out key standards to maintain independence, transparency and trust in the think tank sector in Scotland.

With new powers now resting with the Scottish parliament, and huge policy challenges to be overcome – not least how Scotland recovers, rebuilds and renews following the Covid-19 crisis – how we strengthen the think tank sector in Scotland deserves a renewed focus. With a stronger think tank sector in Scotland we can ensure the decisions we make over the coming years are as well-grounded as possible on the full range of evidence and ideas, strengthening our policy making and democratic processes. This was important before the Covid-19 crisis, but given the enormity of the decisions we face through and following the crisis, it becomes even more important now.

1.
INTRODUCTION

'At their best, think tanks possess the ability to capture the political imagination by brokering ideas, stimulating public debate, and offering creative yet practical solutions …'
De Boer 2015

The establishment of a devolved Scottish parliament in 1999 heralded a new age for policymaking in Scotland, with significant legislative and spending decisions being taken by elected representatives in Scotland for the first time in hundreds of years. Since then, we have seen further waves of devolution and significant policy divergence between Scotland and the rest of the UK, not least during the ongoing Covid-19 crisis. However, questions remain as to whether the policy infrastructure needed to support democratic decision-making has kept pace.

Devolution took place after many years of work by the Scottish Constitutional Convention, a grouping of civil society organisations and many of the political parties in Scotland. In many ways, the work of the Convention is reflected in the founding principles of the Scottish parliament – 'accountable', 'accessible, open and responsive', 'power sharing' and 'equal opportunities' (Scottish Office 1998).

Throughout key points in its short history, the devolved policy environment in Scotland has often been shaped by key civil society organisations, representative bodies and interest groups. However, while a strong and influential policy and campaigning community focussed on devolved powers has grown in Scotland, we have seen far less growth in think tanks and public policy research organisations based in Scotland.

Further waves of devolution have brought substantial additional powers to Scotland, first following the Scotland Act 2012, and then more significantly following the Scotland Act 2016, with around half of the Scottish parliament's budget due to be raised directly in Scotland in forthcoming years. We have yet to see significant increases in the capacity of the think tank infrastructure in Scotland to match these new powers and help provide new evidence and new ideas to support debate and devolved decision-making in Scotland.

There are some notable exceptions to this. Reform Scotland, established in 2008, Common Weal, described as a 'think and do tank' and established in 2013, and the Institute for Public Policy Research Scotland (IPPR Scotland), Scotland's progressive think tank – the authors of this report – established in 2015, are public policy organisations, based in Scotland, with core staff that produce public policy research. The David Hume Institute also describes itself as an independent think tank.

At the same time, we have seen academies, such as the Royal Society of Edinburgh, fellowship or membership policy institutes and academia-based institutes, such as the Fraser of Allander Institute and Policy Scotland, continue to undertake work to influence decision-making in Scotland.

These organisations can point to significant and increasing impact in recent years. However, the scale of the sector and its capacity have arguably not kept up with further waves of devolution.

A thriving think tank sector, and more broadly a thought leadership or 'thinking' sector, in Scotland will be crucial in the future to ensure that decision-making in Scotland is linked to good evidence and new ideas. This was already crucial prior to the Covid-19 crisis, but it becomes even more so as we make the decisions that will determine how and when Scotland begins to recover, rebuild and renew through and following the crisis. In other parts of the UK, and elsewhere in the world, the think tank sector plays an important role working to help policymakers focus on the biggest issues they face, and provide insight, ideas and solutions to those issues.

As the Scottish parliament has passed its 21st birthday, and its powers see it take on responsibility for vast swathes of public life, the people and economy of Scotland are facing huge challenges and opportunities. Not least, of course, the Covid-19 crisis and the global pandemic. But also we already faced a decade of disruption through other significant transitions such as automation and digital innovation, Brexit and the climate emergency, demographics and an ageing population, together with increasing economic and social inequalities. Developing an independent, transparent and trusted think tank sector, capable of supporting decision-making through these turbulent times, is fundamental to ensuring a well-functioning and trusted democracy and helping Scotland meet these challenges and opportunities.

This report aims to understand the think tank sector in Scotland and consider how it can be further strengthened and developed. It also considers the role of think tanks outside of Scotland and the benefits they can bring to democracy and decision-making.

The methodology for this project involved four main stages which were carried out in 2019, prior to the UK general election and prior to the advent of the global pandemic.

First, we conducted a literature review and desk-based research. The purpose of this was to comprehensively analyse material related to definitions of think tanks and the specific nature of the think tank sector in Scotland. This involved a review of both academic and grey literature on think tanks across the world, both in practice and in theory, including the many differing types and roles of think tanks outside of Scotland.

Second, we undertook a small-scale survey of thinking organisations in Scotland, alongside a focus group with a number of think tanks based in Scotland. The survey was completed by over a dozen thinking organisations in Scotland, representing a range of the types of think tank style organisations in Scotland we wanted to consider. The focus group brought a slightly smaller number of these organisations together to discuss their roles and perceptions in greater depth. Through this we wanted to understand the current context and experience of think tanks in Scotland.

Third, we undertook a small-scale survey of around a dozen trusts and foundations in Scotland and the rest of the UK and eight interviews to establish some of the potential attractions to funding public policy research in Scotland, as well as some of the potential barriers to doing so.

Last, we engaged with a number of key opinion formers in Scotland to understand their perspective on think tanks and thought leadership in Scotland.

While our fieldwork took place prior to Covid-19, the findings derived from it could be important in the context of recovering, rebuilding and renewing Scotland through and following the crisis.

2.
HISTORY OF THE SCOTTISH PARLIAMENT AND DEVOLUTION

This chapter considers the history of devolution, together with the founding principles of some of the democratic structures in place in Scotland. It then considers some of the key policy divergences between Scotland and the rest of the UK since devolution in 1999.

DEVOLUTION TO SCOTLAND

Since 1999, the Scottish parliament has held responsibility for a number of significant policy areas, including education, the environment, health and care, housing, law and order, local government and many aspects of transport. Distinctive Scotland-specific systems of education, health and justice pre-dated devolution, but without question devolution has seen an increasing divergence develop in policy terms between Scotland and the rest of the UK.

Despite the 1998 referendum on devolution in Scotland granting tax-varying powers to the Scottish parliament, the early years of devolution focussed on how public funding should be best spent and prioritised, rather than how tax revenue should be raised – the vast majority of the Scottish parliament's budget coming through a block grant, determined by spending decisions made in Westminster for equivalent departments outside of Scotland. The spending-focussed nature of these early years of devolution was arguably, in part, due to the restrictive nature of the tax-varying powers, but also perhaps unsurprisingly because the early years coincided with increasing levels of public funding across the UK, including, through the block grant, across Scotland.

Following the Scottish National Party's (SNP's) 2007 election victory, and the minority administration it subsequently formed, the opposition parties established the Calman Commission to consider the Scottish parliament's powers, and outline recommendations for further devolution (Commission on Scottish Devolution 2009). Following its final report, and in line with its recommendations, the Scotland Act 2012 granted the Scottish parliament new tax powers over, for example, stamp duty and landfill tax, and increased borrowing powers, and provided further legislative control over issues such as drink-driving and air weapons. It also provided new income tax powers whereby income tax rates on earnings in Scotland were reduced by 10p, and the Scottish parliament block grant reduced in turn, with the ability for the Scottish parliament to decide rates of tax above this (with corresponding revenue retained in Scotland).

