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## DIASPORA PHILANTHROPY AND CIVIC ENGAGEMENT IN CANADA: SETTING THE STAGE

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IN JANUARY 2011 *THE TORONTO STAR* PUBLISHED A STORY ON G. RAYMOND CHANG, a Jamaican-born financier who has recently become a remarkable and inspiring figure in Canada's philanthropic scene (Wong, 2011).

Chang arrived in 1967, just as the Canadian government began to open its doors to mass migration flows from Asian, African, and Caribbean countries. Needless to say, like many new immigrants from that time period, Chang's determination to "make it" occasionally met undesirable roadblocks, including several episodes of racism. However, after completing his studies, Chang began his climb up the corporate ladder, eventually joining the executive ranks of CI Financial, one of the largest investment firms in Canada.

Since beginning that climb, Chang has contributed millions of dollars and countless volunteer hours to many healthcare, arts, and educational institutions in Canada. But what sets Chang's story apart from that of many other Canadian-born philanthropists is that his giving and volunteer work extend far beyond the Canadian border. In fact, Chang continues to support a number of institutions "back home" in Jamaica, including St. George's College and the University of the West Indies (Wong, 2011).

The Association of Fundraising Professionals Greater Toronto Chapter recently recognized Chang's enormous generosity by naming him the 2010 Outstanding Philanthropist of the Year. Indeed, this award serves as a culminating achievement for those who have truly transformed the charitable sector. However, this achievement is notable for another reason: Chang and fellow Jamaican-born financier Michael Lee-Chin are among the few first-generation immigrants to join the ranks of this elite charitable class, also popularly referred to as the "Canadian establishment."

The transnational expression of Chang's philanthropy is beginning to take centre stage in discussions about how Canadians "give back." While countless numbers of first- and second-generation immigrants continue to participate in the charitable sector, many are now making considerable contributions to their countries of origin too. This phenomenon is often called *transnational* or *diaspora* philanthropy.

Chang's story brings many new questions to the table: if he and other immigrant philanthropists can make "mega-gifts" now, then what might be the giving potential for middle- and working-class immigrants today and in the future? Do civic action, volunteerism, and giving constitute model citizenry? How can immigrant-receiving countries

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encourage philanthropy among their newest populations? How do fundraisers and non-profit leaders effectively tap into these emerging communities? The list could go on.

This issue of *The Philanthropist* is among the first publications to take a serious look at the philanthropic and civic interests of various diasporic and transnational immigrant groups in Canada. In this introduction, we point to some emerging trends and contextual notes in an effort to set the stage for other articles in this issue and further discussions in this relatively new and exciting subject area.

#### THE CHALLENGE OF DEFINITIONS

Trying to make sense of diaspora philanthropy can quickly become a convoluted and unwieldy enterprise, especially as we begin to unpack our terminology – words like “immigrant,” “diaspora,” and even “Canadian” and “philanthropy” are subject to varying interpretations and debates within academic, political, and social circles. Almost always, however, the study and mapping of diaspora investments seeks to better understand questions about diversity, citizenship rights, notions of belonging, and cultural difference.

Saskia Sassen (1991), Ludger Pries (1999), and Arjun Appadurai (1997) were among the first social theorists to use the term “transnational” in the public realm, helping us articulate the relationship between the sometimes-fuzzy concept of “globalization” and immigrant behaviours and trends. In 1999, Aihwa Ong introduced us to an important term – “flexible citizenship” – to describe the dynamism and complexity with which diasporic groups view their own sense of belonging and identity. The ideas of these and other writers have certainly laid the groundwork for deeper analyses of diasporas within a whole host of situations and environments, including philanthropic studies in Canada and beyond.

