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Diaspora governance and transnational entrepreneurship

the rise of an emerging social pattern in migration studies

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Journal of Ethnic and Migration Studies

Special Issue

***Diaspora governance and transnational entrepreneurship: the rise of an emerging social
global pattern in migration studies***

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INTRODUCTION: Diaspora governance and transnational entrepreneurship: the rise of an emerging social global pattern in migration studies

Rationale and theoretical framework of the Special Issue

A burgeoning literature is currently exploring the rise of a new migratory profile: migrants engaged in Transnational Entrepreneurship (TE). Roughly speaking TE has been described as a “social realm of immigrants operating in complex, cross-national domains, with dual cultural, institutional, and economic features that facilitate and require various entrepreneurial strategies” (Drori et al., 2009; 1). Formulated in the simplest way, Transnational Entrepreneurs (TEs) are immigrants who are engaged in border crossing business activities involving their country of origin and destination (Portes et al. 2002; Saxenian 2002).

TE has been articulated as a set of distinctive and dependent variables by business management scholars (I. Drori, B. Honig and M. Wright, 2009; B. Honig, I. Drori and B. Carmichael eds. 2010) and sociologists (A. Portes, L. E. Guarnizo and W.J. Haller, 2002), who analyze the trend as a specific attribute of the globalization process, linked to the increase of human mobility, and a specific economic dimension of a transnational practice. Technological advances related to cheaper transportation and inexpensive communication have enabled TEs to have a greater amount of social, political and economic influence on their home countries than in the past, through the establishment of economic and political links between their host and home countries.

Migration scholars have previously discussed migrant entrepreneurship, mainly centered on the country of residence, and recent special issues have been centred on domestic migrant entrepreneurship (see list of references below). Researchers have to date identified micro and macro level factors that either encourage or inhibit TE (agency, cultural capital, social capital, institutions) (Drori et al., 2009), but always in the framework of residence countries, without taking into consideration as a core focus of analysis, the home country as an agent influencing the widespread of the new migratory pattern or as the main beneficiary of the effects that this new pattern may have on economic (TE contribute to economical development), social (TE may

contribute to social development) and even cultural (TE may contribute to new cultural values) and political spheres and agendas (TE may contribute to the democratization of home countries).

In migration studies this new migratory pattern becomes meaningful as it breaks the view that migrants perceive their home countries with resentment and reveals how they rather perceive home countries as lands of opportunities, though the transnational dimension of the migrant entrepreneur has remained widely unexplored. The growing area of research has made great strides in explaining the rise of the TE profile and its distinctions have been examined by a great amount of case studies that, mainly at the micro level, tries to understand its singular features in order to give TE its own specific place as a field of research separated from international migrant entrepreneurs (who do not necessarily focus their entrepreneurial venture in home countries) and domestic migrant entrepreneurs (who do not have relation with their origin countries). The incorporation of TE as a new dependent variable in migration studies has still to be done. As a field it is neither theorized nor empirically researched by migration studies scholars. Although there are few concrete case studies, they are mainly focused on the US (E. Morawska, 2004; A. Portes and J. Yiu, 2013; S. Bagwell, 2015; J. Brzozowski, M. Cucculelli, and A. Surdej, 2017). Incorporating TE as a new research field will involve maximising the multi-disciplinary and multi-methodological character of migration studies. TE is at the crossroad of several current key framework debates and can contribute to develop the research agenda, advancing both empirical knowledge and theoretical understanding of two contemporary forms of cross-border concepts: Transnationalism and Diaspora. These two frameworks have served through the last decades as prominent research lenses through which we have viewed the aftermath of international migration and the shifting of state borders across populations (R. Brubaker, 2005; R. Baubock and T. Faist, eds., 2010). With this Special Issue we invite researchers to open up the focus and to look more closely at the intersections between the traditionally studied fields of research, namely Ethnic Entrepreneurship (EE), TE, and Migration and Integration, to fully grasp the complexities of TE in the increasingly and rapidly evolving globalized world.

First of all, **the transnational research agenda**, which already has a long history, has preliminarily considered TE as a new economic practice that goes beyond the traditional remittances, since it mobilises the competences, skills, social and cultural capitals acquired by migrants during their incorporation processes, but it has still not gone further, towards cultural, political and social dimensions as by-products of the migrant TE projects.

