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A Canadian Culture of Generosity

**BOOSTING CIVIC
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THINK DIFFERENT:
URBAN RELIGIOUS
COMMUNITIES

BOOK REVIEW:
FEARFUL
SYMMETRY

THINK TANK INDEX

**TOO FEW
GIVING
TOO LITTLE?**



About Cardus

Cardus is a think tank: an ideas lab for social innovation. We build intellectual capacity, social networks and policy alternatives to sustain a wide range of cultural entrepreneurs for the renewal of North American social architecture.

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{ RE:THINK RE:SEARCH RE:BUILD }

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FROM THE EDITOR:

THE DOERS: TALES OF A VANISHING TRIBE

Ray Pennings

“If you want to get a job done, ask a busy person!”

Why does it seem that the best person for a job is usually too busy to do it? Whether it’s volunteer boards, side-projects or community councils, the doers are always in hot demand. There is always a severe lack of highly competent folks who are willing to do what it takes to deliver, especially when those folks are doing it for free. Most of us have experienced the truth of this problem one way or the other. But as the main essay in this edition of *Cardus Policy in Public* points out, there are implications for a society when it over-relies on a diminishing base of generous doers.

Twenty-nine percent of Canadians, who form a group which researchers have labeled the “civic core,” contribute over three quarters of the giving and volunteering. What distinguishes this group from the

rest of society is not only its higher level of activity, but an “otherness syndrome” which comes from a worldview that stresses responsibility, connectedness and cultural renewal.

Making the link between belief and behaviour is a tricky business. The notion that “ideas have legs” is an easy truism. But it’s more challenging to go beyond this “safe” general observation and into the implications: people who are older, more religious, and better educated are carrying a disproportionate share of the civic load in Canada. What happens when demographic trends mean that those who are presently carrying a disproportionate share are no longer able and are not being replaced? What are the implications of a society that is—at least according to popular perception—becoming less religious? If we’re living off of the social and cultural capital cultivated in a previous generation, how will we cope

with the civic deficit that will face the next generation?

The policy paper, from which the main feature of this issue is drawn, makes nineteen recommendations with steps that can be initiated in all spheres of society in order to bring attention to this problem. Originally released in Ottawa in October, the paper recommends especially that the federal government increase the charitable tax credit, which would provide both a recognition and conversation on this important topic and a practical incentives for Canadians to become more civically engaged. This initiative would hardly solve the problem, but it could provide a basis to alert society more widely to this brewing crisis and provide an immediate and tangible medium by which to revitalize the full range of civic players.

In democracies, renewal happens in small, slow ways. It often starts with a conversation. In this vein we are pleased to publish alongside our policy excerpt a response from David Stewart-Patterson of the Canadian Council of Chief Executives. Stewart-Patterson asks his own questions about this diminishing civic core but remains consistent in his serious concern over the overall demographic trend. It is a seriousness which is also captured in a longer and protracted way in Brian Lee Crowley's new book, *Fearful Symmetry*.

Fearful Symmetry forcefully highlights

that these new demographic trends are having a significant impact on the makeup of the country and the value systems which shape our politics. Peter Menzies' review of this book highlights how values of work and family—sometimes seen to be controversial—can be framed in sociological and statistical manners to make the case that the status quo is unsustainable. It is an important book published at a critical time in the debate. It is contentious, absolutely—but it asks the right questions at the right time in this ongoing debate about where we are and where we need to go.

Cardus' mission is the “renewal of North America's social architecture,” and so for us, it is directly on task to focus attention on the challenges we face in rethinking the social institutions that are critical to our future. In the pursuit of that mission, Cardus organized an early November urbanism conference in partnership with the Canadian Urban Institute and World Vision. We also published a collection of essays titled *Think Different: Urban Religious Communities—Problem Solvers or Trouble Makers?* A list of the contributors and two selections from the book are included in this issue of *Cardus Policy in Public*.

The key to any social innovation is knowing what to keep from our past and what new things need to be considered as culture changes. We are committed to exploring this dynamic landscape as our contribution to the common good.



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A CANADIAN CULTURE OF GENEROSITY

RENEWING CANADA'S SOCIAL ARCHITECTURE
BY INVESTING IN THE CIVIC CORE AND THE
"THIRD SECTOR"

Ray Pennings
Michael Van Pelt
with Stephen Lazarus

This paper is an edited excerpt of the Cardus policy paper, A Canadian Culture of Generosity: Renewing Canada's Social Architecture by Investing in the Civic Core and the "Third Sector" released on October 1, 2009 at the Rideau Club (Ottawa). It is available at: www.go.cardus.ca/GenerousCulture/

The global recession abruptly exposed the vulnerability of strong economies and strong governments. It has also revealed with new clarity how much governments and citizens depend on a strong and healthy civic sector—and its array of charitable and nonprofit organizations. The Canadian civic sector benefits every Canadian every day. Also known as the "Third Sector"—distinct from both the public and private sectors—this sector

accounts for 8.5% of Canada's gross domestic product (GDP). Its slice of the GDP exceeds the combined GDP of Nova Scotia, Manitoba and Saskatchewan—and is larger than Canada's retail, automotive, or manufacturing sectors. It includes 750,000 unincorporated community and faith-based organizations, 81,000 nonprofit corporations, and 80,000 registered charities. Place any neighbourhood under a microscope, or merely walk down the street or look at the window, and one will encounter the dense fabric of institutions and organizations—cultural, religious, social, artistic, athletic, and more that make up the Canadian civic tapestry. Without the dedication and critical investment by citizens and communities

through these organizations, Canada's social landscape would simply not be the same.

Concern for the common good motivates the civic and charitable organizations of the Third Sector and spurs them to be initiators and transmitters of social change. Social change does not happen overnight—and it never happens in isolation. It is catalytic. And where social change happens, you will often find the institutions of civil society, “the little platoons” of Canada's civic sector—at the leading edge.

But the Canadian civic sector is not only an important and powerful engine of change. It also makes possible the quality of life that Canadians have come to depend on as citizens in a peaceful and prosperous country. The quality of life we know and enjoy depends on the often unseen, often heroic work of the civic sector. An improved standard of living is made possible because Canadians of all ages and from many different backgrounds participate, volunteer, and give generously in every corner and sector of the country. Every Canadian can take pride—and take part—in the civic sector in his or her own community.

WHY CARE? WHY NOW?

Today, however, the health and vitality of the Canadian civic sector can no

longer be taken for granted. While the sector on the whole appears relatively strong, there are reasons for concern. First, the effects of the recession are now becoming magnified within the charitable sector. When the going gets tough, people are inclined to stop giving. When bank accounts are low and markets plummet, charitable giving constricts. The most vulnerable in society are often first to absorb the blow. Many organizations are now experiencing a sharp decline in giving. Declining levels of donations mean decreased resources. Unfortunately, this reduction in resources comes at the very time when demands for social services are increasing and existing resources are stretched thin. The capacity of the charitable sector is diminished exactly when its help is most acutely needed.

While comparable data is not yet available for Canada, the impact of the recession on the nonprofit sector in the U.S. is disturbingly clear. According to data released in July by Giving USA, personal charitable giving in the U.S. declined by 6.3% in 2008. Corporate giving declined by 8%. Gifts to foundations dropped 22.2%. Donations to human services declined by nearly 15.9%. Defying most other trends, gifts in the U.S. to religious organizations increased by 1.6%.

Second, and perhaps more troubling given the long-term consequences, there is now a growing body of research

that indicates that Canada’s “civic core” is under-resourced and shrinking. The vast majority of all charitable giving, volunteering and civic participation in Canada is done by a very small (and in some cases declining) percentage of citizens. Researchers argue that if this trend is not reversed, there will be serious consequences in the future. Without increased citizen engagement and new investment in the nonprofit sector, many services Canadians depend upon will disappear. The way of life Canadians have long enjoyed will significantly deteriorate. The ability of civil society institutions to inoculate neighborhoods and communities against social ills and harm will be reduced. Unless the tide turns, the contributions of these valuable partners for the common good will be missing when Canadians need their assistance in the future.

Third, government partnerships with the charitable sector require more than just an influx of new money—a new perspective is needed. The potential of Canada’s charitable sector is often underestimated. Its impact and benefits are easily seen and felt, yet also easily taken for granted and overlooked. Government can do more to welcome the participation of charitable organizations as equal partners in the public square. Government and the charitable sector share similar goals, and their mutual efforts require careful coordination. Canada’s nonprofit sector and civil society are valuable natural

resources. Just as public policy shows special regard to care for Canada’s environment and incomparable natural beauty, government has an equally important duty to show special concern for the nation’s civic and charitable sectors and the social environment they inhabit and help create. By developing policies attuned to the needs and potential contributions of the civic sector, government can better leverage its resources to promote human flourishing and the common good.