We should also pay attention to the various connotations associated with the word “philanthropy.” Although the etymology of the term goes back to Ancient Greece, modern interpretations seem to stay close to the primary sentiment of expressing “the love of what it is to be human.” For some, this takes the form of charitable donations to social service or arts organizations; for others, philanthropy entails a more strategic targeting of giving that focuses on some kind of social change. And yet for another group, philanthropy may include non-financial contributions of volunteer time and expertise. In this article, we take our inspiration from the popular time-talent-treasure paradigm, where a more holistic approach to voluntary action allows for specific attention to either one or a combination of time, skills, or financial resources – all, of course, having an important role to play in the discussion.

#### WHY NOW?

Why are all these questions particularly important at this moment in time? After all, immigration is nothing new, and some diasporic communities in Canada are now three or four generations old. We believe that the pervasiveness of globalization, the changing composition of the Canadian population, evolving allegiances, and a growing global consciousness of diasporic buying power are but four major issues that are influencing the future of philanthropy and civic engagement both in Canada and abroad. Let us take a moment now to dig deeper into some of these issues.

Migration scholars are constantly reminding us that technological advancements, cross-border monetary transfers, and other features of globalization are making diasporic communities more transnational – in other words, many immigrants and their families are keeping up with their countries of origin as they settle and expand their networks in their new homes. In fact, the enduring connections to “back home” make diaspora philanthropy a tricky subject – especially if we think about the development of remittance economies in the global South. We touch on this matter later in this article.

Social networking sites and instant messaging systems have now become the easiest and most cost-effective mediums for direct contact with family and friends both nearby and abroad. Needless to say, then, globalization and technology are critical to the ways different diasporic communities engage not only with issues and news in their countries of origin, but also with other diasporic groups around the world.

Of course, most nonprofit, political, and corporate groups have a meaningful online and interactive presence. In fact, many medium- and large-sized charities are developing significant global appeals that resonate with people from all corners of the world. Online and mobile giving have become particularly useful in times of crisis – take, for example, the dramatic spike in online gifts to relief agencies immediately after the recent earthquake in Haiti or floods in Pakistan.

Since immigrants are among the leading users of online and wire transfers, it only makes sense that we consider how best to support and secure different technological tools for cross-border charitable contributions. Already there are a number of online giving and lending “facilitators,” such as Give2Asia ([www.give2asia.org](http://www.give2asia.org)) and Kiva ([www.kiva.org](http://www.kiva.org)), which are paving the way for other charitable institutions.

Shawn Ahmed, a young second-generation Canadian whose parents emigrated from Bangladesh, has demonstrated how cross-border giving can even be facilitated in the absence of any organizational structure. Ahmed’s The Uncultured Project (<http://uncultured.com>), which uses cellphone and social media to link the poor in Bangladesh with people around the world, was considered so innovative that he received an invitation to this year’s World Economic Forum in Davos. As more and more immigrants begin to click and give (back), there is a compelling need to reconsider the very primacy and effectiveness of traditional giving models, including direct mail, face-to-face solicitations, and telephone campaigns.

## **THE CHANGING FACE OF CANADA**

According to the 2006 Canadian census, 6 million people (or 20% of the total population) were born outside of the country – one of the highest proportions in the world (Statistics Canada, 2006a). The foreign-born makeup of Canada is especially visible if you apply an “urban” filter; the foreign-born population in Toronto, Vancouver, and Montréal amounted to 46%, 40%, and 21%, respectively. By way of comparison, these statistics make Toronto and Vancouver more diverse than any city in the United States, including New York, Los Angeles, and Miami (Statistics Canada, 2006b).

The depth and multiplicity of our diversity sets Canada apart from other immigrant-receiving nations. While many countries and cities rightfully claim to be diverse, their foreign-born populations tend to come from a fairly narrow range of countries. Canada, by contrast, draws in immigrants from a whole host of different countries. This phenomenon is called “hyper-diversity” and refers to the multifaceted and complex composition of Canada’s population. A 2007 study by the Washington-based Migration Policy Institute specifically cited Toronto as one of the most hyper-diverse metropolitan centres in the world, noting that “no one group dominates Toronto’s immigrant stock. Nine countries account for half of the foreign-born population, while the rest of the foreign-born come from nearly every country in the world” (Price & Benton-Short, 2007).

