

*Entrepreneurship as a viable solution for achieving
sustainable development at the local level*
ريادة الأعمال كحل ناجع لتحقيق التنمية المستدامة على المستوى المحلي



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Abstract:

The fierce competition among countries to support and promote small and medium-sized enterprises (SMEs) and strengthen entrepreneurship has become a defining feature of today's world. SMEs are being utilized to achieve sustainable development in various economic, social, and environmental fields. Moreover, SMEs possess many characteristics that qualify them to achieve the desired growth and overcome the structural challenges that affect economies. Remarkably, countries that pay attention to the development of the entrepreneurial sector see balanced growth and sustainable local development, leading to comprehensive development strategies.

Thus, this study aims to understand the significance of entrepreneurship in promoting sustainable local development.

key words: sustainable development, sustainable local development, Entrepreneurship, SMEs.

المخلص

أصبح التنافس الحاد بين البلدان في دعم وترقية المؤسسات الصغيرة والمتوسطة وتعزيز قطاع المقاولاتية هو السمة الأساسية للعالم اليوم، أين يتم استخدام هذه المؤسسات وتوجيه قدراتها لتحقيق التنمية المستدامة في مختلف المجالات الاقتصادية والاجتماعية والبيئية، وبالتالي تمثل هذه المؤسسات الخيار الاستراتيجي والبديل الأكثر عملية للدول المتقدمة والنامية. من جهة أخرى تمتلك المؤسسات الصغيرة والمتوسطة العديد من الخصائص التي تؤهلها لتحقيق النمو المرجو للتغلب على التحديات الهيكلية التي تؤثر

في الاقتصادات. ومن اللافت للنظر أننا نرى نموا متوازنا وتنمية محلية مستدامة في الدول التي تولي اهتماما بتنمية قطاع المقاولاتية. وذلك بوضع استراتيجيات تنمية شاملة. وبناءً على ذلك، تسعى هذه الدراسة إلى فهم أهمية المقاولاتية في تعزيز التنمية المحلية المستدامة.

الكلمات المفتاحية: تنمية مستدامة، تنمية محلية مستدامة، زيادة أعمال، مؤسسات صغيرة ومتوسطة.

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Introduction:

Over the years, entrepreneurship has become the most effective option for countries, especially developing countries, to overcome economic, social, and environmental obstacles and achieve targeted growth rates. Development literature has promoted local development and the importance of adopting it. Especially after the emergence of the concept of sustainability and the demands of the United Nations and informal organizations to integrate this new development model at all levels of development and in all aspects of local and national life. This literature emphasizes the importance of relying on sustainable local development in economic, social, and environmental action at the local level. This is done by adopting the foundations, rules, and approaches of economic, social, and environmental sciences in order to change the way of thinking and the way of working, starting from the local level up to the national level. Therefore, sustainable local development has become an essential pillar of comprehensive national development that achieves the conditions for sustainability. where It aims to achieve a sustainable balance between all different development influences which includes implementing infrastructure projects, promoting local investments, creating job opportunities, and generating income while preserving the environment.

Given that small and medium-sized businesses are currently regarded as one of the fundamental pillars of wealth creation at the local and national levels, the central issue in this field is:

What is the role of entrepreneurship in achieving the goals of local sustainable development?

I. A theoretical overview of sustainable local development

In recent times, the impact of consumer lifestyle choices on the environment has become a matter of great concern. The depletion of non-renewable resources and loss of environmental diversity are among the major

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environmental crises that have been linked to these choices. As a result, sustainable development has gained prominence as an important theme in economic thought and on the agendas of international organizations. Experts have been searching for a model that can balance development objectives with environmental protection and sustainability.

I.1 Sustainable development

Sustainable development is a relatively new concept, and currently, there is no all-encompassing definition of the term. There are several ways to define sustainable development, but generally, it was first introduced by the Brundtland Commission in the 1987 World Commission on Environment and Development report. The concept involves meeting the present generation's needs without compromising the needs of future generations. Sustainable development comprises several proactive initiatives and policies.

