

**SHIFTING GROUND, SOLID FOUNDATIONS: IMAGINING A NEW PARADIGM FOR
CANADIAN CIVIL SOCIETY ENGAGEMENT**

Nandini Ramanujam
Miatta Gorvie*

civile forte a besoin à tout prix de fonds publics afin de mobiliser ses intervenants et de les encourager non seulement à survivre, mais également à réitérer leur engagement à promouvoir la justice sociale dans ce climat socio-économique changeant. Nous affirmons quant à nous que la société civile du Canada accorde trop d'importance à la question du financement et de l'établissement de relations avec le gouvernement et nous évoquons l'émergence possible d'un nouveau paradigme selon lequel les OSC canadiennes pourraient s'imposer comme des représentants de la justice sociale solides et capables de s'adapter aux changements au cours des années à venir.

I. INTRODUCTION

Canadian civil society has exhibited signs of deep distress in recent years. Members of civil society and commentators are increasingly decrying what they identify as an insidious trend where civil society organizations [CSOs] are being “aggressively targeted”¹ by a “government that seems hostile to their concerns.”² This targeting is said to have led to a “chill around public policy and advocacy work.”³

is understandable as most Canadian non-profits have traditionally relied on generous grants and contracts from the government to sustain their operations.⁸ Organizations that pursue program and policy agendas in perceived conflict with those of the government—many of which have received sustained public funding for decades—have been newly scrutinized. Selective program audits, revocation of charitable status or the threat thereof, and the refusal to renew funding have been some of

government. We consider these issues in Part III, as we sketch the development of the CSO sector in the context of the development of Canadian governance.

Third, even though the existing governance structure places constraints on organizations, CSOs still make calculated bargains and trade-offs in their attempts to secure greater access to the sphere of governance. These choices implicate issues of representation, identity, and values, both across civil society organizations and within them. In Part IV, we discuss the consequences of the trade-offs that leading CSOs have made in their attempts to institutionalize their place in governance spheres and secure federal government funds, only to discover that these attempts may undermine social justice projects in the long run. Fourth, the question of CSO funding is intimately linked to the character of the relationship of civil society to the state. Some governments will warmly welcome CSOs to decision-making platforms, while others will resist and attempt to delegitimize collective social involvement in governance, as the recent leadership has done. Regardless of a particular government's stance toward civil society, the nature of this relationship is already conditioned by the particular institutional shape of Canadian governance, therefore this collaboration is likely to produce predictable, unsatisfying outcomes for CSOs. Part IV assesses the costs of seeking a consensus-based relationship with the state, and makes a case for a new paradigm of CSO engagement.

Lastly, we illustrate how CSOs can attempt to chart a path between consensus and conflict in their engagement with the state. Resisting the full domestication of civil society by the state but also

degrees of success. The question of state funding and support remains an important point to settle, but it must be preceded by introspection on the part of individual organizations and serious consideration by coalitions of organizations to establish the normative foundation of future relations with the government.

II. CIVIL SOCIETY ORGANIZATIONS AS SOCIAL JUSTICE ADVOCATES

organization accounts for 35% of the non-profit and voluntary sector organizations in Canada.¹⁴ These organizations work in service provision; grant-making, fundraising, and voluntarism promotion; community development and housing; environmental issues; law, advocacy, and politics; and international issues.¹⁵ The vast majority of Canadian civil society employees and volunteers are engaged in service provision, as opposed to “expressive functions,” which includes advocacy, community organizations, human rights groups, and environmental groups.¹⁶ By some measures, Canada has the largest non-

society actors can successfully lobby the state in return. However, organizations do not only experience power as pressure from the state, and the public space approach to civil society can show us how CSOs also make decisions that condition the contours of their space for participation in governance, as we discuss in Part III. The public space argument illuminates the realities of power “between and across civil society organizations” as well.²⁰ Part IV of this paper provides examples of how the CSO sector in the media and in policy forums often obscures the structural imbalances within the sector itself, which allows these problems to become entrenched. Lastly, by adding the consideration of civil society as values to our critique, we can evaluate the discursive implications of the political decisions made by CSOs as they carved a space in Canadian governance and the extent to which they help or hinder the promotion of social justice aims.

