SOCIAL ECONOMY AND INNOVATION

THE NEXUS OF SOCIAL ENTREPRENEURSHIP AND COOPERATIVE PRACTICES IN SPECIAL EDUCATION: PATHWAYS TO INCLUSION AND COMMUNITY IMPACT

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Abstract

This paper investigates the nexus between social entrepreneurship, cooperative practices, and special education within the purview of public administration. It posits that specialized educational units, particularly those integrating vocational training, possess substantial potential to function as socially responsible entities. These entities can simultaneously advance inclusive practices and contribute to local economic development. By adopting cooperative principles—such as collective participation, equitable benefit distribution, and social solidarity—these institutions can operate as localized social enterprises. This operational model empowers students with disabilities while concurrently fostering robust community engagement.

The research presents an analysis of illustrative case examples drawn from special education schools where practical learning initiatives, including horticulture and artisanal crafts, have been successfully transformed into cooperative ventures. These initiatives are demonstrated to not only augment students' vocational skills and enhance their employability but also to fortify collaborative ties among schools, families, and pertinent local stakeholders. The paper's central argument is that the integration of social entrepreneurship and cooperative ideologies into special education contributes significantly to the establishment of a more inclusive, equitable, and sustainable educational ecosystem, aligning with the global objectives of the social and circular economies.

Keywords: *social entrepreneurship, special education, cooperative economy, local development, public administration.*

INTRODUCTION

Social entrepreneurship and cooperative practices offer significant avenues for fostering inclusion and creating community impact, particularly within special education. Social enterprises are organizations driven by both social and economic goals, often providing services and work integration for disadvantaged groups, including those with disabilities (Mulyaningsih, 2021).

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When integrated within a cooperative framework, social entrepreneurship aligns with the social economy school of thought, emphasizing member-based governance and community benefit (Dacanay, 2012). This approach is crucial for strengthening inclusive policies and practices in education, promoting the meaningful participation of all students by addressing their academic, social, and emotional needs (Stark et al. 2024). The integration of students with special needs into general education, supported by practices that foster peer interaction and acceptance, is a key trend in inclusive education policies (Lin et al. 2025). Furthermore, inclusive entrepreneurship can generate quantifiable social value and provide viable alternatives to traditional employment for individuals with disabilities, offering flexibility and improving their work-life balance (Barba-Sánchez et al. 2021).

PUBLIC POLICIES FOR SUSTAINABLE DEVELOPMENT AND THE ACTIVE INCLUSION OF COOPERATIVES IN THE SOCIAL AND SHARED ECONOMY

Public policies play a pivotal role in advancing sustainable development and integrating cooperatives into the social and shared economy. Cooperatives are recognized, alongside civil society and philanthropic organizations, as crucial actors in achieving the Sustainable Development Goals of the UN 2030 Agenda (Ávila, Bono, 2020). This reflects a global shift towards a "third generation" paradigm of public policy that incorporates the social and solidarity economy to address pressing social concerns (Boadu et al. 2024). These transformative policies aim to create new social and economic development models capable of tackling challenges such as poverty, inequality, climate change, and environmental issues (Ávila, Bono, 2020). Countries like Ecuador have actively revamped their public policies to institutionalize the SSE as a key economic sector, showcasing its potential for broader impact (Buendía-Martínez et al. 2020). Integrating socio-economic and environmental considerations into policy planning is essential for harnessing the resources and addressing the unique needs of society through SSE organizations, thereby contributing to sustainable economic growth (Salustri et al. 2023). Effective legal frameworks are fundamental for the social and solidarity economy, with policy guides available to inform their design and to measure social impact (Guide de Politique Publique Sur Les Cadres Légaux Pour l'économie Sociale et Solidaire, 2024; Policy Guide on Social Impact Measurement for the Social and Solidarity Economy, 2023).

REGULATORY ENVIRONMENT, INSTITUTIONAL CAPACITY, AND SUPPORT FOR THE DEVELOPMENT OF COOPERATIVE BUSINESS

A robust regulatory environment, strong institutional capacity, and consistent support are vital for cooperative business development. Laws and public policies are major determinants of cooperative growth, capable of either facilitating or impeding progress (Adeler, 2014). A supportive legal, policy, and institutional framework is recognized as a prerequisite for the vitality of cooperatives and their contribution to socio-economic transformation (Epetimehin, 2014; Kayongo et al. 2022). Governments can actively foster cooperative development by

encouraging local participation, educating communities about the benefits of cooperation, and providing necessary financial support (Zhang et al. 2023). The success of inclusive businesses within cooperatives is often influenced by both formal institutional factors (e.g., certifications, quality standards, social responsibility policies, economic incentives) and informal factors (e.g., cooperation, improved quality of life, social capital generation) (Maestre-Matos et al. 2021). The increasing recognition of social enterprises' contribution to economic and inclusive growth means that existing cooperative laws are often adjusted to provide targeted support (Case Study – Law on Social Cooperatives in Italy: Adjustment of an Existing Cooperative Law to Support Social Enterprise Development, 2022). A clear understanding of legal frameworks is therefore essential for promoting and developing the social and solidarity economy (Chevreau et al. 2022)

STRATEGY AND VISION FOR THE DEVELOPMENT OF COOPERATIVES

Developing clear strategies and a compelling vision is paramount for the growth and sustained impact of cooperatives. Cooperatives are considered an important vehicle for community development, offering a complementary approach to contemporary paradigms such as self-help and asset-based theories (Zeuli, Radel, 2005). Their performance is significantly influenced by strategic planning and the active participation of members (Aini et al. 2012). Cooperatives empower their members to engage in collective action, find solutions to common challenges, and envision future alternatives (Padovan et al. 2019). To remain resilient, cooperatives must skillfully navigate the inherent tensions between their social, cooperative, and competitive goals, adapting new strategies without compromising their core principles (Siedlok et al. 2023). This often requires flexibility and a "symbiotic strategy" that involves collaborating with existing institutions to integrate sustainability and ethical values into broader business models for the common good (Aigner et al. 2022). Globally, cooperatives represent a widespread and powerful economic force, boasting millions of members and substantial assets, underscoring the importance of a comprehensive vision for their continued development (Warren et al. 2024).