Sustainable development refers to the gradual progress of mankind towards a future that is powered by clean technology and industries. Such technologies and industries should consume minimal energy and natural resources while releasing the least possible amount of heat-trapping gases that can damage the Earth's surface and the ozone layer¹. . This goal is essential for maintaining a healthy and livable planet for future generations.

When we attempt to define sustainable development, we notice that its idea is broader than that of development, which is centered on a predetermined vision of economic expansion. Beyond economic barriers, sustainable development encompasses aspects of peoples' lives that are connected to their health, culture, politics, and other facets of their well-being. Furthermore, we discover that the deduced development axes are pertinent, intersect, and engage in interactions with one another.

I.2 Sustainable local development

Sustainable local development is a concept that has gained popularity lately. It refers to the extent to which sustainability principles are incorporated into local development. By placing emphasis on the term "local development" and attempting to link it to sustainability standards, we aim to highlight the importance of sustainable local development in this context.

Firstly: definition of local development

¹ Abdel Hamid Abdel Muttalib, Local Finances and Local Development, University House, Alexandria, 2001, p. 13.

Since the start of the 20th century, developing nations have implemented a variety of initiatives and programs aimed at accelerating development rates and emphasizing rural development. This has led to the introduction of several new ideas and terminologies, beginning with the term "community development" in 1944. Community development became a vital aspect in Africa, and a new term, "rural development", also emerged, which focused on the economic field and increasing agricultural output. Then other critical elements, such as education, healthcare, and social welfare, were also included.

In 1975, the World Bank introduced the term "integrated rural development" to address the limitations of the concept. The objective of this approach was to create a comprehensive framework for improving the economic development and social well-being of rural communities by increasing agricultural output, improving healthcare, and creating job opportunities¹. However, this concept only focused on rural areas, and a new idea called local development has emerged. This approach aims to merge the interests of rural and urban areas, particularly due to the growth of rural industries.

Local development has been defined as "the process by which effective cooperation can be achieved between popular and governmental efforts aimed at raising the level of local communities and local units at the economic, social, cultural and civilizational levels with a view to improving the quality of life of the inhabitants of the region". Local communities in a thorough and integrated system at all levels of local government². The United Nations has defined it as "the processes by which the efforts of citizens and governments (official bodies) can be united to improve the economic and social conditions in local communities and help them to integrate into the life of the nation and society." It is also known as "the process of change that takes place within the framework of a local public policy that expresses the needs of local units through local leaders capabilities of using and exploiting local resources and convincing local citizens to participate popularly and to benefit from the material and moral support of the government, leading to the raising of the standard of living of all members of local units and the integration of all units of the State."³

¹Samir Muhammad Abdel Wahab, Local Governance and Local Development, a document resulting from the proceedings of the Conference on Rural and Local Development, Government Means to Achieve Comprehensive Development and Fight Poverty, Publications of the Arab Organization for Administrative Development, Cairo, 2008, p. 21.

² Samir Muhammad Abdel Wahab, *ipid*. p21.

³ Bouamama Ali, Bouamama Nasr al-Din, the concept of local development and the obstacles to its implementation, intervention at the first forum on local development in Algeria (Reality

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Secondly: definition of sustainable local development

With the increased focus on local communities and development, which has evolved into a strategy for achieving comprehensive development at the national level, government efforts to promote sustainable development through public commitment are equally important as citizen commitment and individual efforts. Participation in the creation and execution of projects that consider the environmental dimension as a dimension, which is significant in the context of economic and social development and calls for coordinated efforts by the public and the government to raise the standard of organizational, cultural, economic, social, and environmental policies, among other things. Supporting local communities and incorporate into their development plans, fulfilling the demands and goals of all-encompassing, well-balanced sustainable development, as well as this rationale and foundation. Sustainable local development is a newly coined word and idea.

These regions have been assigned multiple local development functions, which has given rise to the concept of sustainable local development. The idea is that the State must share the burdens of economic and social development with its regions in order to achieve the objectives set. This is a modern development approach that integrates various aspects and dimensions, aiming to awaken the latent energies of local communities. The objective is to achieve a renaissance of development in these regions, according to their environmental system requirements and without prejudice to their economic and social goals.