B. Regulatory Context

Over half of Canada’s CSOs are registered as charities with the federal government.²¹ Due to the origins of the Canadian voluntary sector as Victorian-era charities that focused on caring for the poor and sick and providing education and religious instruction,²² the expectation of non-profits to primarily provide charitable services endures in the current law and regulations. The charity regime is established by the *Income Tax Act* and governed by the Canada Revenue Agency [CRA], which has the power to grant or deny status and audit organizations for breach of the *Act*. For CSOs that desire it, charitable status is incredibly important as it makes them eligible for certain sources of funding, confers tax

Canadian non-profits receive 51% of their income from government grants and contracts, while 39% comes from fees for service and 10% from philanthropic sources, including personal giving.

by creating a sliding scale for smaller organizations, which may now devote up to 20% of their resources to political activities.³⁴

The Canadian civil society experience is one characterized by contradictions. Rathgeb and Smith note that while Canada has the second largest civil society sector in the world in terms of paid employees, it is barely a significant voice or topic in national political and policy discussions.³⁵

C. Consensus or Conflict?

In order to truly appreciate the specific characteristics of Canadian CSOs, it is important to consider the competing visions of civil society that exist in the literature. The differences are not purely academic; these divergent understandings of civil society are played out in the history of the civil society movement in Canada and can provide us with inventive ways to imagine the role and identity of the sector into the future.

The tacit agreement on the state's responsibility to create institutional channels and provide material resources and a supporting environment for CSOs to participate in governance that emerged in Canada can be described as a consensus-based model of civil society. This is the model privileged in international policy circles, for example CIVICUS's enabling environment framework⁴² and the writings of cosmopolitan democrats like Mary Caldor.⁴³ The theoretical underpinnings of this approach relate to Jürgen Habermas' writings on the civil society construct. Habermas considered humans to be fundamentally democratic beings and his understanding of civil society is informed by his desire to establish the foundational requirements for democratic institutions.⁴⁴ The democratic legitimacy of these institutions is established through public dialogue, in which the argumentation of participants with disparate interests eventually brings them to a shared idea of how a good society should look.⁴⁵ The

history of society can be told as many stories of power and conflict.⁴⁹ In this context, “conflict” is not a dirty word: it is through conflict that social values and goals are negotiated and established.⁵⁰ Tilly and Tarrow’s theory of contentious politics describes the ways that despite political constraints, civil society actors and social movements at various points in history have used an array of confrontational mechanisms to struggle for social change.⁵¹ As we begin our overview of the historical development of the civil society sector in Canada, keep in mind this tension between consensus and conflict as the proper approach to public participation.

III. RETHINKING HISTORIES: A RECORD OF SHIFTING GROUND FOR CANADIAN CSOs

According to some accounts from members and observers of the Canadian civil society sector, the climate of financial and regulatory insecurity for CSOs is a relatively recent development, a chill created

human rights and ensure access to justice, such as the Court Challenges Program, Status of Women Canada, and Rights & Democracy.⁵⁷

Despite the multifaceted nature of the analysis of civil society,⁵⁸ the question of funding seemed to predominate the popular discourse around civil society in Canada recently. To be sure, there is significant media attention given to other incursions against public participation, notably the violent

is the result of a particular and relatively recent history that Canadians have come to understand civil society as a state-supported sector of non-profit organizations. This section presents an overview of the development of the Canadian CSO sector from its roots in the nascent welfare state until a key moment in the CSO-government relationship in late 1990s/early 2000s. This discussion of history is undertaken to establish two ideas: first, that the contemporary shape of the civil society space is historically contingent; and second, that there has never been a “golden era” for Canadian CSOs. We hope to demonstrate that the scale and nature of the political opportunities and resources granted to organizations by the government is perpetually negotiated and renegotiated. Equally as important, we will show that organizations are not passive recipients of policy dictates from decision-makers. Even within the constraints of the opportunity structure for non-state action created by the state, organizations and their leaders make rational ca

political visions of the state's role. This reality is that most Canadians' wellbeing is sustained through permutations of "service provision by governments, families, charities and other non-profits (and to an increasing degree, for-profits), the specific mix of responsibilities varying in different components of the welfare state."⁶⁷

