



Institutul pentru
Dezvoltare și Inițiative
Sociale (IDIS) „Viitorul”

www.viitorul.org

CIPE Conference, 20
Years After Fall of Berlin
Wall: DAY TWO



www.viitorul.org

Igor Munteanu
Director, IDIS Viitorul

National Business Agendas: Building Synergies Between Think Tanks and Business Associations



www.viitorul.org

IDIS: Institutional Aims:

- ★ IDIS is a think tank, operating since 1996 as a nonprofit, nonpartisan Institute that is focused on research, policy analysis and public outreach.
- ★ IDIS target beneficiaries include: private business, municipal governments, central governmental agencies, think tanks, academia, and mass media.
- ★ IDIS has a social focus on Private business, Competitiveness, Property rights (30%), Public sector reform and Decentralization (30%), 20% - goes to democratic development , with the remainder divided between Good Governance (10%), and public education/outreach (10% each).
- ★ IDIS is connected to international networks (PASOS, EPIN, NISPAcee), based on professional links and policy standards.
- ★ Cooperation with CIPE began in 2005, when IDIS addressed the issue of 'unofficial taxation', aiming to ease up existing extra-regulatory constraints and political clientele on private business. During 2007-08, cooperation with CIPE expanded into the area of targeted support to the business associations in Moldova, to define, express and advocate a National Business Agenda (2009).



www.viitorul.org

What kind of think tank we are?

As a Think Tank, IDIS runs:

Training and Consultancy Services to the Municipal Governments in Moldova
Economic Analysis and Forecasts (Quarterly Economic Statewatch) – www.viitorul.org
Impact Analysis of the main regulatory reforms through a Public Policy Studies Series
Elaboration, assessment and enforcement of a Decentralization Roadmap in Moldova
Early Warning Reports (EWr) focused on foreign and domestic policies.

IDIS divides its resources and time more or less on proportional shares between: policy-analysis, advocacy, fundamental research and training (20% each), with the reminder invested into media outreach and private consulting (10% each).

But, we see ourselves also as a Do - Thank

to improve, update and positively influence the policy-making process
educate the targeted audiences (publics) through a well-managed media campaign
caring out flagship initiatives, such as – National Business Agenda, Roadmap for Decentralization, Roadmap for National Reconciliation and European Integration



www.viitorul.org

National business agenda 2009

In October 2008, NBA was launched as a national consensus document on priorities for economic growth and modernization. 26 associations of business, including Confederation of Employees (Patronate) supported the NBA.

CIPE assisted IDIS on a diagnosis of the existing business associations, followed by targeted capacity-building training for individual Associations of Business.

At the request of NBA Members, IDIS provided its policy expertise in a wide range of fields (subsidies in agriculture, tax flat, insurance, access to finances, taxation), which thus represent a viable format of interaction between the think tank community and business corporative bodies.

September 2009, 3 Working Groups prepared joint Position Papers:

- Recommendations to the Government challenged by crisis in Moldova**
- Policy measures to improve exports and reduce administrative barriers**
- Policy measures to invest into healthy agriculture and effective**
- Policy measures to redress situation of construction industry**



How the NBA process evolved in Moldova?

Prudent approach: Careful diagnosis of the existing constraints and strengths of the business environment. Investing in Membership, and not in the bureaucracies of business. The most active supporters of the NBA became the Business Associations that represent effectively the interests of business.

Philosophy of the NBA: IDIS promoted it (NBA) not as a project, but as a long-term advocacy initiative, whose main promoters were business leaders, and their constituencies, and not the experts. The ultimate aim of the NBA was to engage, and not impose, to advocate and not lobby.

Recycle previous experiences: Lots of technical assistance projects previously implemented, without specific or sustainable results. Business associations were seen only as vehicles of these projects, and not in terms of their merits and ambitions. We considered the best heritage and innovations from the previous USAID, Amcham, WB.

Quality, not quantity: We never aimed to sky-rocket the number of connected people or business associations. We avoided the temptation to 'sell' the brand to the incumbent Government, for illusory benefits, forcing other actors to treat the NBA with due respect, diligent attention, and inclusive partnerships. Concentrated attention on media coverage, key-words, associated with the NBA, and sparing partners, from the respected expert community, ex-officials.