The concept of sustainable local development involves the process of identifying the needs and goals of a community and organizing them according to their priorities. It is important to stimulate confidence and desire among the community to work towards meeting these needs and objectives in a way that meets the needs of the present generation without endangering the capabilities of future generations. This definition was stated¹

I.3 Objectives of Sustainable Local Development

and Perspectives), Institute of Economic Sciences and Management, University Center of Bordj Bou Arreridj, 14/15 April 2008, p.02

¹ Saadawi Musa, Saudi Muhammad, Environmental Collection and its Role in Achieving Sustainable Local Development, Intervention at the Third National Forum on Sustainable Local Development, Environmental Dimension, Al-Anwar Association for Scientific and Cultural Activities, Madinah University Center, March 3, 2008, page 02.

There are three main categories of objectives that sustainable local development aims to achieve:

Firstly: Social Objectives

Sustainable local development aims to improve living conditions, including healthcare and enforces regulations to protect human health from air, water, and noise pollution ¹. It also guarantees healthcare for the underprivileged and provides access to clean water, education, and vocational training for all social levels. The goal is to develop individuals who can effectively contribute to sound counsel and direction on how to manage the environment and adapt to changing circumstances. It should be acknowledged that while resources and human efficiency are important, human values must also develop to promote adaptation to changing circumstances.

This development must be dynamic in order to keep up with the rate at which change is occurring adjustment². Along with bringing in new, relatively high-tech machinery, generating employment, protecting the local community's culture, civilization, and privacy, and attempting to incorporate and capitalize on these cultures into their development and promotion plans and strategies, as well as keeping an eye on the procedures involved in controlling the phenomena of internal migration and the unchecked movement of people from rural to urban areas. Disparate livings standard and prosperity rates are the cause of high unemployment rates, the growth of slums, and the spread of social maladies like homelessness, begging, and crime. These issues can only be resolved by developing rural areas.

Secondly: Economic objectives

Economically sustainable local development seeks to create a multilateral, open, equitable, and sustainable local economy that will enable all rural and urban areas to raise their standard of living and productivity. It also aims to provide all the amenities that residents need, like building materials that are adequately supplied and used efficiently, energy that is sufficient and used efficiently for both personal and industrial purposes, and to supply the required

¹ Ahmed T., Nasr Rahal, Water Demand Management as an Input to Achieving Sustainable Development (Experiences of Some Arab Countries), intervention at the International Forum on Sustainable Development and Efficiency in the Use of Available Resources, Faculty of Economics and Management, University of Setif, 08/07 April 2008, p.23.

² Omar Sharif, The Development of Solar Energy and its Role in Financing Local Development in Algeria, Presentation at the First Forum on Local Development in Algeria (Reality and Perspectives), Institute of Economic Sciences and Management, University Center of Bordj Bou Arreridj, April 14. /15, 2008, p.03.

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modes of transportation and communication to enable the movement of production components, lower production costs, maximize the use of available resources locally, avoid energy waste, and satisfy sustainability standards.

In order to contribute all local economies to the service of the national economy and work towards raising the internal value of their output, sustainable local development aims to close the economic gap between urban and rural areas and to establish a field of cooperation and complementarity among the sectors. This directly contributes to the growth of the gross domestic product and the rate of agricultural productivity. In order to achieve local and national food security¹, he also looks to improve all development projects and institutional frameworks that allow them to add value economically and to provide financial institutions like banks and insurance companies with the opportunity to contribute to the funding of these projects, particularly the funding of small and medium-sized projects. With the goal to achieve local and national food security, he also looks to improve all development projects and institutional frameworks that allow them to add value economically and to provide financial institutions like banks and insurance providers to assist in funding these initiatives, especially the financing of micro, small, and medium-sized businesses due to their unique qualities and capacities that enable them to provide value at the lowest possible cost.

It's clear that the goal is to establish a locally-driven economic system that is independent of the national center. This system derives its economic power from the unique traits of the area, allowing it to create a complement that best suits its uniqueness. This will effectively stimulate the national economy, helping it meet the demands of global, balanced, and sustainable development.

