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Unpacking relationships across Social Capital, Social Inclusion and Diversity

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Canada has undergone unprecedented demographic, social and economic change over the last half century; international migration has reshaped our major cities; the country has moved from an economy largely based on manufacturing to one firmly rooted in the knowledge and service sector; and, declining fertility rates have led to an aging population more and more dependent on immigration to prop it up. These trends combined with growing ethnic conflicts in Europe have brought issues related to the impact of diversity on social capital and inclusion to the foreground both within academia and the policy fora. Social capital concerns how people work together to pursue common objectives. While there are competing

definitions of social capital, a common thread by way of an acknowledgement of social relations through network interactions is always present. In practical terms, social capital is concerned with how people interact, whether they trust each other and how they participate in organizations. Some may argue that these are soft measures; that what really matters is jobs. And I agree that the ability to get a job and contribute economically is important for minorities in general and immigrants in particular. However, these soft measures are also important – social capital has been shown to be positively associated with high levels of education, reciprocity, confidence in public institutions, participation in social, cultural and political activities, and lower



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Some researchers in Canada, the United States and Europe have warned that increased diversity and the growth of large anonymous cities challenges our ability to build social capital and, by extension inclusive societies. These researchers argue that ethnically diverse cities and neighborhoods have lower levels of trust, interaction and participation. However, not all research conducted on diversity and social capital is so pessimistic. Past work by Amanda Aizlewood and myself (2005) suggests that in broad terms, minority status has little impact on social capital characteristics. Rather, the biggest drivers of participation and trust within urban areas are city size, education, income, and other socio-economic factors including segregation. In one sense then, the jury is still out.

Social inclusion is more policy focused. The term “social inclusion”, a related concept, was first used by French policymakers in the 1970s and then emerged again in the context of the European social policy debates of the late 1980s, as a means to understand the challenges related to poverty, exclusion and immigration. Within this discourse, poverty is not seen as stemming solely from economic deprivation but resulting from a more complex pattern of social and economic disadvantage. Social inclusion is thus imbedded in policy and presumes that a fundamental objective of society is to enable all members to participate fully as valued, respected, and contributing members. It describes a means by which everyone, regardless of their experiences and circumstances, may gain access to the key social and economic resources required to achieve their

potential, including access to health and education services and employment.

The relationship between **social capital** and **social inclusion** is multifaceted. Social capital is necessary because relationships between people and access to shared information require active social networks, agreed upon norms and a basic level of trust, all of which are prerequisites to establishing an inclusive society. Indeed, high levels of social capital can be viewed as a necessary, although probably insufficient, condition of an inclusive society especially during the process of integrating immigrants into host countries.

What does this mean for Canada, a country dominated by large, diverse cities that will, in the future become larger and more diverse? Some countries, such as the Netherlands and Denmark have responded by slashing immigration rates and establishing social criteria for entry. Others, such as Canada and Sweden have watched and waited trying to ascertain the long-term implications of this societal change. If, as suggested by a number of scholars, diversity poses a challenge to building social capital and social inclusion we must understand these processes in order to develop strategies to define strategies for alleviating the impacts.

I have been interested in the interrelationships between social capital, social inclusion and diversity in Canada for about a decade. Much of this work is done with Fernando Mata, who I have worked with for over two decades (first when I was with the Public Service where we both worked in the Multiculturalism program and now at the University of Ottawa). In our work we try to unpack the relationships between social capital and minorities at both individual and collective levels. By this I mean that we attempt to understand the impact of being a minority, or living

in a diverse locale on social capital outcomes – do minorities have lower levels of trust, interaction or participation, and does living in a diverse neighborhood result in lower levels of social capital?

In one paper we use *General Social Survey* data from Statistics Canada to identify the underlying nature of social capital and its relationship to place based characteristics. Using factor analysis we first asked if social capital existed as a single construct – is there a thing called social capital out there that exists as a unitary variable, or is social capital really a collection of attributes that may operate independently. We then went on to ask if these constructs were affected by individual or contextual (neighborhood or city) characteristics.

