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Postprint: The Basic Philosophy, Operational Mechanism, and Development Trends of the Bruegel Institute, Belgium

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Abstract

[Purpose/Significance] Interpreting and dissecting the fundamental philosophy, operational mechanisms, and development trajectory of Bruegel Institute (Belgium), a top-tier international economic policy think tank, can furnish references and insights for China's advancement of new-type think tank construction with Chinese characteristics. [Method/Process] Employing a case study approach, this research primarily gathers data through literature and website investigations, cites annual reports issued by the Bruegel Institute, and consults authoritative international think tank ranking reports to examine the institute's history and current status. [Results/Conclusions] Despite having been established for merely over a decade, the Bruegel Institute has evolved into a top-tier think tank in the European and global economic domain. This achievement is attributable to its robust development philosophy, efficient operational mechanisms, internationalized research team, precise research positioning, and high-caliber policy influence.

Full Text

The Core Value, Operation Mechanism and Development Stance of Bruegel

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Abstract

[Purpose/Significance] This paper investigates the core value, operation mechanism, and developmental stance of Bruegel, a top-tier international

economics think tank, to provide positive references for the construction of Chinese new think tanks with distinctive features. **[Method/Process]** Adopting a case study approach, this research collects data primarily through literature review and website investigation, citing Bruegel' s annual reports and referencing authoritative international think tank ranking reports to examine the history and current status of the institute. **[Result/Conclusion]** Despite being only slightly more than a decade old, Bruegel has become one of the most important think tanks in the economics field in Europe and globally. This success benefits from its solid core values, effective operation mechanism, international research team, specific research positioning, and high-level policy impact.

Keywords: Bruegel; think tank; operation mechanism; governance model

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1 Introduction

As profound changes occur in both domestic and international environments, traditional think tank development models can no longer fully meet the requirements of the new era and new situations. Building new think tanks with Chinese characteristics is not only a demand of the times but also a historical responsibility. Many issues need to be resolved regarding how to construct such think tanks. Drawing upon foreign think tank construction experiences while grounding efforts in China' s think tank reality, “distinctive features” and “new model” should become the inevitable choice for China' s think tank development [1].

The Belgian Bruegel Institute (hereinafter referred to as Bruegel) is regarded by the industry as a rapidly rising new think tank [2]. Established in 2005, Bruegel maintains only 15 resident scholars with an annual budget of approximately 4.5 million euros in recent years. Focusing its research on European and international economic policy, it has established its credibility within a short decade and become one of Europe' s and the world' s most important think tanks. In 2008, Bruegel was rated the world' s “fastest-growing think tank,” and in recent years it has consistently ranked among the top in professional think tank rankings, establishing itself as Europe' s premier think tank in international economic research. Selecting such a rapidly emerging think tank as a case study to deeply examine its operational model and successful experiences, revealing its development path as an emerging think tank, will provide beneficial references for the construction of Chinese think tanks with distinctive features.

In April 2016, Bruegel released the *Bruegel Annual Report 2015* [3], which reviewed its founding process and ten-year development history, introduced its basic philosophy and organizational structure, and showcased its research achievements in 2015. This paper, based primarily on this report and the University of Pennsylvania' s latest *2015 Global Go To Think Tank Index Report* released in February 2016 [4], supplemented by literature and website investigations, introduces Bruegel' s basic philosophy, operation mechanism, team building, re-

search areas, measures to enhance influence, and development trends, aiming to provide useful references for domestic new think tank research and practice.

2 Core Philosophy

2.1 Four Building Blocks

Bruegel's 2015 annual report articulates its four building blocks: evidence-based policy recommendations; demand-driven, independent answers; close engagement with government, research institutions, business, and civil society; and European identity with a global perspective.

Evidence-Based Policy Recommendations. Bruegel grounds all its research on data analysis and empirical studies, while emphasizing the practical feasibility of its policy recommendations.

Demand-Driven, Independent Answers. Bruegel has diverse stakeholders, with many EU national governments and multinational corporations as its members. Members participate in research project design and can propose research suggestions from their own development perspectives, ensuring that research topics closely align with current policy focuses in the international economic field. Once the Board finalizes research projects, researchers conduct studies independently. The answers to questions are reached independently by researchers, and all publications can only be issued with author attribution, with authors bearing sole responsibility. Bruegel does not hold any institutional position, and the think tank head only exercises editorial oversight and quality control responsibilities.