Thirdly: environmental objectives

Unlike local development, which has disregarded the environment and failed to include it in its decisions and policies, sustainable local development places a high priority on protecting the environment. Sustainable local development aims to conserve natural ecosystems, liveable communities, and suitable safeguards for them². One of the most important resources that

¹ Noreen Boumediene, The Role of Rural Development in Achieving Comprehensive Economic Development, Intervention at the Third National Forum on Sustainable Local Development, the Environmental Dimension, Al-Anwar Association for Scientific and Cultural Activities, Medea University Centre, 3/4 March 2008, page 08

² Siham Abdel Karim, Environmental Protection is a Strategic Requirement to Achieve Sustainable Development: A Case Study of Algeria, Intervention at the Third National Forum

contribute significantly to producing sustainable benefits is the natural resources, which are currently being greatly neglected as a result of overexploitation, pollution, and improper practices, introduction of animals and plants from abroad. In order to safeguard the ocean, a responsible administration must be established. This administration must endeavour to rationalise the exploitation and protection of these resources by increasing public awareness of environmental threats and hazards and by bolstering local capacity for biodiversity assessment and study. strengthening the role of environmental verification agencies, monitoring and continuously monitoring quality standards, improving environmental information conditions and information, and taking appropriate national actions to improve the financial, administrative, and technical capacities allocated to environmental work. Increasing public participation in the efficient administration of environmental matters requires increasing citizens' access to environmental information¹.

II. A theoretical overview of Entrepreneurship

Entrepreneurship is a rapidly evolving field, and it has become a popular subject of study. In this section, we will discuss various trends and ideas related to entrepreneurship that have been addressed.

II.1 Entrepreneur under different cognitive inclinations

Three intellectual tendencies have shaped the development of research on the subject of entrepreneurship:

Firstly: The entrepreneur according to the economic approach

This method was initially used by Montchrétien in 1616 to describe the person who enters into an agreement with the government. Since then, there have been many attempts to define an entrepreneur based on their economic functions. The term "entrepreneur" became more comprehensive in the 17th century, and it could refer to anyone who undertakes a job to ensure the completion of a particular task or a set of related tasks.²

The term "entrepreneur" was initially coined by R. Cantillon and J.B. Say, who defined an entrepreneur as someone who takes risks by investing their own

on Sustainable Local Development, Environmental Dimension, Al-Anwar Association for Scientific and Cultural Activities, University Center of Madinah, 3/4 March 2008, p.05

¹ Muhammad Samir Mustafa, Sustainable Development Strategy (Theoretical and Applied Comparison), Volume One, Chapter 17, The Arab Encyclopedia of Knowledge for Sustainable Development ECOSS Publishers, UNESCO, Arab Academy of Sciences, Beirut, 2006, pp. 456-457

² Dabah Nadia, Study of the reality of entrepreneurship in Algeria and its perspectives, Master's thesis in Management Sciences, Faculty of Economics, Commercial Sciences and Management Sciences, University of Algiers 3, 2011-2012, p. 15

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funds. To sell or manufacture a product, an entrepreneur must purchase or rent the necessary resources at a specific price. Therefore, uncertainty is a key element in Cantillon's definition of an entrepreneur. In contrast, Say emphasized the importance of science and knowledge in entrepreneurship. An entrepreneur uses their knowledge to create useful products and relies on the workers to complete the tasks. Say defines an entrepreneur as an organizer who coordinates the three main components of production: capital, labor, and land, with the aim of maximizing profits. Despite careful planning and management, some entrepreneurial ventures may still fail due to significant risks. However, an entrepreneur can benefit from their exceptional judgment by striking a balance between their goals and resources¹.

Despite a variety of studies, it wasn't until 1935 that J.A. Schumper's research emerged, defining the entrepreneur as a creative individual who employs resources creatively and inventively, relying on technological advancements and inventive inventions to achieve profitable combinations. The announcement is to²:

- Develop a new product.
- Apply a novel production technique.
- Finding new sources of raw materials or semi-finished goods.
- Creating of new organisations.
- Exploring new distribution channels in the market.

