



Title: Social Capital Formation and Diversity in Canadian Cities: Impacts of Individual and Place Related Characteristics

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Research Question:

We examine the impact of individual and contextual influences on the social capital attributes of residents in different municipalities. Specifically, we look at three major domains underlying social capital—trust (in individuals and institutions), interactions with others, and membership in organizations. We use structural equation modeling to assess the degree to which both the characteristics of individuals and the cities in which they live may affect scores in these three domains.

Importance:

A number of academics from Canada, the United States, and Europe have suggested that increased diversity hampers our ability to build social capital. These scholars argue that cities with high proportions of minorities have lower levels of social capital than cities that are relatively homogenous. If they are correct, settler societies are particularly challenged because immigration intake will increase diversity, especially in large cities, where immigrants tend to settle. If increased diversity poses a barrier to trust (both interpersonal and institutional) and network formation, and if the future of Canada is one of increasing diversity, particularly in large cities, then our ability to support and strengthen an inclusive society may be challenged.

Findings:

We find that diversity, as it relates to both the individual and city of residence, affects social capital formation. However, the impact of diversity is not necessarily negative. As the proportion of visible minorities in a city increases, the average level of trust decreases, suggesting that on this dimension at least, increased diversity can have a negative impact on social capital formation. However, as contextual diversity increases, the level of participation in organizations and trust in others increases. This suggests that bridging social capital can increase as diversity increases.

Implications:

We find that while minorities may have lower levels of trust, the collective level of trust is not affected by level of diversity. Furthermore, the level of interaction and participation is positively correlated with the level of diversity. These results are markedly different from those put forth by Putnam (2007). We therefore hedge our bets the other way: contextual level diversity does not appear to be a threat to social capital formation. However, if we want to continue to work together, we should find ways to incorporate minorities and allow trust, in particular, to grow.