

AEI Research Integrity

AEI operates at the intersection of scholarship and politics, aiming to elevate political debate and improve the substance of government policy. Many of the subjects of AEI research and publications are controversial, and many are the focus of rough political contention and intense interest-group advocacy. Many AEI scholars and fellows are or have been directly engaged in practical politics and policy-making as government officials, advisers, or members of official commissions. For these reasons, AEI maintains policies and procedures for assuring the integrity and reputation of its work. The most important of these are set forth below.

Policy Advocacy

As a tax-exempt educational organization governed by Section 501(c)(3) of the Internal Revenue Code, AEI is generally prohibited from attempting to influence legislation in the U.S. Congress or other legislative bodies. Legal requirements aside, AEI has important reasons of its own for abstaining from any form of policy advocacy *as an institution*. Policy research of the kind AEI specializes in—emphasizing empirical analysis, intellectual depth and originality, unflinching criticism, and concrete proposals for reform—is an inherently individual activity, best pursued by a single scholar (or a pair or small group of scholars) rather than by a committee or hierarchy. Moreover, AEI scholars or authors may disagree on particular policies or on the conclusions to be drawn from a set of research findings. Attempting to forge an Institute-wide consensus or corporate position would interfere with the intellectual independence of individual scholars and with the sharpness, clarity, and interest of AEI publications. For these reasons, AEI takes no institutional positions on policy issues (whether or not they are currently before legislative, executive, or judicial bodies) or on any other issues.

AEI scholars and fellows frequently do take positions on policy and other issues, including explicit advocacy for or against legislation currently being considered by the Congress. When they do, they are speaking for themselves and not for AEI or its trustees or other scholars or employees. It is customary for AEI scholars and fellows to include an explicit disclaimer to this effect when they present formal testimony to a congressional committee or other government body. Many also include such a disclaimer in books, articles, speeches, and other presentations addressed to the general public, especially when they are addressing subjects of active controversy and disagreement—but the disclaimer is often well understood in these contexts and the appropriateness of stating it explicitly varies from case to case.

AEI's abstaining from institutional positions on policy issues does not, of course, apply to policy issues affecting its own institutional interests.

Political Campaigns and Other Partisan Activities

AEI's 501(c)(3) tax status also forbids it from participating in any campaign for elected public office. This means that AEI may not take an institutional position for or against any political candidate and may not permit its resources, including the on-the-job time of its salaried employees, to be used in an electoral campaign. As in the case of policy advocacy, AEI's own purposes lead it to broader policies against partisanship in any of its activities. AEI research and publications, participation in its conferences, and the policy advice of its research staff and other employees, are available to government officials, legislators, political candidates, and others regardless of party affiliation. When the policy positions of AEI scholars and fellows coincide with those of a

particular political party or electoral candidate, this is without any purpose of advancing the partisan interests of the party or candidate. During election campaigns, AEI employees who endorse particular candidates, or who become engaged in campaigns as candidates, advisers, volunteers, or employees, must do so as individuals and on their own time and resources, and must arrange for part-time or full-time leaves-of-absence if necessary. During each national election year, AEI's president provides each employee with a memorandum setting forth these requirements in detail.

Outside Activities

AEI scholars, fellows, officers, and other employees may engage in professional activities beyond their work at AEI. The special case of electoral campaigns is addressed in the previous section. Other outside activities include membership on boards of directors of for-profit corporations, boards of trustees of not-for-profit organizations, and advisory panels to private or government entities; employment by or consulting for corporations and other private or government entities; speaking before academic, business, and professional audiences and on television and radio programs; publishing books with outside commercial and academic presses and articles with outside journals, magazines, newspapers, and websites; and performing commissioned research and writing for other academic institutions.

