Chapter 6

Returnee Entrepreneurship: A Second-Generation Perspective

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ABSTRACT

Migration and development have been linked in recent studies in which skilled migrants are assumed to display agency role and act as important bridges, helping to promote the transfer of knowledge and skills in their countries of origin. But, within the nexus of the migration and development literature, the contributions of returnee entrepreneurs have not been visible. Through the perspective of second-generation diaspora and transnational entrepreneurship, this paper analyzed the motivation of the second-generation entrepreneurs to invest in their ‘ancestral’ country of origin. The hurdles they might face and the strategies they could employ to effectively navigate the unfamiliar terrains of their parents’ country of origin are briefly evaluated through a literature review and a case study methodology. The intention is to contribute to the growing literature on the social and economic impacts of returnee entrepreneurs to their parents’ country of origins’ development.

INTRODUCTION

This paper’s discourse on the second generation’s mobility relates to the exploitation of their knowledge and ties in engaging in business transactions in their parents’ country of origin. The study advocates that the second-generation diasporas could be a key resource and channel for growth and development in their parents’ countries of origin. This is particularly valuable for developing countries to grow and expand their economies, and also internationalize and diversify into new markets. The connection between migration and development in migrants’ countries of origin has always been of interest to researchers and practitioners alike, particularly in an era circumscribed by globalization’s connections and disconnections.

Entrepreneurship, initiated and led by the private sector, has become the touchstone in the global development narratives (World Economic Forum, 2016). For example, African countries’ economic difficulties could be ameliorated through socioeconomic mobility facilitated by entrepreneurship (UNCTAD, 2014). It is not surprising the efforts of various African governments to encourage, solicit,
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and promote entrepreneurship at all levels (e.g. individual, group, and corporate) and strata (e.g. local, national and international).

However, a group of special interest is the migrants in the diaspora who, by virtue of their endowment (in terms of exposure, knowledge, and resources), engages in transnational entrepreneurial activities between their countries of origin and countries of residence. This group are often referred to as diaspora and transnational entrepreneurs, and have been vividly described in the literature (e.g. Drori et al., 2009; Ojo et al., 2013; Minto-Coy, 2016; Elo & Riddle, 2016). A subset of this group is the second-generation entrepreneurs who are largely invisible in the academic discourse. This paper, thus, set out to examine the utility of this group in the development nexus of their parents’ countries of origin. The main question this paper is focusing is: how does the second-generation entrepreneurial agency contribute to development ethos in terms of transfer of skills and knowledge in the ancestral country of origin? Two methodologies will be used to help answer this overarching question; these are a literature review and a case narrative experience of a second-generation entrepreneur. Hence, the paper is organized into four sections: a review of the literature on the second-generation; returnee entrepreneurship; a case narrative of entrepreneurial engagements; rearticulating the second-generation entrepreneurship in the ancestral country of origin; and summary, implications, and recommendations.

THE SECOND GENERATION

The second-generation diaspora group generally refers to the children of first-generation immigrants born in the country of residence (King and Christou, 2010). However, there are a number of classifications around the definition of the second-generations. Apart from children born in the country of residence, other categorizations exist. For instance, the ‘1.5 generation’ are children taken abroad before or during their early teens and are so-called because they brought with them or maintain features from their home country whilst engaging in assimilation and socialization in the country of residence (Asher 2011). According to Rumbaut (2004), the ‘1.25 generation’ are children that migrate during their adolescent (13-17) years and are referred to as 1.25 generation because their experiences are closer to the first-generation immigrants’ adults than to those born in the country of residence. The ‘1.75 generation’ are children who migrate between the ages 0 to 5 and are denoted the 1.75 generation immigrants since their experiences are closer to those born in the country of residence. This category virtually has no memory of their country of birth as they were too young to retain their memories of their country of birth. Yet, ‘2.5 generation are classified as children born to both a native-born and a non-native-born parents (Ramakrishnan, 2004), and Glick-Schiller and Fouron’s (2002) second-generation consists of the entire generation in both country of origin and host-land who grew up in transnational social fields connected by familial, socioeconomic, religious, and political networks. It is the case that the definitional landscape is muddled further by issues such as cross-national marriages between first-generation and second-generation partners that produce offspring (i.e. one first and one second-generation parent) (King and Christou, 2014). Nonetheless, for the purpose of this paper, all categories mentioned above will be collectively referred to as the second-generation.

The concept of the second-generation also generates the terminology ‘ancestral return’, which symbolizes both visits and definitive relocation to a perceived country of origin. Researchers (e.g. Gilroy, 1993; Holsey, 2004; Otero, 2010) have articulated ancestral return in terms of the reversal of the horrifying diasporic experience of peoples such as the Jews and Armenians diasporas their historical coun-