Secondly: Entrepreneurship according to the individual characteristics approach

Here, the entrepreneur has been the main subject of study, with an emphasis on analysing his traits to comprehend entrepreneurial activities. In this setting, a body of research came into being that examined the entrepreneur using psychological traits. See the research done in the early 1960s by D.MC. CLLELAND, who demonstrated via his study that the primary trait that sets apart the behaviour of an entrepreneur is the drive for success—that is, the will to succeed and accomplish the objective. is a person driven by a strong desire for achievement who seeks out circumstances that enable him to rise to the

¹ Al-Judi Muhammad Ali, Towards the Development of Entrepreneurship through Entrepreneurial Education, Ph.D. Thesis in Management Sciences, Faculty of Economics, Business and Management, Mohamed Kheidar University of Biskra, Algeria, 2014-2015, pp. 4-5.

² Sophie Boutlier and Dimitri Uzunidis, La Légende de l'Entrepreneur, Édition Discover & Syros, Paris, 1999, p23

occasion and assume accountability for resolving the issues he encounters¹. Regarding study of individual characteristics, it emphasised on examining the traits of the entrepreneur oneself, including age, previous job experience, education level, and social milieu. Because it was unable to fully explain the phenomena, this tendency faced a great deal of criticism in the late 1980s. It is challenging to describe a phenomenon of such complexity using only a few psychological or personal characteristics.

Thirdly: Entrepreneurship according to the process of entrepreneurial activity

In this context, several studies have explored the key factors that lead to success for entrepreneurs and new organizations. One of the most notable contributions is that of P. Drucker, who highlighted the pivotal role of entrepreneurship in transforming the economy from one focused on managers to one driven by entrepreneurs. Drucker emphasized that creativity is the most important characteristic of a successful entrepreneur, as it provides a vital tool for generating wealth. He also stressed the importance of embracing change, as it enables entrepreneurs to make the most of the resources available to them. A new and distinct trend from the ones mentioned above, which focuses on studying how entrepreneurs behave rather than just defining what they are. This trend was started by Gartner, who proposed a four-dimensional model for understanding the process of starting a new business. The model includes the Person, the Situation, the Behaviour Method, and the Establishment, and takes into account all the actions that play a role in starting a new venture. The following is a representation of these activities.²:

- Seek for opportunities
- Accumulate resources
- Designing and manufacturing products
- Assuming responsibility for the state and society

II.2 The Concept of Entrepreneurship

Entrepreneurship has diverse definitions due to varying perspectives and views, as revealed by numerous studies.

Firstly: Establishing a new organization

¹ Al-Judi Muhammad Ali, ipid, pp. 4-5

² Dabah Nadia, ipid, p. 15

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According to Gartner, the first trend views entrepreneurship as the process of founding new businesses. Studying the process that results in the birth and development of these organizations—that is, the collection of actions that enable one individual to establish a new institution—is essential to comprehending this phenomenon. In other words, it is essential to comprehend the efforts put forth by the entrepreneur to gather and organize various resources like financial, human, and informational resources to materialize the opportunity as a planned enterprise. Additionally, entrepreneurship involves managing change and staying up-to-date with emerging business ventures.¹

Secondly: Identifying and exploiting opportunities

According to this pattern, Entrepreneurship is defined by Shane and Venkataraman as the act of seeking, assessing, and seizing opportunities that lead to the development of future goods and services. Casson describes an opportunity as a circumstance that allows for the provision of goods, services, and raw resources. The entrepreneur, in addition to introducing new organizational techniques, charges more for their products than it costs to produce them. The entrepreneur is also viewed as someone who can identify undervalued resources, purchase them, and resell them as commodities and products that are more valuable. From the perspective of the customer² the entrepreneur's ability to recognize these opportunities inspires them to create an institution with the intention of taking advantage of them. Other sources of opportunity, according to Drucker, include the following³:

- Market inefficiencies caused by asymmetric information or a lack of technology to fulfil unmet demands.
- Opportunities are created by external alterations in the social, political, demographic, and economic domains.
- Opportunities are generated through discoveries and improvements, which also provide new knowledge.