Following the 2011 Scottish parliament elections, and the unprecedented majority victory for the SNP, 2014 saw a referendum on independence for Scotland. The cross-party Smith Commission, established following the victory for the No campaign, made a number of recommendations for further devolution to the Scottish parliament, with the Scotland Act 2016 providing new powers over elections, rail franchises and borrowing, but in particular in relation to income tax and benefits (The Smith Commission 2014). The Act devolved full powers over

setting rates and bands for income tax on earnings (above the UK-wide personal allowance), devolved a number of UK benefits focussed on disability and care, and granted the power to create new benefits and top up UK-wide benefits in Scotland.

The full package of the Scottish parliament's powers, once fully rolled out, will see around half of revenue spent in Scotland through the Scottish parliament raised directly through taxes in Scotland, and means that Scotland's budget in the future will be much more related to decisions and economic performance in Scotland. This will, and has already begun to, shift debate in Scotland away from solely how funds are spent, to how funds are raised, and how to strengthen economic performance in Scotland over the long term.

STRUCTURE OF THE SCOTTISH PARLIAMENT

The Scottish parliament is elected through a proportional representation electoral system. This was designed to encourage coalition-building across parliament, and around the need for broader consensus-building outside of parliament, rather than a majority-takes-all approach often seen through first-past-the-post electoral systems. Every Scottish parliament election, except one, has resulted in a parliament of minorities, with no one party winning a majority of seats. The exception was the election of a majority SNP government between 2011 and 2016.

The Scottish parliament is a single (unicameral) legislative chamber. Unlike bicameral chambers, where powers are split between a lower chamber and an upper chamber, parliamentary committees gain a greater role within the legislative process in the Scottish parliament.

The committee system for the Scottish parliament was designed to encourage public involvement in the parliamentary process through verbal or written evidence. In addition, the aim was to better hold the Scottish government to account, scrutinising government's policies and implementation. Equally, the committee system was designed to encourage the sharing of power between the executive and legislature, but also across political parties represented in parliament, with committees chosen to broadly reflect the make-up of the parliament.

The legislative process in Scotland is based on the same principles as the parliament itself, with a particular focus on openness and encouraging participation from people and organisations from across Scotland. Each piece of legislation sees pre-legislative consultation, with findings published before entering three legislative stages where scrutiny is split between committees and the full chamber. The Scottish government must pass a Budget Bill each year, with income tax set each year before the completion of the Budget process. The Budget is published in draft form at the start of the legislative process, before a final Budget is passed at the end of the process around four months later, often with changes made to reflect committee scrutiny and feedback from interest groups and stakeholders, and to gain support from a majority of members of the Scottish parliament (MSPs).

Taken together, the principles of the Scottish parliament, and its electoral system, committee structures and legislative process, are designed to lead to a more open decision-making process, with clear routes for organisations and individuals outside of parliament to influence budget and legislative decisions.

POLICY DIVERGENCE

The first 20 years of devolution to the Scottish parliament saw a number of notable policy divergences between Scotland and the rest of the UK.

In its early years, the Scottish parliament abolished charges for personal care for the over-65s and banned smoking in public places, the first in the UK to do so. It replaced tuition fees for higher education students with a Graduate Endowment, before abolishing the endowment, to provide 'free education' for most full-time higher education students studying for the first time. Prescription charges in Scotland were abolished in 2011 and minimum alcohol pricing was enacted the following year (and implemented in 2018 following a legal challenge, which ultimately made its way to the European Court of Justice).

In 2014, the Scottish parliament legislated for equal marriage, allowing same-sex couples to marry in Scotland (following the introduction of civil partnerships 10 years before). The same year, the Scottish government introduced plans to bring health and social care together, integrating what had been two services split between the NHS in Scotland and local government. The process to integrate health and social care has been ongoing since 2016.

In recent years, we have also seen policy divergence in Scotland in relation to income tax and benefits. Following the devolution of more significant income tax powers, the Scottish parliament voted to introduce a more progressive income tax system in Scotland, with the creation of five tax bands for 2018/19, designed to raise taxes for the highest earners and reduce them for the lowest earners compared with the system Scotland inherited before devolution. Similarly, since the devolution of new powers over benefits, the Scottish parliament has introduced a new Carer's Allowance Supplement for carers in Scotland, reformed maternity allowances through new Best Start Grants, and announced plans to introduce a whole new social security payment from 2020, called the Scottish Child Payment, to reduce levels of child poverty in Scotland.

As public funds became more and more constrained through the past 10 years of cuts in public funding across the UK, legislation has focussed on setting ambitious targets to tackle some of the biggest public policy issues facing Scotland. This has included ambitious climate change targets by 2045, fuel poverty targets for 2040, new child poverty reduction targets for 2030 and targets to promote fair access to higher education by 2030.

Equally, since the Christie Commission published its report into the future delivery of public services in Scotland nearly a decade ago (Scottish Government 2011), the Scottish government has attempted to prioritise preventive spend and user interest at the centre of public services in Scotland to varying degrees of success (McCauly 2016). This approach has seen a new emphasis place on designing services in a "collaborative, inclusive and empathic" way with co-production seen as crucial to successful reform of how services are delivered (Anderson and Brownlie 2019). This has placed a greater focus on the importance of the voice of direct experience within policy making. However, how successful this focus has been is open to debate.

There have been attempts to learn from policy divergence in other parts of the UK, and in particular across the devolved nations within the UK, to strengthen the ability of the policymaking structures and actors to learn from each other across the UK. In particular, work undertaken by the Joseph Rowntree Foundation, the Alliance for Useful Evidence, and Carnegie UK Trust through the Evidence Exchange project based on research looking at cross-jurisdiction working and what can be learned by the rest of the UK from Scotland and from the rest of the UK for

Scotland (Carnegie UK Trust 2013). This could work to strengthen and open policy making in Scotland and across the UK.

In a number of ways, the devolved response through the Covid-19 crisis has also shown policy divergence, at least to some extent. Following the first lockdown, from March 2020, and as restrictions began to be removed, it became clear that the Scottish government, alongside the administrations in Wales and Northern Ireland, were keen to take a different route to the Westminster government. We saw differing decisions around the public health messages, around specific policies – most notably school exams – and more broadly around the ongoing framework of restrictions in place as the first lockdown ended. Policy divergence was often seen to put pressure on other parts of the UK, and again has exposed the need for a strong policy infrastructure around decision making in Scotland. Throughout its existence, many of the changes made through the Scottish parliament have been called for and shaped by civil society in Scotland, using the open and accessible design of the Scottish parliament to effect legislative change in Scotland.

However, there has been increasing concern, among commentators at least, and among some of our research participants, that while the immediate pre-legislative and legislative parts of decision-making are open, scrutiny and accountability in terms of implementation and delivery are much less so. Equally, some have suggested that the policy process leading up to decisions is much less open, with a significant reliance on internal policy creation and ideas development, or the use of working groups, reviews and commissions to develop ideas for change (see Hassan 2019, Mackay 2019, McAlpine 2019, Simpson 2019). While, clearly, commissions, reviews and working groups have a significant role to play – alongside consultation – in bringing the views of those outside of government into policy development, there is a risk that their remit and the questions they ask, and how they are run in practice, do not always provide the independence and constructive challenge necessary in successful policy development and delivery. Therefore, while policy decision-making in Scotland is based on founding principles of openness and engagement, it may be that policy development and policy delivery are less so.

3.
WHAT IS A THINK TANK?

'In their most basic form, think tanks are part of the information flow in a democratic society, conducting research and analysis … that allow busy policymakers, advocates, journalists and average citizens to hear diverse perspectives on important public issues.'
De Boer 2015

In order to explore the potential of the think tank sector in Scotland, it is important to define what is meant by the term 'think tank'. This chapter will begin by looking at how the term is interpreted within the literature before focussing on the potential strengths and weaknesses of think tanks.

