

Informal Startup Financing in the MENA region:

Bibliometric Insights into Gaps in Scale, Innovation, and Formalisation

Sonia KHERBACHI, Doctor of Management, Associate Professor in Management Sciences

Naima BENKHIDER, Doctor of Management, Associate Professor

Nassim KEDDARI, Doctor of Finance and International Trade, Assistant Professor

Discussant: Othmane Bourhaba

Objective : to study how academic research on informal start-up financing mechanisms in the MENA region has evolved

Strengths and limitations

Key strengths :

- 1-** An original and relevant topic, yet little explored from this angle for the MENA region
- 2-** Robust analytical framework which made it possible to identify 3 clusters specific to the region
- 3-** Complementarity between bibliometric approach and analysis of 15 startups operating in MENA countries

Limitations :

- 1-** English-only sample, with a potential language bias (Arabic or French literature not captured)
- 2-** The concept of formalisation is often presented normatively, without critical analysis.
- 3-** Gender gap: identified as a shortcoming, yet no gender-disaggregated data are provided

Suggestions and open questions for discussion

Suggestions :

1- Broaden the linguistic coverage and incorporate grey literature (e.g., World Bank and ILO reports) to reduce the Anglo-centric bias.

2- The article examines informal finance solely from the demand side, overlooking the supply side—namely savers for whom extending informal credit constitutes a risky yet potentially high-return investment.

3- Introduce critical literature that highlights forms of “complementary informality” and the possible costs of forced formalization.

- **How can governments incentivise formalisation without undermining the rapid “safety-valve” role of informal capital for very early-stage ventures?**
- Post-2010 surge: Does the sharp rise in publications after 2010 primarily reflect the Arab Spring's spotlight on informality in MENA, or is it driven by broader global shifts in entrepreneurial finance?