

EXPLORING GRASSROOTS SOCIAL INNOVATION AND INFORMAL ENTREPRENEURSHIP IN THE MALDIVES: A SECONDARY CONCEPTUAL ANALYSIS FOR SIDS DEVELOPMENT POLICY

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Abstract

The Maldives is a Small Island Developing State (SIDS) that faces institutional capacity constraints, economic vulnerability, and geographic fragmentation. This study explores grassroots social innovation in the Maldives. It examines the emergence of community-led projects to address development issues in livelihoods, education, the environment, and technology access, motivated by necessity, thrift, and digital fluency. This research used a qualitative case study method to look at ten to twelve grassroots projects to analyze their diversity and relevance. The results demonstrate that grassroots social innovation in the Maldives are relatively informal, deeply established in the community, often led by women and young people, and impacted by digital tools and social trust. These programs fill in the gaps in how services are provided by using creativity and making social value as a sort of hybrid entrepreneurship. These projects are doing well even though the government doesn't officially support them. This is because people want to contribute, and the ideas are important to their culture. They must, however, balance formalization and autonomy, scale and local authenticity, and community priorities with outside funding. The research challenges traditional development frameworks that ignore bottom-up resilience and contributes to theoretical discussions on informal entrepreneurship and grassroots innovation in SIDS. To better localize the Sustainable Development Goals (SDGs), it advocates for policy support that integrates grassroots voices into national development planning, fortifies digital and social infrastructure, and legitimizes informal innovation ecosystems.

Keywords: *social innovation, entrepreneurship, grassroots innovation, sustainable development.*

MALDİVLƏRDƏ İCMA SƏVİYYƏSİNDƏ SOSIAL İNNOVASIYA VƏ QEYRİ-RƏSMİ SAHİBKARLIĞIN ARAŞDIRILMASI: KİÇİK ADA İNKİŞAF ETMƏKDƏ OLAN DÖVLƏTLƏR (SIDS) ÜÇÜN İKİNCİ KONSEPTUAL TƏHLİL

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Xülasə

Maldivlər institusional potensialın məhdudluğu, iqtisadi kövrəklik və coğrafi parçalanma kimi problemlərlə üzləşən İnkişaf Etməkdə Olan Kiçik Ada Dövlətlərdən (SIDS) biridir. Bu tədqiqat Maldivlərdə icma səviyyəsində sosial innovasiyaların mahiyyətini araşdırır və yerli əhalinin təşəbbüsü ilə formalaşan, dolanışq, təhsil, ətraf mühit və texnologiyaya çıxış kimi inkişaf sahələrinə yönəlmiş layihələrin dinamikasını təhlil edir. Araşdırma keyfiyyət yönümlü situasiya analizi (case study) metodologiyası əsasında aparılmış, 10–12 sosial təşəbbüs nümunəsi üzərindən bu təşəbbüslərin müxtəlifliyi, məqsədyönlülüyü və sosial əhəmiyyəti qiymətləndirilmişdir.

Nəticələr göstərir ki, Maldivlərdə sosial innovasiya təşəbbüsləri əsasən qeyri-formal xarakter daşıyır, icma strukturlarına dərin şəkildə inteqrasiya olunub, çox vaxt qadınlar və gənclər tərəfindən idarə edilir və rəqəmsal texnologiyalarla yanaşı, sosial etimad amilindən əhəmiyyətli dərəcədə təsirlənir. Bu təşəbbüslər xidmət təminatında mövcud institusional boşluqları yaradıcılıq və sosial dəyər istehsalı vasitəsilə kompensasiya edir, beləliklə, hibrid sahibkarlıq formasını təcəssüm etdirir. Rəsmi dövlət dəstəyi məhdud olsa da, bu layihələrin uğuru icma üzvlərinin iştirak meyili, kollektiv məsuliyyət hissi və mədəni kontekstə uyğun ideyalarla bağlıdır. Bununla yanaşı, bu təşəbbüslər formallaşma ilə müstəqillik, miqyasla yerli autentiklik və icma prioritetləri ilə xarici maliyyə mənbələri arasında tarazlığı qorumaq zərurəti ilə üz-üzə qalır.

Tədqiqat ənənəvi inkişaf paradigmalarının aşağıdan-yuxarı sosial dayanıqlığı nəzərə almayan məhdudiyyətlərini ifşa edir və SIDS kontekstində qeyri-rəsmi sahibkarlıq və sosial innovasiya nəzəriyyəsinə konseptual töhfə verir. Davamlı İnkişaf Məqsədlərinin (SDG) yerli səviyyədə həyata keçirilməsini sürətləndirmək üçün tədqiqat siyasət səviyyəsində icma təşəbbüslərinin milli inkişaf planlaşdırmasına inteqrasiyasını, rəqəmsal və sosial infrastrukturun möhkəmləndirilməsini, həmçinin qeyri-rəsmi innovasiya ekosistemlərinin institusional legitimliyinin artırılmasını təklif edir.

Açar sözlər: sosial innovasiya, sahibkarlıq, icma əsaslı innovasiya, davamlı inkişaf.

ИЗУЧЕНИЕ ИНИЦИАТИВ СОЦИАЛЬНОЙ ИННОВАЦИИ НА УРОВНЕ ОБЩИН И НЕФОРМАЛЬНОГО ПРЕДПРИНИМАТЕЛЬСТВА НА МАЛЬДИВАХ: ВТОРИЧНЫЙ КОНЦЕПТУАЛЬНЫЙ АНАЛИЗ ДЛЯ ПОЛИТИКИ РАЗВИТИЯ МАЛЫХ ОСТРОВНЫХ РАЗВИВАЮЩИХСЯ ГОСУДАРСТВ (SIDS)

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Резюме

Мальдивы относятся к числу малых островных развивающихся государств (SIDS), которые сталкиваются с ограниченными институциональными возможностями, экономической уязвимостью и географической фрагментацией. Настоящее исследование посвящено анализу инициатив социальной инновации на уровне общин в Мальдивах. В работе рассматривается появление и развитие общественных проектов, направленных на решение проблем в сферах занятости, образования, охраны окружающей среды и доступа к технологиям, возникающих под воздействием необходимости, бережливости и цифровой грамотности. Исследование основано на качественном кейс-анализе 10–12 инициатив, что позволило оценить их разнообразие и значимость.

Результаты показывают, что социальные инновации на уровне общин в Мальдивах носят преимущественно неформальный характер, глубоко укоренены в местном сообществе, часто иницируются женщинами и молодежью, а также активно используют цифровые инструменты и основываются на социальном доверии. Эти инициативы восполняют пробелы в предоставлении услуг, создавая социальную ценность через креативность и формируя своеобразный гибридный тип предпринимательства. Несмотря на отсутствие официальной государственной поддержки, данные проекты демонстрируют устойчивость благодаря внутренней мотивации граждан и их культурной значимости. Однако им необходимо находить баланс между формализацией и автономией, масштабированием и локальной аутентичностью, а также между приоритетами сообщества и требованиями внешнего финансирования.