Thirdly: The duality between the individual and value

This trend claims that BRUYAT is at the forefront of entrepreneurship, which is focused on the analysis of the link between the individual and the value he has created. He states that the duality of the individual and value creation is the scientific issue explored in the field of entrepreneurship⁴. In this case, the

¹ Dabah Nadia, ipid, p. 15

² Al-Judi Muhammad Ali, ipid, pp. 4-5

³ Dabah Nadia, ipid, p. 15

⁴ Dabah Nadia, ipid, p. 15

dual principle proposed by Morin falls within the dynamics of change and is represented by two perspectives of view. The first perspective is based on the individual and considers him the basic element in creating value, as the individual determines the methods of production, determines its capacity, and all the details related to the value provided. Thus, an entrepreneur represents a person or group that is working to create value, such as creating a new enterprise.

Regarding the second viewpoint, it posits that adding value through the institution this person established enables it to be connected to the project he has initiated to the extent that he publicises it, and that the value he has contributed plays a significant role in the project. When a person establishes an institution or introduces an innovation, what he has not yet had gets connected to the endeavour he has started. Regarding the value offered, it is summed up as the technological, financial, and human outcomes that the company produces, leading to the entrepreneur's and interested parties' pleasure¹.

At last, the three tendencies might be considered as complementing to describe the concept of entrepreneurship as follows: The process of finding and seizing chances in the market to establish a new institution called entrepreneurship².

III. How small and medium-sized businesses contribute to local development that is sustainable

Small and medium-sized businesses are crucial to sustainable local development due to various factors such as economic and social structures, availability of production inputs, geographic distribution of the population, and economic activity. The benefits of such establishments can be summarized by the following components:

Firstly: The role of small and medium enterprises in achieving sustainable local development from the economic aspect

Small and medium-sized businesses are gaining popularity in various economies due to their ability to increase gross income and achieve desired economic rates and standards of living. This is because of their financial, structural, organizational, and legal makeup. They contribute to the domestic

¹ Al-Judi Muhammad Ali, *ipid*, pp. 4-5

² Karbali Baghdad, Hamdani Muhammad, *Sustainable Development Strategies and Policies in the Light of Economic and Social Transformations in Algeria*, *Journal of Humanities*, Fourth Year, Number 45, Algeria, 01/07/2010, p. 12.

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product, generate value by utilizing scarce and relatively scarce production elements, and help achieve an optimal development balance between regions (rural and urban). They also help lower rates of economic disparity between regions by utilizing the relative benefits of each location, easily and affordably closing development gaps.

Small and medium-sized businesses play an essential role in contributing to the national economy by utilizing the owners' own savings. These businesses are known for their efficient utilization of available primary resources, especially in countries where these resources are easily accessible. The marketplaces for goods and services operate based on the forces of supply and demand, which helps rationalize the economy. Moreover, studying the products of large institutions and then creating a product or set of items that are not offered by these institutions helps diversify the industrial structure.¹, all thanks to the assortment's diversity and affordable costs. Large institutions benefit greatly from the use of small and medium-sized businesses. These smaller businesses provide necessary resources, fuel assembly lines, and act as distributors and suppliers to larger institutions. Additionally, large institutions rely on small and medium-sized businesses to outsource specialized operations due to their high levels of efficiency, superior quality, and technological control. External suppliers, who are typically small and medium-sized organizations with a high level of dependability and adaptability, are essential to the plans of large institutions.

Small and medium-sized enterprises in developing nations often employ a technical model that is tailored to meet their specific needs. They use straightforward production methods that are labor-intensive and don't require advanced capital-intensive techniques. This allows them to provide locally available services without the need for highly skilled labor, which lowers the cost of hiring and training new employees. Basic technologies are more efficient and economical for developing nations in terms of cost, training, control, maintenance, and production. Although these technologies can change as technology advances, it is crucial for economic planners and policymakers to have access to affordable and dependable technologies that are appropriate for

¹ Arab Labour Organization, The Role of Small and Medium-sized Enterprises in Reducing the Unemployment Crisis, Working Paper submitted to the Arab Employment Forum, Beirut, 19-21 October 2009, p. 22

their nation's circumstances, and that can lead to high productivity without being novel.