The time has come to conduct a national check-up on the health of civil society across Canada. The stage is set to begin a new national conversation—to investigate, discuss, deliberate together, and determine how to respond, before troubling trends become more serious. Trajectories of decline can be reversed by strategic action, shared commitment, and the cultivation of a new culture of giving and generosity.

There exists a growing “civic deficit” in Canada that should concern leaders and citizens equally as much as any short-term or long-term fiscal deficit. Section one of this discussion paper reviews recent research into patterns of volunteering, charitable giving, and political participation in Canada to discern where and why this civic deficit exists. Section two invites dialogue participants to explore the wide-angle question: “How can we foster a new culture of volunteering, giving and civic engagement in Canada?” Section three

posits an additional critical question to discuss: “Who is responsible to do what?” Section four focuses in on proposed public policy responses to Canada’s shrinking civic core and suggests some initial steps forward, recommending a multi-part plan to invest in Canada’s civic and charitable sectors to the benefit of the common good.

CANADA’S CIVIC DEFICIT

In the past 15 years extensive research has been conducted into the size and health of civil society in Canada. Using social scientific surveys, researchers have measured and tracked trends in charitable giving, volunteering and civic engagement. One important finding has been that Canadians take part in these “contributory behaviours” less frequently than has generally been assumed. To be more precise, researchers have discovered the existence of a small “civic core” in Canada—a dedicated minority of citizens who are responsible

for the overwhelming majority of all charitable giving, volunteering and civic engagement.

Researchers have analyzed data from the Canada Survey of Giving, Volunteering and Participating (CSGVP) to define the demographics and analyze the patterns of who takes part in charitable, civic and voluntary activities. Their findings are surprising. In 2000, researchers found that 18% of adults in Canada were responsible for 80% of all money donated to charities. Six percent of adults were responsible for one out of every three dollars donated. 80% of all volunteer hours given were given by 9% of the population. One out of five adults accounted for nearly two-thirds of all civic participation.

A small core of citizens are highly active while a sizeable majority remain largely disengaged. The number of these active donors, volunteers, and civic participants is surprisingly small relative to the general population—and

DISTRIBUTION OF CHARITABLE, VOLUNTEER AND CIVIC ACTIVITY IN CANADA IN 2000

Type of Activity	% of population	% of activity generated
Charitable Giving	18	80
Volunteering	9	80
Civic Participation	21	65

Nonprofit and Voluntary Sector Quarterly, December, 2001

to the group's cumulative contribution to civic well-being. Researchers estimate that there exists a primary civic core made up of approximately six percent of the population. Citizens who make up the primary core take part actively in all three contributory behaviours, regularly volunteering, giving, and participating as members in civic organizations. Studies have found that an additional 20% of the population make up a slightly less engaged "secondary core", who provide valuable support in their communities and take part primarily in one or two civic behaviours. Researchers conclude that just over one quarter of the population accounts for nearly three-quarters of all civic engagement in Canada.

The citizens who form the civic core are Canada's caring, contributing agents of change. They share certain "habits of the heart" that incline them to pursue action to further the common good. They donate, volunteer, serve and engage in concerted action to promote goals that benefit local communities, the social commons, and the greater good beyond immediate, individual self-interest. Members of the civic core are marked by "an otherness syndrome"—and the most committed among them are likely to be found engaging regularly in all three activities acting out of deep convictions. They share a set of beliefs and a worldview that stresses responsibility, connectedness and cultural renewal. They are committed to improving their communities

and culture through exercising and promoting personal and corporate responsibility. These citizens are often (but not always) older, religious, and well educated. The significance of this subgroup of citizens to the well being of Canadian society can hardly be emphasized enough. The charitable sector depends on the generosity and civic-mindedness of these citizens for its vitality and for needed resources to serve the most vulnerable in Canadian society.

When one contrasts the combined contributions of citizens from the primary and secondary cores with the civic and charitable contributions of less-engaged citizens outside the core, the uneven distribution of civic participation in Canada comes into clear focus. The activity of 29% of Canadians who comprise the full core account for 85% of total volunteer hours, 78% of total charitable donations, and 71% of all civic participation. The remaining 71% of the population contribute 15% of total volunteer hours, 22% of dollars donated, and 29% of all civic participation.

The "big picture" evaluation suggests that support for civil society and the charitable sector is neither wide nor deep in Canada. Instead of civic responsibility being shared more or less evenly, the numbers analyzed over time indicate that a small minority are involved and giving very much, some are engaged and giving a little, and

the vast majority are not very involved and are contributing very little by comparison. In terms of the civic core, researchers estimate that the primary core is shouldering five times its share of the civic load, the secondary core is shouldering twice its share, and those outside the core are bearing less than 1/3 their share of charitable giving, volunteering and participating.

It has not been quantified in dollar terms or volunteer hours the impact of high levels of disengagement on the civic and charitable sectors. However, some consequences are clear. The absence of significant contributions from substantial percentages of the population yields a sizeable civic deficit in the form of missing volunteers, charitable donations not received, and organizations in need of members and leadership. Voluntary and charitable sectors remain under-resourced in part because many citizens are not contributing in proportion to their ability to do so. Research into the civic core suggests that a sizeable percentage of the population can do much more to invest in their communities and help build the capacity of civic and charitable organizations.

From the perspective of those concerned about the health of the civil society, the goal is not some unrealistic expectation that every citizen will contribute in exactly equal shares to the common good. Some disproportionality in the broad population is to be expected.

Some people have more time, money and other resources to give than others. Also, one's level of resources may change in various seasons of life due to multiple factors such as age, education, employment, and child-raising responsibilities. However, each person has valuable resources of time, money and skills that can benefit others. In a prosperous country like Canada, the findings of civic core research suggests that citizens are not engaging in these contributory behaviours at a high level or magnitude proportionate to the resources at their disposal. Posing the question personally, do we and our neighbours really give in generous proportion to our respective means and abilities to contribute to the common good? This is often not a matter of public discussion. However, the health of the civic and charitable sectors in Canada depends on a generous citizenry that is willing to use its resources to serve others and not only their private interests.

This pattern of disproportional engagement in Canada has remained constant in recent years and is not likely to improve without major cultural changes. According to some projections, the civic deficit that this generates may deepen with time and reduce the ability of civic and charitable organizations to maintain the level of assistance they provide to Canadians. The effects of the recession pose an immediate challenge. Taking a longer perspective in view, a diminished level of investment in

the civic sector over time endangers the health of the civil society and the quality of life and essential services the civic sector provides for Canadians.

THE VOLUNTEER DEFICIT

Popular perception regards volunteers as generous people pursuing altruistic pastimes. The real work of volunteers in Canadian society is more complex and looks much different. Their impact reaches much further than the stereotype suggests.

Volunteering appears to be the least common form of civic engagement in Canada. Between 1987-2000 the rate of volunteering fluctuated between 27 and 31% of the population and has declined since then. By comparison, nearly half of the population in those years was engaged civically by attending meetings or participating as members of organizations. Just under 80% reported making at least one contribution to charity.

However, a general volunteer participation rate of 27% conceals the fact that the majority of individuals who volunteer contribute only a handful of hours over the span of a year. According to the most recent data on volunteering, half of all volunteers in Canada contributed 56 hours or less over the course of 2007. Furthermore, since 2000, the rate of volunteering has been dropping to around 25% and may

decline even further. What concerns researchers like Paul Reed at Carleton University is that in recent years the number of hours contributed by the main core of Canada's volunteers has been dropping noticeably. Civic and charitable organizations cannot operate without reliable sources of dedicated volunteers.

To raise public awareness about these trends, CBC Radio broadcaster Judy Maddren moderated an extended dialogue in 2007 on the state of volunteering in Canada with experts such as Reed and Linda Graff. "At present," Reed explains, "67% of all volunteering is done by only 5% of Canadian adults. A huge amount of work rests on the shoulders of a very few. Those very few are typically aged and nearing their end of active volunteer involvement. It's a precarious and fragile workforce responsible for the community life we both enjoy and expect."

The problem is not simply the burnout of an overworked minority of citizens, nor the apparent inequity of some citizens doing much and many doing little to contribute to community well being. Rather, the danger is that as the active citizens who make up a large part of the civic core grow older and are no longer able to volunteer, they may not be replaced by the generation following them. Analyzing current trends, Graff and Reed argue that volunteering could decline by as much as 1-2% each year

during the next decade. The cumulative impact on the civic sector over several years would be significant.

“Many nonprofit organizations—” they forecast, “arts, social, health, and faith charities for example—will lose their leaders and sustainers. The people who have been sustaining the local chapters, organizing the fundraisers, and leading organizations will be gone.” When the volunteers of the post-World War II generation are no longer able to volunteer, the decline in the supply of helping hands for many service and charitable organizations will be felt acutely. “Historically, people have started to move away from volunteering at about age 55, and the drop in participation rate increases sharply as people reach their mid-to-late 60s. If baby boomers, who have been volunteering so much over the last three decades, follow those patterns, the loss of volunteers in this country will be great, and so will be the consequences.”