Secondly, some debates focus on the exploration of this new practice from the **diaspora lens**, and even speak about “Diaspora Entrepreneurs”. This involves a nuance with normative dimensions. Authors coincide that the notion of diaspora is a socio-political formation, whose members regard themselves as of the same ethno-national group, and maintain regular or occasional contacts with what they regard as their homelands and with individuals and groups of the same background (Sheffer, 2006; Brubaker, 2005; Bauböck and Faist, 2010). The use of Diaspora Entrepreneurship is for us too narrow, as it assumes that the migrant who decides to frame his/hers entrepreneurial project as bridging home and residence countries, is doing this with a feeling of belonging to his/hers national group and with national intentions of contributing to create jobs and contribute to economic development of his/hers country of origin. We will rather discuss the governance policies that are being deployed by home countries specially targetting the TE profile, most of them within an external economic development paradigm. The diaspora lens will thus rather be considered as a focus point on how home politics are responding to this new profile and trend, and whether they meet their purposes. The interface between the emerging transnational migratory dynamics and the home diaspora politics is then at the nuclear core focus of this Special Issue.

There are few recent studies focusing on diaspora institutions and governance (Newland and Tanaka, 2010; Gamlen, 2014; Brinkerhoff, 2016). By mentioning “Diaspora Governance” in the main title, we aim to broaden the scope to incorporate macro and meso levels, since there are an amount of networks, from the stake holders, mainly from civil societies, to the so-called ‘Business Incubators’, which are institutions that help entrepreneurs overcome the financial, human, and social capital impediments they face during the business creation (Riddle, Hrivnak, & Nielsen, 2010). The function of these networks involved in the diaspora governance is usually to bridge home country governments and TE. This particular focus is extremely important, since it allows us to jump to the general current new trend of migration studies and consider the fusion of home country policies towards nationals living abroad, while examining not only the institutional, social, economical and political effects that the recognition of TEs as new actors may have in terms of change and transformation in home countries, but also how it is the epicenter of new actors’ networks dynamics in need of exploration. Supportive policies fostering this new transnational practice may also involve normative issues and implications, in terms of externalisation of home politics (between domestic and international politics, i.e. home country

governments becoming agents attracting their own national talents), new frameworks to rethinking citizenship (the external citizenship theorised by R. Baubock, 2009, for instance) and nation-state policies beyond national borders of the home countries.

Originality of the focus of the Special Issue: contribution potential in theoretical and empirical terms

Viewed globally TE is, as all other sociological and interrelational phenomena, a context-embedded phenomenon. What becomes increasingly evident is that this research field's multidisciplinary character dynamics only can be grasped by applying a multiplicity of research sub-fields: Return migrants, diaspora, development studies, ethnic entrepreneurship, international entrepreneurship, transnationalism, circular mobility, etc.

All sub-fields and shapes of TE share a common core, but vary across cases as well. A core feature of TE is that many aspects overlap with other related concepts. Qualitative comparisons based on ethnographic methods remain vital to understand how different actors matter in the design and implementation of diaspora policies at different levels, and in different periods of time, but quantitative comparisons are also necessary to measure and evaluate the drivers of diaspora policies and their effects.

Given the origin of the research in business and entrepreneurial studies, the incorporation of the particular field of research in migration cannot be done without them. The research profile of the two Guests Editors illustrate this intention: one coming from migration studies (R. Zapata-Barrero), the other from business studies (S. Rezaei).

Until now, little has been done in linking business studies and migration studies in this particular field of research on diaspora politics and TE, and when it has been done, the focus has mostly been on identifying the key independent variables, patterns and developing hypotheses on the favourable and non-favourable factors promoting migrant business involvement in the country of residence. Given the current scholarly debate on TE (and Diaspora Entrepreneurship), the first stage should be to give a proper place to this new field of research by utilizing the existing great amount of empirical researches, mostly case studies and less multi-sited and comparative studies (see most of the seminal references below). What we can keep from these preliminary

contributions is a toolkit with a great amount of analytical distinctions that seem meaningful to discriminate *the proper place of TE as a new independent variable in migration studies*.