Исследование ставит под сомнение традиционные модели развития, игнорирующие низовой (bottom-up) потенциал устойчивости, и вносит теоретический вклад в понимание неформального предпринимательства и социальных инноваций в контексте SIDS. Для более эффективной локализации Целей устойчивого развития (ЦУР) предлагается внедрение политических мер,

направленных на интеграцию голосов общин в национальное планирование развития, укрепление цифровой и социальной инфраструктуры, а также институциональное признание неформальных инновационных экосистем.

Ключевые слова: социальная инновация, предпринимательство, инициативы на уровне общин, устойчивое развитие.

Introduction

The world today is characterized by complex and interconnected challenges such as pollution, inequality, social exclusion, and public health concerns (Panneer et al., 2022). Traditional linear approaches often fail to address these “wicked problems,” highlighting the need for innovative and adaptive solutions. In this context, social innovation has emerged as a crucial mechanism to develop more sustainable and equitable ways of meeting societal needs. Its primary goal is to address unmet social needs and create social value that benefits society as a whole rather than just individuals (Wang & Chen, 2024). Social innovation encompasses new service delivery models, novel organizational forms, and innovative community engagement strategies, often leading to broader systemic change through collaboration among multiple actors.

Such innovations are particularly vital for Small Island Developing States (SIDS) like the Maldives, which face heightened vulnerabilities due to climate change impacts, limited resources, and economic dependence on a narrow range of sectors (IMF, 2024; Ministry of Finance, 2023). The Maldives, an archipelagic nation, exemplifies the urgent need for community-driven solutions to address multifaceted development challenges (UN. ESCAP, 2023). Its economic transition at the subsistence level of fishing to the international tourism has led to significant growth and also exposure to external shocks, strengthened geographic fragmentation, and sectoral concentration (Ministry of Finance, 2023; World Bank, n.d.). These weaknesses were cruelly revealed by the COVID-19 pandemic, which has led to a large decline in GDP and an increase in government debt, and ongoing current account deficits due to import dependence are an additional risk to financial stability (UNDP, 2024; World Bank, 2022). Despite ongoing governmental efforts to decentralize power and promote digitalization, economic growth in the Maldives remains unevenly distributed, with Malé disproportionately benefiting and thus exacerbating regional disparities (UN. ESCAP, 2023). In this regard, efforts at the

grassroots which are usually not institutionalized assume the important role of enhancing the localized, inclusive and sustainable development.

Based on the main ideas of social innovation (Mulgan, 2006; Murray et al., 2010), entrepreneurship under conditions of scarcity (Leadbeater, 1997; Naud, 2010), the paper will explore how community-based, grass-roots movements are meeting the urgent social needs and help in achieving sustainable development in the Maldives. Although the conventional definition of entrepreneurship is the establishment of business ventures with the aim of making profits, this research paper embraces a broader definition, which defines entrepreneurship as resourcefulness, opportunity-seeking and solving problems in different forms of informal survivalism, social activism, and technology-enabled community programs (Acharjee, 2024). The ideas of frugal innovation as explained by Mishra (2021) are applied to show how people invent new solutions when resources are scarce, whereas the concepts of social embeddedness provide a better understanding of how people cooperate and adapt their efforts to concrete social settings. Additionally, the study explores how digital transformation can enable and amplify these grassroots efforts.

Social innovation plays a significant role in achieving the United Nations Sustainable Development Goals (SDGs) by fostering partnerships, empowering marginalized groups, and driving systemic change (Díaz-Perdomo et al, 2021). It tackles poverty by enabling communities to generate context-specific solutions, advances gender equality by increasing women's participation and reducing discrimination, and supports climate action by promoting socially just adaptation strategies. Global trends illustrate diverse regional adaptations of social innovation: in Africa, digital social enterprises are leveraging technology to address local socio-environmental challenges (Cannon & Dart, 2022; Heldt, 2023), while Asia-Pacific countries such as South Korea and Singapore are establishing supportive policy ecosystems to promote social entrepreneurship for addressing complex social issues (Yoon & Ho, 2024). These examples underscore the flexibility of social innovation in advancing sustainable development across varied contexts. Although there is growing research on social innovation, grassroots initiatives, and entrepreneurship in SIDS, there remains a significant gap in context-specific empirical studies, particularly concerning the Maldives. Existing literature offers broad regional characteristics and examples but lacks in-depth analyses of how these concepts integrate within the Maldives' unique socio-economic and environmental landscape. This study addresses this gap by examining how grassroots innovations contribute to sustainable

development in the Maldives, considering its specific vulnerabilities and constraints. Specifically, it seeks to answer the following research questions:

- What are the characteristics of socially innovative initiatives in the Maldives?
- How do these initiatives address local economic, social, and environmental challenges?
- What role does entrepreneurship play in these grassroots initiatives?

This study contributes to the existing literature by providing empirical insights into informal, grassroots entrepreneurship within the Maldives' distinctive archipelagic context. It enriches current models of grassroots innovation by demonstrating how geographic fragmentation, limited resources, high digital uptake, and social embeddedness interact in shaping innovation practices. Moreover, it challenges traditional profit-centric notions of entrepreneurship by highlighting the significance of blended-value, socially-oriented entrepreneurial activities in achieving sustainable development in fragile island contexts.

Literature Review

Social Innovation: Meeting Unmet Needs and Creating Social Value

The world today is full of complicated, interconnected problems that affect society, such as pollution, inequality, social exclusion, and public health concerns (Olorunsogo et al., 2024). Traditional, linear methods do not always work when it comes to these “wicked problems”, so new and flexible solutions are needed. In this light, social innovation has become an important way to come up with better, more sustainable, and fairer ways to meet the requirements of society. The main goal of social innovation is to meet unmet social needs and create social value that benefits society as a whole rather than just individuals (Solis-Navarrete et al., 2021; Wang & Chen, 2024). It includes new ways of providing services, new ways of organizing, and new ways of getting people involved in their communities. These initiatives typically lead to bigger changes in the system as a whole through collaboration between many actors.

Grassroots Innovation in Small Island Developing States

These new ideas are especially important for SIDS like the Maldives. SIDS are even more vulnerable since they are more likely to be affected by climate change, have few resources, and rely too much on one industry for their economy (IMF, 2024; Ministry of Finance, 2023). The Maldives is an archipelago nation that makes a strong argument for why community-driven solutions are necessary to deal with

difficult development problems (Di Biase & Maniku, 2021). Its economy has changed a lot from fishing for food to being dominated by international tourism. This has brought several progresses, but it has also made the economy more vulnerable to shocks from outside, made it more geographically fragmented, and made it more concentrated in some sectors (Ministry of Finance, 2023; World Bank, n.d.).