Both members and observers of the sector frequently describe service-providing CSOs as filling a gap in the wake of the retreat of the welfare state. However, thinking of the development of the Canadian state as a mixed economy of welfare urges us to acquire a more complicated understanding of the public and the private, or the state and non-state sectors. The federal government has long provided voluntary organizations with financial assistance in exchange for providing social welfare services; there is evidence that even as far back as the first decade of the 20th century, organizations were receiving grants on a case-by-case basis.⁶⁸ Valverde argues that the historical importance of this model is obscured by the focus on publicly funded services that interact with individuals through direct transfers, even though private organizations were receiving government funding from provincial governments to manage institutions like "poorhouses" and "asylums" as

strong advocates on many policy fronts.”⁷³ This period has been “nostalgically portrayed as a golden era for civil society representation in Canada, characterized by citizen activism, networks of supportive allies, and regular opportunities to be consulted in policy making.”⁷⁴ By the mid-1980s, the sphere was large but did not present a united front in the political or policy arena, as most organizations did not yet understand themselves as part of a common sector with the potential to organize on a collective basis.⁷⁵

B. Redistributing Responsibilities for Social Welfare (1990-1995)

By the late 1980s, it was becoming clear that the pattern of expansion of the state welfare provisions was waning. What we have now come to recognize as the retreat of the postwar welfare state, and the emergence of the Washington Consensus,⁷⁶ was beginning to become apparent in Western industrialized economies. Like their counterparts in the United Kingdom and the United States, su() -84..2 (s) -0.2 2 (r) -78

adopting private sector management styles, separating policy making from the implementation of programs, and improving the quality of service delivery, often through the use of private sector partners.⁸¹ Beyond policy changes, there were also immediate material effects: \$51 billion was cut from federal social programs between 1990 and 1996.⁸² Many members of the CSO sector believed that the return of the Liberals to power implied a reversal in the 1980s cuts to the civil society sector by the Mulroney government. Instead, CSOs were met with a 20 percent cut in grant funding for the 1995/1996 fiscal year, followed by cuts between 10 and 25 percent for the next three years.⁸³

C. Renegotiating the CSO-government Relationship (1996-2000)

After the Program Review, contracting became the preferred funding model of the federal government. As access to core funding became increasingly scarce, the government increased the number of contracts with CSOs. This funding model specified the services to be carried out and the obligations of each party in relation to the contract.⁸⁴ The move towards contract culture was followed by the espousal of “results-based management,” under which funding is contingent on the ability of contracted organizations to “link their use of resources to established performance indicators and effectiveness measures, which were tracked in order to improve transparency, accountability, effectiveness, and efficiency.”⁸⁵ These problems were compounded by changes to the regulations governing non-profit organizations that would shift the balance of power in favour of the government even further. Charitable status became crucial for CSOs for several reasons: it allows the organization to receive donations, eases the ability to enter in relationships with other private and public organizations, and generally confers legitimacy on CSOs.⁸⁶ Moreover, this policy shift reinforced the perception of CSOs as primarily charitable organizations, as opposed to valuable sources of policy research or alternative voices in public debate.

Another important change was discursive one, which has had more lasting effects than any modifications to the policy and legal space governing CSO activity. Over the course of the 1990s, civil society organizations saw a shift in public perception of their activity from an important voice in a plural democracy to an idea of partisan, narrowly-focused “special interest groups.” Still wanting the legitimacy conferred by public participation and consultation, the government began to privilege the voice of the “ordinary citizen,” instead of organizations working on representative politics.⁸⁷ This signalled a profound shift from the understanding of the civil society sector that had developed by the 1980s, in which institutionalized access to policymaking was set up around organized interests. The political message of the day was that the most legitimate representation was from the “tax-paying, self-reliant, independent individual [and that] the special claim, need, or interest is a drain on legitimate state

⁸¹ Gene Swimmer, ed, *How Ottawa Spends 1997-98, Seeing Red: A Liberal Report Card* (Ottawa: Carleton University Press, 1998) at 4, as cited in Laforest, *supra* note 68 at 32.

⁸² Phillips, *supra* note 67 at 161.

⁸³ Miller, *supra* note 29 at 409.

⁸⁴ Laforest, *supra* note 68 at 36.

⁸⁵ *Ibid* at 37.

⁸⁶ *Ibid* at 39.

⁸⁷ Phillips, *supra* note 65 at 170.

resources, an impediment to a global free market, an excuse to avoiding individual responsibility.”⁸⁸ We see that the dismissal of civil society groups as unrepresentative, particularized interests did not begin with Harper’s Conservatives in 2006.

