

An Open-Letter to:

The Honourable Kerry-Lynne D. Findlay, P.C., Q.C.
Minister of National Revenue

c.c.: Kathy Hawara, Director General of the Charities Division, Canada Revenue Agency

Dear Minister Findlay,

Recently, we were informed, through reports in a number of newspapers that the Canada Revenue Agency (CRA) announced that it had undertaken an audit of the Canadian Centre for Policy Alternatives (CCPA) on the grounds that it engages in politically partisan, biased and one-sided political activity.

While we understand the need to prevent abuses of the charitable status, we are rather perplexed at CRA's decision to perform the audit on this basis. The CCPA is an internationally-recognized and respected research centre, built on a solid tradition of critical analysis. Indeed, the CCPA plays a vital role by supplying much needed reflection on a number of policies, which it has always done in a fair and unbiased way, and which respects the fundamental tools of sound research. They have produced much-needed research on many disparate topics, such as on income and wealth distribution, the hidden government support of the Canadian banking sector during the financial crisis, and an analysis of alternative federal fiscal policy implementation annually. Since these various research studies are academically all of very high quality, you can therefore imagine how this news took us by surprise.

By demanding this audit, we feel that you fail to understand the nature of what academic research is all about. Research begins from a series of questions and observations, and, from there, it proceeds, following a set of guidelines, to infer possible answers. In this sense, it contests. All research in fact is critical, by its very definition: it tests hypotheses, seeks answers, and must be allowed to find these answers wherever it can.

But critical policy analysis does not equate with political activism, nor is it "biased" or "one-sided", as CRA has claimed. Researchers explore specific questions of interest, and then present the results of their research. Reaching a conclusion is not the same as bias. To illustrate, a CCPA researcher explored the issue of what would be the appropriate exchange rate regime for Canada and then concluded that a floating exchange rate was desirable to alternative types of exchange rate mechanisms because the former allowed the public authorities to conduct independent macroeconomic policies. The fact that this conclusion turned out to be similar to the policy view of the Bank of Canada does not make the CCPA researcher any more political than if the researcher would have produced that same research independently within his/her respective university.

The CCPA is not a political organization, nor does it engage in political or partisan activities. The fact that it has criticized government policy on a number of issues does not make it a partisan organization promoting a narrow agenda. Rather, it is engaging in serious, unbiased academic research. It may reach a different set of conclusions from those of the government, but then, this is allowed in a free-thinking, democratic country. On the contrary, we would argue, that such dissent should be encouraged and not stifled by such actions of the CRA.

Indeed, if there is bias, the bias seems to be mostly in the CRA's decision to audit the CCPA and not other think tanks such as the Fraser Institute, whose policy conclusions are friendlier toward current government policies. We are therefore left with the conclusion that the decision to audit the CCPA is politically motivated to intimidate and silence its criticism of your government's policies.

We therefore strongly urge you to put an end to this audit, which under the guise of neutrality and fairness, appears to be, on the contrary, an effort to silence dissenting voices. On the other hand, if an audit needs to be undertaken periodically, this should be done in a fair, transparent, and even-handed fashion across all the various think-tanks that claim charitable status in Canada. Why single out only one such research centre that happens to be more critical of government policy? Instead of trying to muzzle and impede sound and legitimate research, it is now time for you to try to promote more effectively the public good in the form of sound critical research for which Canadian researchers are respected internationally.

Sincerely,

Signed alphabetically by bona fide academics of any discipline in Canadian post-secondary institutions

Marc Lavoie, Economics, University of Ottawa
Louis-Philippe Rochon, Economics, Laurentian University
Mario Seccareccia Economics, University of Ottawa