The COVID-19 epidemic made this weakness very clear, causing a big drop in GDP and a rise in governmental debt. This financial instability is made worse by ongoing current account deficits caused by a heavy reliance on imports (UNDP, 2024; World Bank, 2022). Even while the government is focusing on decentralization and digital transformation, economic growth is still not properly distributed, with the capital city of Malé getting more than its fair share, making regional inequities worse (Di Biase & Maniku, 2021). In this situation, grassroots initiatives that frequently don't get much institutional support become very important for promoting localized, inclusive, and sustainable development.

Informal Entrepreneurship Beyond Profit

Using the basic ideas of social innovation and new ideas about entrepreneurship in difficult situations (Mair & Rathert, 2025), this study looks at how informal, community-led efforts meet urgent social needs and help the Maldives develop in a way that will last. Traditionally, entrepreneurship means starting a business with the goal of making money. However, this study takes a broader view and looks at how entrepreneurial thinking, characterized by resourcefulness, opportunity-seeking, and problem-solving, shows up in different ways, such as informal survivalism, social activism, and community initiatives that use technology.

Recent scholarship critiques the tendency to romanticize informal entrepreneurship as inherently innovative (Salvi et al., 2022). Granados et al., (2022) argue that while informal entrepreneurs often create adaptive solutions in regulatory voids, they also face systemic constraints that limit scalability and reinforce marginalization Sharifi-Tehrani et al. (2024) highlight the heterogeneity of informal entrepreneurship, distinguishing between purely survivalist enterprises and those with proactive opportunity-seeking and social objectives. Nevertheless, research works like those of Dieleman et al. (2022) point out its prospective to combine economic strength with social values, especially in areas where strong formal institutional backing is insufficient. This ambivalence, agency under constraint, contextualizes informal entrepreneurship in SIDS as an adaptive livelihood mechanism and a place of possible marginalization, and is the focus of contextual analysis in the Maldives context.

Frugal Innovation and Resourcefulness

The concepts of frugal innovation are utilized to explain how individuals develop innovative solutions where they have no many resources and ideas concerning social embeddedness to make us learn how people collaborate and respond to their environment (Hindocha et al., 2021). Recent literature criticizes the narrower definitions of frugal innovation as simply cost-cutting and suggests the concept of frugal innovation be framed as an inclusive design methodology that considers affordability, functionality and sustainability (Gault et al., 2023; Bhutto, 2021). Ranganai et al. (2025) however cautions that although frugal solutions enhance access, it can still unwittingly cover underlying structural inequalities unless embedded in enabling policy environments. In the case of SIDS, such as the Maldives, frugal innovation is sometimes necessitated by need instead of strategic design, and it is doubted how future-proof and systemic change can be generated (Hassan, 2024). This research therefore looks at frugality as an asset and a possible limitation to grassroots initiatives.

Social Embeddedness in Community Initiatives

Concepts of social embeddedness contribute towards our knowledge of how individuals collaborate and adjust to their environments (Wigren-Kristoferson et al., 2022). This demonstrates the role of social bonds, trust and local knowledge in innovation and entrepreneurship activities among communities. Granovetter theorized the concept of embeddedness whereby economic activities are embedded in the social relationships and networks. Although Göcke et al. (2021) focus on networks as a source of legitimacy, identity, and resources, Ojediran et al. (2022) claim that embeddedness is ambivalent, i.e. it enables, as well as constrains entrepreneurial action. According to Ahmad & Islam (2024), embeddedness in the tight-knit island communities promotes collective mobilization as well as social conformity and resistance to disruptive innovation. Such critical lens plays a pivotal role in the analysis of the Maldivian grassroots initiatives as opportunities and obstacles to social change are defined by relational interdependencies.

Digital Transformation Enabling Grassroots Efforts

This study also looks at how digital change can help these grassroots activities. Social innovation trends around the world show that different regions are adapting in different ways (Sampaio & Sebastião, 2024). Digital social businesses are becoming powerful forces for change in Africa, using technology to solve social and environmental problems in the community (Cannon & Dart, 2022; Heldt, 2023). At the same time, countries in the Asia-Pacific region, like South Korea and Singapore, are creating

supportive ecosystems and policy frameworks to encourage social entrepreneurship and solve difficult social challenges (Yoon & Ho, 2024). These different examples from around the world show how social innovation can be flexible and work in different situations to help the world move toward sustainable development.

Theoretical Framework

This study integrates five interconnected concepts to analyze grassroots social innovation in the Maldives as a SIDS. Grassroots innovation emphasizes community-originated solutions rooted in local knowledge and priorities. It focuses on bottom-up processes to address needs defined by communities themselves. Recent studies highlight how such initiatives interact with institutions to achieve broader impact. Frugal innovation explains how resource constraints drive creativity and practical problem-solving (Soomro et al., 2025). Beyond affordability, newer work highlights its role in sustainability and resilience, especially in contexts with limited resources.

Informal and social entrepreneurship captures hybrid motivations combining social impact and income generation outside formal systems (Morales et al., 2021). Recent critiques caution against romanticizing informality due to its inherent precariousness and structural limitations. Social embeddedness shows how social ties, trust, and cultural norms shape entrepreneurial activities. Contemporary research views embeddedness dynamically, with entrepreneurs navigating local relationships alongside wider market and digital networks (Alshareef, 2022). Digital enablement is increasingly central, facilitating resource mobilization, connectivity, and scaling of grassroots initiatives (Cannon & Dart, 2022). In geographically fragmented SIDS like the Maldives, digital tools can bridge isolation, although integration remains uneven (Yoon & Ho, 2024).

These five concepts collectively inform this study's framework (Figure 1). Grassroots innovation represents community origin and logic, frugal innovation captures resource-driven creativity, informal and social entrepreneurship highlight hybrid motives and strategies, social embeddedness explains trust-based mobilization and cultural fit, and digital enablement shows connectivity and opportunity expansion. Together, they provide a holistic lens to analyze how grassroots social innovation operates in the Maldives. Research has not properly explored how digital fluency connects with informality, frugality, and embeddedness in grassroots innovation ecosystems in SIDS. These concepts, when put together, make up the theoretical framework for this study:

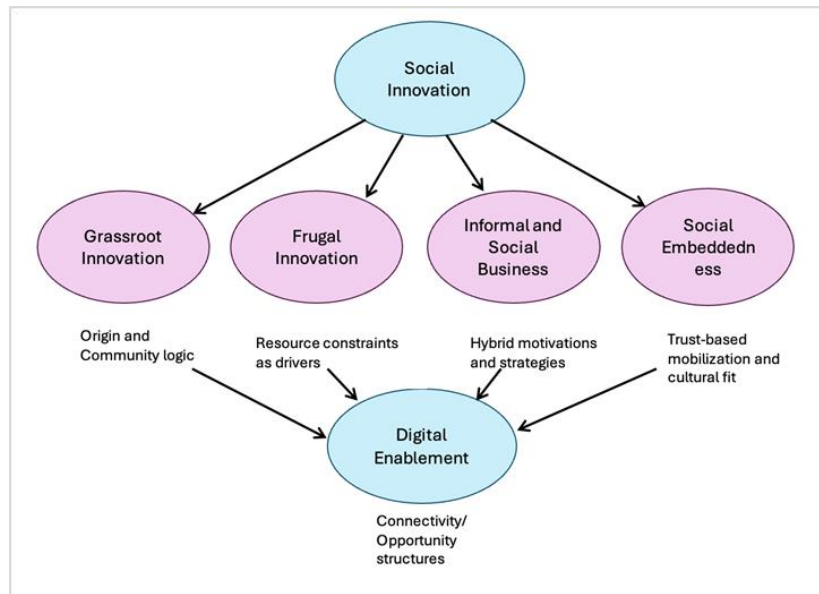


Figure 1: Theoretical Framework for grassroots social innovation in SIDS

Research Gap

The realization toward the importance of grassroots innovation and informal entrepreneurship is escalating (Sheikh & Bhaduri, 2021). However, not much research has been done on how they work together in the Maldives' unique social and physical setting. Most of what we know comes from policy papers and gray literature, and there has not been any theoretical synthesis or empirical questioning. This study fills this vacuum by studying the characteristics, methods, and contradictions of grassroots innovation in the Maldives, employing the integrated framework above. In doing so, it contributes to both theory-building and context-specific knowledge regarding innovation in situations typified by geographic dispersion, institutional thinness, and systemic vulnerability.

Material and Methods

This study adopts a qualitative case study approach to explore how grassroots social innovation and informal entrepreneurship function in the Maldives, a SIDS is characterized by geographic dispersion, institutional thinness, and exposure to systemic shocks. A case study design works best when the thing being studied is strongly connected to the real world and can't be removed from it in a meaningful way (Yin, 2018). Given the lack of empirical literature specifically on grassroots innovation in SIDS, and notably in the Maldivian context, this design promotes in-depth inquiry

rather than hypothesis testing. The aim is on developing context-sensitive information that can guide both theoretical comprehension and policy relevance.

Due to logistical and physical constraints such as the dispersed character of the archipelago and restricted access to local actors, this study relies primarily on secondary data. This has several drawbacks, but it also gives access to a lot of publicly available documents that might not have seen otherwise. The data comes from: (1) official Maldivian government documents, like National Development Plans, Ministry of Finance statistics, and decentralization policies; (2) reports from international organizations that work in the Maldives, like UNDP, the World Bank, and UN Women; (3) annual and impact reports from local and international NGOs; (4) peer-reviewed academic literature that is only indirectly relevant; and (5) Maldivian news media that cover local initiatives in an investigative or programmatic way. All materials were sourced via targeted web searches, organizational archives, and academic databases.

Case Selection and Sampling Logic

A purposive sampling approach was chosen on this study to locate about 10 and 12 grassroots projects on which the qualitative analysis will be conducted in detail. The idea behind this course of action has to do with the fact that the aim of the study is to build up theoretical understanding rather than statistical generalization. Taking into consideration the geographic distribution and industry of the Maldivian archipelago, purposive sampling has enabled the possibility of situational understanding of innovation patterns in various community contexts. The criteria were as follows: (1) all initiatives had to have a discernible grass roots or community-led origins; (2) an initiative should show an evidence of interacting with a certain social, environmental, or economic issue; (3) a sufficient written documentation needs to be publicly available to allow qualitative analysis of the initiative (program reports, news coverage, or evaluations by NGOs); and (4) there should be a variance within the relevant thematic areas (e.g. variations in environmental outcomes, such as climate resilience, education, digital inclusion, and sustainable livelihoods) and the geographical settings. This sampling logic provided the assurance that, between the sample cases, the wide spectrum of community based innovation activities happening in the socio-spatial dimension of social life in the Maldives was represented.

Analytical Framework and Thematic Coding

The analysis used a hybrid thematic coding approach that combined deductive logic based on the study's theoretical framework (social innovation, grassroots agency,

frugal innovation, social embeddedness, and digital enablement) with inductive sensitivity to patterns that came up directly from the data. At first, a systematic codebook was constructed from the literature evaluation, which listed the main topics and subthemes. As the study went on, new categories were created inductively and revised over and over again to include new mechanisms and inconsistencies that came up. The coding is done by Excel, focusing on finding patterns among cases, local adaptation tactics, and conflicts between informal practice and formal procedures. Co-occurrence tracking and note writing was used to bring forth hidden insights and avoid putting things into just descriptive categories.

Trustworthiness and Limitations

Since only secondary data was used, the methods were sound by using triangulation, which means checking claims against numerous independent documents whenever possible. Reports were checked to see if they were biased by the author, up to date, and consistent. People were careful about making inferences, especially when it came to outcomes or self-reported effects. A reactive position was kept up the whole time to show that the data had its limits, such as the possibility of "success bias" in NGO reporting and the lack of incidents of dissent or failure. This architecture makes it impossible to directly access subjective narratives, unexpected repercussions, or power struggles that may be hidden in public records. These limitations are important, but they did not take away the study's significance. Instead, it suggests that future research could use ethnographic or participatory methodologies.

The research on Maldivian grassroots movements is limited by the use of secondary data, possible bias of success, and the lack of a participant observation and direct interviews. The research also presents interpretive bias in that the study is coded manually by one researcher. Moreover, the sampled cases do not represent the entire grassroots activity in the Maldives or an informal activity that is not recorded. The study is not limited by these weaknesses, which are important reasons why future studies should be conducted via an ethnographic or participatory approach, allowing the researchers to hear the voice of the community more directly and examine the aspects of contestation, sustainability, and impact.

Results

The study found that there are four main types of grassroots innovation in the Maldives: protecting the environment, teaching people new skills, making sure everyone has access to technology, and helping people find new ways to make money. These varieties show different ways of responding to specific weaknesses,

but they all have some things in common, such being organized by the community and having strong social ties.