#### **DEVELOPING NEW ALLEGIANCES**

A growing body of evidence suggests that foreign-born Canadians feel just as committed to their new homes as do Canadian-born citizens. For example, the 2006 census revealed that 85% of foreign-born individuals eligible for citizenship had, in fact, become naturalized. (Statistics Canada, 2006a). Further research commissioned in 2007 by the Dominion Institute compared feelings of national attachment between first- and second-generation Canadians and the population as a whole. The study found that second-generation Canadians expressed a stronger sense of belonging to Canada than did first-generation respondents but, interestingly, both groups scored higher than the general population (Ipsos Reid, 2007).

The survey also asked about community engagement, using sports teams, community organizations, and ethnic associations as concrete examples. The results revealed a 45% participation rate among first-generation immigrants as compared to 43% for second-generation Canadians and 41% for the population as a whole (Ipsos Reid, 2007).

What role do these statistics play in our understanding of diaspora philanthropy and civic engagement? Alone they provide some insight into the strength of national allegiances; however, when we place them alongside other studies and research projects, we can begin to see that one’s affection and affiliation have a profound influence on giving behaviour and volunteerism. Raymond Chang aptly captures a general sentiment often felt by well-adjusted, upwardly mobile immigrants: “At the end of the day life has been good to me, Canada has been good to me. And there are lots of people who can do with a hand up” (Wong, 2011).

#### **COURTING THE DIASPORA**

The natural push for diasporas to engage with the communities they left behind is matched by a deliberate pulling force created by local governments and civil society organizations. Many Asian, Caribbean, and African nations, for example, consider their diasporas to be important resource streams, and are therefore courting their “non-resident citizens” in order to leverage their precious human and financial capital.

In Mexico, for example, a 3 for 1 program, whereby each level of government matches donations to hometown migrant associations, serves as an attractive giving stimulus for diasporas. Countries like India and Israel issue discounted “diaspora bonds” to raise

long-term hard currency from expatriates. With individual remittances now amounting to more than 20% of the GDP of countries like Jamaica and Lebanon, it is not surprising that some countries are now actively soliciting remittances from the diaspora (Doherty Johnson, 2007). Remittances are a hot-button topic, especially because there are debates about whether or not pocket transfers and localized giving constitute “philanthropy.” We touch on the main points in this debate later in this article.

#### **DIASPORA PHILANTHROPY IN CANADA: WHAT WE ALREADY KNOW**

While international migration is far from a new phenomenon, the role of diasporas in their respective home countries since World War II is particularly noteworthy, especially as first- and second-generation immigrants throughout the world began to play an increasingly important role in both domestic and foreign political, social, and economic movements. The plethora of research on Jewish diasporic philanthropy, in particular, shows the power and influence of the diaspora on the development of the human, religious, and social service institutions in Israel (for recent examples, see Kaye, 2010, and Zweig, 2010). Emerging academic research on the charitable impact of diasporas from the Global South, especially from Asian countries, is beginning to provide a vital diversity to the story of global philanthropy. (For an extensive bibliography on Asian philanthropy, see Sidel, 2008, and Merz, Chen, & Geithner, 2008.)

But what do we already know about immigrant philanthropy within the Canadian context? Here we would like to turn to one of the most comprehensive reports on the charitable and nonprofit sectors, the 2007 Canada Survey of Giving, Volunteering and Participating (CSGVP) (Hall, Lasby, Ayer, & Gibbons, 2009).

According to the survey, immigrants contributed almost 20% of the total value of all donations in Canada. Even though they were only slightly less likely to give to charities than those who were Canadian-born (82% vs. 85%), immigrants gave noticeably larger amounts (\$505 versus \$423) (Hall et al., 2009).

The CSGVP notes that the probability of giving (and gift size) increases based on the length of time people have resided in Canada. For example, those who came to Canada in 1999 or later made the smallest average donations, while those who arrived between 1971 and 1988 made the largest (\$647). One of the most interesting claims made by the CSGVP is that “the average donations of donors who arrived in Canada before 1999 are higher than the average donations of those born in Canada” (Hall et al., 2009, p. 26).

