

# 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

The background is a dark teal gradient. It features several large, overlapping circles in a lighter teal color. In the top right corner, there is a small red rectangle.

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

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# 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

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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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