DEFINING A THINK TANK

Though 'think tank' is a term now in common use across the world there is still no agreed and shared definition of what a think tank is. Historically, the term 'think tank' has been applied to a wide variety of 'thinking' organisations undertaking policy, research and campaigning work. Defining clear boundaries between think tanks, third sector intermediaries, lobby groups and research institutes can prove difficult, as organisations' roles may change over time or depending on the specific work or projects they undertake (Pautz 2005). Equally, the shifting nature of values in different societies around the world has allowed multiple contextual meanings of the term to develop.

There are a number of competing, and often broad, definitions of what a think tank is. Weaver and McGann suggest that to be a think tank, an organisation must be organisationally independent from government, political parties and interest groups (Weaver and McGann 2000). Ladi expands on this by adding that while think tanks seek to influence policy, they themselves have no formal decision-making power (Ladi 2000). Kelstrup outlines that there is general agreement across the literature that think tanks as organisations have a physical presence and resources, claim some degree of autonomy and attempt to exert influence on public policy (Kelstrup no date).

However, across the literature, think tanks tend be defined either by their function and typical outputs or by the governance, structural and positional considerations within the policymaking process.

Function and outputs

Some have attempted to categorise think tanks by different 'types' of think tanks, defined by their function and operating strategy. One of the most influential of these typologies was developed in the United States by Kent Weaver, and distinguishes between three types of think tanks, based on their outputs, their aims and how they go about doing so (Weaver 1989).

The first type is known as a 'university without students' or an 'academic think tank'. This think tank type is characterised by researchers who are academics, research projects with a long-term policy outlook, and a high degree of importance placed on non-partisanship and objectivity. The second type, known as a 'contract research organisation', does not often commission its own research, but instead takes on work assigned by others. The tendency is for these organisations to be

technocratic and non-partisan. The third type is known as an 'advocacy think tank'. Though most think tanks that fall into this category are formally independent (though not all), they are characterised by an ideological tendency and strong operational efforts to influence policy debates (Weaver 1989).

McGann suggests that a focus on persuading policymakers and the public on specific, short-term policy debates can be a defining feature of an advocacy think tank, rather than a strong ideological leaning. The research outputs that advocacy think tanks produce tend to be policy briefs that recommend particular policies, rather than the lengthy reports associated with academic think tanks (McGann 2016).

What becomes increasingly clear from the literature is that there is no common agreement on what a think tank is, or which think tank 'types' exist. Indeed, some argue that categorising think tanks into typologies is unhelpful, and often excludes organisations that perform the functions of think tanks temporarily while also engaging in other non-related activities. The blurring of the boundaries between think tanks, university institutes and research consultancies, as well as the emergence of think tanks in new policy environments across the globe, have inevitably led to the emergence of 'hybrids' – think tanks that do not fit neatly within a specific typology based on functions or organisational format (Stone 2013).

Governance and autonomy

The *Global Go To Think Tank Index* highlights seven different degrees of autonomy associated with think tanks based around affiliations, either between the think tank and government or between the think tank and external organisations such as universities, political parties or corporations (McGann 2018):

- **autonomous and independent** – significant independence from any one interest group or donor and autonomous in its operation and funding from government
- **quasi-independent** – autonomous from government but controlled by an interest group, donor or contracting agency that provides a majority of the funding and has significant influence over the operations of the think tank
- **government affiliated** – a part of the formal structure of government
- **quasi-governmental** – funded exclusively by government grants and contracts but not a part of the formal structure of government
- **university affiliated** – a policy research centre at a university
- **political party affiliated** – formally affiliated with a political party
- **corporate (for profit)** – a for-profit public policy research organisation, affiliated with a corporation or merely operating on a for-profit basis.

Taking governance and function together, the Index defines a think tank as follows:

> *'Think tanks are public-policy research analysis and engagement organisations that generate policy-oriented research, analysis, and advice on domestic and international issues, thereby enabling policy makers and the public to make informed decisions about public policy. Think tanks may be affiliated or independent institutions that are structured as permanent bodies, not ad hoc commissions. These institutions often act as a bridge between the academic and policymaking communities and between states and civil society, serving in the public interest as independent voices that translate applied and basic research into a language that is understandable, reliable, and accessible for policy makers and the public.'*
> McGann 2018

STRENGTHS AND WEAKNESSES OF THINK TANKS

A vital part of democracy

Common across the different types and categories of a think tank outlined above, is a definition that sees think tanks fulfil an important role in translating evidence and ideas and transmitting them into the decision-making process, whether for decision-makers or for the general public. Think tanks, when they operate well, can offer a bridge between evidence and potential solutions on the one hand, and policy action and implementation on the other. This can help to strengthen the policymaking process and to ensure policy attention is focussed on the biggest and most pressing issues, and policy action is focussed on the areas of greatest potential impact. In this way, think tanks can help to promote decisions and policies that can be trusted and anticipated to work. A well-functioning, broad-based think tank sector can play an important role in ensuring that government focusses on priorities or solutions with clear evidence base, and help it to avoid too great a focus on those with the loudest voices.

Given the incredibly significant policy challenges facing Scotland, the UK and the wider world – whether Covid-19 or the pre-existing transitions and disruptions of automation, an ageing population, Brexit, climate change, constitutional change or long-standing economic inequalities and weaknesses – the need for a well-functioning, broad-based think tank sector in Scotland is clear.

LIMITS OF THINK TANKS

While a well-functioning think tank sector is an important part of a policymaking structure, there are clearly limits to the potential role of think tanks.

Representation

While think tanks, and other 'thinking organisations', can play a crucial role in undertaking qualitative research with those with direct experience of a particular service or policy, think tanks are not representative organisations and, usually, do not advocate for particular groups or their interests. This is clearly both a potential positive and negative. When making policy changes it is essential that the voices of those affected by the change are a central part of the process. Think tanks can do this through their work but other organisations are often better placed to ensure the voice of service users is heard by decision-makers directly.

This limitation can also be a strength of the role of think tanks as one part of a decision-making system. For Hernando (2019), such limitations can "allow think tanks to intervene at a distance from the practical effects of their recommendations" with an "ability to suggest policy proposals that base their legitimacy on 'ideas' rather than solely on 'interests'". For Slay (2017), this allows think tanks to play "an important role in starting to make the unthinkable possible, and convening a space where politicians and opinion formers can safely engage with ideas that might be considered politically risky".

While there are relatively recent examples of think tanks within the UK who have also become service development and service delivery organisations, it is less common across think tanks as a whole to directly inform their work through service delivery. This means other organisations are often better placed to play the role of representing the voice of service users, or beneficiaries within the policymaking process.

Advocacy

The boundaries between research, policy work and campaigning are not always clearly defined, with policy organisations often working across all three at different points. For think tanks, research and policy work are often the main focus of their output, with less of a focus on campaigning and advocacy. This

is not always the case, and a key part of delivering impact is in advocating on behalf of particular policy solutions and recommendations. However, in general, other organisations are often better placed to take on and develop the ideas and solutions generated by the work of think tanks to campaign and advocate for change.

This does not necessarily hold for all think tanks and all policy areas and issues and where impact is achieved, it is very often delivered in partnership. Therefore, developing coalitions of organisations, including research and policy organisations, together with campaigning and advocacy organisations can often maximise the potential impact from the work of think tanks. Such collaboration can strengthen the democratisation of policy formulation to a larger degree and remove much of policy design from the "political netherworld", a transition beneficial to both think tanks and wider society (Turnpenny et al 2015).