These scenarios are not fearful speculation. The decline in the volunteer supply is already apparent. For example, Meals on Wheels administrators in large Canadian cities report that they are struggling with a volunteer deficit of 15–20 percent. They are finding it increasingly difficult to recruit and retain new volunteers. While the level of need for their services continues to rise, they simply cannot find enough volunteers to deliver meals to the elderly and sick

who are requesting their help. The greatest declines in volunteering have occurred in large urban centres where the greatest numbers of Canadians live.

Graff and Reed cite other examples: “Organizations in small and rural communities where populations are disproportionately older report trouble finding enough volunteers to keep their doors open. Many service clubs and civic organizations are in significant decline. Some have already closed their doors. Boards across the country are having more trouble recruiting new members, particularly new younger members. Like canaries in mines, we believe these are harbingers of a seriously damaging pattern beginning to sweep over this country . . . Each of us might occasionally notice when a volunteer’s effort touches us directly, but we don’t add it all up to see the enormity of what volunteering provides to our way of life—or the impact of what we will lose when volunteering declines over the next few years. There is a fundamental shift on our horizon. None of us will escape its impact.”

THE GIVING DEFICIT

Charitable giving, much like volunteering, is practiced routinely by small percentage of citizens. Studies of charitable giving in Canada reveal comparatively low levels of giving to the nonprofit sector. Many citizens may donate to charitable organizations

in the course of a year but they often donate incidentally, and not part of a regular, planned series of contributions.

The most recent data available on charitable giving in Canada points to a significant gap between those who give and those who don't. Also, many who have the means to give do not appear to give much. In June 2009 Statistics Canada reported results from the 2007 *Canada Survey on Giving, Volunteering and Participating*. On the positive side, total charitable donations were up slightly in 2007 to nearly ten billion dollars, from 8.9 billion dollars in 2004. The study confirms, however, that while many Canadians are very generous, the great majority of citizens donated very little or nothing throughout the year. Most citizens do not give regularly. Only a small fraction of those giving, ten percent of givers, account for the lion's share—nearly two-thirds—of all charitable donations. Within the group of those who chose to make one or more charitable donations during 2007, half of the donors contributed less than \$120 in annual giving. Perhaps even more striking, for individuals with incomes over \$100,000, the median amount donated over twelve months was only \$210.

Many who reported that they gave a donation or volunteered also stated that they preferred to contribute outside formal channels of local community or charitable organizations. They gave money directly to people in need

and provided help to neighbours—driving them to grocery stores or appointments, offering household help or other practical support like mowing lawns or shoveling snow. This pattern is consistent with a long-term trend of household giving to others outside the home but by means of informal channels.

A Statistics Canada study of charitable giving from 1969-1997 suggests that evidence indicates there are at least two stable trends in giving by

CANADA AND US GIVING TO CHARITABLE ORGANIZATIONS

	% of Personal Income	Total Donations
Canada	0.76	\$8.4B CA
United States	1.66	\$182B US

The Fraser Institute

NATIONAL CHARITABLE GIVING LEVELS (SHOWN AS A % OF GDP)

USA	0.76
UK	0.73
CANADA	0.72
AUSTRALIA	0.69
NETHERLANDS	0.45
GERMANY	0.22
FRANCE	0.14

Charities Aid Foundation, 2006

Canadians: “There is clear evidence of two long-term diverging trends—Rising generosity to individuals and a declining willingness to contribute to a collective good of some kind as represented by charitable, especially religious, organizations. The recent 2007 Canada Survey found evidence of this same trend and noted that support to nonprofit organizations is concentrated among a small minority of Canadians who are also likely to be active volunteers. Most of the money donated and time volunteered to organizations in the civic sector come from a thin base of the population. The study found that the top quarter of charitable donors (those giving \$364 or more and volunteering at least one hour during 2007) contributed 59% of total donations and 40% of total volunteer hours, and make up only 14%—less than one-seventh of the population.

The existence of the civic core also helps explain the findings of comparative studies of charitable giving in Canada and the United States. Multiple studies of philanthropic activity in Canada and the United States conducted over the past decade confirm lower rates of charitable giving in Canada. On average, the rate of giving by citizens to the Canadian nonprofit sector is half the rate of giving to the U.S. charitable sector. In 2006, for example, Americans gave 1.66% of their aggregate personal income to charity, with donations totaling US\$182 billion. Canadians donated 0.76% of

their aggregate personal income to the charitable sector, totaling CA\$8.4 billion. If Canadians had given the same percentage of their income to charities as Americans, Canadian charitable organizations would have received an influx of an additional CA\$9.8 billion in donated revenue.

In one multi-country study of charitable giving from 2006, Canada fares better, ranking ahead of many European countries including France and Germany, but behind the U.S. and slightly behind the U.K. in measures of national charitable giving figured as a percentage of country GDP.

The study found that several fiscal, cultural, and social factors can impact national charitable giving. These include: governmental tax take (higher levels of personal taxation and social insurance payments), the tax treatment of charitable donations, religiosity, unofficial familial and social giving, and relative national wealth. Researchers concluded, for example, that if social insurance payments were to rise in the future because of the growing needs of aging populations, this could adversely impact personal income and charitable giving in each of the countries surveyed.

CIVIC SLACKERS

Reviewing research findings from Statistics Canada on the state of

Canada's civic sector, Rudyard Griffiths, founder of the Dominion Institute observed: "Join the dots of these statistics, and the picture that emerges runs completely counter to our own self-image as 'caring Canadians.' The majority of us are civic slackers who participate either marginally, or not at all, in the kinds of formal activities that sustain a vibrant and effective volunteer sector, a participatory political culture, and an enriched community life. Put another way, a significant portion of the population is doing little in terms of day-to-day behaviour to renew the social capital upon which much of the prosperity and social harmony in Canada depends today and in the future."

The current economic decline has the potential to significantly reduce the already inadequate supply of resources that the Canadian charitable sector depends upon to carry out its critical work as the power cells and paramedics of civil society. If charitable giving and volunteering trends remain unchanged, researchers argue that the long-term consequences are a serious depletion of civic resources and a diminished capacity for public institutions to support social well-being. Research into the state of the Canadian civic sector is beginning to alert citizens and governments alike to an increasingly endangered social landscape that could be home to a more a robust charitable sector if trends were reversed.

These figures and studies raise a number of questions. What accounts for the lower rates of charitable giving in Canada? Why is the civic core not larger? Why might people outside the civic core not share a similar set of concerns for the health of civil society that those inside do? Studies of civic disengagement suggest that significant factors include a person's worldview, beliefs about responsibility for others, religious practice, and education. Citizens who choose not to participate and give may simply assume that others will take care of the needs around them without their help. Disengaged citizens tend to be less educated, less religious, and believe that people should primarily look out for their own interests. Also, compared to the United States, Canada has a larger government-funded social safety net. Many citizens may have come to believe the myth that because they pay taxes they do not need to do anything else to contribute to the common good. Community concerns and the work of charitable organizations seem abstract and distant to many citizens until they or their families are in urgent need of assistance.

Canada's civic deficit raises warning flags. The problem is clear. Canada's core of active citizens is not increasing in size, but is stagnant and may be declining. The civic core needs help. An overwhelming majority of citizens are not giving in proportion to their ability to help strengthen Canada's

social fabric. In the process, both they and their communities lose out, leaving a deficit that future generations will inherit.

The challenges, then, are both long-term and short-term. Long-term, the civic core needs to grow. The circle of engaged citizens in the civic core needs to widen and expand. Leaders inside and outside the nonprofit sector need to raise awareness of these challenges and find new ways to engage more citizens to take part in donating, volunteering and serving to advance the public good. Most citizens take the health of civil society for granted. Therefore citizens and leaders have to redirect public attention to real-world examples of this growing civic deficit and its impact on communities. Together they can begin to build a case that cultural change is needed.

In the short-term, citizens who make up the civic core need additional resources to do more of what they do well. It may take a longer time to change patterns at a cultural level—to grow the population within the civic core—so how can we empower contributors to do more? One challenge is to find a way to do this by building their capacity, not simply by asking those already committed (or overcommitted) to do more. Instead of asking the civic core to make more bricks out of straw, they need to be equipped with bricks and mortar to continue and expand the work they are doing to repair the city walls.