There appears to be a gap that needs to be filled in the debates on how home countries develop institutions, policies and governance strategies to attract their own expatriates, and how these strategies and efforts work for nationals living abroad while they develop their own personal TE by following different purpose strategies and standards. Maybe TEs assume that they will remain in the residence countries or will develop a specific transnational practice in permanent circularity between home and residence countries. We know that in both receiving and sending countries, the socio-political context is decisive since it governs the structure of opportunities for migrants to put their talent and motivation to work for economic advancement in their home countries and for sustained development of the places they left behind (Portes and Yui, 2013, 92). It is interesting to explore this interface between diaspora politics, governance and TE purposes, as it is an area that has been under-researched.

To narrow the scope of the specific focus we can initially keep (by criticizing it also) the analytical dimension that has been inspired by Schumpeter (Schumpeter, 1974, 132), among others, who defined Necessity Entrepreneurs as those who are simply self-employed and Opportunity Entrepreneurs as those who reform or revolutionize the pattern of production. In our terms Necessity Entrepreneurship is need-based, while opportunity entrepreneurs start a business in order to pursue an opportunity, generally involving social mobility. The contrast between necessity- and opportunity-driven entrepreneurship is important because it has been proved that they have different impact on home countries' economic growth (Brzozowski J., Surdej A., and Cucculelli M. 2017). This assume that not all forms of TE contribute equally to economic development. Necessity entrepreneurs normally contribute little to economic growth, although they do contribute to poverty reduction. While many entrepreneurs traditionally fall into the necessity category, the pattern is changing as members of the diaspora community become more educated and gain more skills. Saying that a necessity-driven TE have no or rather limited effect in the economic sphere does not mean that it has no effect in the social, cultural and certain aspect of economical sphere as well (Mohamoud and Formson-Lorist, 2014). The analytical toolkit needs to be deepened and extended beyond the economic sphere. Unfortunately, research that concerns TEs impact on their home countries in terms of social, political and cultural development is minimal.

Research contributions to the Special Issue

All articles in this special issue cover areas of TE from different angles. They are selected to showcase the underexplored sides of TE and shed light on the intersections with traditional fields of research in migration studies (Ethnic Entrepreneurship (EE), Migrant Transnational Entrepreneurship (MTE), Immigrant Enclave Theory (IET) etc.), all contributing to the growing toolkit proposed to explore the suggested new global social pattern of entrepreneurs doing business transnationally.

In the first article, Benson Hönig (2019, this Special Issue) examines the importance of entrepreneurship from the multiple perspectives of Transnational, Ethnic and Migration Studies. He points out that in the next few decades growth and labor forces in OECD countries will come mainly from immigration and that there within Europe are extreme cases where some countries (Czech Republic, Italy, Greece, Slovenia and Slovakia) are only growing through immigration. He thereby makes explicit that knowledge on migration is essential, in relation to entrepreneurship in general and in relation to TE in particular, as advanced countries prepare for the arrival of new immigrants and less advanced countries face significant challenges in maintaining and attracting workforces. He points out that research has focused on metropolitan cities and that very little is known of integration and resettlement of newcomers and their contribution of social capital elsewhere. His goal is to provide insights that can assist research perspectives in an interdisciplinary approach to help pave the way for answers needed in policy making.

He further points out that chain migration, initially established by immigrants seeking to link with friends and family across geographical areas, did not originally have political overtones, but was an unpolitical social science term. Today anti-immigration politicians have given it a negatively laden meaning, dividing newcomers into *us* and *them* with a debate between globalization and local protectionism, being echoed throughout the world. Honig predicts that some countries will embrace the changes and celebrate multinational differences, whereas others might react negatively and entrench themselves in a nativist, isolationist philosophy, risking to jeopardize their own economic potential and drive away talented labor with immigrant ‘unfriendly’ political discourses that may eventually create barriers to entry for TEs and migrants, which will further the negative impact on economic growth.

Historically migrants have provided advantages of economic flexibility and innovation, but Honig makes clear that this will not happen without significant internal adjustments, both culturally and politically, and may provide existential challenges to political entities. Honig concludes that future migration research and scholarship rests at the intersection of political and economic power, and that solving the multi-dimensional puzzle requires innovative targeted interdisciplinary research, as the traditional one sided approach simply will not cover the development taking place.