Long-term expertise

For more generalist think tanks, rather than those focused on specific policy areas, developing and retaining long-term expertise in particular policy areas can be difficult. Other subject-based policy organisations, and academia, can be better placed to develop the narrower and longer-term technical knowledge and expertise required for some policy areas. Partnerships, again, can help more generalist think tanks to overcome this limitation and equally, the ability to work across policy areas, providing potentially new perspectives, can be a strength of a well-functioning think tank sector.

CRITICISMS OF THINK TANKS

Trust and transparency

However, while a well-functioning think tank sector can help to underpin the democratic process, weaknesses among individual organisations or across the think tank sector, as a whole, could undermine its ability to do so. In particular, a think tank or think tank sector that is distrusted or lacks transparency is one that will be unable to fulfil its function properly.

The funding of think tanks is one of the most divisive aspects of their function, often leading to controversies around the transparency of funding sources and subsequent issues of accountability.

In the UK, 'Who Funds You?' is an online campaign to promote think tank transparency at the Westminster level. It gives Westminster-focussed think tanks an A–E grading based on their level of transparency. A-ratings are given to those that name all funders who gave £5,000 or more in the past year and state exact amounts; E-ratings are given to those providing zero or negligible information on funding (Who Funds You? 2019). Given a number of Westminster-focused think tanks in the UK have charitable status, these have a number of reporting requirements that non-charities do not need to adhere to, including regarding levels of income and sources of funding. There are also requirements around the political party neutrality of charity think tanks that non-charity think tanks do not need to meet.

Public perceptions

Likewise, and connected, the public perception of think tanks is an important measure of the strength or weakness of the think tank sector. While not all think tanks aim to influence the general public directly (many focus solely on the policy and political community), public perception can have a significant indirect impact on the ability of individual think tanks, or the sector as a whole, to have influence.

Recent research from We are Flint, a global communications agency, looked at perceptions of think tanks in the UK. In 2018, it polled a representative sample of

people across the UK to explore how well understood think tanks and the think tank sector are in the UK. It found that around half of people think they know what a think tank is (52 per cent). Just under two-thirds of people define themselves as interested in politics (65 per cent). Over half of people 'don't know' whether they trust what think tanks have to say (55 per cent). However, just under two-thirds (64 per cent) of those working within politics, policy or government are more likely to trust what think tanks have to say (Hashemi and Muller 2018).

A key criticism, or at least an observation, of think tanks in general is that communication with the general public is often neglected in favour of donors and policymakers (McGann 2019). Pautz (2014) states that "a well-populated think-tank landscape is not synonymous with a well-informed and public policy debate". For some this may not be seen as a key role for think tanks but clearly to increase trust and transparency it may be necessary for the sector to consider.

Alongside a lack of focus on the general public, a key criticism of some think tanks is that they can perpetuate an elitist approach to policymaking. By building connections into the policymaking processes, and not being often best-placed to directly represent the views of the service users or potential beneficiaries, there is a risk that the output of think tanks gains privileged status within the policy making process, with think tanks becoming "elite production mechanisms" (Pautz 2014). The research methods and approaches used by think tanks in their work can help to mitigate these challenges. Those think tanks grounded in the direct experience of people affected by the policy area in question, are less likely to risk the perpetuation of an elitist approach to policymaking and more likely to have effectively tested potential policy solutions (Balfour 2017). Equally, by working in coalition and partnership with representative and advocacy organisations, think tanks can ensure they can be a route through which policymaking can be opened-up. Finally, by working to promote diversity within the staff team, and trustees, that populate think tanks, think tanks could take a greater role in providing routes to tackle elitism in policymaking.

A trusted and transparent think tank sector is a foundational part of a well-functioning 21st-century democracy. However, a number of different types of think tanks are defined in the literature, with varying degrees of independence. Equally, even within think tank types, there is a varying degree of transparency, with those with wider regulatory responsibilities (such as charities) more likely to provide higher levels of information on who funds them and who leads them. Across the UK, while think tanks are well understood, and trusted, by those working within the policy process, those who are further away from the process are less clear of the role and benefit of think tanks and whether they can be trusted. If Scotland is to grow its think tank sector to match the powers now held by the Scottish parliament, it is crucial that lessons are learned from the strengths and weaknesses of the think tank sector elsewhere in the UK and the world.

4.
THE THINK TANK SECTOR IN SCOTLAND

Following devolution in 1999, and with further waves of devolution in 2012 and 2016, the size and scale of the think tank sector in Scotland has not yet matched the scale of powers and spending responsibilities held by the Scottish parliament. This chapter outlines the history of the think tank sector in Scotland and its current form.

SUMMARY

We have identified five types of think tanks or thought leadership organisations in Scotland.

A typology of think tanks and policy and research organisations in Scotland
- Autonomous think tanks.
- Academies, and fellowship and membership policy institutes.
- Academic-based policy units and institutes.
- Research consultancies.
- Wider policy organisations.

How many think tanks and 'thinking organisations' exist in Scotland?
In Scotland there are:
- two active 'autonomous think tanks' – IPPR Scotland and Reform Scotland
- a further four or five active hybrid think tanks, academies, policy institutes and membership or fellowship policy organisations – including Common Weal, the David Hume Institute and the Royal Society of Edinburgh
- significant numbers of academic-based/staffed institutes such as the Fraser of Allander Institute, the Jimmy Reid Foundation, Policy Scotland and the Scottish Centre for European Relations
- a large number of research consultancies
- UK policy organisations and funders which have an established presence in Scotland, including the Joseph Rowntree Foundation and Nesta, or which cover the UK from a Scottish base, as in the case of the Carnegie UK Trust
- a number of new potential funding sources for policy research in Scotland, including the Scottish Policy Foundation
- hundreds of policy-focussed civil society organisations and representative bodies.

HISTORY OF THINK TANKS IN SCOTLAND

There are a large number of organisations in Scotland established to influence policy. Some have an incredibly long-standing heritage, such as the Royal Society of Edinburgh, Scotland's National Academy, formed in 1783 during the Scottish Enlightenment for the advancement of learning and useful knowledge, alongside others such as the David Hume Institute, a policy institute formed in 1985, and the Centre for Scottish Public Policy, formed originally as the John Wheatley Centre in 1990. Others have a more recent past.

Soon after devolution, the Scottish Council Foundation was formed as one of Scotland's first post-devolution think tanks. It was established by the Scottish Council of Development and Industry, a membership body which represents a cross-section of the private, public and voluntary sectors, and held a politically independent position, with the aim of bridging thinking and practice to provide solutions to many of the pressing social, economic and environmental challenges facing Scotland. It was founded in 1999 but closed in 2007, around the time of the global financial crash.

More recently, a number of new policy organisations have been established with core staff and a consistent research output focussed on decision-making in Scotland:

- Reform Scotland, a charity and public policy institute formed in 2008, works in Scotland to 'promote increased economic prosperity and more effective public services based on the principles of limited government, diversity and personal responsibility' (Reform Scotland 2019).
- Common Weal, formed in 2013, describes itself as 'a people-powered think and do tank in Scotland' (Common Weal no date).
- The Institute for Public Policy Research Scotland (IPPR Scotland) was established in 2015, as Scotland's progressive think tank. IPPR Scotland is an autonomous part of the Institute for Public Policy Research (IPPR), a registered charity in Scotland and across the UK with four staff in Scotland and more than 40 staff across the UK.