Table 1: Grassroots innovation initiatives by category and outcome

Category	Initiative	Key Focus	Notable Outcomes
Environmental	Save The Beach Maldives	Beach cleaning, marine conservation	Youth mobilization, plastic ban advocacy, reef restoration
	Naifaru Juvenile & Atoll Marine Centre	Waste reduction, turtle rescue, coral cultivation	83% turtle rehabilitation success (2023), youth education in marine science
Educational	FACE (Fiyoaree Library)	Community literacy, family engagement	Opened first family-friendly library; promotes reading & well-being
	Let's Read (Asia Foundation)	Dhivehi children's book translations	197 books produced; preserves language and culture
	Care Society	Inclusive education for disabled children	Early intervention and advocacy; largest disability NGO in Maldives
	Volunteer Maldives	Education support on remote islands	Volunteers teach English, sports, and run youth programs
Technological	Women in Tech MV	Girls' STEM education, coding access	Taught 100+ girls to code; 2,500+ students reached via #LetsCodeMV
	Miyaheli Innovation Camp	Tech hackathons for social change	Youth design social ventures; winners get startup support
Youth Empowerment & Inclusion	Villijoali (Villimalé)	Youth inclusion, migrant integration	Intergenerational forums, Bengali-language film nights, disability parent support
	Naifaru Juvenile (Youth Projects)	Drug rehab, skill-building, youth recreation	Peer-led anti-drug programs, reduced crime, boosted employment
	National Youth Forums	Civic engagement, entrepreneurship	Pitch-Up challenge, UNICEF civic forums, voter education
Economic & Social Entrepreneurship	Guesthouse Tourism	Local tourism entrepreneurship	390+ guesthouses on 77 islands; boosts community revenue and eco-initiatives
	MACCS (Crafts Cooperative)	Women's livelihood through traditional	20+ islands involved; eco-conscious production and

	crafts	cultural preservation
Youth Farmer Maldives	Sustainable farming & hydroponics	Boosts food security; youth-run produce sales
Grassroots Energy Projects	Solar & biogas by youth engineers	Reduced energy costs; sustainable island infrastructure

Characteristics of Socially Innovative Initiatives in the Maldives

Projects that focus on educational innovation fill in gaps in literacy and learning that include everyone. FACE Libraries turns shipping containers into community libraries on islands, finding a creative way to get over the absence of institutional infrastructure (SunOnline International, 2022). “Let’s Read Dhivehi” uses digital platforms to promote literacy in the local language (Maldives Library Association, 2024), and the Care Society is the first to offer inclusive education and therapy for children with disabilities using a mix of service delivery and community advocacy (Care Society, n.d). In Villijoali, a youth-led project focusing on educational and social inclusion, one founding member explained, *“We wanted a space where we were not just told what to do, but where we could build something for ourselves”*. This shows how educational initiatives empower youth agency and reclaim community spaces (ADB, 2024). Technological innovations address social and digital challenges. Women in Tech Maldives is one of the groups that works to close the gender gap in tech access by offering coding and digital literacy workshops (Women in Tech Maldives, n.d.). In the same way, the Miyaheli Innovation Camp helps young people use their creativity to start tech-enabled social businesses by giving them hackathon-style mentorship and helping them come up with digital solutions to problems in their communities (UNDP, 2019; Corporate Maldives, 2021).

A participant from Women in Tech Maldives described her experience: *“It was not just learning skills; it was realizing I had options”*. This highlights how technological initiatives expand personal aspirations and create pathways towards digital entrepreneurship (Women in Tech Maldives, n.d.). The goal of livelihood innovation is to make economies more diverse and strong. Since 2009, guesthouse tourism has become legal and has helped people in the area start their own businesses in hospitality (MACCS MV, 2025). At the same time, the Maldives Authentic Crafts Cooperative Society (MACCS) helps traditional artists get their products to market and organize themselves into cooperatives (HomeNet International, n.d). The Youth Farming Initiatives promote sustainable farming using hydroponics and urban farming models (YouthFarmer Social Enterprise Maldives, n.d.).

However, a leader from the Youth Farmer Maldives initiative highlighted financial uncertainty despite passion, saying, “*Every season, we don't know if we can continue. Passion is not enough*” (YouthFarmer Social Enterprise Maldives, n.d.). This demonstrates the precariousness faced by livelihood initiatives, despite their strong community-driven goals. In all four areas, initiatives have a strong do-it-yourself mentality, depend on community labor and volunteering, and often come up because they are needed rather than because the government planned them (UNDP, 2022; ADB, 2024). This typology shows that grassroots innovation in SIDS is flexible and based on the situation, and it also shows how different local agencies are at working toward many development goals.

Table 2: Environmental Innovation Initiatives

Initiative	Type of Service/Innovation	Key Stakeholders Impacted	Notable Outcome or Finding
Save the Beach Maldives	Beach cleanups, marine education, reef restoration	Youth volunteers, schools, tourism operators	Institutionalized NGO status; plastic ban advocacy and youth engagement (BeachSearcher, 2024)
Naifaru Juvenile / Atoll Marine Centre	Turtle rehabilitation, coral cultivation, eco-volunteering	Injured wildlife, youth learners, tourists, resort sector	83% turtle rehab success; coral farming as youth training (Naifaru Juvenile Development Center, n.d.)

Initiatives addressing Local Economic, Social, and Environmental Challenges

Most environmental innovation projects focus on protecting marine ecosystems, conserving local resources, and making communities more resilient to climate change. Save the Beach Maldives has planted 20,950 coral fragments since 2007 and collected 35,000 tons of garbage across sites like Villingili and Meeru (Save The Beach Maldives, 2015). This large-scale environmental restoration not only conserves biodiversity but also builds local capacity through coral gardening training and reef monitoring skills. They also run education outreach programs partnering with schools since 2012, including litter audits, door-to-door campaigns, eco-tours, and expanding Reef Conservation Clubs in multiple atolls (Save The Beach Maldives, 2015).

Such environmental stewardship integrates education with direct conservation action, strengthening youth engagement in climate resilience. Naifaru Juvenile’s Atoll Marine Centre achieves an 83% success rate in turtle rehabilitation while training local youth in marine science (Save The Beach Maldives, 2015). This

approach combines biodiversity protection with capacity building, aligning with frugal and grassroots innovation frameworks by repurposing local resources and knowledge for high-impact ecological outcomes.

Table 3: Educational Innovation Initiatives

Initiative	Type of Service/Innovation	Key Stakeholders Impacted	Notable Outcome or Finding
FACE Libraries	Community libraries in shipping containers	Island youth, local communities	Creative infrastructure solution for inclusive literacy access
Let's Read Dhivehi	Local language digital literacy promotion	Librarians, teachers, students across 7 islands	Hosted 197 Dhivehi titles; trained 39 librarians from 20 schools
Care Society	Inclusive education, disability therapy and advocacy	Children with disabilities, families, therapists	Reached 5,700 beneficiaries; runs 20 rehabilitation programs with 100+ direct service users

Projects focusing on educational innovation fill gaps in literacy and learning inclusively. The Let's Read Dhivehi platform hosts 197 Dhivehi titles as of August 2024 and has conducted workshops involving 39 librarians from 20 schools across seven islands in collaboration with the Maldives Library Association (Angelo, 2024). Such initiatives decentralize literacy resources to outer islands and promote local language preservation, addressing social and cultural barriers to learning. The Care Society has reached over 5,700 beneficiaries through disability training and community projects, with 100+ direct service users, 20 rehabilitation/outreach programs, and a team of over 20 full-time staff (Care Society, 2023). Its Care Development Centre supports early childhood intervention, therapy, and vocational training, demonstrating a socially embedded model that combines service provision with advocacy, critical for inclusive development in geographically dispersed communities.