Since it creates cutting-edge products and services¹, it is regarded as a wellspring of fresh concepts and contemporary inventions. One facet of these institutions' management is creativity. It is evident that a wide range of products and services have emerged, developed, and manufactured within these establishments. This is because they have a precise understanding of the demands of their clientele and make an effort to offer novel solutions and stay abreast of technological advancements. Experience on the ground has validated the claims made by several nations, most notably the United States of America, that small enterprises make a meaningful contribution to economic expansion. by embracing and promoting inventions, as they bear the brunt of 98% of research and development expenses, and as such, their contribution to economic and social progress is evident.

Secondly: The role of SMEs in achieving sustainable local development from the social aspect

Small and medium-sized businesses not only play a vital role in economic development but also in social development. These businesses are crucial in addressing issues such as marginalization, unemployment, and poverty, which lead to various diseases. They achieve this by creating new job opportunities directly for the business owners or indirectly through the employment of others. This provides psychological and financial stability to society's members and facilitates the reintegration of those who have lost their jobs. Most industrial clusters consist of small and medium-sized businesses that are known for their intensive production. Therefore, when there is a reduction in employment due to restructuring or privatization, these businesses can help make up for some of the lost activities. The majority of studies also show that these institutions that participate in and support industrial clusters have a considerable effect on reducing poverty. These industrial clusters mainly consist of labor-intensive businesses such as the furniture, footwear, food, and metal production sectors, which are often found in emerging economies.²

¹ Saad Garmash Zahra, Bouaninta Wahiba, Creativity and its repercussions on small and medium-sized enterprises, intervention at the Fourth National Forum on Small and Medium Enterprises as a New Challenge for Development in Algeria, Faculty of Economics, University of Skikda, April 13/14, 2008, page 11

² Mustafa Mahmoud Muhammad Abdel-Al Abdel-Salam, The Role of Industrial Clusters in the Risk Management of Small and Medium Industrial Enterprises: International Experience,

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By increasing the alternatives and options that people have, small and medium-sized businesses contribute strategically to the realization of the principles of human development. This can be achieved through offering a wider range of goods and services or by diversifying the activities that they perform. They aim to offer these products and services at reasonable costs and in a suitable way, quality affordable for the underprivileged while also giving women more options for work. These institutions also play a very sensitive role in reducing the brain drain abroad by providing an appropriate spatial, financial, and cultural climate in order to benefit from their experiences and innovations to raise the intellectual level, whether working from home or with family members without interfering with their family obligations¹. In view of the limited and inadequate capacity of management institutes and training centres, they also assist in providing training to individuals in the areas of administrative, production, marketing, and finance skills to oversee the work of these institutions.

These institutions seek to train employees and prepare them for better jobs in the future by giving them the freedom to work on a variety of projects under tight deadlines as they develop and take on a wider range of responsibilities. This process broadens their experience and knowledge base and prepares them for making critical decisions, which will highlight and enhance their effective energies and abilities. Additionally, by allowing new organisers to enter the market and flourish, these institutions increase the likelihood of cutting-edge concepts and novel inventions emerging, both of which greatly aid in the process of progress.

In contrast to large projects, which are typically concentrated in large cities, these institutions can also ensure a clearer and more balanced economic and social balance because of their great capacity to expand geographically² and within communities on the outskirts of towns and villages. Their diffusion in

Intervention at the Fifth Arab Forum of Small and Medium Industries, Algeria, 14/15 March 2010, page 18

¹ Sultan Karima, Ayoub Amal, Supporting Small and Medium Enterprises and Activating Their Role in Economic Development, Intervention at the Fourth Forum on Small and Medium Enterprises as a New Challenge for Economic Development in Algeria, Faculty of Economics, University of Skikda, April 13/14, 2008, p.05