The survey also states that immigrants tend to support the same types of organizations as Canadian-born citizens – health, religious, and social services institutions – however, at varying rates, depending on the sector. For example, 46% of immigrants donated to health organizations, compared to 59% of those born in Canada. Conversely, immigrants were more likely to donate to religious organizations (45% versus 34%) (Hall et al., 2009).

Comparable results were found when it came to volunteerism among immigrants; however, a significantly higher proportion of immigrants report multiple barriers to volunteering. In particular, they were more likely to say that they did not know how to become involved (33% versus 22% of Canadian-born non-volunteers), that the costs associated

with volunteering were prohibitive (23% versus 15%), and that they were dissatisfied with a previous volunteer experience (11% versus 7%) (Hall et al., 2009).

The CSGVP is among the precious few quantitative reports that pay attention to the state of immigrant giving and volunteering in Canada, and it serves as an ideal launch pad for further investigations into the nature and potential for immigrant philanthropy and civic engagement in Canada. Admittedly, however, our understanding of transnational investments is still at an early research phase and there are very few comprehensive statistics available about how Canada's diaspora is giving back to their countries of origin. This is a major area for future investigations, and this issue of *The Philanthropist* serves as a good beginning.

Some limited and anecdotal evidence suggests there is pent-up demand for help in facilitating transnational giving. The Winnipeg Foundation, for example, has served as the intermediary to channel funds raised primarily by the local Slovak diaspora in Winnipeg to the Nitra Community Foundation in Slovakia. Because Nitra is not a qualified donee, these funds have been raised without the provision of a charitable tax receipt. Approximately \$25,000 has been raised to date to establish the first endowment fund at the Nitra foundation, aptly called "The Manitoba Fund" (Cathy Auld, Director of Donor Relations, Winnipeg Foundation, Winnipeg, MB, personal communication, January 20, 2011).

The president and CEO of CanadaHelps, Owen Charters, reports that his organization has received a number of recent inquiries about the potential use of the online giving tool for international giving, particularly to organizations and causes in India and Pakistan. Although some initial discussions were held with Give2Asia, significant legal, regulatory, and organizational issues need to be sorted out (Owen Charters, President and CEO, CanadaHelps, Toronto, personal communication, January 12, 2011).

In 2008, the Canadian Association of Physicians of Indian Heritage (CAPIH) established a separate charitable foundation that has as its mission "to work towards the eradication of disease, hunger and poverty in Canada and around the developing world" (see their website for more information: [www.capih.ca/charitable-foundation](http://www.capih.ca/charitable-foundation)).

It seems as though many other stories about diasporic engagement continue to go unnoticed or have yet to be fully told in the public realm. As the body of knowledge on diaspora philanthropy expands, we expect that more narratives and first-person accounts will make their way into our local and national media.

#### **DO REMITTANCES COUNT?**

There is no consensus about including remittances in the calculation of transnational philanthropy. Nevertheless, given that total 2008 global revenue flows to developing countries from remittances were estimated at \$338 billion (Hudson Institute, 2010), it is hard to ignore this form of diaspora investments.

The primary argument against including remittances as philanthropy is that, in the vast majority of cases, remittances involve private financial transfers to family members or friends. Thus, they are not considered to meet the public benefit test usually applied to

philanthropy. On the other hand, there are compelling arguments that remittances must be taken into consideration in any effort to map the full extent of diaspora giving. It is understood, for example, that some remittances are actually “collective remittances” where the end use is of a philanthropic nature (to build schools or healthcare clinics, for example). Recent U.S. research indicates that some individual remittances are actually transferred to family or friends with the intent that a portion be used to support public initiatives. In this instance, the family member becomes a kind of trusted local “intermediary” to vet the most effective/trusted NGOs in the community.