Recognizing the need to act collaboratively to face the changes to the civil society climate, a group of leading non-profit organizations formed a working group called the Voluntary Sector Roundtable [VSR] in 1997. The VSR engaged a panel of six voluntary sector insiders and a prominent chair, former New Democratic Party leader Ed Broadbent, to respond to public perceptions of the accountability and governance deficits in the CSO sector. The panel published a report that addressed issues of governance and stewardship, program outcomes, fundraising, and capacity building.⁸⁹ The capacity building agenda was important, as the goal of developing capacity was primarily related to the ability to strengthen the relationship with government⁹⁰ (as opposed to developing lobbying or policy research capacity). The VSR was the first high-level attempt for prominent members of the civil society sector to begin to understand their situations and interests as common, but it suffered some representational problems. The process was primarily led by charity leaders and included virtually no representative from social movements and advocacy organizations, who formed the base of the CSO sector in the preceding decade.⁹¹

In 1999, the Liberal government’s Voluntary Sector Task Force created a process called the Joint Tables, in which working groups with equal government and voluntary sector representation (including the members of the VSR) were established. Mandated to develop responses to problems related to state-sector interaction (including building relationships, strengthening capacity, and improving the regulatory framework), the three Joint Table sessions resulted in the *Working Together* report that recommended, among other things, the establishment of a framework agreement between the government and the voluntary sector.⁹² This idea was inspired by the UK’s CSO-government “Compacts,” established in the mid-1990s, which were later styled in Canada as “Accords.” The idea of the Compacts or Accords were to establish the terms of interaction between the sectors; they placed an emphasis on recognizing the independence of the voluntary sector and the right of its organizations to challenge the government’s laws or policies without funding repercussions.⁹³ The signing of the Accord was the first phase of the Voluntary Sector Initiative [VSI], launched by the Chrétien government in 2000. The VSI had the same

⁸⁸ Linda Trimble, “What’s So ‘Special’ about Human Rights?” (Paper presented to Citizenship 2020: Assuming Responsibility for Our Future, McGill University, 2000), as cited in Laforest, *supra* note 68 at 47.

⁸⁹ Panel on Accountability and Governance in the Voluntary Sector, *Building on Strength: Improving Governance and Accountability in Canada’s Voluntary Sector* (1997) online: Voluntary Sector Roundtable <<http://www.creativetrust.ca/>> [VSR Final Report].

⁹⁰ Kathy L Brock, “Policy Windows and Policy Failures: Using Kingdon to Explain the Later Life Cycle of the Voluntary

goal as the Joint Tables, only fortified by a five year, \$95 million commitment allocated for the Initiative to draft the Accord, develop IT and information management systems, raise public awareness, strengthen capacity, and tackle regulatory issues.⁹⁴

The VSI placed the same emphasis on charities as the VSR, which further contributed to the perception of CSOs as service providers, and again marginalizing advocacy CSOs.⁹⁵ Many voluntary sector representatives reacted negatively to the announcement of the VSI as they were not consulted in the lead-up and nearly a third of the funds promised would go directly to federal government departments.⁹⁶ In a show of force, voluntary sector leaders left the VSI press conference in protest and put forth new recommendations for the budget. Many of the recommendations were heeded and several were actually implemented by the government.⁹⁷ Despite this move, the VSI continued to be led by the government. The leaders of the voluntary sector made a deliberate decision to work from within, “routing its claims through state institutions.”⁹⁸ Trying to maintain autonomy from government while

contracts had strained the civil society sector to what many considered a crisis point.¹⁰¹ To balance their books and continue to act as functional organizations, CSOs were forced to reduce expenditures, let go of staff, and increasingly rely on revenues from service provision contracts and earned income.¹⁰² A national survey of key civil society representatives in 2001 found that the majority believed that the lack of funding for non-profits was having an impact on the sustainability of their work, and most claimed to know of at least some organizations that had been forced to terminate their operations due to lack of funding during the past year.¹⁰³ The consequences of the increasing scarcity of funding also had more insidious implications: many CSOs began to self-censor by refraining from taking potentially controversial policy positions and opting for more moderate projects and methods so as to appease state and private funders.¹⁰⁴

The previous section presented an overview of this history to demonstrate that the relationship between (and the distinction between) civil society and the state is dynamic and contingent. We sought to demonstrate that the idea that there was a “golden era” from which we are only recently departing does not hold water historically; there were as many years of decline in civil society support as years of plenty. Nonetheless, we appreciate the limitations of presenting facts and figures in response to the unquantifiable perception of those who work or have worked in the NGO sector. In the words of one veteran CSO worker, “there was a feeling that [funding] would never dry up. It was considered part of the social contract of this country.”¹⁰⁵ For many of these individuals and their organizations, government funding was taken for granted and considered a particular virtue of the Canadian welfare state, in contrast with the primarily privately funded US non-profit sector.