From evaluation and passive observations of policies through business reflections towards effective policies of development

Cooperation of Think tanks and business is mutual: We have received a great basis of facts and evidences, influencing the quality of our policy analysis and targeted expertise. In particular, IDIS received extremely valuable contributions from the business on the GDP calculation, on Fiscal and Custom Policy Evaluation, on IT and Social policies (salary rates, flat tax, social benefits, etc)

Interactive and trustful cooperation: Most of the Business Associations do not have their own internal capacities for complex analysis, or cross-sectoral studies, therefore, there is a high demand for quality analysis and evaluations. In 2009, NBA used the installation of the new government as a challenge for action; set up Working Groups on exports, custom affairs, and decisively influenced the Anti-Crisis/Recovery Plan, proposed by the Government (2/3 of proposals originated in the NBA Working Groups). This allows NBA to step up as well-articulated and foresighted platform for constructive discussions on various issues of private entrepreneurship, and political authorities.

Long-term challenge: creation of a modern business-infrastructure in Moldova. Already today, the associations of local producers, IT companies, brokering, etc, see NBA as an excellent venue for getting the right agenda, and be part of the NBA initiative, meaning to be in the focus of public affairs.



Moldova's Political and Economic Context

Challenges for the new Government and Parliament of Moldova:

Complicated economic and political transition (2001-2009)

Extremely politicized environment, and change of the former ruling party (Communists) in 2009, after two consecutive elections (April 5, July 29)

Abrupt decrease of state revenues, dire economic situation

Unresolved 'frozen' conflict in Moldova (Transnistria)

Responses to the challenges:

- ★ Creation of a liberal-democratic coalition (Alliance for EU integration)
- ★ Strategize priorities on a mid-term and long-term perspective through a Plan for Economic Recovery (anti-crisis action plan), starting with 2009
- ★ Build up trust in democratic standards, restore the rule of law, in the post-Voronin perspective
- ★ Accelerate integration of Moldova into the West-led organizations and agreements, lifting to previous principle 'neither West nor East'
- ★ Address the main setbacks of the regulatory and fiscal concerns of the business: abolish existing de facto market monopolies, corruption and discretionary powers, employed by the state agencies against the SMEs and foreign investors.



The formula of our success:

Be prepared for the time of change:

NBA is a process that need muscles (number and size of associations), but also brains (strong arguments, negotiations, and solidarity).

In a non-democratic regime, business is marginal, and exploited as a tax-payer, in a democratic regime, citizens request value of services provided by the state

Sensitive issues (restitution of VAT, deregulation laws) create strength and synergies

Installation of new governments tend to start from the scratch, therefore, business shall use the principle, 'first came, first served!'

Get into the media:

Public opinion is divided on entrepreneurship. This requires regular and carefull media coverage of the proposed amendments to the existing laws, regulations.

In 2009, IDIS sponsored joint venues for politicians and business leaders to discuss their views on economic recovery and laws simplifying the regulatory mechanisms

think tanks are visible and resounding, when they can reproduce business agenda.

Get involved:

Business and Politicians are not allways good freiends, but to push ideas through in a democratic society, there is no other way than doing so through the political process. This request complex technologies to formulate clear messages, following precise definitions of the issues to be resolved, which are always sensitive, controversial, and touching the line of private interests.

But, business leaders shall use politics, without ending to become political. An important lesson in Moldova is that former oligarchies shall be not replaced with renewed ones.



Key-lessons for think tanks

Define your ideology: who are your competitors, what would be your competitive advantages, who is your target group, and who could finance your projects?

Define your mission: focus on ideas that matter to the public, Work hard to establish your credibility (long-term), and perform from good to great on your field of expertise.

Be innovative and action-oriented: think tanks may generate essential changes if they do more than only paper-writing (traditional old-conservative thinkers). Modern think tanks shall achieve its goals by making use of: connectors – influent and well informed people, mavens – knowledge-authorities of their fields), salesmen – champions of change.

Be excellent in their own management: keep high professional communication with stakeholders and donors, do not be bored by management agenda, respect your own promises and deadlines, keep exemplarily good accounting.

Find cost-effective products: recycle other's great ideas, consider media interests consider special groups'

Be optimistic/idealistic: stay integrated by the fact that you are doing mobile work