Alejandro Portes and Brandon P. Martinez (2019, this Special Issue) also seek to challenge the traditional view that paints all immigration entrepreneurship in the same homogenous colors. They look into details on the sizes, earnings and entrepreneurial span of different ethnic groups in the US, revealing that self-employed in general, regardless of ethnic background, have consistently higher earnings than wage workers. Their data further reveals differences between ethnic groups, showing, for example, that high tech TE human capital is the strongest determinant of economic outcomes and that almost all ethno-national groups are at an economic disadvantage, even after controlling for human capital variables and self-employment. The only immigrant groups whose annual incomes exceed those of native whites are “The Triple I” (Indians, Iranians, and Israelis), and they do so by sizable margins, further proving the heterogeneous character of the immigration entrepreneurship.

The development is naturally dependent on a positive, or at least neutral, mode of incorporation in the host country. Legal status and the absence of widespread discrimination are necessary conditions to enable immigrants to deploy high levels of expertise for the construction of larger-scale companies. A negative reception, either by the government or from society in general, would make it impossible to engage in establishing new companies. What determines the differences has not been properly theorized, but in general major causal effects have been ascribed to the level and type of the human capital.

Portes and Martinez (2019, this Special Issue) stress two main points. First, that the groups are highly heterogeneous, and secondly that the way immigrants are received affects results and levels of entrepreneurship. The overall conclusion is that context matters and as the title indicates: they are not all the same, but are, quite contrary, a highly heterogeneous group that deserves more attention as a research field on its own.

Using data from the 2016 and 2017 Adult Population Surveys (APS), the Global Entrepreneurship Monitor and DiasporaLink data from Chile and Germany, Johannes von Bloh, Vesna Mandakovic, Mauricio Apablaza, Jose Ernesto Amoros and Rolf Stenberg (2019, this Special Issue) compare TE in two different national host country contexts and institutional settings. While the two countries share similarities in political stability, immigration patterns and openness to a global perspective, they differ on social welfare. Where Chileans must rely on family for support, Germans can rely on a governmental social security welfare system designed to help people affected by unemployment. Further, in sharp contrast to Germany, the Chilean Government has actively tried to attract foreign entrepreneurs with various programs such as a program to reduce bureaucracy and a new bankruptcy law from 2014 that reduces a company's closure proceedings and enables a new start for entrepreneurs that faced failure. Further the Chilean government launched Startup Chile in 2010 that, among other initiatives, offers a one-year working visa to entrepreneurs with high human capital in the technology services sector to start or develop their business in Chile.

The data revealed considerable differences between TE in in the two countries. Chile seemed to attract or form mainly opportunity driven TE, while the TE in Germany revealed strong evidence of necessity driven TE. The authors argue that the differences can be related to the different institutional settings and levels of economic development, and they suggest that the different institutional settings attract or form different types of TE.

The authors recommend more research on a micro-, but also meta-, level to develop tailored policy recommendations that take countries of origins into consideration more explicitly than in the past, as the national institutional context seems to play a significant role, as well as the economic development, on what kind of TE emerges in a given host country context.

The aim of Ricard Zapata-Barrero's and Zenia Hellgren's article (2019, this Special Issue) is to assess changes in the Moroccan policy paradigm concerning diaspora engagement policy. They seek to contribute to the debate on transnational migrant entrepreneurship by exploring two sets of arguments: First, the *socio-economic argument* and second, the *national identity argument*.

One of their main findings is that the Moroccan approach to economic development is a return-based approach driven by traditional state instruments of promoting belonging and a sense

of Moroccan identity (national and/or religious based). But the Authors' exploratory empirical analysis reflects that most of the entrepreneurs who seek to develop their business projects in their country of origin are guided by pragmatic reasons rather than by strong feelings of national identity, contrary to the general mainstream narrative of Moroccan diaspora engagement policies. They conclude that much of the shortcomings of the engagement policy are related to the fact that the philosophy behind it is too economy-driven, without contemplating the potential role that Moroccans living abroad could play in political reform and the democratization of Morocco.