Close Engagement with Government, Research Institutions, Business, and Civil Society. Bruegel is committed to building policy discussion platforms for relevant policy-making parties and uses various channels such as academic publications, social media, and seminars to widely disseminate its work and expand its influence. Simultaneously, Bruegel actively engages in cooperation and exchange research projects with top-tier European and international research institutions.

European Identity, Global Perspective. Bruegel aligns with trends of globalization and European integration, emphasizing both research and dialogue on EU affairs and attention to policy responsibilities faced by individual countries, while establishing working relationships with policy participants in global governance groups and international organizations. Bruegel provides both a global perspective for analyzing European affairs and a European perspective for analyzing global affairs, strengthening understanding of Europe's economic challenges and global responsibilities in the context of globalization [5].

2.2 Advocating Highest-Level Transparency

Adhering to the highest level of transparency is also a crucial factor in Bruegel's establishment of credibility and rapid rise. It upholds independence and aca-

democratic integrity, maintains review mechanisms and financial disclosure, and has been rated one of the world's most transparent think tanks since 2014.

Upholding Independence and Academic Integrity. Bruegel particularly cherishes its independence as a think tank. In May 2006, Bruegel's Board issued the *Statement of Research Integrity* [7], establishing relevant rules to avoid political, national, or commercial interests compromising Bruegel's academic integrity and independence. All staff must sign academic integrity clauses in their contracts. In November 2012, it released the *Bruegel Scholars Disclose Outside Interests to Increase Transparency* statement [8], requiring all resident scholars and management personnel to publicly disclose their outside income on the website annually.

Maintaining Review and Evaluation Mechanisms. To maintain high-quality research output, Bruegel selects an independent committee composed of individuals with diverse academic backgrounds to conduct detailed evaluations of Bruegel's research output every three years, including publications, events, and media feedback. The specific evaluation methods are determined by the independent committee itself, with assistance from the Scientific Council [2].

Maintaining Financial Disclosure. Bruegel publishes annual financial statements detailing income and expenditures, including member funding and non-member funding, and discloses all institutional information and information on each researcher.

3 Operation Mechanism

3.1 Membership System

Bruegel is an independent non-profit institution and the only think tank that accepts funding from EU member states. Its membership-based operation mechanism plays an important role in fundraising, balancing stakeholder interests, planning and designing research topics, promoting policy implementation, and enhancing influence. Compared with traditional think tanks, Bruegel's membership threshold is high, with a small but elite membership base, currently having only 59 members [2]. Member units include three types: state members, corporate members, and institutional members.

State Members. Currently 18, all are EU national governments: the United Kingdom, France, Germany, Italy, Sweden, the Netherlands, Spain, Austria, Belgium, Denmark, Finland, Ireland, Hungary, Luxembourg, Slovakia, Poland, Cyprus, and Malta.

Corporate Members. Currently 30, primarily large European, American, Japanese, Korean, and Chinese enterprises. European companies include UBS, Deutsche Bank, BNP Paribas, BBVA, Euronext, Électricité de France, Deutsche Telekom, Enel, Royal Dutch Shell, and Renault; non-European companies include Google, Microsoft, eBay, Morgan Stanley, Goldman Sachs, S&P, Standard

Chartered, Samsung, Toyota, and MasterCard; Huawei is the only Chinese enterprise.

Institutional Members. Currently 11, primarily European regional central banks and financial organizations: the European Central Bank, Bank of England, Banque de France, Sveriges Riksbank, Danmarks Nationalbank, Banco de España, Banque centrale du Luxembourg, National Bank of Romania, National Bank of Poland, Caisse des Dépôts, and European Investment Bank.

For Bruegel, the important role of its high-threshold membership system is reflected not only in members' financial support but also in their ability to propose research suggestions from their own development perspectives, obtain professional analysis, and participate in debates, enabling Bruegel's research to closely integrate with policy-making parties and effectively exert its international influence on policy research.

3.2 Governance Model

Based on the membership system, Bruegel's Assembly of Members, Board, Scientific Council, and Executive Management each perform important functions [2] (as shown in Figure 1 [Figure 1: see original paper]), forming an efficient operation mechanism.

Assembly of Members. The highest governing body, composed of representatives from all member units, convenes three times annually. It is responsible for appointing the Board and think tank head, approving budgets and expenditures, and participating in the design of research projects. Member units also use this platform to conduct multilateral or bilateral exchanges and communication on issues of common concern.

Board. The daily management body, composed of high-level elites from political, business, and social circles, such as the former President of the European Central Bank and the President of Morgan Stanley. They possess rich experience in policy-making and management, providing Bruegel with high-level leadership and influence. The Board has 11 members: 6 elected from state and corporate members, and 5 appointed. This combination of election and appointment ensures diverse backgrounds among Board members and achieves balance in profession, nationality, and gender, reflecting Bruegel's public welfare attributes.