Scotland also has a number of other organisations described as think tanks, or undertaking work in line with some definitions of a think tank, either based in academia, or independently based but without an independent core staff, or with a less frequent research output. These include:

- academic-based institutes such as the Fraser of Allander Institute (at the University of Strathclyde) and Policy Scotland (based at the University of Glasgow)
- those with predominantly academic-based staff such as the Jimmy Reid Foundation and the Scottish Centre for European Relations
- the RSA (Royal Society for the encouragement of Arts, Manufactures and Commerce) and other organisations such as the Centre for Scottish Public Policy and the Scotland Institute.

The Scottish parliament, alongside its research and information service (SPICe), also has the Scottish Futures Forum, described as the Scottish parliament's think tank, set up in 1999 alongside devolution to the Scottish parliament.

CATEGORIES OF POLICY ORGANISATIONS IN SCOTLAND

Taking the definitions, typologies and categories of think tanks outlined in chapter 3, and applying them to Scotland, we have constructed a typology of think tanks and policy and research organisations in Scotland. We have identified five broad types, ranging from autonomous think tanks, through to civil society policy organisations. These categories are not mutually exclusive, with organisations potentially

overlapping across a number of the categories at different points in the work they do. Equally, they are not necessarily set, as organisations may transition from one category to another through changes in their strategy over time.

A TYPOLOGY OF THINK TANKS AND POLICY AND RESEARCH ORGANISATIONS IN SCOTLAND

1. Autonomous think tanks
2. Academies, and fellowship and membership policy institutes
3. Academic-based policy units and institutes
4. Research consultancies
5. Wider policy organisations

Autonomous think tanks

In the typology developed in this report, 'autonomous think tanks' are public policy research organisations with in-house staff, a governance structure and funding sources that provide independence from other organisations or individuals, and organisations that retain editorial control over their research output (for example working on a sponsorship or donation basis as opposed to working exclusively by commission). Autonomous think tanks are usually non-profit and often, but not always, registered as a charity. In terms of the work they produce, they are usually more focussed on the electoral cycle than other thinking organisations and aim to produce solutions-based output, rather than solely problem analysis or evaluation.

There are a small number of active examples of autonomous think tanks based in Scotland, most notably IPPR Scotland and Reform Scotland. Both organisations have core independent staff employed to work on public policy research and aim to produce solutions-focussed research output. They have an autonomous and independent structure, with funding largely originating from donations and sponsorship, whether on a project-by-project basis, in the case of IPPR Scotland, or for core funding, in the case of Reform Scotland.

In addition to IPPR Scotland and Reform Scotland, Common Weal, established in 2013, describes itself as a 'think and do tank'. It produces research reports, briefings and books – in line with an autonomous think tank – but, in addition, Common Weal has established Common Space, its news service, and conducts activities beyond the traditional range of an independent think tank, making it somewhat of a hybrid model – or 'think tank plus' model – between an autonomous think tank and a wider communication, policy and campaigning organisation.

Common Weal states that it is funded entirely from small regular donations from its supporters, IPPR Scotland is funded through sponsorship and donations from a range of private and charitable organisations on a project or programme basis, and Reform Scotland is predominantly funded through a smaller number of donations for its core costs.

Given the importance of the constitutional question in Scotland in recent years, it is notable that each of the three organisations takes a different position. Reform Scotland, through its Devo-Plus work, considered Scotland's constitutional settlement prior to the 2014 independence referendum but states that it remains neutral on the question of independence itself (Reform Scotland, 2011). Common Weal, set up in the year before the referendum, was and remains pro-independence, while IPPR Scotland, set up the year following the referendum, is neutral on the question of independence and has focussed primarily on social policy rather than constitutional change in its work to date.

Other organisations that could be defined as autonomous think tanks, but either currently do not have core and independent staff, or are not independently based (for example, based within academia), or are currently not actively producing research, include the Jimmy Reid Foundation and the Centre for Scottish Public Policy.

Academies, and fellowship and membership policy institutes

We have defined 'academies, and fellowship and membership policy institutes' as academies or policy institutes focussed on policy work that can be directed, and sometimes in part funded, by their fellows or members. Policy work may only be one element of the work they do. While their work often includes their fellows and members, unlike representative bodies, it is not designed to advocate on their behalf. Their activity can be more focussed on convening decision-takers and policymakers together with their fellows and members, and stakeholders more widely, to attempt to influence policy through connecting people around key policy questions.

There are a number of organisations in the category of academies, and fellowship and membership policy organisations in Scotland, including organisations such as the RSA and the Royal Society of Edinburgh – Scotland's National Academy.

Interestingly, the David Hume Institute, a long-standing research institute in Scotland, has worked to shift its role in recent years from primarily a convening organisation, bringing decision-makers in to discuss policy with its members and stakeholders, to one undertaking work more in line with that of an autonomous think tank. This has included research reports on productivity and immigration (David Hume Institute 2018, 2019).

The Royal Society of Edinburgh has a long-standing history of producing policy-focussed work, and undertakes a number of policy inquiries, including its recent review of women in science, technology, engineering and maths (Royal Society of Edinburgh 2018), and its ongoing 'Post-Covid-19 Futures Commission' more in line with autonomous think tank output. However, its policy work is only one element of a much wider range of activities which make up its role as an academy.

Other convening organisations include the Goodison Group in Scotland, a registered charity focussed on 'issues of learning through life', which aims to contribute ideas and influence the thoughts of policymakers and decision-makers. It is a volunteer-led organisation with a company secretary and programme

manager. The Goodison Group has been working with the Scottish Futures Forum on its Scotland 2030 Programme, investigating future schooling, education and learning approaches in Scotland.

Academic-based policy units and institutes

Academic-based policy units and institutes are usually housed within a university and/or staffed by academic staff, or with an outsourced research capacity from staff across the university. Funding is predominantly, though not exclusively, from academic sources. Research can often be more technical in nature and sometimes less focussed on the electoral cycle.

Academic-based institutes in Scotland include the Fraser of Allander Institute at the University of Strathclyde, Policy Scotland at the University of Glasgow and other subject-focussed institutes such as the Centre on Constitutional Reform based within the University of Edinburgh. These organisations are characteristic of Weaver's 'academic think tank' definition (Weaver 1989). In terms of autonomy, these organisations clearly fall into McGann's 'university affiliated' category (McGann 2018), with the focus of research and culture largely defined by the department within which the institute is based. Funding is heavily derived from the affiliated university, research councils and the Scottish Funding Council.

THE JOHN SMITH CENTRE FOR PUBLIC SERVICE

The John Smith Centre is based within the University of Glasgow and appointed its first director, former Scottish Labour leader and MSP Kezia Dugdale, in 2019. The centre is focussed on developing an understanding of and interest in public service across the UK, including representative politics.

The inspiration for the centre comes from the late former Labour party leader Rt Hon John Smith QC MP, who on the night before he died in 1994 concluded a speech with the words: 'The opportunity to serve our country – that is all we ask' (John Smith Centre no date).

The centre, based within academia, in governance terms is closest to an academic institute. It aims to include some output on its subject area closer to that of an autonomous think tank.

Research consultancies

Research consultancies are independent policy organisations or departments housed within non-policy organisations. They are usually for-profit either with core staff and/or groups of consultants. Their research focus is often on evaluation and shorter-term technical primary research (such as focus groups and surveys) and funding often comes through public procurement and private company contracts. Outputs are more likely to be dispassionate, analytical and focussed on individual services or policy initiatives, than solution-focussed work on whole public policy areas.