They point out that there are many initiatives to help TEs from Morocco, but also many institutional organs with little coordination, and the competition between them is therefore great, with more focus on being the best initiative rather than the actual outcome. Further the Authors point out a lack of coherency in policies on the area, with government officials both encouraging migrants to stay in host countries to help the economy and to come home and work full time in Morocco. The return-based approach is *mono-dimensional* and the way Moroccan policy initiatives set out to attract their skilled nationals reflect a gap between expectations and outcomes. A question raised in the article is whether TEs can be unpolitical and it becomes clear that further knowledge is needed for the Moroccan policy initiatives to have effect and avoid falling flat in the gap between expectations and outcomes.

Shahamak Rezaei and Marco Goli (2019, this Special Issue), based on extensive research, DiasporaLink data and 126 in-depth qualitative interviews, introduce a new model to research the intersection between Integration, Ethnic Entrepreneurship (EE) and Migrant Transnational Entrepreneurship (MTE). The intersection has not previously been examined, as research traditionally has focused on one field at a time, but to fully grasp the complexities of the field, they suggest, in line with other contributions to this special issue, a broadened scope and bring into light a need for a new focus and interdisciplinary approach.

Their comprehensive research data introduces the lived experience of MTEs. The results clearly reveal a concern from the interviewees on loyalty and dual citizenship, showing how the MTEs, contrary to traditional views, experience a loyalty issue with home countries framing them as 'traitors that left' and host countries framing them as 'strangers not to be trusted'. This leaves the MTE in a vacuum of being a cultural hybrid that does not entirely belong to either country, constantly bumping into obstacles as someone 'nowhere completely trusted – nowhere completely

at home'. Rezaei's and Goli's (2019, this Special Issue) research thus confirm Portes' and Martinez's (2019, this Special Issue) claim that how an immigrant is received in both host and home country plays a significant role in immigrant business development and TE.

Taking both macro-, meso- and micro- levels into consideration, Rezaei and Goli (2019, this Special Issue) further introduce a way to divide MTEs through a *can/want to* model that groups potential MTEs into categories based on likelihood to engage in TE. Based on these findings, they suggest access to training and suggest initiatives to help MTEs, thus laying the groundwork for a focus on how to help MTE evolve and improve policymaking to help MTE.

Giacomo Solano (2019, this Special Issue) offers us a study based on qualitative in-depth interviews of 35 Moroccan transnational entrepreneurs who reside in Milan and Amsterdam, chosen as cities with similar stability, comparable traits and a considerable number of Moroccan migrants, to understand how transnational practices vary according to structural and institutional situations in different contexts. Through the application of a mixed embeddedness approach, revisited from a transnational perspective, he combines different levels of analysis to fully grasp the TE phenomenon, resting on a main question of what factors influence the transnational entrepreneurial patterns of migrants and what resources transnational migrant entrepreneurs employ to conduct their transnational business.

Solano (2019, this Special Issue) found that on the one hand institutional embeddedness influenced respondents and on the other hand that transnational entrepreneurs take advantage of their heterogeneous, and often previously acquired, contacts and skills to conduct their business. He remarked that an overall analysis of the driving factors for TE is still underexplored, that existing literature on TE has focused on individual level and characteristics, and that the previous focus of mixed embeddedness theory has been on the county of residence.

In general, the Author found that the Moroccan TEs had a multifocal perspective, rather than a bi-focal perspective as suggested by most of the existing literature. He also found that the economic context was particularly powerful in influencing choices of what kind of business the TE would engage in. Thus Moroccans in Milan seem more engaged in the strong goods related sector in the city, whereas Moroccans in Amsterdam were keener to engage in the business oriented sector that is strongest in that city. Especially the Milan sample stressed the importance of the economy of the home country as equally important as it allowed for trade, but also the free

movement of products within the EU that allowed for trade of Moroccan products between/to Moroccans residing in other European countries, as important. Social embeddedness showed to be of crucial importance, and Solange discovered that previous to starting a business TEs had substantial geographically-dispersed, non-homogeneous networks combining people from home-, host- and other countries. This is a new finding, underlining that the networks led to the TEs starting their business, and not the other way around. Solange concludes his study with a suggestion for a much needed longitudinal study to shed further light on the dynamics at play between the entrepreneurial profile and TE.

Osa-Godwin Osaghae and Thomas Cooney (2019, this Special Issue) examine TE through cross-border movement of people and apply Immigrant Enclave Theory (IET) and Transnational Diaspora Entrepreneurial (TDE) