
Introduction: Think Tanks in Austria, Switzerland and Germany – A Recalibration of Corporatist Policy Making?

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The German-speaking countries share a multitude of commonalities which separate Germany, Austria and Switzerland from other developed democracies. One prominent commonality of the German-speaking “family of nations” (Castles 1993, 2004; cf. Armingeon/Freitag 1997) is the broad integration of interest organizations into the process of policy deliberation, policy decision-making and policy implementation (Katzenstein 1987).

The dominant role of interest organizations in public policy making is, however, not mirrored in standard attempts to measure the integration of interest-groups or, as it is called, neo-corporatism. While Austria ranks very high in most of the various empirical investigations (cf. Lehmbruch 1984, Siaroff 1999, Traxler/Blaschke/Kittel 2001), Germany usually is positioned in the middle of the range. Switzerland ranks low in most cases or is perceived as representing a very specific form of corporatism. As Isabelle Steffen and Wolf Linder (in this volume) argue, core institutional features classically associated with corporatism, such as strong trade

unions or centralized wage bargaining patterns, are missing in Switzerland. Nevertheless, there are some “functional structures equivalent to neo-corporatist arrangements” (Kriesi 1995: p. 342), such as the institutionalized consultation procedure in policy deliberations (“*Vernehmlassung*”), which together with other institutional arrangements fosters and stabilizes the crucial influence of interest groups on policy decisions in Switzerland.

The same might be argued for Germany. In contrast to Nordic-style corporatism, German wage bargaining was never centralized, nor did powerful, centralized peak associations of labor and capital dominate German politics after World War II. Nevertheless, interest groups and especially those from capital and labor are deeply involved into public policy-making patterns, either through parliamentary commissions or through their powerful position in agencies that implement welfare policies in Germany. Furthermore, self steering of interest groups in several sectors of the German welfare state is a prominent feature of the German Model, such as in wage bargaining or vocational training, to mention only the most important examples (cf. Czada 2003, Siegel 2003, Streeck 1997, Thelen 2004). This meso-corporatist interest mediation is furthermore segmented between different policy fields, and as a consequence, different logics of interest mediation rule at the same time the development of the German democracy (Döhler/Manow 1997).

The clearest example of classical corporatism in the German-speaking family of nations is Austria. As Karlhofer (this volume) summarizes, the Austrian case is a prominent example of institutional corporatism because of centralized wage bargaining patterns and, especially, the extensive chamber system. These chambers have quasi-public functions and channel the interest of associated interest groups directly into policy deliberations and policy decisions. At the same time, these chambers have far reaching

competences, covering broad areas of the welfare state as well as economic policy making. This leads Karlhofer to conclude that Austria may indeed be called a “*Kammerstaat*” (state of chambers).

Hence, the role of interest organization in public policy-making is an important feature in the democracies of Germany, Austria and Switzerland. Since the early 1980s, however, the traditions and institutions of corporatist interest mediation were challenged by several developments. Firstly, “old” interest groups from capital and labor had to face organizational problems. While German unification might be interpreted as a specific challenge to German trade unions and employers’ associations to organize their own camps (Schroeder 2000), in all three countries membership figures and density rates stagnated or revealed a shrinking capability of the respective organizations to attract the rank-and-file. In the employers’ camp, internationalization of big business further contributed to this organizational malaise. Large multi-national firms more and more follow their own lobbying strategy (Streeck et al., 2006).

Secondly, the classical welfare state paradigm shifted since the early 1980s from Keynesian demand management towards economic and fiscal stability. While the German-speaking countries traditionally followed the course of fiscal and monetary stability, the employment performance now became – with the partial exception of Switzerland – a critical issue in reform politics. Given the blocked road towards employment growth in the public sector, labor market deregulation and liberalization as well as a reduction of early retirement became political goals which should enable it to combine economic stability and employment growth. This ideational development mirrors the trend of intensified competition in world markets – i.e. globalization – as well as the liberal incentives and policy goals flashed out by the European Union. And while “old” interest organizations tried to readjust their programmatic profile, the

reform tendencies to liberalize and deregulate the political economies strengthened think tanks with liberal attitudes. Liberal think tanks, mainly at home in the field of economics, could successfully utilize this paradigm shift.

