

Redefining Sustainable Entrepreneurship in the Mediterranean Basin

SUSTAINABLE ENTREPRENEURSHIP IN THE SOUTHERN MEDITERRANEAN: BUILDING
REGIONAL COOPERATION FOR A GREEN TRANSITION CONFERENCE

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Why this, why now

- ▶ Persistent fragility despite decades of reform and aid
- ▶ SMEs and workers trapped in survival mode
- ▶ Sustainability discourse feels disconnected from lived reality
- ▶ Need a framework BSOs can actually use in MENA

Sustainable entrepreneurship:

- ▶ Triple bottom line: profit + people + planet
- ▶ Opportunity-based entrepreneurship: “spot opportunities, build ventures”
- ▶ Enabling ecosystems: policy, finance, incubators, networks
- ▶ Innovation-led Solutions
- ▶ Circular economy, impact investment, gender, green jobs
- ▶ Regional Cooperation

The Structural Contradiction

- ▶ Environmental damage is driven by industrial powers & large corporations
- ▶ Pollution is outsourced, consumption remains concentrated
- ▶ Structural drivers remain untouched

YET

- ▶ Sustainability is Demanded/ Sought/ Encouraged from small producers & poor countries
- ▶ Responsibility is individualized, not systemic

Sustainability is addressed at the margins, while destruction continues at the center.

Environment Colonialism

- ▶ Power asymmetry: big actors set the terms; small actors adapt
- ▶ Cost shifting: environmental effort happens where power is weakest
- ▶ Value capture: profits concentrate at the center; risk stays at the margins
- ▶ Outsourcing + offsets: harm is relocated, responsibility is reframed
- ▶ Moral substitution: small “green” efforts stand in for big structural change

The Assumptions of Sustainable Entrepreneurship

What we implicitly assume

- ▶ The system broadly works
- ▶ Challenges are manageable, not structural
- ▶ Governance can be incrementally improved
- ▶ Individual firms can make a meaningful difference

What we observe in reality

- ▶ Positive change at individual / firm level
- ▶ Very limited impact at community or system level
- ▶ Structural drivers remain unchanged

Failure by Design

- ▶ The region's fragility is not accidental
- ▶ Constraints are produced and maintained (failure by design)
- ▶ Entrepreneurship operates inside those constraints



Arab Countries never
gained real
independence

WHAT FAILURE BY DESIGN MEANS

What “failure by design” means

- ▶ An architecture of constraints (not one cause)
- ▶ Political violence + debt + capture + distorted markets
- ▶ Institutions reproduce fragility instead of correcting it
- ▶ Education and knowledge systems reinforce dependency/inequality

Two Sides of the Same Coin

The same actors and governance logics that maintain colonial constraints in the MED are also shaping the current “green” agenda (finance, rules, standards, markets)

Macro driver 1: Direct Foreign Domination

- ▶ Support to Occupation, Genocide, Proxy Wars
- ▶ Regime Changes
- ▶ Foreign Domination and Protectionism
- ▶ Extraction - Direct and indirect control of resources
- ▶ Destruction of infrastructure and production
- ▶ Sanctions

Macro driver 2: Authoritarian Governance, Weak Accountability & State Capture

- ▶ Power concentrated in executive and security apparatus
- ▶ No real accountability: weak parliaments, courts, audit institutions
- ▶ Economic decision-making insulated from public scrutiny
- ▶ Policies prioritize regime survival over development

Macro driver 3: Debt, austerity, and devaluation

- ▶ Debt servicing crowds out development spending
- ▶ Currency instability compresses purchasing power
- ▶ SMEs absorb macro shocks with no buffers
- ▶ “Competitiveness” often becomes cheap labor + low value-added

Macro driver 4: Privatization, monopoly formation, gatekeeping

- ▶ Strategic assets privatized under crisis pressure
- ▶ Monopolies and elite capture of markets and contracts
- ▶ SMEs face gatekeepers, not fair competition
- ▶ Informality expands as an adaptive response