POLICY RECOMMENDATIONS: INCREASE THE CHARITABLE TAX CREDIT TO PROMOTE INCREASED GIVING

As an immediate response to the challenges facing the charitable sector, we recommend increasing the federal tax credit for donations to charitable organizations. An enhanced tax credit would provide critical resources to the charitable sector. It would also send a strong signal to all citizens to give more generously and invest in their communities. Increasing the credit for charitable donations encourages citizens to engage in counter-cyclical giving to offset the adverse impact of the economic downturn on Canada's civil society and social safety net.

We recommend increasing the charitable tax credit for cash donations over \$200, from its current rate of 29% to 42%. For donations of publicly listed securities eligible for the capital gains exemption, we recommend a charitable tax credit of 42% on the adjusted cost base, and retaining the existing charitable tax credit of 29% on the capital gain. We recommend enacting an enhanced credit for a trial period of five years.

The charitable sector currently depends heavily on the donations of a small segment of the population to support their work. An enhanced credit provides additional incentive for existing givers to increase their

charitable donations. It also provides a stronger incentive to encourage those who do not donate regularly to give to charitable organizations of their choice. Since Alberta and British Columbia increased their provincial tax credits for charitable organizations, donations to charities have increased in each province by more than five percent.

Increased donations will compensate for recent losses and help build the capacity of Canada's charitable organizations. The enhanced tax credit also promotes greater generosity by employing Canada's social pluralism in the service of the common good. The existing tax credit structure permits each citizen to direct donations to community organizations of their choice that share and advance their values and beliefs. The charity tax credit is one of the few direct policy means the federal government has to promote increased charitable giving and generosity in the Canadian public. Furthermore, another benefit of this particular version of an enhanced credit is that, if enacted, it would level the playing field between wealthy taxpayers—who are more likely to donate securities—and middle-class Canadians who are more likely to make cash donations, as cash donations will receive comparable benefits to securities donations. It reforms the current credit structure that compensates securities donations at a higher rate.

There is wide support inside and beyond the charitable sector for

increasing the tax credit for charitable donations to provide additional incentive to give at a time when many people stop giving. During recent debates over how best to stimulate the economy in a time of recession, a wide variety of organizations, including the Canadian Council of Chief Executives, BMO Capital Markets, and Imagine Canada recommended some version of modifying existing charitable tax credits and policies. Increasing the existing tax credit would increase the ability of the nonprofit sector to raise money, provide more resources for charitable organizations, enable civic core to do more. It would create new incentive for some non-givers—those outside Canada's civic core—to develop the practice of giving when their charitable contributions are greatly needed.

CONCLUSION, CANADA 2035

As Canada enters a new decade, its civic and charitable sectors remain relatively strong, however warning signs have begun to appear on the horizon. Current trends provide enough reasons for concern. Low and sharply disproportionate levels of volunteering, giving and participation by citizens indicates the civic sector in Canada remains under-resourced and shows some marks of entering an early period of decline. Canadian society today thrives in large part because of the culture of giving and civic

investment that is practiced routinely by a small minority of the population who comprise Canada's civic core. If trends toward disengagement deepen and become entrenched, it will be much more difficult to reverse these patterns in the future. Strategic action is required now.

We have argued here for an increase in the federal tax credit as a first step in the right direction. But these policy recommendations are obviously not an exhaustive solution. Every member of the Canadian social and cultural landscape must be enlisted. Government must not only provide a tax incentives, but work to cultivate a culture of giving through speeches, programs, pioneering new models for incorporation and social enterprise and removing bureaucratic barriers for collaboration with many differently minded – including religious – charitable organizations. Non-profits and charities themselves must sustain a culture of creative volunteer recruitment and pursue public policy innovation. Business and unions must practice social responsibility and partner with non-profits to instill the value of volunteerism and giving at the highest levels. Foundations, families, media, faith communities and schools and universities all have a critical role to play in the cultural formation necessary to grow our civic core.

What kind of culture and civil society will Canadians create by 2035?

Visionary political leadership beginning now—coupled with the dedicated contributions of stakeholders across Canada to promote increased giving, volunteering and civic participation would begin to generate a new culture of generosity and giving in Canada in the next decade. Citizens could begin to gain a new sense of their own influence to invest in their communities and corporately strengthen Canada's social fabric. We commend the beginning of this new conversation in Canada with the genuine hope of promoting a stronger, more generous culture in a land that has so very much to offer. We are wise to remember, however, that we cannot think ourselves into new behaviours. It will take time, action, and community to begin to see the first signs of change. Canadian citizens committed to building a new culture of giving in their own sphere of influence would be well served to act now and also adopt a long-term perspective and a comprehensive strategy. The bigger the change we hope to see, the longer we must be willing to invest, work, and wait for it.



BOOSTING CIVIC FITNESS

David Stewart-Patterson
Executive Vice-President
Canadian Council of Chief Executives



David Stewart-Patterson is Executive Vice President with the Canadian Council of Chief Executives, an association of business leaders committed to the shaping of sound public policy in Canada, North America and the world.

These remarks were delivered at the launch of the Cardus report, "A Canadian Culture of Generosity," on October 1, 2009 at the Rideau Club (Ottawa).

The Canadian Council of Chief Executives has devoted a degree of time and attention to the issues the paper raises that might surprise many people. We have talked about the importance of social attitudes in driving entrepreneurship and innovation. We have talked about the importance of ethics and values in corporate and public governance. And we have talked about the critical role of informal networks and the non-profit sector in addressing economic and social issues.

We have engaged on all these issues for one very simple reason: the quality of life in our communities has a direct impact on

our country's ability to attract investment, create jobs and compete in the global market.

As we try to build a more prosperous country, we have recognized that some of the most important issues cannot be addressed by either the public or private sectors alone. To take one example, we know that the size and capability of our future labour force will depend on our ability to continue attracting immigrants and to enable them to make the most of their skills. But the most effective work being done to attract and integrate immigrants is done at the community level by non-profit and charitable organizations staffed largely by volunteers. Governments have an important role to play in enabling this community dynamism, but they cannot and should not direct it.

The reality is that on many fronts, organizations based in our communities and reliant on donations and volunteers can do far more with far less than any direct intervention by governments. Let me illustrate by putting on my hat as the volunteer Vice Chair of the Canadian Youth Business Foundation (CYBF), a national charity that provides financing, mentoring and other support to enable young Canadians to start their own businesses.

Since 1996, when CYBF was founded by the Royal Bank and CIBC, it has funded almost 2,000 start-ups. In rough numbers, for a total of \$26 million in loans, those businesses have generated more than 9,000 jobs, \$376 million in revenue and \$83 million in taxes.

Thanks to an infusion of \$10 million from the federal government in the 2009 budget, we have enabled young Canadians to start almost 500 new businesses in the past 12 months alone - and in the teeth of what has been called the worst recession since the Second World War, our annual loan loss rate has edged up only slightly—from 6 percent to 7 percent.

To put this another way, for an average loan of about \$13,000, 93 percent of which is being repaid with interest, our

young entrepreneurs are creating an average of five jobs.

That's creating hope and immediate economic stimulus in our communities; it is laying the foundation for long-term growth; and more fundamentally, it is shaping a more entrepreneurial attitude in our communities. And it is doing all this far more efficiently than any government could hope to do directly.

Now, to turn to the Cardus discussion paper, the most striking observation is the small size of what it calls the civic core.

There are two ways to read the finding that just 5 percent of Canadian adults provide two thirds of all volunteer hours, and 10 percent the same two thirds of charitable donations. On the one hand, the small size of that civic core is dismaying, especially given the evidence that it may be shrinking rather than growing. On the other, it suggests that there is immense potential to awaken a sleeping beast in the heart of our communities, to unleash the potential that lies within all of us.

There are, as the paper suggests, two dimensions to addressing this issue. The first is to enable the existing core to tap into more resources; the second

is to expand the core. While the paper makes recommendations about the role of every sector of our society, I would like to focus on the two I know best, business and government.

Within the paper's recommendations to government, two elements stand out. The first has to do with the role of government in driving social behaviours. These can and do change, but making them change takes a long time and requires sustained effort.

If we think back to what drove changing attitudes to smoking, drunk driving and recycling, it is clear that government leadership was critical. Some of this required new laws and regulations to discourage the bad and encourage the good. But there also was a consistent element of the bully pulpit.

If we want to inspire and challenge Canadians to volunteer more and give more, perhaps the Participaction campaign needs to go charitable, to challenge what the paper calls "civic slackers" to boost their "civic fitness."

However much governments may hector, the reality is that most people respond more readily to real and measurable incentives. This is why I believe the paper's recommendation on improving the tax treatment of donations

is so important. Various people have put forward ideas for improvements on this front over the years:

- The relentless and continuing campaign led by Don Johnson to expand the capital gains exemption for donations of various forms of appreciated property is aimed at spurring even more of the major legacy donations that can take a charity off the fundraising treadmill.
- Imagine Canada's proposal for encouraging "stretch" donations would provide extra rewards that primarily would help the existing core of donors to do more.
- Our Council's proposal early this year to enhance temporarily the tax credit for small donations to match that given for donations to political parties is an idea aimed entirely at expanding the civic core.
- This paper's proposal for increasing the tax credit on cash donations beyond the minimum tries to bridge both goals.