There is a fairly large number of research consultancies based in Scotland, including Ipsos MORI Scotland, Rocket Science, the Social Value Lab and the recent addition Mark Diffley Consultancy and Research. These organisations are close to the definition of a 'contract research organisation' outlined in chapter 3 (Weaver 1989).

Wider policy organisations

In Scotland in particular, there is a large range of influential policy-focussed civil society organisations and representative bodies. This category includes organisations based in Scotland that fund or deliver research themselves, sometimes with output similar to that of an autonomous think tank, such as the Joseph Rowntree Foundation. It also includes the large number of wider campaigning, advocacy and membership organisations. Given the open and accessible nature of the policymaking process in Scotland, they form some of the most influential organisations over the Scottish parliament's policies. For some of these organisations, policy work will form a large part of their activity, but for others it will be ad hoc or incidental.

RECENT DEVELOPMENTS

There have been a number of recent developments in Scotland of relevance to strengthening the think tank sector and developing greater support for decision-making in Scotland.

The Scottish Policy Foundation is an independent, apolitical grant-making charitable foundation, set up in 2017, which aims to co-fund objective policy research to inform debate in Scotland. It raises funds through donations and funds thought leadership in Scotland, including providing funding for projects undertaken by Scotland's think tanks. In addition, the Scottish Policy Foundation has worked with the Fraser of Allander Institute to develop a macro-economic model available for use for policy research in Scotland. The Scottish Policy Foundation has an advisory council formed with cross-party and cross-constitutional representation and aims to fund evidence-based research from across the political spectrum.

Nesta, a self-described 'innovation foundation', has recently increased its presence in Scotland with a newly appointed staff team, including a new head of Nesta in Scotland role, and a renewed commitment to working in Scotland to understand how digital and data-driven innovation can help to tackle some of the big social challenges facing Scotland. It aims to do so across UK-wide strategic themes through grant funds, 'challenges', 'accelerators' and future scoping, and through collaboration with local partners in Scotland. While not strictly a think tank, Nesta has the potential to encourage thinking that can work to support decision-making in Scotland.

The Standard Life Foundation is a charitable foundation based in Edinburgh that aims to contribute to strategic change that improves financial wellbeing across the UK. It was originally formed in 2009 but received significant funds in 2017 from unclaimed assets from Standard Life (now merged to form Standard Life Aberdeen). It aims to work with organisations to deliver real and lasting change in policy, practice and attitudes to improve living standards and personal finances in the UK, including with a focus on Scotland.

Following the UK's vote to leave the European Union in 2016, Scotland has also seen an increased interest in policy work focussed on the European dimension. As well as an increase in output from academic institutes, the creation of the Scottish Centre for European Studies marks Scotland's first think tank focussed on European policy issues, a hybrid between an autonomous think tank and an academic institute.

5.
UNDERSTANDING THE THINK TANK SECTOR IN SCOTLAND

As outlined in chapter 4, the think tank, research and policy sector in Scotland has been growing in size in recent years. There are dozens of well-connected and influential policy organisations in Scotland, and a healthy number of academic institutes and research consultancies, with long-standing academies, and fellowship and membership organisations, that retain a policy focus.

As well as increasing in size, the nature of the think tank, research and policy sector in Scotland has changed over the course of devolution, as further powers have been devolved to the Scottish parliament. In many ways, the sector in Scotland has in the past been focussed mainly on convening, holding events and activity designed to bring a 'meeting of minds' from which the right policy issues would become priorities and potential solutions found. With the creation of Reform Scotland and, more recently, Common Weal and IPPR Scotland, alongside a shift in emphasis among longer-standing organisations such as the Royal Society of Edinburgh and the David Hume Institute, the think tank sector is now, more than ever before, contributing to the production of solutions-based research output in Scotland

Given this context, we spoke with think tanks in Scotland, commentators, and funders and potential funders based in Scotland and across the rest of the UK, to understand the context within which think tanks in Scotland were operating and potential avenues for growth. In doing so we brought together a group of policy organisations based in Scotland, including autonomous think tanks, policy institutes, academic institutes and policy-focused organisations, we surveyed a larger range of Scotland-based organisations, and then conducted interviews with and a small-scale survey of trusts and foundations in Scotland and the rest of the UK. The research took place in 2019, prior to the UK general election and prior to the start of the Covid-19 crisis.

From this research we have developed seven findings:
1. Scotland is seen as a place with big opportunities for impact through public policy change.
2. Greater levels of funding are needed to boost the depth and breadth of think tanks in Scotland to support decision-making in Scotland.
3. There is evidence of increasing impact from think tanks in Scotland, but this story has not always reached opinion formers and potential funders.
4. Potential funders do not always have confidence that policy work in Scotland can successfully navigate constitutional and party-political divides.
5. For funders based in the rest of the UK, Scotland can feel further away in policy terms and they can feel less connected to the Scotland context, making funding decisions more difficult.
6. Policy organisations in Scotland need to have a clearer focus on developing evidence-based policy prescriptions and solutions.
7. In growing Scotland's think tank sector, priority must be placed on ensuring independence, transparency and trust.

SCOTLAND IS SEEN AS A PLACE WITH BIG OPPORTUNITIES FOR IMPACT THROUGH PUBLIC POLICY CHANGE

A consistent theme across those we spoke to both in and outside of Scotland was that the potential for achieving change in Scotland is seen to be more significant than in other parts of the UK. This is in part due to the political context in Scotland compared with the rest of the UK, but also due to the size of the policy community, and the strong sense that Scotland is well-networked together.

> *'There's a perception that Scotland is ahead of the game and does things better. There is this sense it's a bit easier to work in the political landscape within Scotland. We connect with some departments within the Scottish government and we find that far easier than connecting with departments in Westminster.'*
> Staff member, UK-wide trust and foundation based in the rest of the UK

Equally, Scotland is seen as a good place to try new ideas to achieve impact more quickly than elsewhere.

> *'One of the pros about Scotland is you can try stuff up here. If you are a funder, and you are based down south, you've got this market up here where you could say "well we can look into this particular area" and it's almost not as complex.'*
> Staff member, Scotland trust and foundation

In particular, one funder outlined the potential impact that think tanks in Scotland could have, stating:

> *'[Think tanks] can probably have more of an influence up here because it's a small nation, you have more direct access to politicians, advantage of it being a less crowded field. If you did a really strong piece of policy work there's probably a greater chance of that getting media coverage and engaging with the politicians.'*
> Staff member, Scotland trust and foundation

However, there was also a strong perception that parts of the political and policy community in Scotland are closed to ideas from outside of a small sphere of influence. Among some of the opinion formers we spoke with there was a perception that Scotland's policy community is less interested in ideas per se. For others, this was more due to a mistrust of 'silver bullets', simple answers or top-down changes as against less obvious efforts to achieve behavioural change. Among the think tanks we spoke with there was a mixed view, with some expressing difficulty in networking into parts of the decision-making process while others found the opposite.

GREATER LEVELS OF FUNDING ARE NEEDED TO BOOST THE DEPTH AND BREADTH OF THINK TANKS IN SCOTLAND

In recent years, a number of commentators have argued that Scotland does not have sufficient numbers of think tanks to provide the new ideas, scrutiny and evidence that can support decision-making in Scotland. Prior to the Covid-19 crisis, we saw a number of interventions decrying Scotland's current policy process and the lack of new ideas being generated or the lack of openness to new ideas among Scotland's policymakers (see Hassan 2019, Mackay 2019, McAlpine 2019, Simpson 2019).