Technological innovations also address social and digital inclusion challenges. Women in Tech Maldives, founded in 2018, has over 100 active members, taught 100+ girls to code through hands-on workshops, and reached 2,500+ students through initiatives like Hours of Code and NextGenGirls (Women in Tech Maldives, n.d.). This addresses the gender digital divide and empowers girls and young women to engage in future-oriented employment pathways.

Similarly, Miyaheli Innovation Camp hosted accessibility-focused camps for Persons with Disabilities (2019), a COVID-19 virtual edition (2020), and a civil society-focused event (2022). Between 2016 and 2022, it engaged over 150 youth participants across atolls, including launching freelancer platforms like Hivvaru in

2021 (UNDPa, 2022; UNDPb, 2023). These hackathon-style events combine digital enablement with social entrepreneurship training, equipping youth to design locally relevant solutions. The goal of livelihood innovation is to make economies more diverse and strong. Youth Farmer Maldives promotes youth-led hydroponics and urban farming models despite seasonal financial instability (Youth Farmer Maldives, n.d.). This addresses food security and employment issues simultaneously by encouraging entrepreneurial farming initiatives suited to limited land availability.

Table 4: Technological and Social Entrepreneurship Initiatives

Initiative	Type of Service/Innovation	Key Stakeholders Impacted	Notable Outcome or Finding
Women in Tech Maldives	Coding and digital literacy workshops	Girls and young women	Over 100 members; taught 100+ girls to code; reached 2,500+ students via initiatives like Hours of Code
Miyaheli Innovation Camp	Hackathon-style mentorship and social enterprise incubation	Youth across atolls, Persons with Disabilities, civil society organizations	Engaged 150+ youth; launched freelancer platforms like Hivvaru; ran accessibility and COVID-19 editions

Since 2009, legalization of guesthouse tourism has enabled community-run hospitality businesses to flourish, distributing tourism income beyond resort islands (MACCS MV, 2025). At the same time, the Maldives Authentic Crafts Cooperative Society (MACCS) supports traditional artisans in marketing their products and organizing into cooperatives (HomeNet International, n.d.). These initiatives foster inclusive local economies by integrating cultural preservation with income generation, reducing economic dependency on external actors.

Role of Entrepreneurship in Grassroots Initiatives

The goal of livelihood innovation is to make economies more diverse and strong. Since 2009, when guesthouses were first permitted, this sector has transformed local economies. As of early 2025, over 100,703 tourists have stayed in guesthouses, accounting for 25.9% of total tourist visitors, marking a significant shift from the early days of legalization (Ibrahim, 2025).

Resorts control the majority with over 30,000 beds, while 459 guesthouses had around 8,000 beds as of July this year. *“19 percent of the bed capacity in the Maldives is controlled by the guesthouse sector. Hulhumalé alone has 1,750 beds in 83 guesthouses”*, noted MATATO president Abdulla Giyas Riyaz. While Hulhumalé

holds the majority of guesthouse beds, Maafushi also has over 1,000 beds, with others distributed among islands near the capital.

At the same time, the Maldives Authentic Crafts Cooperative Society (MACCS), established in 2011 by women artisans in Malé, revives traditional crafts linked to mangrove ecosystems and promotes them through local and international events (MACCS, 2016). They have participated in over 10 major events, including national festivals such as Fannu Expo (2016–2019) and international craft fairs in India and China (MACCS, 2016). MACCS supports artisanal livelihoods across more than 20 islands, fostering eco-conscious heritage and cultural preservation while enhancing income generation opportunities for women and marginalized groups. Youth Farmer Maldives continues to promote hydroponic farming and urban agriculture. While exact sales figures are unavailable, local media and organizational reports point to seasonal revenue variability and financial precarity, consistent with grassroots enterprise challenges in outer atolls. Youth-led solar and biogas projects are also ongoing. For instance, the Atoll Marine Centre initiative implements decentralized renewable energy solutions across island households, demonstrating how livelihood innovation extends beyond traditional sectors into sustainable energy domains (Maldives Magazine, 2024).

Table 5: Livelihood Innovation Initiatives

Initiative	Type of Service/Innovation	Key Stakeholders Impacted	Notable Outcome or Finding
Guesthouse Tourism	Community-run hospitality businesses	Local entrepreneurs, island households	Over 100,703 guests by early 2025; 25.9% of total tourist visitors; projected to reach 50% of bed capacity by 2028
MACCS (Crafts Cooperative)	Traditional crafts marketing, artisan cooperatives	Women artisans, cultural heritage sectors	Active in 20+ islands; participated in 10+ national and international craft events
Youth Farmer Maldives	Hydroponic and urban farming	Youth farmers, local consumers	Promotes food security and self-employment; faces seasonal financial instability
Atoll Marine Centre – Renewable Energy Projects	Decentralized solar and biogas systems	Island households, youth trainees	Implements sustainable energy solutions extending livelihood innovation beyond tourism and farming

Discussion

This study looked into how grassroots innovations in the Maldives might help with sustainable development, taking into account the country's particular social, economic, and environmental weaknesses. In particular, it tried to answer the following research questions: What are the features of socially innovative activities in the Maldives? How do these projects help with problems in the local economy, society, and environment? And what part does entrepreneurship play in these community-based efforts?

The socially innovative activities that have been seen in the Maldives are community-driven, multi-sectoral, informal, youth- and gender-led, embedded, frugal, and digitally adaptive. These are not random, but rather a direct response to the country's unique social, economic, and geographic conditions. Because there are approximately 200 inhabited islands spread out across a large area, very targeted solutions are needed as centralized state services are sometimes slow or nonexistent on outer atolls. This fits with the idea that social innovation in SIDS is mostly made up of community-led, bottom-up solutions that are specific to each place (UNDP SIDS OFFER; UNDRR, 2025).

The unique economic duality, where high-end resort tourism occurs alongside rural poverty, forces marginalized populations to come up with new ways to meet their fundamental requirements and fill in service gaps. This is similar to the idea of "informality as necessity" in innovation (Seyfang & Smith, 2007). Many developing areas have a lot of young people and high unemployment rates. This makes young Maldivians want to create their own chances, typically using digital platforms and businesses with minimal entry barriers (Svotwa et al., 2022; Elshaiekh et al., 2023). This is in line with what has been found in Botswana, South Africa, Oman, and West Africa, where young people look for other ways to make money through informal, grassroots, and digital entrepreneurship, even though there are still structural barriers to informal entrepreneurship (Muchemwa & Odimegwu, 2023; Azu et al., 2020; Cieslik et al., 2021).