What is important here is that there seems to be a growing consensus that improving the tax treatment of charitable donations is good

public policy—that it will enable our community-based organizations to do more in meeting a wide range of policy goals in ways that would make highly efficient use of tax dollars (whether through tax expenditures such as the donations credit or through direct grants and contributions).

All of which leads me to a question that, in the context of political events of the past year, might be seen as mischievous: What do you think would happen if Parliament were presented with a bill—as a matter of conscience and not of confidence—that proposed to give charitable contributions tax treatment equivalent to that of political donations, with the extra fiscal cost to be covered at least in part through elimination of the per-vote subsidy to political parties?

I will leave you to ponder that thought while turning to the role of the business community in addressing the issues raised in the paper. The fact is that many businesses already engage in the kind of practices recommended in the paper. As with individuals, there is a strong civic core, and the long-term challenge is to expand that core. But in business, I would suggest that there are powerful market forces at work.

More than a decade ago, we conducted an extensive survey of our member CEOs, probing their company policies on community investment. In particular, we asked what causes were attracting their investment and why and where these causes were shifting.

A striking finding was that the single most important factor driving community investment choices was not corporate reputation but human resources. Investing in communities was seen above all as a vital tool for recruiting, retaining, developing and motivating employees. And as a result, employee preferences had become key drivers of what causes and organizations companies chose to support.

In the years ahead, current recession notwithstanding, the competition for skilled employees is going to become fiercer than ever. That will put even more pressure on companies to adopt policies and practices that reflect the values and priorities of their employees.

There is one aspect of business engagement that does worry me, and it is connected to the renewed debate over corporate governance. Back in 2002, in the wake of the Enron and WorldCom scandals, our Council engaged in an extensive internal discussion of corporate governance. Later that year, we pub-

lished a detailed consensus paper on good governance practices.

We talked about the importance of values in driving good governance, and described good corporate citi-

zenship as the external expression of those values. We also recommended, among many other measures, that CEO compensation should reflect an appropriate balance between short-term and long-term performance.

But consider this. When we launched our governance project, I received a letter from a senior executive at the Ontario Teachers Pension Plan. The letter said, in effect, that CEOs had no business pronouncing on governance issues and that they should simply do what they were told by their boards.

Yet when we surveyed our members as part of that exercise, they not only reported a significant increase in influence on boards by institutional investors, they also reported that these institutions, mutual funds in particular, were the major force pushing for short-term results rather than long-term growth.

I ask you, what is the responsibility of shareholders, as individuals and as institutions, in strengthening our civic core as well as our economy?

I have, on a number of occasions since, asked fund executives whether they truly believe that doing what is right does in fact add to shareholder value, and whether they therefore en-

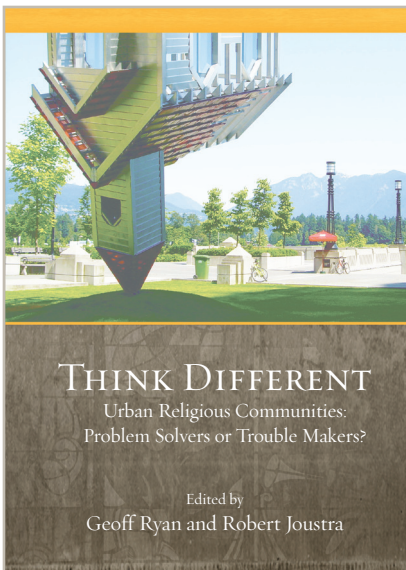
courage companies to expand their corporate citizenship activities. I have yet to receive a straight answer.

So as we contemplate the latest market failures and criticism of executives being excessively rewarded for short-term performance that proved unsustainable, I would ask you to think beyond the standard governance question of whether management is being sufficiently responsible to shareholders. Instead, I ask you, what is the responsibility of shareholders, as individuals and as institutions, in strengthening our civic core as well as our economy?

Let me conclude with that thought, and thank Cardus for producing such a provocative and interesting paper on a subject that deserves greater discussion.



BOOK RECOMMEND



EDITED BY:
GEOFF RYAN AND ROBERT JOUSTRA

*THINK DIFFERENT: URBAN RELIGIOUS
COMMUNITIES - PROBLEM SOLVERS OR
TROUBLE MAKERS?*

HAMILTON: CARDUS, 2009. SOFTCOVER,
198 PAGES.

LIST PRICE: \$20.00

THINK DIFFERENT URBAN RELIGIOUS COMMUNITIES: PROBLEM SOLVERS OR TROUBLE MAKERS?

This new book, edited by Geoff Ryan (Cardus Research Fellow) and Robert Joustra (Cardus Researcher), brings together some of the most creative and ground level thinkers and doers on public religion and urban policy. It includes essays by:

Michael Van Pelt
President, Cardus

Bev Sandalack
*Director, Urban Lab
University of Calgary*

Cheri DiNovo
MPP, Parkdale-High Park

Chris Cuthill
*Art Chair,
Redeemer University*

Dani Shaw

*Lawyer; former advisor to
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*CEO and Executive Director,
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Poet Laureate, City of Toronto

Eric Jacobsen

*Author, Sidewalks in the
Kingdom*

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*Legal Counsel,
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Geoff Ryan

614 Salvation Army and Cardus

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*Associate Prof. of Sociology,
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James Watson

Salvation Army

Robert Joustra

Researcher, Cardus

Order your copy today at
<http://go.cardus.ca/thinkdifferent>.

In this issue of *Policy in Public* we happily provide a snapshot of what you'll find within the book, with excerpts from Mark Petersen's and Geoff Ryan's essays.

SELECTED ESSAY: "CREATING THE CONDITIONS FOR TRANSFORMATION"

Mark Petersen

I sat at the table chewing furiously on an overcooked steak. Across from me was a former evangelical pastor, in tears, who told of his crisis of faith and recent decision to abandon his role at his church. His belief system had been shaken to the core when the horrifying truth dawned on him: he no longer held to certain tenets of the tradition he had been preaching for ten years.

A literal interpretation of Scripture, a six-day creation, and commitment to male leadership in the church—all these issues became sharp sticking points for my friend. While he continued to follow Christ wholeheartedly, he couldn't make the rational leap to affirm some

doctrines of his particular community. But worse than the angst of his own personal dilemma was the intolerance for divergent opinion that existed in his congregation.

His church had not been a safe place for people to ask questions, admit doubt, probe truth, and express diversity of thought and practice. Anyone who didn't toe the party line was suspect, driving out those that couldn't subscribe to the moralistic majority. It was the kind of religious group that seems to get overexposed in national media and on YouTube, driving the impression that the church is filled with the intolerant.

In this case, push came to shove, and it was the pastor who had to leave. So he resigned, seeking to serve God and his community outside the confines of the religious establishment. It's a story I'm hearing with greater frequency, as a growing number of theological refugees exit inward-looking congregations to meet in homes and coffee shops, and serve those outside the church doors.

These people have not abandoned their commitment to Christ; they've left behind their allegiance to a religious system that can't cope with diversity of thought and practice. Churches and denominations more interested in fi

ghting theological battles talk to themselves—loud, strident voices lead the debates that echo through the empty church building and in anonymous online forums.

When they do focus outward, it is to seek the vulnerable, proselytizing others to a proscribed way of thinking. This rigid sequence is clear: you must believe

our way before you can belong. These last vestiges of a modern spirituality, based on a dated worldview, rear up intolerantly when pressed into the corner by a globalized culture.

Quibbling over words, and stocking our warehouse buildings with comfortable stacking chairs and PowerPoint projectors, these Christians seem to have all the answers. But we've forgotten how to humbly say "I don't know," as well as "I'm sorry." And we've resisted learning how to live as people who follow Christ in the midst of the diversity of a complex culture. My friend's story would be utterly depressing if it were not for the many more people I meet on a daily basis who demonstrate the fl

ipside of an ingrown spirituality. Many are choosing an activist faith that takes one into the riskier alleyways and soup kitchens of service. While it is "safer" to not venture outside the church walls, the more challenging option seems to prevail, often without the official sanction of a denomination or church. These bold adventurers, motivated by a passionate faith and often some lingering doubts, are oriented towards serving people outside their four walls.

They have chosen to sacrifice the comforts of predictability, to follow Christ into the streets, institutions and businesses of the city.