Results from the factor analysis identified three characteristics related to social capital that were independent of each other -- trust in others, interaction with others and participation. By independent I mean they were largely uncorrelated, so if one went up or down, the others would not really be affected. The characteristics fall across both bridging (interactions across social groups) and bonding (interactions within social groups) social capital, as well as across attitudinal and behavioral dimensions. Trust in others is attitudinal. We measure respondents' trust in people who are relatively close to them (people in the neighborhood) as well as in people who are unknown (a complete stranger) or linked to an institution (the police). The interaction construct is a behavioral bonding activity these interactions are broadly within groups, measuring interaction with friends, family and neighbors as well as participation in ethnic and religious organizations. Participation in organizations is also behavioral but is linked to bridging an activity that is more likely to connect respondents to someone from a different community.

Individual and place attributes play different roles in explaining our three social capital constructs. Among individual predictors, higher education plays a prominent role in explaining trust and participation, though it has little effect in terms of interactions. Being a minority is correlated with lower levels of trust in others, but is not always bad for social capital formation. Levels of interaction and participation for European, South Asian and Aboriginal groups are about the same as for those of British origin, and higher than those of French.

While many authors talk about social capital as a single construct, we find that our three tested constructs vary independently. Thus, the relationship between the level of diversity in a city and the level of social capital formation varies by construct. As diversity increases, trust in others and participation in organizations increase. Interaction with others is somewhat negatively affected by diversity – as the proportion of visible minorities' increases, interaction

with others decreases. This suggests that bonding and bridging social capital are independent – lack of bonding in one area (interaction with others) does not negate the possibility of bridging activity in another (participation and trust). This last set of findings runs counter to suggestions made by some authors who see social capital components as highly correlated.

Perhaps increased levels of diversity are not necessarily the threat to our ability to work together. Results from this study suggest that the diversity of cities in combination with individual characteristics are perhaps leading to novel pathways of social capital accumulation. This is particularly true in the case of large cities such as Montreal, Toronto and Vancouver, where bonding activities are, for many minorities, essential mechanisms of social and economic survival. Regardless of socio-demographic traits and socio-economic status characteristics, minority members (immigrant or otherwise) are developing networks with family and friends that provide them with various forms of cultural capital, a sense of well-being and economic security.

The preceding study concentrated on assessing the components of social capital and making links to diversity. Another study done with Fernando Mata looks at an outcome of social capital – that of giving and receiving help amongst neighbors. In particular, we examine the relationship between municipal, neighborhood and individual level ethnicity social capital formation and the level of helping amongst neighbors.

In this study we find first and foremost, that help is often reciprocal in nature—people who give also receive. However, the dimensions of social capital are very important suggesting that people who can mobilize resources effectively are also more likely to engage in such behavior. Within the roster of social capital constructs, membership in organizations deserves special attention. Being active in an organization has a strong positive effect on both giving help and receiving help. Why is this so essential? Participation in institutions exposes people to new groups and collectivities and contributes to the community. It is not surprising then, that those who are more engaged in institutions are also more responsive to the needs of neighbors.

Individuals who do not trust institutions are also more likely to help and receive help from neighbors however, it may be because they do not trust the state to provide necessary aid. The characteristics of the city that people live in are also important. Cities are determinants of giving and receiving – some are simply more active than others. Neighborhood characteristics however (the proportion of people below the low income cutoff and the proportion of new immigrants in a census tract) do not appear to have a significant impact on reciprocity.



More recent immigrants are less likely to help their neighbors, but the effect diminishes with time in the country. Immigrants who have been in Canada for a long period of time are just as likely to be as neighbor-oriented as the majority. With few exceptions, ethnic origin is not found to have a negative influence on helping or receiving help.

Turning to issues related to ethnicity we see that more recent immigrants are less likely to help their neighbors, but the effect diminishes with time in the country. Immigrants who have been in Canada for a long period of time are just as likely to be as neighbor-oriented as the majority. With few exceptions, ethnic origin is not found to have a negative influence on helping or receiving help. Indeed, being an Aboriginal person is correlated with helping more. On the receiving side, Germans, Ukrainians and Italians are able to marshal greater resources in terms of receiving help from neighbors.

It appears then, that diversity, either at an individual or contextual level may not have a substantive impact on the level of giving or receiving help. These finds offer some respite to those researchers who find negative correlations between social capital and minority status and build on the findings of researchers who do not find negative consequences to diversity.

What does this mean for the formation of an inclusive Canada? Inclusion includes both social and economic attributes. My work suggests that from a social perspective, minority groups operate in a similar manner to the majority population – levels of trust, interaction, participation and reciprocity are about the same across most groups. From this perspective, we are inclusive. However, we have seen increasing ethnically based disparity in the labor market, which could affect our ability to build social capital and an inclusive society in the long run.



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