Finally, the “new politics of the welfare state” (Pierson 2001) challenged corporatist policy-making patterns. While tripartite reform negotiations were seen as a resource in welfare politics decades ago, the governments increasingly interpreted stable corporatist patterns as a liability for efficient and flexible reform politics. The lack of possible compensations for cost containing measures towards trade unions implied, inter alia, that these actors frequently blocked reform attempts of left or right wing governments. As a reaction, governments experimented with new governance institutions. Julia von Blumenthal (in this volume) shows that the attempts of the red-green government in Germany to circumvent traditional policy-making patterns resulted in “Governing by Commissions” – or as Rolf G. Heinze put it some years ago, this development resulted in a “*Berliner Rätorepublik*” (Heinze 2002). In these commissions, old interest groups were more or less isolated, while scientific experts or think tanks channeled new policy ideas into the process of interest mediation.

Many contributions in this volume report an increased demand of various governments for policy advice – and the increased opportunity for think tanks to influence public policy making. Beyond the pure function to deliver information to decision makers, policy advice under new political circumstances and under the need to stabilize mature welfare states may help to legitimize unpopular decisions. Werner Eichhorst and Ole Wintermann (this volume) show that policy advice is frequently requested by governments, not only in Germany but also in the Netherlands and Sweden. The crucial difference between Germany and the two other democracies is the institutionalization of policy advice. While the Netherlands

as well as Sweden represent well-rehearsed advice mechanisms, this process in Germany is fragmented and volatile. In effect, policy advice in Germany is less effective than in both other countries.

To summarize, the patterns of neo-corporatist interest mediation are currently changing. A “metamorphosis of corporatism” (Traxler 2001) is taking place (cf. Streeck 2005). This is a finding that belongs not only to the German-speaking democracies, but circumscribes dynamics in many other European democracies (Jochem/Siegel 2003). But especially in Austria, Switzerland and Germany, where the integration of organized interest into the process of policy making was such a prominent feature, the withering away of corporatism should – so we assume – open up a leeway for other political actors – such as think tanks – to utilize the situation and to position themselves in the inner core of political decision making.

Scope and Limits of Think Tanks

What is a think tank? And what separates think tanks from “old” interest organizations? First of all: “Think tank” is a “slippery term” (Stone 2004: 2). Following Martin Thunert (1999: pp. 10), we apply a pragmatic and broad definition: Think tanks are political actors which are “privately or publicly financed, application-oriented research institutes, whose main function it is to provide scientifically founded, often inter-disciplinary analyses and comments on a broad field of relevant political issues and propositions”. Differentiating further the landscape of scientifically founded interest organizations, we may distinguish between “advocacy” think tanks, “academic” and “mission oriented” think tanks (cf. Weaver, 1999, Thunert, this issue). But we emphasize already at this point, that these typologies are constructivist academic

attempts to structure empirical diversity. In most cases, the separation line between pure “academic” and “advocacy” think tanks is very difficult to draw.

Take for example research institutes closely affiliated with trade unions (or employers’ associations). The most famous and most influential “advocacy” think tank in Europe may have been the research unit of the Swedish trade union peak association (LO), which not only influenced single policy issues but structured the whole Swedish model. The way the Swedish welfare state worked during long periods after World War II was highly influenced by the economic research conducted by Rudolf Meidner and Gösta Rehn (cf. Milner/Wadensjö 2001). Surely, this research and policy advice was closely related towards the distinctive normative goals of the Swedish labor movement. Equality and the fight against poverty, features which are associated with the Swedish model until today, rested on both, the normative impetus of the Swedish labor movement as well as on the empirical research which was conducted by Rehn and Meidner. Hence, we follow Steffen and Linder (this volume) as well as Karlhofer (this volume) who distinguish even a fourth type of think tanks, i.e. “socio-economic” think tanks. To this category belong research units of old interest organizations such as trade unions and employers’ associations.

The think tank landscape started to flourish during the past decades. As the authors of the case studies in this volume show, the number of think tanks increased as well as the professional specialization progressed in all three countries. Partly because of the problems associated with the blurred frontiers between think tanks and old interest organizations, partly because of the variety of think tanks, it is difficult to present proper data on the development of think tanks over time. As Boucher (2004) shows for think tanks which are related to issues of European integration, Germany as well as Austria rank both very high in regard of the

number of think tanks as well as in regard of the staff employed in these think tanks. This observation is backed by the case studies on think tanks in Germany (Thunert, Braml this volume) and Austria (Karlhofer, this volume), in which the authors convincingly show how dynamically think tanks developed during the past decade. “Think tanks have a ‘virus-like’ quality” (Stone 2004: 15), this argument holds for the German-speaking countries.