They have chosen to sacrifice the comforts of predictability, to follow Christ into the streets, institutions and businesses of the city. Enmeshing themselves into the broader social fabric, they are net contributors, offering service and life to all with no strings attached. Incorporating themselves into the broader community, eyes blinking as enter in bright room, they lean into inclusive approaches marked by actions before words. They'll offer a sandwich before an explanation. My work brings me face-to-face with spectacular examples of hidden Christians who have organized themselves to live sacrificial lives of loving service in their communi-

ties. Here are a few lesser known stars in the night sky: Gateway Centre for New Canadians in Mississauga, Ontario flings open the doors of their community centre to welcome hundreds of immigrants a month, including 250 Muslims who use the Christian centre for weekly Friday prayers. A Rocha's community models sustainable environmental conservation through its leadership role in protecting the Little Campbell Watershed in South Surrey, B.C. and parts of the Pembina Valley in southern Manitoba. My People International has a team that travels to remote indigenous communities in Canada's vast northland, offering workshops and counseling for First Nations communities facing high suicide rates and sexual abuse.

Word Made Flesh patterns itself after Mother Teresa, living in the bowels of gritty urban poverty and loving neighbours who are prostitutes, street kids, and war amputees in places like Kolkata, India and Freetown, Sierra Leone. Prison Fellowship Canada's many volunteers visit those who never receive visitors, and offer prisoners skills and networks to adapt to post-prison life.

What is this dangerous journey we are called to as those who follow Christ outside the walls of our religious systems? It's one that does not reinforce and bulk up one's own religious estab-

lishment, imposing burdensome regulations and expectations on people. In fact, those were the types that Christ seemed to have the greatest issues with in His life. Instead, those who believe Jesus is Lord imitate his trajectory downward and outward—He gave up His rights and came to serve; His life is an offering for all. In like manner, followers of Christ identify with and serve others with great tolerance and respect, even when differences abound.

Approaches such as these create the environment for trust to be nurtured, and for transformation to be gifted to a community.

SELECTED ESSAY: "PROBLEM SOLVING AND TROUBLE MAKING"

Geoff Ryan

In 2003, Toronto experienced the horrific abduction and murder of a 10 year old girl in the west end of the city by the name of Holly Jones. It turned out that a neighbour, who apparently would sit alone pondering porn all day, had decided to act on his obsessions.

He kidnapped Holly and killed her, cut her body up and threw the pieces into

the waters of Lake Ontario. In a culture of shock, where the ability to shock is actually rare, this macabre crime shocked the city and the country.

One evening some weeks after the full story of what happened to Holly had emerged, I was talking about the tragedy with some friends. One remarked: “How could someone actually do something like that?” The other two nodded in agreement, suitably disturbed.

We talked further and then all three headed off to watch the film *Red Dragon*, a sequel to the 1991 release, *The Silence of the Lambs*. After they left it occurred to me that this film outing might in itself point toward an answer to that question.

How could people do something like that?

Well, the seeds of someone doing something like that, at least in part, were inherent in watching a film like that. Let me explain. I think that films like *Silence of the Lambs*, *Red Dragon* and mostly anything by Quentin Tarantino fall into the realm of pornography. Pornography isn't just about sex, but can extend into other areas as well, each genre having their own film and TV presence and dedicated magazines: food porn (the plethora of cooking programs); car

porn (the *Fast and Furious* film franchise); house porn (*Home & Garden* magazine, *Extreme Home Makeover*); poverty porn (“Live Aid”); Torture Porn (the *Saw* films, slasher flicks).

The core dynamics of any type of pornography are a blurring of the line between reality and fantasy, and then pushing the boundaries of the possible. It permits the person who indulges to consider the possibility of something that he or she, or anyone else, would not ordinarily ever consider or think about. Porn introduces into one's thought life the possibility, the “what if,” of a darker side of human nature. It's the proverbial camel poking its nose into the tent.

And there will always be those people in society who take that “what if” a fatal step further and make it into reality. I think that it is because ordinary, normal people patronize films such as *Red Dragon* and *Silence of the Lambs* that depraved ideas such as violent murder, psychopathic thought processes and human cannibalism start to be considered in the public consciousness as possibilities.

From consideration the next step is acceptance in some form, possibly as a fantasy reality, often as a weird and parallel, sub-culture norm. Once the unthinkable has begun to be thought

about enough and become accepted in some form, the next step is to make it a reality and concretize it—to enact it. Michael Briere, the quiet neighbour who killed Holly Jones, told the court at his trial that he was “consumed by desire after viewing child pornography.”

After living overseas for most of the 1990s, I returned to Canada in 2000 having not watched TV for almost a decade. Turning our new TV set one evening, I caught an episode of “The Sopranos,” a show enjoying huge popularity at the time. I was surprised at how much swearing there was and the extremity of it. It is not swearing in itself that disturbs me, but rather the fact that it was happening on a mainstream TV show airing in prime-time and before my kids’ bedtime.

This indicated to me that a shift in societal acceptability had occurred while I was out of the country. At the risk of sounding like the middle-aged man that I am, such a thing would never have been permitted even a decade previously. But as culture evolves—or devolves—the unthinkable is thought about; then the possibility that things can be said (and done) is introduced into the cultural psyche; the possibility is entertained; and the stage is set for an acceptance of the new, expanded reality. So what does this all have to do with the

church and the city in conversation, and with the question of whether religious communities are problems solvers or problem makers?

Cities are the cradles of culture in society. Urban centres contain the critical mass of people and ideas and, therefore, the capacity to move culture. It is in cities that much of culture, high and low, is birthed, shaped and disseminated.

Some dictionary definitions of culture are: “the sum total of ways of living built up by a group of human beings and transmitted from one generation to another”; “a particular form or stage of civilization”; “the behaviours and beliefs characteristic of a particular social, ethnic, or age group.”

All of this is to say that who we are as a nation, society and people, is driven by the cultural context. We shape it even as we are shaped by it. All of our public institutions and our private constructs are products—to greater or lesser degrees—of the culture that is incubated in our cities. I believe that religious communities—churches, mosques, temples—bring numerous benefits to cities. One thing that they all have in common is their essentially conservative nature. Now, “conservative” is one of the many words that has changed profoundly in meaning, becoming quite

devalued. It has shifted from a positive notion to an essentially negative connotation, to the point that one of our major Canadian political parties, the Conservatives, adopted oxymoronic branding in order to mitigate against the culturally negative optics of their name, and became “The Progressive Conservatives.”

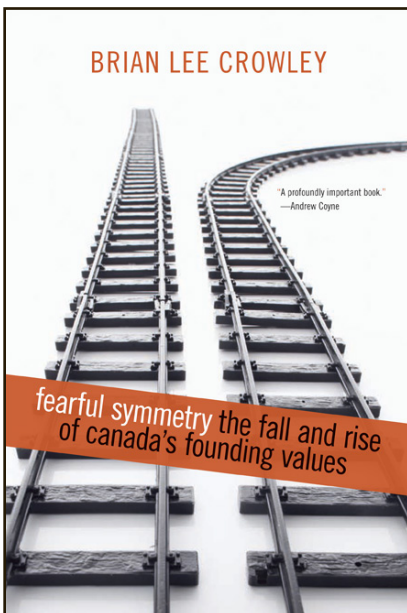
At the root of the word “conservative” is the idea of “to conserve,” or “to preserve”, which is fundamentally a protective and salvific concept. People make preserves or jam, capturing the essential goodness of the fruit, keeping it from rot until a time when it can be enjoyed by all. People conserve vegetables, so that when times are tougher and fresh vegetables are scarce, there will be enough sustenance for everyone. Even the dictionary notes that in spite of today’s understanding of the word (“cautiously moderate, purposefully low; traditional”) it still contains the older truth of the conservative function of “preserving,” “limiting change,” “avoiding novelty,” and “having the power to conserve.”

So my radical thought here (as in the original meaning of “radical,” meaning a return to the root, the fundament) is that religious communities in our cities, due to their essentially conservative nature and as the main repositories of societal ethics, morals and values, act as preservatives to keep culture from spoiling and rotting. Religious communities are really the only ones left in society who might say to culture: “Hold on, maybe we shouldn’t be thinking about this?”; “Maybe opening up these possibilities will result in consequences that harm the common good”; “Maybe this is simply wrong.”

I believe that religious communities constitute the soul of the city and the conscience of culture. In Christian terms, we would say that faith communities act as “salt” (a preservative) and “light” (illumination). Without them society would have no brakes, and it would simply be a matter of time before we crash.



BOOK REVIEW



BRIAN LEE CROWLEY
*FEARFUL SYMMETRY: THE FALL AND
RISE OF CANADA'S FOUNDING VALUES.*
TORONTO: KEY PORTER BOOKS, 2009.
HARDCOVER, 360 PAGES.
LIST PRICE: \$34.95

FEARFUL SYMMETRY: THE FALL AND RISE OF CANADA'S FOUNDING VALUES

BOOK REVIEW

By Peter Menzies

One of the great, perhaps fatal, failings of modern journalism is its persistent inability to view the world in a context that extends beyond the increasingly brief length of its own news cycles.