Macro driver 5: Education failure and stratification

- ▶ Failed education: compliance, not agency
- ▶ Selective elite pipeline for Gulf/global labor markets
- ▶ Skills disconnected from local value creation
- ▶ “Weaponized ignorance” as a control mechanism



Macro → micro funnel (the cascade)

- ▶ Structures funnel down to household/worker/SME outcomes
- ▶ Risk, cost, and instability transferred downward
- ▶ Survival replaces innovation and upgrading
- ▶ Entrepreneurship becomes necessity-driven and fragile

Impacts on citizens and workers

- ▶ Informality as necessity, not choice
- ▶ Wage suppression + precarity + weak protections
- ▶ Multi-job coping and erosion of wellbeing
- ▶ Shrinking civic space limits collective bargaining

Impacts on MSEs/SMEs and entrepreneurs

- ▶ Thin margins + volatility + high transaction costs
- ▶ Limited access to patient capital and markets
- ▶ Compliance burdens exclude small actors
- ▶ “Entrepreneurship without accumulation” (stuck micro-scale)

Mainstream “survival” framework families

- ▶ Jobs/PSD approaches (growth + finance + enabling environment)
- ▶ Market systems development (MSD)
- ▶ Building Effective and Accessible Markets
- ▶ Decent work/informality transition
- ▶ Business climate reforms + finance instruments

Sustainable Entrepreneurship

The Required Mindset Shift

Shift the Unit of Change

- ▶ From single enterprise → community / value-chain level
- ▶ From individual agency → collective agency
- ▶ From narrow markets → shared and territorial economies

Shift what “Success Means”

- ▶ From firm-level profit → shared and durable benefit
- ▶ From startup survival → community resilience
- ▶ From output metrics → system outcomes

Sustainable Entrepreneurship +

► New KPIs

- Strengthened local value chains
- Reduced collective vulnerability
- Shared services & cost reduction
- Retained value within the community

Community-Based Business Support Organization Models

Solidarity Economy & Cooperative Ecosystems

- ▶ What it looks like:
 - ▶ Worker, producer, consumer cooperatives
 - ▶ Community finance (credit unions, ROSCAs)
 - ▶ Cooperative supply chains and federations

Community Wealth Building (CWB)

- ▶ Anchor institutions buy locally
- ▶ Local supplier upgrading
- ▶ Employee ownership and succession buyouts

Mutual Aid + Economic Production

- ▶ Community kitchens → catering co-ops
- ▶ Mutual childcare → women's livelihoods
- ▶ Shared tools and repair collectives

Popular Education + Economic Self-Organization

- ▶ Learning circles tied to real projects
- ▶ Co-learning across generations
- ▶ Economic literacy and power analysis

Federated Micro- Ecosystems

- ▶ Many small autonomous units
- ▶ Shared standards and tools
- ▶ Loose federation, no central control

Quiet Resistance Economics

- ▶ Informal cooperation networks
- ▶ Bypassing monopolies quietly
- ▶ Strategic ambiguity and mutual credit

No one-size-fits-all: environment typology

- ▶ Fit depends on: sovereignty constraints, market openness, infrastructure reliability
- ▶ Also: capture risk, civic space, safety, payments/connectivity
- ▶ Use a portfolio approach (multiple models in parallel)
- ▶ Federation/replication often beats “scaling”

What BSOs must become

- ▶ From service providers → ecosystem stewards
- ▶ Build collective capability, not only individual ventures
- ▶ Invest in shared infrastructure (commons, procurement pathways, co-op services)
- ▶ Reduce harm: simplify compliance, avoid capture reinforcement
- ▶ Measure: dignity, resilience, value capture, upgrading—not only startup counts



Educate
Inform
Advocate
Lobby
Dialogue
Collaborate



Closing message

- ▶ The problem is structural, not cultural
- ▶ Entrepreneurship cannot compensate for extraction
- ▶ Sustainable entrepreneurship must be redefined for hostile contexts
- ▶ Global North BSOs as **actors within the same ecosystem**
- ▶ A context-fit portfolio + new BSO role can shift trajectories

Thank You

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