There may be good reason for us to consider remittances in our discussions about diaspora philanthropy in Canada. The 2010 Index of Global Philanthropy and Remittances calculated that total remittances sent by Canadians to developing countries amounted to \$12.2 billion in 2008, or 0.83% of Canadian gross national income. By comparison, Canadian official development assistance (foreign aid) expenditures in 2008 were \$4.35 billion. On a per capita basis, Canada may be the largest global provider of remittances (Hudson Institute, 2010).

By including this information, we are not suggesting that the debate about remittances-as-philanthropy is solved; in fact, we believe that discussions of transnational philanthropy should, at the very least, acknowledge other forms of voluntary giving. Let the debates continue.

#### **A FUTURE FOR DIASPORA PHILANTHROPY IN CANADA: REALIZING THE POSSIBILITIES**

In recent years a small number of philanthropic organizations have devoted some time and attention to the contributions of immigrants both to Canadian society and globally. The Maytree Foundation, for example, continues to support various initiatives to encourage immigrants to get involved in leadership positions, including within the charitable and nonprofit sectors. In 2007, the Walter and Duncan Gordon Foundation published an online series called *Diaspora Diaries*, which traces the steps of 10 immigrants or refugees, before and after their arrival in Canada. Many of the profiles address multiple feelings of belonging and identity, which translate into varying commitments to transnational giving and volunteerism. Also in 2007, Toronto businessman Vahan Kololian established the Mosaic Institute to harness Canada’s diversity to further peace and development abroad.

It is important to remember that while these examples represent a good beginning, we still know very little about diaspora engagement and philanthropy in Canada. As diversity and equity issues become important and strategic features of the corporate sector, we hope that the Canadian charitable and nonprofit sectors will soon follow suit.

At a minimum, there is a need for more basic research and data that would help us map the scope and extent of diaspora engagement. In addition, diaspora philanthropy and engagement could have various policy-related implications. For example, Canada may eventually need to address issues such as (1) increased tax incentives for certain kinds of international giving; (2) instituting matching grants that may stimulate diaspora giving (especially in times of crisis); (3) extending qualified donee status (as was done recently with the Clinton

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Foundation) to include internationally based charities; or even (4) establishing a Canadian equivalent of the UN's Transfer of Knowledge Through Expatriate Nationals initiative or the U.K.'s AfricaRecruit program, both of which have the blessing of local governments to broker capacity-building activities between diasporas and international projects. The Migration Policy Institute has also created a list of policy-related objectives and initiatives for us to consider (see Newland, Terrazas, & Munster, 2010). Admittedly, it may be too early for a large-scale policy review in Canada, but to ignore the incredible potential of diaspora philanthropy and engagement is remarkably short-sighted.

In some ways, exploring diaspora philanthropy and civic engagement in Canada reminds us of Benedict Anderson's concept of imagined communities (1996). What unifies all Canadians? According to Anderson, nations are built (or imagined) from the commonalities shared by their citizens, no matter how close or far they live from one another. So just as hockey has become an enduring symbol of "Canadian-ness," diversity and a multicultural ethic are deeply embedded in the fabric of this nation. After all, we often find people saying (with great pride) that Canada is a "nation of immigrants."

It quickly becomes apparent, then, that the role of immigrant communities in civic life and philanthropy has the potential to become one of Canada's enduring symbols, especially since concepts of giving are imbedded in so many different cultural practices. In other words, philanthropy is not only a marker of citizenship but also a unifying force that binds together people of different backgrounds.

This issue of *The Philanthropist* is probably the most comprehensive treatment of diaspora philanthropy ever undertaken in Canada. We look forward to joining other researchers, nonprofit leaders, and government officials in developing a body of knowledge and implementing a series of best practices when it comes to diaspora philanthropy and civic engagement.

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#### WEBSITES

Canadian Association of Physicians of Indian Heritage (CAPIH). <http://www.capih.ca/charitable-foundation>

Give2Asia. <http://www.give2asia.org>

Kiva. [www.kiva.org](http://www.kiva.org)

The Uncultured Project. <http://uncultured.com>

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