² Fawzi Abu Jazar, Small and Medium Enterprises and their Importance in Serving the Unemployment Problem in Palestine, an intervention within the Gaza Strip Development and Development Conference after the Israeli Withdrawal, Faculty of Commerce, Islamic University, 2006, p. 12

rural areas and small countries would help to create opportunities, knowledge, and skills for members of the local community in which you reside as well as to raise the standard of living. In addition to providing low-income groups and minorities with a valuable social opportunity that did not previously exist, the little initiative also addresses the issue of these institutions' presence in remote places. It assists in satisfying the needs of low-income customers for straightforward, affordable goods and services. Additionally, small and medium-sized businesses are crucial in mitigating the dangers and repercussions of migration from less developed to more developed areas of the nation. In fact, these institutions are a useful tool for accomplishing a type of reverse migration that aims to create balanced development. These institutions are viewed as a catalyst for political stability and social development because they give members of marginalised communities the chance to take an active role in society by initiating and carrying out small-scale projects. This empowers a large number of groups who have excellent investment ideas but lack the necessary administrative and financial resources. These ideas can be developed into workable initiatives to establish new, prosperous communities in isolated locations¹.

Thirdly: The role of SMEs in achieving sustainable local development from the environmental aspect

Small and medium-sized enterprises (SMEs) play an important role in achieving comprehensive and balanced sustainable development. Their responsibility is not limited to meeting economic and social needs, but they also work towards creating an environment that is socially, technologically, environmentally, and economically sustainable. This combination allows for the realization of added value and importance for sustainable development. SMEs contribute significantly to the local development that is sustainable because they aim to promote a certified environment. Small and medium-sized businesses have become increasingly important and play a crucial role in raising public awareness about environmental issues. They achieve this by implementing training programs that educate their employees about their responsibilities. Compared to larger institutions, the process of collecting and recycling waste, garbage, and refuse is simpler due to the installation's simplicity. Small and

¹ Muhammad Al-Eid Mubarak, The micro-enterprise and its role in development, an intervention within the first forum on small and medium-sized enterprises and their role in development, Economic and Management Sciences Laboratory, University of Laghouat, April 8/9, 2002, p. 04

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medium-sized organizations strive to promote modern industrial ideals and administrative concepts such as efficiency, creativity, innovation, time management, and high quality. Members of such organizations can easily communicate with each other and exchange ideas and information, which contributes to their efficiency and establishes them as hubs for creativity and innovation¹.

Conclusion

We have attempted to define the concept of entrepreneurship, which expresses the establishment of institutions and the various trends that explain them, through this research, which is a component of the study of entrepreneurship and its contribution to the achievement of sustainable local development. Numerous theoretical facets of sustainable local development, which is thought to be a new trend in development. Through three fundamental dimensions—the economic, social, and environmental—it seeks to investigate how to use existing resources to benefit current generations without depleting them and endangering future generations. It also emphasises the importance of entrepreneurship in achieving these dimensions. Then, based on our research, we determined that: Among the outcomes are:

- Small and medium-sized enterprises face numerous obstacles as a result of the global economic shifts brought about by economic openness, globalisation, and sustainable development. These changes have made it harder for them to handle problems like financing, management, and real estate, in addition to legal and administrative ones.
- By focusing on integrating economic, social, environmental, and even political dimensions in a way that benefits current generations and protects the rights of future generations, sustainable local development is a complex process that unites local efforts to achieve desired goals and meet the needs of the population.
- Small and medium enterprises play a crucial role in achieving sustainable local development, especially from an economic standpoint. By supporting these businesses, we not only create jobs and stimulate economic growth, but we also foster innovation, creativity, and entrepreneurship. It is imperative that we prioritize and invest in these enterprises to ensure a prosperous future for our communities.

¹ Farid Ragheb Al-Najjar, Project Management and Small-Scale Business, University Youth Foundation, Alexandria, 1999, pp. 9-10.

- SMEs play a crucial role in driving sustainable local development, particularly from a social perspective. They have the ability to create jobs, stimulate economic growth, and provide valuable products and services to the community. Thus By supporting SMEs, we can promote a more equitable and inclusive society, where everyone has the opportunity to participate and contribute to the development of their local area.
- SMEs play a critical role in achieving sustainable local development from an environmental standpoint. By adopting eco-friendly practices and reducing their carbon footprint, SMEs can contribute to a healthier and more sustainable future for their communities. Their efforts can also lead to increased competitiveness and profitability, as more and more consumers are demanding environmentally responsible products and services. Therefore, it is imperative for SMEs to prioritize sustainability and make conscious efforts to reduce their environmental impact. By doing so, they can be instrumental in creating a better world for future generations.

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