



## NOTES IN THE MARGINS

### The Social Economy in Economics and Business High School Textbooks

#### Social Economy Fact Sheet #19

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#### Birds' Eye View

Worldwide, the co-operative movement brings together 800 million people, securing the livelihoods of 3 billion people, half the world's population.

In the US, more citizens belong to co-operatives than hold company shares.

In Canada, 5,753 non-financial co-ops enjoyed revenues of \$27.5 billion in 2006, employing 85,000 people.

In Canada, there were 161,000 incorporated nonprofits in 2003. That year, Canadian nonprofits had revenues of \$112 billion, employed 2 million people and had a volunteer labour force estimated to be another 1 million full-time equivalent jobs.

Contrary to the stereotype that non-profits' revenues are "unearned" (donations and grants), in Canada 35 percent of their revenues are earned through the marketplace.

*In 1995, Jack Quarter et al. did a study on the representation of the social economy in Ontario high school textbooks, and found a bias against the social economy. A decade later, OISE researchers Daniel Schugurensky and Erica McCollum conducted a similar study to see if there had been any changes. After examining over 30 textbooks, they found that the organizations that make up the social economy still had a marginal presence.*

#### The "Other" Economy: Our Missing Curriculum in Ontario

Educational researchers use the term "missing curriculum" to refer to contents that, deliberately or not, are marginalized or entirely excluded from the classroom experience. The low profile of the social economy in business and economics textbooks reflects multiple factors.

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We examined two major aspects of the social economy – co-operatives and nonprofits – in textbooks. Despite their size and combined economic and social impacts, there is little record of their achievements.

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One is the view that the only purpose of business is to increase profits for shareholders. From this perspective, any producer of goods or services whose main mission is not to maximize profits but to maximize the wellbeing of its members or the community is automatically excluded because it is not seen as a genuine economic actor.

We argue, however, that the social economy is part and parcel of the "real" economy (see left column). Moreover, in some areas the social economy is more sustainable and socially responsible than the for-profit sector. Hence, it is fair that students have appropriate exposure to information about this aspect of the economy in high schools and universities, and particularly in economic and business textbooks. Do they? Our study aimed at answering this question.

## Methods

We examined 31 high school business and economics textbooks used in Ontario classrooms in 2005. To compare our data with the study done by Quarter et al. in 1995 we covered 5 areas of the social economy: Co-operatives, Non-profits in the public service, Mutual non-profits, Unions and Worker participation in management. We also compared our findings with those of other relevant research, including:

- *The Case of the Missing Organizations: Co-operatives and the Textbooks* (Hill, 2000);
- *The Disappearance of Co-operatives from Economics Textbooks* (Panu, 2006);
- *Alternative Economics: A Missing Component in the African American Studies* (Nembhard, 2008);
- *De-emphasis on Co-operatives in Introductory Economics Textbooks* (Lynch et al., 1989).
- *Co-operatives and credit unions in economics and business texts: changing the paradigm* (Chamard 2004).

## Main Finding

Overall, coverage of the social economy in economics and business textbooks in Ontario high schools was low in 1995 and remained low in 2005 (less than 1%).

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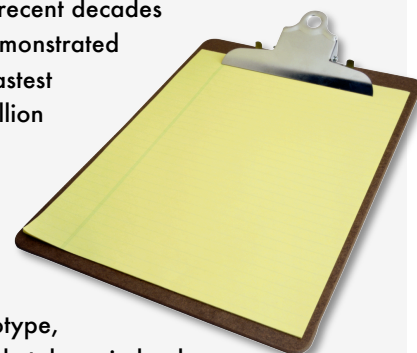
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## A Significant Contribution to Economic and Social Goals

Available data suggest that the social economy does matter, both in Canada and internationally. Indeed, the social economy makes a significant contribution to the social, economic, cultural and environmental wellbeing of communities. Moreover, by serving the most disadvantaged members of society and enacting democratic values and practices, the social economy offers an alternative to the dominant for-profit business model, now enduring its deepest crisis since the 1929 Depression. Moreover, its size and importance have grown in recent decades worldwide. Like co-operatives, non-profits have demonstrated their viability repeatedly. In the US, they are the fastest growing part of the economy and employ 12.5 million people, 9% of total employment.

In Canada, nonprofits have a combined membership of 139 million people who volunteer more than 2 billion hours and give more than \$8 billion in donations. Contrary to the stereotype, 35% of their revenues are earned through the marketplace; indeed, many compete successfully with private firms, and the nonprofit sector accounts for 7% of Canada's GDP.



## A Tale of a Decade: Social Economy Up, Coverage Down

Our study of Ontario business and economics textbooks used in 2005 revealed that the coverage of the social economy was generally low across the board. This, however, varied by topic. For example, economics texts covered unions, whereas marketing texts rarely mentioned them. Nonprofits in the public service and mutual nonprofits received scant coverage in economic texts, but fared better in entrepreneurship texts. The latter, however, scarcely mentioned co-operatives (0.06%) and worker participation (0.03%).

When all categories are combined, organizations in the social economy and the reformist tendencies in the private sector averaged 1.93 percent of the coverage in the texts reviewed in 2005. This is a decrease from the 2.55 percent in the textbooks analyzed in 1995. By category, there is a slight increase (1995 to 2005) except for unions. Overall, however, coverage of the social economy in economics and business textbooks in Ontario high schools was low in 1995 and remained low in 2005.

Thus, although the social economy has grown significantly in the last decades, high school students seldom have access to information about it through business and economics textbooks. This omission reflects an economic paradigm that emphasizes mainstream business models and marginalizes models that use different structures, incentives, processes and goals like non-profits and co-operatives. This is important because a lot of instructional time in the classroom depends upon textbooks.

## To Find Out More

[http://socialeconomy.utoronto.ca/english/project\\_pages/project\\_19.php](http://socialeconomy.utoronto.ca/english/project_pages/project_19.php)