Blessedly, Brian Lee Crowley—author of *Fearful Symmetry* (*the fall and rise of Canada's founding values*)—is not a journalist. A graduate of McGill University and the London School of Economics, Crowley is founding president of the Atlantic Institute for Market Studies and a recent Clifford Clark Visiting Economist at Finance Canada.

His book, which goes well beyond the scope one anticipates from a man who has evangelized the economic salvation available through free markets, does for Canada what its journalism institutions frequently fail to do. *Fearful Symmetry* tells us where we came from, who we are, what we are doing, where we are going, and why.

Not everyone will agree, of course, with Crowley's detailed theory of how two powerful forces—demographics and the collectivist dogma of Quebec's Quiet (yet occasionally very noisy) Revolution—caused many Canadians to lose touch with their founding values. The virtue of work as a cornerstone of both the Canadian and Quebecois character has, Crowley argues, been diminished by policies born in an era in which our conventional wisdom and its leaders doubted

(in all probability wrongly) the ability of the economy to absorb the demographic boom spawned by the Baby Boom.

Easy access to (Un) Employment Insurance, the establishment of seasonal work as a full time occupation, heavy subsidies to unsustainable industries and other initiatives of dubious economic value, Crowley points out, all made work not only less necessary but diminished its social value and the strength of the nation's character.

“If we hark back to the set of ideas that characterized Canada for the first eighty-odd years of its existence, for example, we might notice something quite interesting,” Crowley writes. “The founders of our society weren't trying to make themselves and their fellows miserable

Fearful Symmetry tells us where we came from, who we are, what we are doing, where we are going, and why.

through unrelieved Calvinist gloom, including a mean-spirited insistence that everyone capable of working should do so. On the contrary, they had a theory about what made people happy; work was part of that theory in the sense that they believed that work fulfilled one of the deepest needs of human beings. We are not made for sloth but for productive work. Real work, work that confers benefits on us, our families, and the broader society, is one of the two key ways in which

fully mature adults realize their highest purpose and greatest satisfaction. The other is by forming and nurturing a family. . .”

As if that isn't enough to get cool Calvinist hearts all a-twitter, Crowley later adds, “For Canada's founders, then, one of happiness' deepest sources sprang from a learned ability to discipline untutored emotions and desires. Nature pulled us in a destructive direction; culture, supportive social institutions, and self-discipline allowed us to resist that siren call. And part and parcel of this view of happiness was that we had an obligation as a society to support each other in the often difficult struggle to get our selfish impulses under control. A world in which people could too easily live from the efforts of others wasn't just a world that was expensive for those who paid the bill; it was a world that set temptation before fallible people and encouraged them not to strive to achieve the

discipline and self-control by which human beings reach their greatest good.”

Crowley, as many of us have had to do over the years, confesses fully to having been a youthful adherent to the presumed verities of the 1960s and 1970s until, well, he realized the numbers didn't add up. Nowhere is this more evident than in his meticulously footnoted (there are 60 pages of bibliographic appendices annexed to *Fearful Symmetry*) outline of the decline of the family unit and how the state has not only failed to support it but enacted policies that encourage its fracture.

Quebec “is close to a situation whereby only half of the population marries, and of that half, between a quarter and a half divorces.” And yet, “despite having the most complex and well-developed welfare state in the country . . . a total of 22.7 per cent of Quebecers aged fifteen and older indicated symptoms of high psychological stress,

Nature pulled us
in a destructive
direction;
culture,
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call.

the highest level of any of the provinces. The highest proportion of respondents suffering from stress—31 per cent—was found among unmarried Quebecers . . . Quebec’s suicide rate has consistently eclipsed the rates in other parts of the country and, for some time, was the highest in the world And yet before 1975 suicide in Quebec was less common than anywhere else.”

Don’t believe Crowley? Take it from former Parti Québécois premier Bernard Landry whom Crowley quotes:

“The revolution (of the 1960s) changed so many things in such a short period. We made a break with Catholic morality and have been trying to build an ethical and moral code that is not linked to religion . . . and we haven’t found a good way to do that.”

One of the more fascinating aspects of *Fearful Symmetry*’s argument—one that is no doubt achingly apparent to most women—is the reluctance of Canadian males to cross the bridge to manhood and become worthy of female trust. While the world wars and Great Depression of the 20th Century rapidly turned generations of boys into men, modern male adolescence merrily stretches deep into the 20s and early 30s. Wisely, women are equipping themselves with education and skills and delaying motherhood while they patiently wait for boys to matriculate.

All of these arguments could easily be termed the mantras of “social conservatives.” Crowley, however, is careful to avoid exposing himself to that critique through his aforementioned use of facts. The strength of his argument for work and family is therefore

neither ideological nor theological: it is based on statistical and sociological measures of what structures and behaviours best contribute to human happiness.

Speaking of which, the most attractive aspect of Crowley’s book is not his detailing of the decline of Canada’s founding values. That, after all, is not new. The argument that society is destined for hell in a hand basket has been made before. What is compelling—perhaps capable of exciting even the steadiest of Calvinist pulses—is Crowley’s forecast of the resurrection of these founding values—the essence of character—that will occur as demographic pressures force us to recover them.

The current generation’s combined lack of thrift and fecundity has created what will become a dire shortage of labour in

Canada beginning in less than two years. So, whereas the Baby Boom encouraged policies that discouraged real work (as

Canada will therefore have no choice not only to pay and treat its employees well, it will also need to enact policies that encourage its citizens to have more children.

opposed to faux work or no work), the bust that Boom left in its wake will force policy makers to act to encourage way more making and a lot less taking. To be clear, this will be a good thing for

the emerging workforce. Crowley notes that employers will need to compete hard to attract talent and will have to pay it well, innovate technologically in order to manage labour costs and, overall, create a Canada with much higher productivity than that which currently exists.

Immigration, thought by many to be the solution to this dilemma, needs to be encouraged and will be helpful, Crowley points out, but it is not going to solve the problem. Recently productive sources of immigrants such as India and China, for instance, are emerging as powerful economic forces that will be seeking—no doubt with great success—to not only retain their workforce but repatriate it.

Canada will therefore have not only to pay and treat its employees well,

it will also need to enact policies that encourage its citizens to have more children (Quebec is already slightly ahead of this curve) if it wishes to survive. Further, the best way to encourage women to have more children is to give active support to stable social units such as families. It doesn't require a doctorate in political economy such as Crowley's to understand that women are far more likely to have more children if they feel they can trust the man they have chosen to father them to, in fact, father them into adulthood and, well, be a man about it.

To be clear, Crowley's is not just an argument for the restoration of Canada's founding values and structures that support them; it is a forecast of how economic and demographic forces will be the catalysts for their return. He goes to great length, however, to make it clear he is not

asking for a return to ages past when, for instance, women were denied educational and economic opportunity. In that, he has been successful. Efforts to find robust denunciations of his work as the ranting of a knuckle-dragger have proven unsuccessful. To date, his arguments have proven persuasive even

to reviewers such as Chantal Hebert of the *Toronto Star* and Lawrence Martin of the *Globe and Mail*.

There is, it turns out, no louder testimony to the strength of an argument than the silent pondering of its likely critics.



CANADIAN THINK TANK INDEX

A compilation of pertinent research and publications from other think tanks.

ATLANTIC INSTITUTE FOR MARKET STUDIES

AIMS has appointed a new President, Charles Cirtwill. Learn more about him here: <http://www.aims.ca/aboutaims.asp?cmPageID=213>

Outgoing AIMS President Brian Lee Crowley released an important new book, *Fearful Symmetry: The Fall and Rise of Canada's Values*. C2C excerpt here: [\[canadas-founding-values-\]\(#\)](http://www.c2cjournal.ca/blog-articles/view/fearful-symmetry-the-fall-and-rise-of-</p></div><div data-bbox=)

Charles Cirtwill talks about “The future of unions: are they a dying breed?” in an interview on the CBC National Radio’s *Cross Country Checkup*: <http://www.aims.ca/library/TheFutureOfUnions.pdf>

John Huang writes “Go East or Go West? The Better Shipping Route from Asia to North America,” in this September 09 AIMS report: <http://www.aims.ca/library/GoEastGoWest.pdf>

CALEDON INSTITUTE

“All Aboard Manitoba’s Poverty Train” is a September analysis of a May announcement by Manitoba’s government to create *All Aboard*, a newly-minted poverty reduction strategy, representing an annual investment of \$744 million. Here: <http://www.caledoninst.org/Publications/PDF/816ENG.pdf>

Sherri Torjman writes “Student Aid Meets Social Assistance,” an analysis of the interface between financial aid to post-secondary students and social assistance. Here: <http://www.caledoninst.org/Publications/PDF/815ENG.pdf>

Michael Mendelson writes “Why we need a First Nations Education Act,” describing the missing pieces in current legislation and proposing a new act of Parliament that would allow First

Nations to establish funded First Nations school boards with clear legal empowerment: <http://www.caledoninst.org/Publications/PDF/820ENG.pdf>

CANADA WEST FOUNDATION

In “Picking Winners: Provincial Electoral Reform Efforts, 2003-2009,” Evan Wilson presents the case for and history of Canada’s electoral system, province by province: http://www.cwf.ca/V2/files/Picking_Winners.pdf

Jackie D. Sieppert writes “Community Solutions: Promising Practices and Principles for Addressing Street Level Social Issues,” the sixth and final paper of the Core Challenge Initiative. Sieppert addresses four pillars to solving urban problems: harm reduction, housing first, community justice and community ownership.