This view was echoed by one of our research participants from a trust and foundation based in Scotland, who stated:

> *'The amount of policy research that is done by think tanks should be increased – from all sections of the think tank world, in order to generate a more informed debate.'*
> Staff member, trust and foundation in Scotland

However, our research participants, already working for policy organisations in Scotland, outlined that it was less the need for greater numbers of think tanks, and more the need to find greater levels of more secure funding that was needed. They argued this could allow those think tanks that are active in Scotland to broaden and deepen their work, and communicate it better, allowing new organisations to establish or dormant ones to re-establish themselves. One staff member of a policy organisation in Scotland stated:

> *'The biggest block to delivering impactful policy research is not the lack of think tanks in Scotland, it's the lack of funding for think tanks. Increasing the number of think tanks without addressing how we fund them would not improve things, in fact it might worsen them.'*
> Staff member, policy organisation in Scotland

Many of the people working in policy organisations in Scotland described a lack of capacity to gain the depth of understanding of an issue, to develop the contacts to properly act as a bridge between evidence and decision-makers, and then to properly communicate the work being produced. One stated:

> *'The biggest funder for my organisation is me, through the hours and days I spend volunteering my time unpaid [in evenings and weekends].'*
> Staff member, policy organisation in Scotland

This point is further reinforced by the relatively large number of think tanks in Scotland that are ad hoc, that are not producing research regularly, or that have been formed and then closed. It is less a lack of think tanks and more a lack of independent and secure funding for think tanks in Scotland.

THERE IS EVIDENCE OF INCREASING IMPACT FROM THINK TANKS IN SCOTLAND, BUT THIS STORY HAS NOT ALWAYS REACHED OPINION FORMERS AND POTENTIAL FUNDERS IN SCOTLAND

There was a consistent view among the policy organisations we spoke with that think tanks are having an increasing impact. This can be evidenced through new policy initiatives in Scotland around the use of income tax powers, new social security payments, the Scottish National Investment Bank and the shape of the devolution settlement. Think tanks in Scotland can therefore point to a number of tangible impacts that they have contributed to through their work in recent years. At the same time, among the policy organisations that we spoke with there was consistent frustration at the opportunities for greater impact that were being missed for a variety of reasons, including most notably a lack of capacity or a lack of funding.

However, most of the Scotland-based funders we spoke to were more interested in funding non-research such as local projects and activities. As far as they were interested in influencing policy in Scotland, they saw a route to doing so through monitoring and evaluation research, rather than through funding policy research.

While this was the predominant view, some trusts and foundations based in Scotland we spoke with had developed an understanding of the potential for think tanks to deliver impact.

'Over time, looking at the impact we want to have, we have realised that it really needs to be the think tanks, they are the ones who understand it, they have the contacts, who know to do a report, who know how to do the launch, who know how to engage with the politicians – that has emerged over time.'
Staff member, trust and foundation in Scotland

Outside of Scotland, funders had a more consistent view of the value that think tanks can bring to achieving change and pursuing their funding objectives.

'Our experience of working with think tanks has been pretty good. They have a huge amount of knowledge and specialist knowledge. For us it's great to speak to people with that level of knowledge and expertise.'
Staff member, trust and foundation based in the rest of the UK

However, they added that think tanks need to concentrate on dissemination and communication, rather than seeing the publication of reports as the end of the project.

'Producing the work is great but how do you stop that piece of work being something that sits on the shelf, something that exists on a website? How do you turn that into something that gets used? That's an art, not a science.'
Staff member, trust and foundation based in the rest of the UK

POTENTIAL FUNDERS DO NOT ALWAYS HAVE CONFIDENCE THAT POLICY WORK IN SCOTLAND CAN SUCCESSFULLY NAVIGATE CONSTITUTIONAL AND POLITICAL DIVIDES

A consistent theme across the opinion formers, decision-makers, policy organisations and funders we spoke with was that constitutional and political divides have potentially made potential funders more risk averse when it comes to funding policy research. This was felt more acutely in Scotland than by the UK-wide funders based outside of Scotland we spoke to. One Scotland-based funder we spoke with raised two broad headwinds to funding think tank work in Scotland:

'Firstly, there hasn't been a culture of it [funding policy research in Scotland] and companies are wary. Secondly, the atmosphere around independence means particularly if [think tanks] talk to corporate donors, there's a reticence.'
Staff member, trust and foundation based in Scotland

This perception was shared by the policy organisations in Scotland we spoke with, with a clear and consistent concern that funders see Scotland as complicated, controversial or a difficult place to work.

FOR FUNDERS BASED IN THE REST OF THE UK, SCOTLAND CAN FEEL FURTHER AWAY IN POLICY TERMS AND THEY CAN FEEL LESS CONNECTED TO THE SCOTLAND CONTEXT, MAKING FUNDING DECISIONS MORE DIFFICULT

For UK-wide funders based outside of Scotland, there was a clear willingness to work in Scotland and, as stated above, an awareness of the potential for impact in Scotland. However, their lack of geographical proximity to Scotland and more generally lower levels of connection to the Scotland context, made funding policy work in Scotland more difficult. One stated:

'It's harder for Scottish organisations to build the relationship back with us as well because either they're having to come to London or they're having to do everything one step removed. It's more challenging than it is for their England counterparts.'
Staff member, UK-wide trust and foundation based outside of Scotland

However, there was evidence of some UK-wide funders working to balance the pattern of their spending across the UK. One stated:

'We do keep in mind the balance. For example, at the moment we haven't managed to fund anything in Northern Ireland for a little while. It doesn't mean we will fund there for the sake of it but we will put more effort into making sure organisations know we exist. We will try a bit harder where we're underrepresented.'
Staff member, UK-wide trust and foundation based outside of Scotland

Equally, there can be a misunderstanding of the devolved arrangements within the UK, and when funding work facing Westminster, or at a UK level, a lack of awareness that this will not always reach beyond England.

'A lot of the big UK trusts that are UK-wide believe that Scotland is influenced by the policy that is produced at a UK level. So if we fund work aimed at, for example, ending poverty at a UK level, that fixes Scotland too.'
Staff member, policy organisation in Scotland

THINK TANKS IN SCOTLAND NEED TO HAVE A CLEARER FOCUS ON DEVELOPING EVIDENCE-BASED POLICY PRESCRIPTIONS AND SOLUTIONS.

Scotland's policy community has a large number of strong civil society and representative policy organisations, conducting research, policy, advocacy and campaigning to inform influence the policy process, alongside a healthy research consultancy community undertaking evaluation of existing policy initiatives and activities and feeding into the formal policymaking process. There are also organisations fulfilling the role of networking and convening decision-makers and researchers through events and other research activity. However, it was felt by a number of our research participants that there are too few organisations focussed on developing research-based policy prescriptions and new ideas and solutions in Scotland. It is in this space that Scotland is less catered for.

One funder in Scotland stated:

'We don't want to fund research that is just describing a problem.'
Staff member, trust and foundation based in Scotland

They added that not all of the policy organisations they had worked with in Scotland were willing or able to focus on solution-based work.

'Even among them [the policy organisations], there are occasions where there seems to be reticence to come up with policy prescriptions, which we've been surprised about.'
Staff member, trust and foundation based in Scotland

IN GROWING SCOTLAND'S THINK TANK SECTOR, PRIORITY MUST BE PLACED ON ENSURING INDEPENDENCE, TRANSPARENCY AND TRUST.