The Maldivian island life is characterized by close communities and communal spirit. Such characteristics facilitate ease of collaboration and trust among the people, which is an indicator of social embeddedness of these new ideas. This view is well supported by academic literature on other communities living on islands, revealing that community cohesion, trust, and a shared belief in culture are vital in promoting collaboration, enhancing flexibility, and promoting collective action and grassroots

organization (Li et al., 2021; Bryant et al., 2021; Samsuddin et al., 2024; Lipo et al., 2021; Agostini & Van Zomeren, 2021). Also, there are no official support systems to support registration, training and funding and people are forced to develop innovative means of getting things done, or economically as we say to wait for the institution to bless them.

Many of these qualities are similar to those of grassroots innovation in other SIDS, but our research on digital integration and gender roles shows some important differences. The level of digital integration in grassroots initiatives in the Maldives is high because of the high number of mobile and internet users and the fact that young people are quite tech-savvy (UNDP: Small Island Digital States). This means that digital tools are being used in a unique way for organizing, marketing, and teaching. *This aligns with observations in Pacific SIDS such as Samoa and Fiji, but the Maldives demonstrates an especially advanced adaptation of digital platforms to drive community-based solutions despite infrastructural limitations.*

There isn't much direct comparative empirical research on how different SIDS adopt digital technology for grassroots social innovation, but general studies show that a mix of economic, political, social, and institutional factors affect the rates of digital adoption in SIDS. Strong state support and localized frameworks are two of the most important factors (Díaz-Arancibia et al., 2024; Smidt & Jokonya, 2021; Qalati et al., 2020; Qiu et al., 2023). In this perspective, the Maldives stands out since almost everyone there has access to mobile phones and the internet, and people employ digital tools in health care, which shows an advanced use of digital adoption for community-based social innovation.

It is also interesting to highlight how important gender is in innovation, especially as women are spearheading tech-based training and crafts cooperatives. Research shows that women play a key role in driving innovation, social change, and grassroots entrepreneurship in developing regions by using social capital (Setini et al., 2020; Osei & Zhuang, 2020; Raman et al., 2022). However, there is still not much direct evidence in the existing literature about how important or unique their leadership is in tech-based grassroots innovation in SIDS, or how it compares to other types of innovation. *The Maldivian context thus offers an important empirical case that illustrates how women's leadership in digital and craft-based enterprises is not just economic but also deeply social, bridging family livelihoods with wider community wellbeing.*

These community-based approaches, like guesthouse tourism, women's cooperatives, youth digital businesses, and environmental restoration projects, work well to solve local economic, social, and environmental problems because they can use local resources (like home space, marine knowledge, and social networks) and adapt to island-specific problems like a lack of formal jobs and fragile ecosystems. These new ideas deliberately attempt to keep people from relying on outside help or government services by encouraging economic self-sufficiency through things like making items locally or hosting tourists. This fits with the cultural values of reputation and community involvement, especially on smaller islands, which makes them even more successful.

These techniques suggest that sustainable development in the Maldives is more important than it seems, showing that the community is very strong when people take action instead of waiting for the government to do something. These projects put the Sustainable Development Goals (SDGs) into practice in ways that make sense in different cultures and environments, such as by promoting gender equality, responsible consumption, and inclusive education (UNDRR, 2025; UNDP SIDS OFFER). This bottom-up strategy encourages sustainability by making people self-sufficient, which is important for an island nation that is vulnerable and needs to rely less on imports. These new ideas also show how important it is to keep a balance between people and the environment, especially in projects that help the environment, like coral gardening and reducing plastic use. This is especially important for an island nation that is very vulnerable to climate change (UNDRR, 2025).

In these grassroots activities, entrepreneurship plays a strategic and facilitating role that goes beyond just making money, and is more in line with the ideas of social entrepreneurship (Mulgan, 2006). It is an important way to stay alive when there are no official occupations or consistent help, which is what Leadbeater (1997) called the "entrepreneurial poor" who come up with new ideas out of necessity. The idea of profit going to the society rather than only to the individual fits well with the collectivistic way of life on the Maldivian islands.

Informal innovation is thriving in these communities, even though they don't have access to formal training or capital. This shows that entrepreneurial thinking taking risks, looking for opportunities, and solving problems—is deeply ingrained in these communities, even without formal registration or traditional business structures. This suggests that there are two types of entrepreneurial ecosystems in the Maldives: a formal one that is mostly in cities or resort islands, and a lively, informal/social

ecosystem that is thriving in the outer islands because of necessity, local knowledge, and community solidarity (unido.org; intracen.org; Díaz-Arancibia et al., 2024).

These grassroots efforts challenge traditional definitions of entrepreneurship, blurring the lines between entrepreneur and activist, and highlighting that entrepreneurial capability exists and thrives outside of formal structures—a critical insight often overlooked by policy frameworks that primarily focus on business registration and tech hubs. *Future development frameworks should thus integrate informal and social entrepreneurship models as equally valuable drivers of resilience and inclusive growth.*

This research adds to and improves what is already known about things like digital entrepreneurship among young people and the complicated position of women in leading informal social enterprises. The UNDP study on Small Island Digital States (2022) talks about the bigger picture of digital innovation in SIDS, but our research gives additional real-world examples of how these tools are used informally at the grassroots level. More specifically, our research shows how unregistered young entrepreneurs in the Maldives use digital platforms like social media, mobile payments, and online marketing to further their social missions. This shows a bottom-up digital transformation that works with, or even comes before, official digital development efforts.

Our findings also support what the UNDP's SIDS OFFER (2023) study says: that localized and community-based solutions are essential for closing systemic service delivery gaps and building resilience against global challenges in small island settings. The instance of the Maldives gives us new real-world proof of how communities use their limited resources and local knowledge in creative ways to come up with good solutions that work for their specific social, economic, and environmental problems.

This research also contradicts some common ideas in development frameworks and economic theories, especially when it comes to the importance of formal institutions and the reasons why people start businesses. Munawar (2015) said that the decentralization process was a chance for local innovation in the Maldives. However, our results show that the promise of decentralization, at least in terms of encouraging grassroots social innovation, has not yet been fully realized because of ongoing financial and structural problems at the local government level. This is similar to what Zahir (2023) said about the problems with putting decentralization into practice in the Maldives. This result goes against the idea in many development frameworks

(like UNDRR, 2025) that just strengthening institutions will automatically lead to grassroots innovation. Instead, our data shows that a parallel, informal ecosystem is thriving well, even when institutions are missing or not working well.