Scientific Council. Bruegel's advisory body, composed of 8 internationally renowned economists appointed by the Board. It provides advisory suggestions to the Board and comprehensive evaluation of Bruegel's research quality, submitting an annual report.

Executive Management Team. The executive body, led by one think tank head who assumes three management functions: administrative management, research director, and editor-in-chief.

3.3 Funding Sources

Bruegel has diverse funding channels [2] (as shown in Figure 2 [Figure 2: see original paper]).

Core Funding (85%), sourced from membership fees paid by three types of member units. Bruegel 明确规定了每个会员单位缴纳的会费不超过全部经费的 3%-5% [Bruegel 明确规定了每个会员单位缴纳的会费不超过全部经费的 3%-5%]. As a think tank whose research targets and policy services are positioned at the EU level, this governance mechanism requires balancing research across EU member states and, on this basis, achieving balance among various interest groups [9]. This mechanism helps balance the influence of various stakeholders, truly maintain the think tank' s independence, and safeguard its consistently upheld principles: independence, academic integrity, and objectivity.

Non-Core Funding (15%), sourced from non-member support. Funding from European research institutions primarily supports Bruegel' s multi-year research projects. Bruegel thereby strengthens working relationships with some EU policy-making institutions and improves research efficiency. Additionally, Bruegel adopts flexible approaches to cooperate with private organizations, such as visiting scholar exchange programs, joint publications, and seminars with relevant policy-makers and implementers.

4 Team Building

Bruegel has a small but elite research and management team (as shown in Table 1). In 2015, there were only 37 full-time staff, but Bruegel is not limited to its own full-time personnel. It actively attracts international scholars to join its research team through open positions, creating distinct characteristics of geographical diversity and international backgrounds, and forming strong international research capabilities.

The research team comprises resident scholars, non-resident scholars, visiting scholars, affiliated scholars, research assistants, and interns. Resident scholars are the core team working at Bruegel, including senior researchers, researchers, and affiliated researchers. Non-resident scholars are those who do not work at Bruegel but actively participate in and contribute to Bruegel' s research. Visiting scholars are part of a system established by Bruegel to pursue geographical diversity and international backgrounds in its research team, regularly accepting scholars and policy researchers from around the world for short-term work and exchange visits. Affiliated scholars typically refer to those who have previously worked or visited in Brussels and maintain close business relationships with Bruegel after leaving. Research assistants and interns support researchers' work. This multi-type staffing ensures the international academic background of the research team, enabling Bruegel to achieve high-level international economic research and demonstrate unique advantages when studying economic policies of different countries and regions.

The management team consists of management and support staff. Management includes four positions: think tank head, secretary-general, research and development director, and external liaison director. The support team of 12 people is responsible for Bruegel's daily management, business promotion, and development, providing strong logistical support for the research team.

5 Research Areas and Representative Outputs

Bruegel was established two years before the global financial crisis erupted. Its research focuses on European and global economic policy, and Europe is a region that boldly experiments with economic and monetary reforms—conditions that provided it with favorable timing and positioning for success.

5.1 Representative Outputs and Influence

Table 2 outlines Bruegel's representative outputs from 2005-2015. The research themes cover major social issues such as European economy, EU mechanisms, Eurozone reform, energy, and climate, closely aligning with major social needs and bringing fresh academic perspectives and solutions to European economic policy discussions. For example, the 2009 policy report *Memos to the New Commission: Europe's Economic Priorities 2010-2015* successfully influenced EU decision-making in a timely manner. The 2010 “Blue Bond” proposal provided new ideas for resolving the European debt crisis. In 2011, pointing out ten deep-rooted problems in the Eurozone and proposing comprehensive solutions to the European crisis caused tremendous repercussions in European society.

5.2 Latest Research Areas

In 2015, Bruegel focused on five research areas [2]: (1) European macroeconomics and governance, including European governance, focus on Greece, monetary policy, and welfare states against the backdrop of the Greek crisis, refugee influx, and Brexit; (2) Energy and climate, exploring the European policy system under the new framework of the Energy Union from five dimensions—energy security, integrated energy markets, energy conservation, economic decarbonization, and research and innovation—against the backdrop of the Ukraine crisis and Paris Climate Conference; (3) Global economy and governance, including focus on China, Asia-Europe Economic Forum, and EU relations with surrounding regions triggered by the Russia-Ukraine conflict and Syrian war; (4) Fiscal and financial regulation, focusing on banking, financial regulation, capital markets, and European deposit insurance schemes; (5) Competition and innovation policy, including investment in innovation and digital markets.