From across the literature we have reviewed for this report, it is clear that independence, transparency and trust in think tanks are vital for their sustained growth and impact. Their governance and staffing arrangements will be crucial to this, as will the forms of funding available and accessed by think tanks. We did

not pick up a lack of trust in think tanks in Scotland from the people we spoke with through our face-to-face research. However, without question, given the constitutional and political divides in Scotland, and across the rest of the UK, it is imperative that a growing sector sets high standards for transparency, and constantly guards its independence, in order to maximise levels of trust and impact.

Many policy organisations in Scotland hold charitable status, which comes with standards and regulations around reporting funding levels. However, organisations such as Who Funds You? show potential routes to enhancing transparency and trust among policy organisations in Scotland.

6.
GROWING THE THINK TANK SECTOR IN SCOTLAND

In this report we have outlined the definitions of think tanks in use across the world and the history of think tanks in Scotland. We have also developed a typology of think tanks and policy and research organisations in Scotland, outlining the broad forms, governance and function of public policy-focussed organisations in existence in Scotland.

Overall we can see a story of growth in the think tank and 'thinking' sector in recent years. While there are only a small number of traditional autonomous think tanks, most notably IPPR Scotland and Reform Scotland, alongside hybrid think tanks such as Common Weal, there are significant numbers of policy organisations in Scotland, working to influence devolved policy and decision-making. However, in Scotland the balance of activity favours advocacy and campaigning, academic research and convening-based policy work through events and networks. There is much less policy research produced with the explicit aim of providing evidence-based solutions and focussed on the Scottish parliament's electoral cycle.

Equally, and related, if we accept that there is insufficient think tank capacity in Scotland, it does not seem to be due to a lack of organisations. Instead it is likely that the block on building think tank capacity is a lack of funding for policy research focussed on devolved powers. It is not too few think tanks, it is too little funding for the work that think tanks aim to do.

Finally, in understanding how we can strengthen policymaking in Scotland, more than 20 years since devolution, we should be clear as to the problem we are trying to address. In some ways, Scotland has a very open decision-making process. The Scottish parliament and broader legislative and policy processes are founded on good principles of openness, engagement and accountability. And indeed, advocacy, campaigning and policy organisations have used this open process to good effect throughout the more than 20 years of the Scottish parliament's existence.

However, there is a concern that this openness extends only to the formal process of making policy decisions – for example through Scottish government consultation on policy change or Scottish parliament consultation and engagement around legislative change. There was a perception among a number of the think tanks and policy organisations we spoke with that the *development* of policy and accountability around the *delivery* of policy are a much less open process, with the risk that the Scottish government and its agencies inadvertently construct a closed process where new ideas and directions come only from internal sources, and equally, a closed process around policy delivery, with the system 'marking its own homework' in this regard. In this way, Scotland may be argued to have an open policy decision-making process, but less open policy development and policy delivery processes. There is potentially a role for a stronger think tank sector, alongside others, in helping to open up how policy is developed and delivered.

This will only be possible with a greater depth among think tanks in Scotland. For this to happen, there is a clear need for increased funding for solutions-focussed policy research that protects the independence of think tanks in Scotland. This

is an obligation shared by all potential funders with an interest in seeing the strongest possible policymaking in Scotland.

Equally, and in turn, protections will need to be built into the think tank sector now to ensure Scotland's sector remains independent, transparent and trusted, ensuring Scotland grows the right type of think tanks that can support rather than diminish decision-making in Scotland. This is an obligation shared by think tanks and research and policy organisations across Scotland.

Scotland is facing significant challenges and disruptions over the coming years. Even prior to Covid-19, the 2020s were expected to be a decade of disruption as significant changes brought by automation, Brexit, climate change, demographics and ageing, and increasing economic inequalities took hold. With the ongoing Covid-19 crisis this next decade will be incredibly important to the future trajectory Scotland takes.

Without question, the opportunities for impact from policy research in Scotland are significant. We heard this view repeatedly from the policy organisations and funders we spoke with based both within and outside of Scotland. Devolution has already showed that Scotland can take a policy path different from the rest of the UK, with decisions made more closely to, and with, the Scottish people. As the Scottish parliament has taken on new powers, the potential for public policy to improve the lives of people in Scotland has increased, and will continue to do so. However, as the powers of the Scottish parliament grow, the need for a strong think tank sector to support decision-making, policy development and policy delivery grows too.

Here we set out a number of recommendations that we believe could form the basis for growing an independent, transparent and trusted think tank sector in Scotland, with the capacity to support a 21st-century democracy in Scotland.

RECOMMENDATIONS
Think tanks
- Think tanks and policy research organisations in Scotland should consider developing a voluntary **'transparency and trust pledge'** to ensure the current sector and any growth in the sector are based on the crucial principles of independence, transparency and trust in terms of funding, governance and research output. This would go beyond existing regulations for charitable bodies. As part of this, consideration should be given to how to ensure diversity among staff, advisors and trustees within the think tank sector as it grows over time.
- A **directory and annual review of think tanks in Scotland** should be established to understand the scale, output and impact of the think tank and policy research sector in Scotland. This may help to generate a greater awareness of the organisations working in Scotland, their capacity and capabilities, and the impact produced. In turn, this could help to generate potential new funding for policy research in Scotland.

Trusts and foundations
- Work should be undertaken by funders based in the rest of the UK and policy organisations in Scotland to establish an **annual 'expo'**, bringing a range of thinking organisations in Scotland together with UK-wide trusts and foundations based outside of Scotland. The aim would be to help potential funders to understand the policy context in Scotland, to gauge demand in Scotland for policy research, while also helping funders to potentially align their strategic priorities in Scotland.

- Work should be undertaken to establish a route for Scotland-based trusts and foundations to come together with thinking organisations to **consider the potential for public policy research** to deliver against their funding objectives. This could take the form of a regular event, annually or more frequently, attended by policy organisations and relevant Scotland-based potential funders.

Scottish government and Scottish parliament

- The Scottish government and Scottish parliament should consider developing an **arm's-length 'seed fund'** to strengthen the depth and breadth of Scotland's think tank sector. Open to all, it would have standards around transparency, and a focus on boosting Scotland-based capacity to develop solutions-based public policy research through independent funding. The fund could be focussed on key public policy challenges agreed on a cross-party basis, for example through the Scottish parliament's Scottish Futures Forum. It could be delivered through the Scottish parliament or through a third-party charitable organisation, and would need safeguards in relation to the independence of the funding and the work funded. The Scottish government funds independent higher education research through its arm's-length agencies and it should look to do the same for public policy research too.

- Scotland has an open decision-making process at the point of legislative or policy change. This is a key strength of decision-making in Scotland. However, we have found a consistent view that the policy development process and the policy delivery process in Scotland – including scrutiny around implementation – could be more open, and include greater levels of constructive challenge. The Scottish government and Scottish parliament should consider, more than 20 years on from devolution, how the founding **principles of openness, engagement and accountability, which underpin Scottish democracy, can be extended across the full policy cycle**, including policy development and policy delivery.

Private sector

- Think tank sectors around the world, including in the rest of the UK, depend in part on sponsorship and donations from private sources. Supporting thought leadership is seen as a key role for private individuals and organisations, whether through altruism or enlightened self-interest. For Scotland's think tank sector to grow in capacity and capability to further support decision-making in Scotland, funding levels for policy research from private sources will need to increase, whether from individual members of the public, larger philanthropic donations or private organisations operating in Scotland. The think tank sector, working with key potential sources of private funding, should work together to develop a **'thought leadership accreditation' kitemark** to encourage private individuals and organisations to take a key role in thought leadership in Scotland, to consider funding policy research and to set out key standards to maintain independence, transparency and trust in the think tank sector in Scotland.

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