Still, the changing political landscape alone cannot explain the relatively limited potential of Canadian CSOs to act as powerful advocates and policy innovators. The interdependence that we observe today was not accidental. The leading organizations and individuals in the civil society sector made choices that were rational calculations based on the existing opportunities and the perception of the benefits that would flow from these choices. During the periods of government generosity, many mainstream CSOs uncritically embraced the government, resulting in both a situation of dependency and a crisis of identity for organizations conceived as alternatives or challengers to the state.¹⁰⁶ Moreover, the idea that there was a “social contract” that guaranteed financial and political support to CSOs is not convincing when faced with evidence that the associations of certain groups in

calculations or reluctant choices made from a field of undesirable options, they all have consequences that have conditioned the character of CSOs internal and external politics.

A. Insiders and Outsiders

organizations throughout the process as many felt that their goals would be better served in a provincial initiative.¹¹² Beyond the sidelining of Aboriginal, Canadians, and Quebecois organizations, many communities were excluded entirely from the VSI: “while women were selected, no women’s groups were represented, nor were poverty groups, nor lesbian and gay groups.”¹¹³

Speaking of the VSI, a representative of one of the invited organizations explains the trade-off and the imbalance of power implicated in the process:

Some people thought it was a mistake but you can’t say no to 95 million. They were overly optimistic. Again, who’s they? It’s a critical part of this. It’s clear that it was an old guard. The problem was that there did not seem to be a new guard. Some of the more sceptical voices weren’t there yet.¹¹⁴

While the VSI is but one process in the history of Canadian civil society space, it remains a powerful example of the broader pattern of interdependence between the state and civil su4 (e) 0.2 () -21.8(t) 0.2 (h[(w

As indigenous and racialized Canadians are twice as likely to live in poverty than white Canadians,¹¹⁸ it is particularly egregious when they are absent or underrepresented in organizations that purport to speak on their behalf and provide services to their communities. Beyond representing a serious contradiction for groups with goals related to equity and combatting discrimination, the lack of representation of minorities has real consequences for the effectiveness of policy development and service provision. The inclusion of more diverse voices, beyond the white, middle-class, university-

achieved through the legislative process.”¹³⁰ Sujit Choudhry and Claire Hunter, however, found no empirical evidence to support claims that the Supreme Court of Canada has engaged in judicial activism. Their analysis of the data showed that the government wins the overwhelming majority of constitutional challenges brought to majoritarian decisions and that judicial activism has not increased over time.¹³¹

It is understandable that the *Charter* project found a great deal of support from the social justice community. Fudge and Glasbeek describe the *Charter*'s attractiveness as stemming from the fact that it is “a contemporary instrument, said to have been specifically enacted to ensure amelioration of the lot of the marginalized, and because it is seen by politics of rights proponents as providing a window of opportunity.”¹³² It also emerged as part of the shift towards litigation as the key site of the negotiation of disputes in several areas of life in industrialized societies, not only in the area of human rights.¹³³ The allure of the rights discourse for social movements is clear, in that it provides a mechanism for claims to be recognized and implemented more immediately than other forms of political organizing. However, while *Charter* litigants and their advocates have raised the ire of conservative critics, there are also sceptical voices emerging from the left.

Many scholars have problematized the emancipatory potential of the human rights framework and have the same worry that human rights law has displaced politics as the p 0.2 (d) () -127.;4 0.24 0 (a) 0

over the actions of government, even though the potential to suffer harms at the hands of private actors has increased as they become more increasingly present in Canadians' social and economic lives.

The turn to law as the site for social change also exacerbates the problem of the professionalization of social justice organizing discussed above. The displacement of the terrain of civil society-government conflict to the legal arena is another way that Canadian CSOs have abandoned more contentious forms

became the common interest of the government, advocacy organizations and experts. Thus, poverty became child poverty, which in turn became child development, and this latest focus was not based on redistributive justice but rather on the idea of “investing” in children as a way to create future economic gains for individuals and society.¹⁴⁰

This story is unsurprising when we recall that the major policy focus of leading CSOs on the national scale has been on building consensus with the federal government. The VSI was largest concerted effort of the CSO sector and its stated goal was to “improv[e] the working relationship between the government and the voluntary sector in order to better serve Canadians.”¹⁴¹ The language of the Joint Tables spoke of the relationship of the government and CSOs in conciliatory terms, invoking the “long history of joining forces to achieve mutual goals,” “work[ing] together,” and “forg[ing] a more effective, strategic relationship” to achieve their “common goal” and “shared vision.”¹⁴² This consensus-seeking language did not merely indicate the lofty goals in the minds of the VSI’s creators in civil society and government, as the initial policy proposals for the initiative included the creating responsibility for the sector-government relationship at the ministerial level, periodic meetings between Cabinet Ministers and CSO leaders, annual reporting to Parliament by CSOs, the creation of a secretariat, and even the establishment of a permanent organization responsible for government-

professionalization and the legalization of politics. If social justice CSOs feel impotent, it is unsurprising, as the consensus ethic “would not signify an end to power, [rather] it would be to regulate power.”¹⁴⁶ The idea of networked governance, touted by some as part of a revival of democracy, has been criticized for failing to consider the extent to which the state retains control of the policymaking process and how the participation of civil society groups in turn legitimizes that power.¹⁴⁷ The case of the UK’s civil society sector is illustrative of this assertion. The idea of the consensus model as a legitimization of state power is manifested in the case of the British civil society sector, which is typically described in enviable terms in the civil society policy literature. As the funding cuts to the civil society

citizens and in turn has leverage to regulate the activities of social organizations through the funding system.

One crucial outcome of this form of rule is that it “sustain[s] the fiction that the meaning of social problems is beyond contestation and is a matter for technical expertise alone.”¹⁵⁴ This clearly relates to the professionalization of social justice work and the move from community-based organizing to a technocratic model. Flyvbjerg reminds us that inequality and domination was built into the concept of civil society from the outset, as the establishment of this public presence necessarily entailed the exclusion of some groups, women in particular.¹⁵⁵ Today, we can broaden this understanding of exclusion to consider the relative marginalization of racial and ethnic minorities and low-income people from leadership positions in the civil society sector, and we have seen the inadequacy of the Canadian civil society sector’s response to this. Discussions of “exclusion, difference, diversity, and the politics of

with the government by appearing as non-controversial as possible.¹⁵⁸ Our observations lead us to believe that majority of the large CSOs now sit somewhere in the middle, and while the funding outcomes may have been not so unfavourable, the space for their engagement in decision-making has

we mostly engage paid staff or volunteers? Can “professionalism” and education compensate for lack of attachment to the community? Are we legitimate interlocutors in defining what constitutes “public space”?

The principled engagement approach, while acknowledging the existing political landscape, urges CSOs to be guided by the principles of social justice. Canadian civil society falls somewhere in between the Latin American participatory democratic model, and the American one, where private foundations wield significant power in the voluntary sector. Due to historical factors, the structure of the Canadian civil society sector is an “amalgam” of the welfare partnership model of Western Europe, as well as the Anglo-Saxon model of development.¹⁶² While we have a relatively high level of government support for CSOs, as in the welfare model, we also have more private philanthropic support and volunteerism than the sector in Western Europe; which is more in line with the United Kingdom, the United States, and Australia. Rather than making claims to an idealized vision of Canada, civil society actors must recognize that there has never been a perfect consolidation of the welfare state in this country, and recalibrate their expectations accordingly. Such a view may open opportunities to CSOs to seek partnerships with private entities, on a principled basis. It is no secret that diversifying funding sources would allow organizations greater freedom and flexibility to pursue alternative agendas, but the relative dearth of private philanthropic foundations in Canada makes this task more difficult, and the conservatism of many of these funders would subject CSOs to trade-offs similar to those imposed by the

have never had a close financial or institutional rapport with the government. Organizations with radical agendas have openly expressed their interest in acting against or parallel to the state, and as such, have never pursued government support. For organizations with more dissent-based goals and strategies that do have charitable status, and feel that either that they must choose between their mission or maintaining funding, relinquishing charitable status and state funding is an option. Some organizations have become split entities, dividing activities between a charity with an educational mandate and an advocacy organization that operates free from government strictures, such as the Pembina Foundation and the Pembina Institute, an environmental research and education centre with charity status and a non-registered advocacy think tank, respectively.¹⁶⁴

Even if an organization is interested in continuing its relationship with the government, it still has much to learn from groups that have either rejected or been excluded from the inner circle. In their excellent study of the strategies that influence the survival of community-based organizations, Walker and McCarthy found that engaging in even a limited amount of grassroots fundraising is beneficial for organizations.¹⁶⁵ For organizations that are based in low-income communities and purport to work for the interests of poor people, grassroots fundraising is especially important, as it not only allows the

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