Here: http://www.cwf.ca/V2/files/Community_Solutions-CCI_final_report.pdf

CANADIAN CENTRE FOR POLICY ALTERNATIVES

Monica Townson writes “Women’s Poverty and the Recession,” arguing that Canada has a shockingly high rate of women’s poverty, the address of which has been overshadowed by the recession. Here: http://www.policyalternatives.ca/~ASSETS/DOCUMENT/National_Office_Pubs/2009/Womens_Poverty_in_the_Recession.pdf

Arthur Donner and Doug Peters argue that the Bank of Canada is not up to the challenges of the world financial crisis, in September’s *Behind the Numbers*:

http://www.policyalternatives.ca/~ASSETS/DOCUMENT/National_Office_Pubs/2009/Recession_and_Canadas_Central_Bank.pdf

“The Affordability Gap: Spending Differences between Canada’s rich and poor” argues that more and more poor households in Canada often go without basic amenities. Here: http://www.policyalternatives.ca/~ASSETS/DOCUMENT/National_Office_Pubs/2009/Spending_Patterns,_Low_Incomes.pdf

Monica Townson also writes on “What can we do about pensions?”, a brief which outlines problems and potential solutions to the forthcoming pension crisis. Here:

http://www.policyalternatives.ca/~ASSETS/DOCUMENT/National_Office_Pubs/2009/What_Can_We_Do_About_Pensions.pdf

CANADIAN DEFENCE AND FOREIGN AFFAIRS INSTITUTE

Peter Heap writes on “Breaking Global Deadlocks: A Canadian Track 1.5 Success,” examining the catalysts for the creation of the G20 and Canada’s place within its structure: <http://www.cdfai.org/>

CANADIAN POLICY RESEARCH NETWORKS

“Social Innovation in Canada: An Update” argues that Canada is falling behind other countries in recognizing the value

of social innovation for addressing complex policy problems. While the government has acknowledged in many ways the importance of social capital, it has missed opportunities to fund social innovation. Found here: <http://www.cprn.org/doc.cfm?doc=2057&l=en>

CARDUS

Michael Van Pelt and Ray Pennings write, “A Canadian Culture of Generosity” detailing an increase in the charitable tax rate as a way to increase philanthropy and civic participation. Here: <http://cardus.ca/organization/news/38/>

CANADIAN CHAMBER OF COMMERCE

“The Economics of Elections” examines Canadian voting patterns and the

financing of elections, especially in regard to altering those patterns.

Here: <http://www.chamber.ca/images/uploads/Reports/Elections.pdf>

The Canadian Chamber made a “Submission on Copyright Reform” (<http://www.chamber.ca/images/uploads/Reports/Sub-Copyright%20reform0909.pdf>) arguing that Canadian government needs to act proactively to catch copyright law up to existing technology.

“Powering up Canadian prosperity: realizing the energy sector’s potential and ensuring continued access to a stable, clean and flexible supply of affordable energy” (http://www.chamber.ca/images/uploads/Reports/Energy_Paper-low.pdf) is a call for a diverse group of stakeholders to take action in cultivating sustainable energy

production within Canada’s borders.

C.D. HOWE INSTITUTE

Gretchen Van Riesen writes “The Pension Tangle: Achieving Greater Uniformity of Pension Legislation and Regulation in Canada,” arguing that Canada’s differing pension regulations from province to province discourage the creation of national, single-employer pension plans. She presents four options for reform and harmonization. Here: http://www.cdhowe.org/pdf/commentary_294.pdf

Duanjie Chen and Jack M. Mintz write, “The Path to Prosperity: Internationally Competitive Rates and a Level Playing Field,” a 2009 Federal-Provincial Tax Competitiveness Report. Here:

http://www.cdhowe.org/pdf/commentary_295.pdf

Nick Le Pan argues in “Look Before you Leap: A Sceptical View of Proposals to Meld Macro-and Microprudential Regulation” that the recent crisis should not lead to sweeping regulatory reform in Canada and it would be inadvisable to assign responsibility for financial stability to a single agency. Here: http://www.cdhowe.org/pdf/commentary_296.pdf.

Jean Boivin also releases a paper on “Getting it Right when you Might be Wrong: The Choice between Price-Level and Inflation Targeting,” arguing price-levelling works better than inflation targeting: http://www.cdhowe.org/pdf/commentary_297.pdf

Malcolm Burrows writes “Unlocking More Wealth: How to Improve Federal Tax Policy for Canadian Charities,” in this e-brief: http://www.cdhowe.org/pdf/ebrief_86.pdf. Burrows recommends tax credits for donations of real estate assets and private company shares.

An e-brief on “Improving Canada’s Immigration Policy” arguing that Canada’s immigration selection system is working, but a continued focus on economic-class immigrants is warranted. Here: http://www.cdhowe.org/pdf/ebrief_87.pdf.

CONFERENCE BOARD OF CANADA

“Carbon Disclosure Project Report 2009: Canada 200” discusses how Canada’s largest companies in both

high and low-carbon impact sectors are implementing initiatives to prepare for successful operations. Here: <http://www.conferenceboard.ca/documents.aspx?did=3234>

“Turning Green Into Gold: Green Marketing for Profit” details how marketers can capitalize on the growing interest in eco-friendly products and services. It analyses trends and opportunities and profiles several large companies. Here: <http://www.conferenceboard.ca/documents.aspx?did=3231>

“How Canada Performs”—both in health and in society—were ranked by the Conference Board. Health here: <http://www.conferenceboard.ca/HCP/Details/Health.aspx> (B, ranked 10th among peer countries). Society here: <http://www.conferenceboard.ca/HCP/Details/society>.

<http://www.conferenceboard.ca/HCP/Details/Health.aspx> (B, ranked 9th out of 17 countries)

FRASER INSTITUTE

Fraser is sponsoring the release of “Not Evil Just Wrong,” a responding documentary to Al Gore’s “An Inconvenient Truth.” Here: <http://www.noteviljustwrong.com>

Fraser did “Measuring Labour Markets in Canada and the United States”, 2009 edition. Here: <http://www.fraserinstitute.org/researchandpublications/publications/6887.aspx>

Cynthia Ramsay writes “Unnatural Regulation: Complementary and Alternative Medicine Policy in Canada,” examining licensing practices for natural health products and complementary or alternative medicine:

<http://www.fraserinstitute.org/researchandpublications/publications/6901.aspx>

Fraser publishes its 2009 annual report on Economic Freedom of the World. Here: <http://www.fraserinstitute.org/researchandpublications/publications/6905.aspx>

Brett Skinner writes on “Canadian Health Policy Failures” here: <http://www.fraserinstitute.org/researchandpublications/publications/6925.aspx>

“The Effects of Mass Migration” studies the state of and policy recommendations for Canada’s immigration system. Here: <http://www.fraserinstitute.org/researchandpublications/publications/6939.aspx>

MONTREAL ECONOMIC INSTITUTE

Etienne Bernier does a Viewpoint on “peak oil” asking whether the concept, as it has been used, is economically sound. Here: http://www.iedm.org/uploaded/pdf/lepoint0909_en.pdf

Two papers on labour mobility and relations between Quebec and other provinces: Boyer on union certification and “developing a level playing field for labour relations in Quebec”: http://www.iedm.org/main/show_publications_en.php?publications_id=245 and David Descoteaux on “Ontario-Quebec Trade and Cooperation Agreement”:

http://www.iedm.org/main/show_publications_en.php?publications_id=246

NORTH-SOUTH INSTITUTE

In “Beyond Band-Aid Solutions to the Crisis, Towards a New Development Paradigm,” this North-South Institute policy paper assesses major risks to recovery scenarios, focuses on the interests of low-income and developing countries and suggests a new development paradigm that emphasizes inclusion: <http://www.nsi-ins.ca/english/pdf/PRUF%20Policy%20Doc.pdf>

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