Even in Switzerland, a democracy which is very often missing in standard comparative research projects on this issue, Isabelle Steffen and Wolf Linder (this volume) show how think tanks gradually entered the political sphere. In contrast to Germany and Austria, the separation between academic and non-academic think tanks is less clear-cut in this country. Think tanks in Switzerland have very often close ties to the public administration and are financially dependent on research grants provided by the Swiss state. Additionally, the “Swiss peculiarity” (Serdült, 2003) is based on close personal linkages between university chairs and private research institutes. And as Steffen and Linder conclude: “In general one can say that the think tanks in Switzerland are more academic than for instance in the USA, where in addition to the academic think tanks a much more “journalistic” type of political consulting can be found” (Steffen and Linder, this volume).

Despite partly diverging dynamics in the three countries, we nevertheless conclude that think tanks are a growth industry in Austria, Germany and (even) Switzerland. In Austria, the withering of the classic “consensus” or negotiating democracy and the advent of conflict and intensive competition (Pelinka et al., 2000) opened the way for think tanks to influence public policy-making. Already before the change in government in 2000, corporatist patterns eroded (cf. Karlhofer, this volume). Under the centre-right governments since then, think tank activities became more important as well as old interest organizations changed their

strategies and their political behavior. Most explicit is this development observable for the Austrian Federation of Industry which changed itself from a corporatist actor convinced from the necessity of “*Sozialpartnerschaft*” towards a lobbyist which forcefully campaigns with academic reports for deregulation and liberalization. Hence, not only could think tanks successfully enter policy making in Austria, but further more, the old interest organizations changed as learning actors their strategies. As a result, “a parallelism of both corporatist and lobbyist practices has become the rule” in Austria (Karhofer this volume).

A similar story may be reported for the German case. With changing corporatist institutions, think tanks gained influence in different parts of the policy-making cycle (Thunert this volume). And as it is true that German think tanks work under different political conditions as think tanks in the U.S. (Braml, this issue), nevertheless their influence and power increased during the past decades. As Thunert (this volume) argues, there seems to be a trend that policy deliberation and policy decisions more and more take place outside political parties. If this trend holds for the future and under the political circumstances of the Grand Coalition, remains to be seen. But we conclude that think tanks in Germany are established political actors that – more or less – successfully influence the reform process of the German model.

Outlook

The negotiation democracies in Austria, Germany and Switzerland are changing. The contributions presented in this volume provide evidence for the argument that corporatist interest mediation is withering away. At the same time, think tanks enter the political arena and establish themselves as important policy actors. Indeed, neo-corporatist interest mediation is replaced by a much

more open processes of lobbying, especially in Germany and Austria.

The contributions of this volume shed some light on the policy consequences of changing institutions of interest mediation. While some authors argue that especially liberal think tanks successfully influence the policy debate, other authors argue that the new modus of interest representation animates “old” interest organizations to readjust their strategies. Hence, while the modus of interest mediations is in flux, “old” actors are not automatically excluded from the decision making process. Political organizations and political actors are constantly learning. They adapt their strategies towards changing environments, changing political requirements and changing “rules of the game” (Immergut 1992). We conclude therefore that in order to assess the influence and the impact of think tanks on public policy profiles it seems necessary to analyze both, “old” as well as “new” actors, trade unions and employers’ associations as well as “new” think tanks.

The transformation of corporatism towards “post-corporatism” (Streeck 2005) implies in the German-speaking countries a more volatile pattern of interest mediation. The political reform process becomes more open, but at the same time incalculable. Public policy-making is more open for external policy advice, but at the same time the governments have the potential to be much more selective in regard to which interests have access to the decision making process. Some authors criticize corporatism because of closed “interest monopolies”, in which the state, labor and capital dominate the reform process, while other interests are excluded (Habermas 1992), the new process of interest mediation in Austria, Germany and – to a lesser extent – Switzerland becomes some kind of a new “blind spot”. Political research faces problems to illuminate the black box of the bargaining processes and the real and decisive interest mediation.

We are convinced that future research on think tanks should transcend the state of “enthusiasm”, which is characteristic for many contributions that report the “birth of new actors”, i.e. the emergence of think tanks in European democracies. We show in this volume that the birth of “new” actors not automatically implies the death of “old” actors. In fact, the recalibration of corporatism in the German-speaking countries implies some processes of *cohabitation*, in which different logics of interest mediation structure at the same time policy profiles. Therefore, future research on interest mediation – not only in the German-speaking countries – should focus more consequently on all political actors that influence and shape public policies. Additionally, we should invest more energy to detect the factual process of interest mediation in specific reform projects. A great part of current think tank research – or other contributions focusing lobbying in general – remain policy blind, as von Winter rightly emphasizes (von Winter 2004). We started in this volume to combine think tank research with comparative public policy research. But this was clearly only the first step towards a more detailed perspective on interest mediation after the era of classical neo-corporatism in the German-speaking countries.

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