6 Measures to Enhance Influence

Influence is the value manifestation of a think tank's existence. Bruegel regards policy influence as the foundation of its survival and development, dedicating

efforts to promotion and dissemination. It utilizes various communication channels including academic publications, websites, blogs, new media platforms, and high-level forums to enhance its influence, being reported by global mainstream media 3,904 times in 2015.

Academic Publications. Academic publications are the main carrier of Bruegel' s research output. In 2015, it published 46 publications, including Policy Briefs, Policy Contributions, Working Papers, Blueprints, and Essays and Lectures. All publications are publicly released on its website [28].

Website, Blogs, and Social Media. According to the 2015 annual report, Bruegel published over 260 blog posts [29], sent 5,289 tweets that were retweeted 58,000 times, and had 34,000 followers.

Organizing Forum Activities. Bruegel' s current think tank head, Guntram Wolff, believes that while good research is key to any think tank' s success, research that is not connected to policy-making circles will ultimately be futile. Bruegel' s success is attributed not only to its research output but also to its strong communication capabilities. Its social team communicates efficiently with various stakeholders, sets policy agendas, and initiates various seminars and brainstorming sessions annually [30]. In 2015, it held 84 events in over 20 cities worldwide, with Bruegel scholars also delivering speeches at the European Parliament, EU member state parliaments, and informal meetings of finance ministers, actively expanding policy influence.

7 Latest Developments

In the University of Pennsylvania' s 2015 *Global Go To Think Tank Index Report* (TTCSP) [3], Bruegel maintained its excellent performance, ranking fifth among "Top Think Tanks Worldwide" and second among "Top Think Tanks in Western Europe." It also appeared on six top think tank lists by research area and 13 top think tank lists for special achievements. To effectively reveal Bruegel' s latest developments, the author has compiled all ranking forms where Bruegel appeared in the 2015 report, compared them with the 2014 report to show ranking changes, and listed the top three think tanks in each ranking where Bruegel appears.

As shown in Table 3 , Bruegel has maintained its research advantages in economic fields in recent years, ranking first in international economics research in 2015 (up from second in 2014) and seventh in domestic economic policy in both 2014 and 2015, indicating its continued focus on international and domestic economic fields. In the special achievement rankings, Bruegel also demonstrates strong leadership and upward momentum, ranking third in "Best Managed Think Tank" and fifth in "Best Policy-Oriented Research Program" for two consecutive years. In 2015, Bruegel newly appeared on six lists, including "Best Institutional Collaboration" (third), "Best Innovation and Development Paradigm" (first), "Best Interdisciplinary Research," "Best Use of Social Media," "Best Use of Networks," and "Best Use of Media." It also achieved excellent results in two

newly added 2015 categories: “Best Independent Think Tank” and “Best Quality Assurance and Integrity Policies and Procedures” (sixth). These achievements reflect Bruegel’ s continuous progress in many aspects and its rising momentum as an emerging think tank.

8 Conclusion

In just over a decade since its establishment, Bruegel has become a top think tank in international economics, offering much food for thought and inspiration through its distinctive and innovative development path.

In terms of development philosophy, Bruegel has shaped its four core development concepts, upheld independence and academic integrity, insisted on academic evaluation and financial disclosure, and established academic prestige and credibility. In operation mechanism, based on a high-threshold membership system, it has established an efficient governance model where members play important roles in fundraising, balancing stakeholder interests, designing research questions, and promoting policy implementation. In team building, it actively attracts international scholars through open positions, creating distinct characteristics of geographical diversity and international backgrounds to form strong international research capabilities. In research areas, it focuses on European and global economic policy, seeking excellence rather than breadth and closely integrating with social needs. In enhancing social influence, it proactively utilizes various communication channels including academic publications, websites, blogs, new media platforms, and high-level forums.

The construction of new think tanks with Chinese characteristics urgently needs to draw on advanced foreign think tank experiences and conduct targeted think tank research based on national conditions to promote the formulation and implementation of major policies affecting national development. Changes in the domestic and international environment have endowed China’ s new think tank construction with new tasks, new starting points, and strategic opportunities. Chinese think tanks must engage in continuous innovation across all dimensions [31], requiring researchers and builders to creatively design unique core development concepts, construct efficient operation mechanisms, strengthen talent team building, create specific think tank research areas, improve think tank output quality and influence, actively participate in national and global governance, and gain advantages in global national development competition.

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