Also, this research is different from standard economic theories that mainly describe entrepreneurship in terms of making the most money (Naudé, 2010). This research shows that Maldivian grassroots entrepreneurs aren't just in it for the money; they have mixed value goals that include social goals, community empowerment, and sustainability. This fits better with Pol and Ville's (2009) definition of social innovation, which stresses the creation of both economic and social benefits. It also gives a more nuanced view of why entrepreneurs do what they do when social effect is the most important thing. This conclusion shows how important it is for development policy to recognize and promote different types of businesses that put community health and long-term growth ahead of making money.

Limitations

This study gives us useful information about grassroots social innovation in the Maldives, but it is important to be aware of its limitations. The study used a qualitative case study method that mostly looked at secondary sources such as NGO reports, media publications, and development agency briefs. This method was good for looking at a lot of community-led innovations, but it did not let us get as much information as we could have if we had talked directly to stakeholders. Without primary fieldwork like interviews or ethnographic observations, it may have been harder to appreciate the subtle reasons behind the inventions, the complex situations they were in, and the informal dynamics that were at play.

The focus on a selective sample of initiatives, even though they come from different sectors and areas, may not show all the social innovation happening in the Maldivian archipelago. Because the country is made up of several islands and the cultures on each one are different, the results may not be the same for all island communities. The study also focused on grassroots and community-led innovation, leaving out formal public-private partnerships and government-run programs that could also help bring about social change. The data only includes activities and sources from the last five to seven years. Social innovation is always changing, and some projects may have changed, ended, or grown since the material was made public. This means that the study only gives a snapshot of innovation trajectories instead of a long-term view.

The study relied extensively on reports from NGOs and international organizations that were published or made public, which could have led to positive reporting bias.

These sources tend to focus on success stories and impact, which could mean that they don't disclose failures, tensions, or political barriers that affect grassroots projects as much as they could. Also, the views of people who aren't connected to NGOs but are nonetheless informal actors may not be well reflected.

Future Research Directions

Future study could greatly improve and confirm the ideas offered here by building on these constraints. Collecting primary data, including in-depth interviews with community people, grassroots leaders, and beneficiaries, would give crucial first-hand stories that show motives, problems, and effects that haven't been recorded. Using actor-centered participatory methodologies might provide communities the power to come up with research questions and evaluate data together. This would make sure that research meets the needs and viewpoints of the people in the area. Also, comparing grassroots innovation across different SIDS could help find common trends and differences that are distinct to each island, which would help us learn more about how islands can be resilient. Finally, longitudinal impact evaluations are very important for keeping an eye on how long these projects will last and how much they will change things. They go beyond just taking pictures of things as they are now to see how they evolve and adapt over time. Such future efforts would strengthen both theory and practice to promote bottom-up development in vulnerable island nations.

Implications

This study on grassroots social innovation in the Maldives has significant implications for theory, practice, and policy, especially within the context of SIDS. Theoretically, the findings contribute to ongoing debates on social innovation by situating community-led solutions in the unique constraints of SIDS. Building on the foundational work of Seyfang and Smith (2007), the study demonstrates how Maldivian communities, despite limited resources and geographic fragmentation, generate innovation through frugal, embedded, and locally owned approaches. It supports Pol and Ville's (2009) framing of social innovation as delivering both economic and social value, while also challenging conventional entrepreneurial models focused purely on profit (Naudé, 2010).

The study also aligns with recent perspectives that position SIDS as experimental spaces for innovation in the face of global crises. For instance, Pathirana (2025) argues that climate-vulnerable islands generate adaptive strategies with global relevance, particularly around sustainability and resilience. Nagy and Somosi (2022)

likewise highlight the accelerating role of digital transformation in shaping social innovation ecosystems. This study integrates both classical and contemporary perspectives, showing how informal actors act entrepreneurially—mobilizing resources, seizing opportunities, and building networks without operating within formal systems (Leadbeater, 1997).

Practically, the study identifies scalable, low-cost innovations that generate tangible impact with limited funding. Initiatives such as the FACE container library (UNDP Maldives, 2021) and youth-led agricultural cooperatives show how frugal solutions can be applied across islands. Women and youth emerge as central drivers of innovation, particularly through digital tools and peer support structures. Projects like the Miyaheli Innovation Camp (UNDP, 2019; Corporate Maldives, 2021) and Women in Tech Maldives (UN Women, 2023) highlight how targeted mentorship and skills training foster empowerment and capability.

For policy, several priorities emerge. First, governments and development partners must support informal innovation ecosystems while avoiding bureaucratization. The SIDS Civil Society Action Plan and Roadmap (2024–2034) emphasize enabling communities to access state resources without sacrificing autonomy. Second, meaningful decentralization requires real fiscal authority at the local level, which remains limited in the Maldivian context (Munawar, 2015; Zahir, 2023; Transparency Maldives, 2019). Third, development finance should be responsive to youth and gender equity, in line with recommendations from the International Trade Center (2019) and UN Women (2023). Finally, integrating grassroots actors into national development planning will strengthen SDG localization especially SDG 5 (gender equality), SDG 8 (decent work), and SDG 13 (climate action) as advocated in the ABAS framework (2024) and UNDP’s Looking Back and Forward report (2024).

Conclusion

This study explored the nature and significance of grassroots social innovation in the Maldives, examining how community-driven initiatives address diverse development challenges. By analyzing the characteristics of these innovations, the types of problems they seek to solve, and the role of informal entrepreneurship, the research reveals a dynamic and resilient landscape of bottom-up activity shaped by the Maldives’ unique geographic and institutional context. The findings show that most grassroots innovations are informal, low-cost, and cross-sectoral. They are typically led by community members—often women and youth—working across fields such as education, environment, livelihoods, and technology. These initiatives

combine digital tools with social capital, blurring the line between entrepreneurship and activism, and creating hybrid models of socially oriented enterprise. This research contributes to the broader literature on social innovation in SIDS by illustrating how decentralized, community-led initiatives can address institutional shortcomings and catalyze systemic transformation. It extends the grassroots innovation framework (Seyfang & Smith, 2007) to account for context-specific vulnerabilities such as geographic dispersion, infrastructure gaps, and dual economic dependency. It also engages with recent discussions on the role of digital transformation (Nagy & Somosi, 2022; UNDP, 2022) and gendered innovation leadership (UN Women, 2023).

The study offers practical insights for practitioners on how to support frugal, community-owned innovations that can scale through peer replication. It urges policymakers to create enabling environments for informal actors, fund decentralized governance meaningfully, and ensure inclusion through gender- and youth-responsive policies. For researchers, it points to new directions—particularly longitudinal, comparative, and ethnographic studies that capture underexplored dimensions of grassroots action in SIDS contexts. While its reliance on secondary data limits generalizability, the study opens new research and policy frontiers. The Maldivian case demonstrates how ordinary people, using local knowledge, digital tools, and community networks, can generate meaningful social and economic value. Even in contexts of geographic isolation and institutional fragility, grassroots innovation holds transformative potential—not only for the Maldives but for similarly positioned island societies worldwide.

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