Activities such as these are not discouraged; indeed, many of them directly advance or are complementary to AEI's work and purposes, and others provide practical experience and first-hand knowledge that illuminate and improve AEI's academic endeavors. An appropriate balance must, however, be maintained between AEI commitments and outside commitments—a balance that differs from case to case depending on the interests of individual employees, the nature of their work at AEI, and the nature of their outside activities. In general, full-time AEI scholars, fellows, and officers are expected to devote no more than one day per week on average to outside activities, and to arrange leaves of absence for periods of more intense or extended outside commitments. All AEI employees, regardless of their positions and time commitments at AEI and elsewhere, are expected to refrain from outside activities that might compromise the quality or timeliness of their AEI work, their commitments to their AEI colleagues, or AEI's commitment to or reputation for intellectual integrity, objectivity, and excellence.

Conflicts of Interest

Conflicts of interest exist when individuals have personal interests that conflict with those of organizations to which they owe a duty of loyalty, or when individuals have interests in or duties of loyalty to two or more organizations whose interests conflict. Conflicts of interest are a serious problem in politics and government: public policies are invariably advanced and defended as furthering the broad public interest, yet are often motivated by narrow economic or other interests. At the same time, conflicts of interest are natural and pervasive in all walks of life and cannot be avoided entirely. Large, direct conflicts of interest can be eliminated by refraining from one of the conflicting activities—but many conflicts are partial, minor, innocent, or merely apparent, and could be eliminated only at the unreasonable cost of abstaining from activities that are inherently productive and fulfilling.

Four customary methods for dealing with conflicts of interest are diversification, disclosure, reputation, and intrinsic quality. Each has strengths and weaknesses and none eliminates the role of judgment in individual cases, but taken together they can be highly complementary. AEI employs all four methods.

Diversification. A diversity of interests can render any individual conflict of interest small or *de minimis*. AEI has many hundreds of corporate, foundation, and individual donors, none of them accounting for more than a small fraction of the Institute's budget, and it invests its endowment and other funds in highly diversified financial instruments. AEI's research program is itself highly diversified, covering a wide range of economic, trade, social welfare, and defense and foreign policy issues involving many competing interests.

Disclosure. AEI scholars and fellows are required to disclose in their published work any affiliations they may have with organizations with a direct interest in the subject of that work. AEI discloses the source of project-specific donations to research on subjects in which the donors have a material interest. AEI scholars, fellows, and officers provide annual reports to AEI's president listing all of their outside activities; the president then provides a summary report to the Outside Activities Committee of the AEI Board of Trustees, which includes at least one long-time trustee and one new trustee. The president may bring particular issues to the attention of the Outside Activities Committee or to an internal committee of senior scholars and fellows for their review and counsel. The Outside Activities Committee also reviews the commercial, professional, and civic engagements of individuals being considered for election to the Board of Trustees. Whenever AEI engages in a substantial commercial transaction with a firm with which a trustee is affiliated, that trustee may not be involved in AEI's decision on the transaction, and its nature and rationale are presented to the other trustees for their approval.

Reputation. Honesty and integrity—and the value of maintaining one's reputation for honesty and integrity—are critical means of dealing with conflicts of interest. When individuals are being considered for appointment to AEI's research faculty, management and staff positions, or advisory bodies, or for election to its Board of Trustees, their personal honesty and integrity are as important as their aptitude, knowledge, experience, and skills for the position in question. AEI's reputation for honesty and integrity is guarded zealously, and AEI's prominence in policy debate provides a strong incentive to continue to guard this reputation. The Institute would never accept a donation that was conditioned on predetermined research conclusions or recommendations or that otherwise compromised the intellectual independence of its scholars. AEI's long association with a set of philosophical principles—such as limited government, competitive markets, and individual freedom and responsibility—and its thousands of publications applying these principles to specific policy and political problems provide ready measures for judging the integrity of each new publication.

Intrinsic quality. AEI is committed to the proposition that arguments concerning government policies and economic and social arrangements should be evaluated on their own terms and intrinsic merits. This is not an "ethics policy"—it is a precept of all of the Institute's activities and ambitions for improving public dialogue. But it carries an important ethical implication: in striving to produce work that is lucid, precise, informative, and wise, AEI hopes that the honesty and integrity of its work, also, can be judged on its face.

Adopted by the AEI Board of Trustees, December 8, 2005.