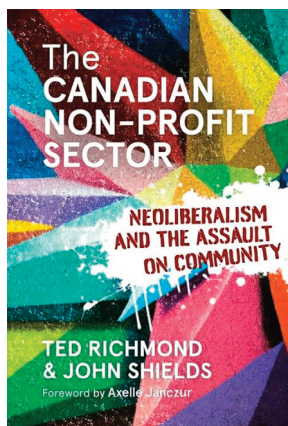


## Book Review / Compte-rendu

Luc Thériault



**The Canadian Non-Profit Sector: Neoliberalism and the Assault on Community.** By Ted Richmond & John Shields. Halifax & Winnipeg: Fernwood Publishing, 2024, 160 pp. ISBN: 9781773636696.

Richmond and Shields published an accessible short book (144 pages) offering a fresh look at the Canadian nonprofit sector in the current environment ruled by neoliberalism. The book contains six chapters. Even if some fuzziness remains about its scope, the nonprofit sector is bigger and wider than many people realize. It is made up of a few large organizations and a multitude of small ones.

Chapter one situates the nonprofit sector in the neoliberal environment of Canada. Canada's nonprofit sector is characterized by both *precarity* (in funding and employment for instance) and *resilience* (in its capacity to adapt, survive, and innovate). It has suffered in a transition from program funding to short term project funding. As a policy instrument, it is always being asked to do more with diminishing resources, while governments abandon some of their responsibilities to care for the most vulnerable populations.

Neoliberalism proposes to shrink the state and offer market solutions for everything; the health and social services components of the nonprofit sector have been re-engineered by the New Public Management (NPM) approach and the false and unequal partnerships it proposes. A strange mechanism of indirect control ("centralized decentralization") has been instituted along with a system of narrowly defined accountability. As a result, nonprofit service providers are placed in a permanent state of precarity. Neoliberalism, the authors argue, has with its market and atomized worldview, undermined the true values of civil society.

Even the scholarly studies about the sector came under the influence of business school approaches that orient the investigation toward the notion of voluntarism and the necessity for the sector to become more professional, business-like, and entrepreneurial. Long gone are the studies of the sector framed in the participatory perspective of utopian socialism.

Terminology used to describe the nonprofit sector is, itself, still contentious. Some place emphasis on the sector's voluntary nature, while others prefer to restrict themselves to the charitable portion of what Kendall and Knapp (1994) call a "loose and baggy monster." Regardless of how we speak of them, nonprofit organizations serve as agents of change and are key voices in a healthy democracy.

The tension arises from the neoliberal use of the nonprofit sector to replace some public services that existed during the Keynesian welfare state era, on the one hand, and on the other hand, the nonprofit sector's opposition to this retrenchment agenda.

Chapter two offers an overview of the sector in all its diversity. Definitions are presented, and the twin focus of the sector on services and advocacy is underlined. With reference to surveys and reports, the architecture of the sector is outlined despite a lack of good and exhaustive statistical data. Of the many findings presented, we can mention the local or neighbourhood focus of many nonprofit organizations as well as the funding precarity they experience. Passing remarks are made about cooperatives, as well as about the social economy in Québec. A discussion helps inform the understanding of various types (private, public, community) of philanthropic foundations. Overall, the picture that emerges is that "Canada has one of the largest and most vibrant nonprofit and voluntary sectors in the world" (p. 41). This calls for a better understanding of its reality by the Canadian public.

Chapter three focuses on the issues of financial and human resources in the sector. It stresses the mismatches between the needs and demands on one side and the capacity of the sector to respond. This situation represents an enormous "social deficit." Donations have an uncertain future as the number of donors is diminishing. Fundraising is increasingly difficult and competitive. Social impact bonds are unlikely to present a sustainable solution.

The greatest resource of the sector is its people—both paid employees and volunteers. It is a gendered (female) sector where working conditions leave much to be desired and where the objectives of the "decent work movement" are still but a mirage. As a result of low pay, few opportunities for advancement, subpar benefits, and often the absence of a pension fund, recruitment efforts are difficult. To add to this, the leaders of the sector are aging and will be retiring soon.

Work in the sector is often precarious given the short-term funding austerity regimes in place. From contract to contract, workers become "permanently temporary" (p. 63). Some of the immediate priorities should be to introduce longer-term contracts and pay a living wage. Funded organizations should have more flexibility on how contract money is spent, and project accountability and evaluation activities should be redesigned. Evaluating the long-term impacts of a short-term project is an unrealistic ask.

Chapter four analyzes the vital issue of advocacy. The neoliberal domination has contributed to depoliticize the sector and has attempted to mute many of its critics of government social policy. This "advocacy chill" (p. 70) was particularly felt during the years of the Harper government. Some observers have expressed concerns that the Canada Revenue Agency might be weaponized in this climate.

The Voluntary Sector Initiative is examined in some detail. While some good emerged from this period, the lack of provincial involvement, the internal division within the sector, and the imbalance between it and the federal government resulted in a situation in which the potential was greater than the outcome. But advocacy is too important for the sector to be curtailed, and organizations always find ways to continue to have their voices heard.

Chapter five looks at the impacts of the COVID-19 crisis on the sector. The year 2020 was a turbulent one for the sector. Donations decreased as fundraising events were cancelled at a time when demand for services and support exploded. This was a stressful and disrupting time. Many funders

showed some flexibility in responding to the crisis, but this departure from the NPM's "control and command" approach was short lived, especially on the government side. But nonprofit organizations learned to work with a hybrid service delivery model that will be a legacy of the COVID-19 pandemic. Now these organizations need further support from funders in terms of information technology services, distance delivery tools, etc. In a time of adversity, the sector showed resilience and innovation. These innovations might enable the sector to better serve (and advocate for) certain underserved populations such as Indigenous and Black communities.

Current challenges (such as higher inflation) persist. The gap between the needs of the population and the service capacity of the nonprofit sector is increasing in some key areas such as food banks, which are faced with skyrocketing demand. The situation of food banks is an indicator that some segments of the Canadian population are not bouncing back from the pandemic.

Chapter six brings the findings of the book together by pointing to the complex and contradictory relationships existing between the neoliberal state and the nonprofit sector. The sector is used as a safety valve by governments by mediating tensions with vulnerable communities. But, at the same time, it supports transformative progressive social movements that resist the logic of neoliberalism.

The sector is only partially recognized by governments where it often has no clear "home" under a ministerial responsibility. The lack of data on the sector contributes to its invisibility among other stakeholders and the population in general in a world where data rules.

The insufficient funding levels, the impending human resource crisis, and the over-reliance on volunteers are weakening the sector while expectations placed upon it are at their highest. This precarious state of the nonprofit sector limits what it can do to moderate the excess of capitalism. Learning about the state of the sector by reading a book such as this one is a good first step to increase our familiarity with the issues and our capacity to work on some solutions.

Ted Richmond and John Shields have offered us a great introduction to the nonprofit sector in Canada using a political economy approach. Their contribution is easy to read and clearly written. It could have gone into more details about the role of provincial governments, but this would have made the manuscript much longer. It could have also better covered the dynamic reality of the social economy in Québec, but that is difficult when relying primarily on sources in the English language.

Whatever shortcomings one might identify in this book, it is worth reading, sharing with friends and colleagues, using in classrooms with students, and debating in the public sphere. The authors and Fernwood Publishing should be congratulated for this contribution to the field of nonprofit studies.

## REFERENCE

Kendall, J., & Knapp, M.R.J. (1994). A loose and baggy monster: Boundaries, definitions and typologies. In R. Hedley, J. Davis Smith, & C. Rochester (Eds.), *Introduction to the voluntary sector* (pp. 66–95). London, UK: Taylor & Francis Ltd.

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