COOPERATIVE MODELS, REGIONAL DEVELOPMENT, AND MUNICIPALITIES

Cooperative models are integral to regional development and play a significant role in municipalities, fostering efficiency, sustainability, and inclusion. Cooperatives enhance organizational efficiency and sustainability, enabling local stakeholders to scale initiatives and maximize impact while promoting equitable distribution of benefits and social cohesion. This is particularly effective through bottom-up strategies that build regional intelligence (Panori, 2024). While inter-municipal cooperation can have mixed economic impacts, it has shown positive effects on unemployment rates in some contexts (Banaszewska et al. 2021). Effective regional development and marketing strategies necessitate cooperation among various regional dynamics (Haseki, 2011). Innovative cooperative models, such as community cooperatives, are emerging to address local needs, involving both public and private stakeholders in participatory socio-economic development, asset regeneration, and the provision of high-impact social services

(Egmose et al. 2019). These models directly contribute to local economic development, as evidenced in areas like the Buffalo City Metropolitan Municipality (Gxabuza, Nzewi, 2021). By empowering community enterprises and fostering cooperative solutions between public administrations and local communities, cooperatives can effectively address spatial imbalances and inequalities (Salustri et al. 2023). The success of cooperativism in driving territorial development is exemplified by municipalities like Bonares, Spain, which actively participates in second-degree cooperatives (Ruíz et al. 2023). Platform cooperatives also offer an alternative to conventional digital platforms, contributing to local development and improving the quality of life for residents (Rijpens et al. 2023). Moreover, community-based cooperatives undertake both productive and socially beneficial activities, playing a vital role in local well-being and bridging regional disparities (Metodologie, Percorsi Operativi e Strumenti per Lo Sviluppo Delle Cooperative Di Comunità Nelle Aree Interne Italiane, 2020).

THE COOPERATIVE MODEL AND THE PARTICIPATION OF YOUNG PEOPLE

The cooperative model provides a valuable framework for engaging young people, fostering their participation and empowerment. Youth service cooperatives are recognized for their ability to empower young individuals and serve as platforms for cooperative education (Lapoutte, 2024). While involving children and teenagers in research presents methodological challenges, frameworks like a "rope ladder" of participation highlight the importance of youth-driven planning and the establishment of youth advisory councils (Arunkumar et al. 2018). Theories of youth participation, such as Hart's "Ladder of Participation," emphasize the significance of youth-adult partnerships and youth empowerment in decision-making processes, though it's important to acknowledge the complexities and power dynamics involved (Zhang et al. 2023). Youth community engagement, built on strong youth-adult partnerships, is a key contributor to youth development (Arnold et al. 2008). Furthermore, youth participatory action research offers a model for fostering youth empowerment by actively involving young people in the research process within community-based organizations (Williams, 2024). In increasingly tech-saturated environments, youth are being recognized as crucial expert stakeholders, with participatory youth spaces facilitating skill development and knowledge transfer (Bhattacharya et al. 2019). The co-creation of educational common spaces with children can effectively address inequalities, strengthen intercultural dialogue, promote social integration, and develop essential social and personal skills, thereby cultivating democratic citizenship (Fernandes et al. 2023). The increasing recognition of youth e-participation underscores its importance in national decision-making, with digital tools like virtual councils being explored to facilitate this engagement (Juusola, Varsaluoma, 2023).

FINANCE AND CURRENCY CHANGES – CHALLENGES, ADAPTATION, AND SUSTAINABILITY OF COOPERATIVES

Cooperatives face various challenges related to finance and currency changes, requiring adaptive strategies for long-term sustainability. The effectiveness of transformative strategies within monetary and financial systems is heavily dependent on external conditions, such as legislation and financial market policies, necessitating flexibility from those driving change (Aigner et al. 2022). One proposed solution to overcome global economic constraints and finance social and ecological projects is a parallel, optional, complementary currency system. Such systems offer rapid, targeted, cost-effective, anticyclical, anti-inflationary, and resilient impacts (Brunnhuber, 2017). Complementary currencies are gaining recognition as valuable tools for supporting local and regional development, fostering sustainable economic cycles, and promoting localized economic activity (Gelleri, 2022; Konieczna, 2025). They can also help re-embed monetary circulation within sustainability and biomimetic resilience criteria, with innovative policy pathways being explored to scale up local complementary currencies through collaboration between private banks and central banks (Lagoarde-Ségot, Mathieu, 2024). Credit cooperatives, in particular, encounter unique challenges and opportunities in the global financial landscape, highlighting the need for regulators to better understand their inherent nature (Ferri, 2012). Finally, when combined with principles of degrowth, alternative currencies are expected to enhance local resilience and contribute to a more sustainable socio-ecological metabolism (Bouchez et al. 2025).

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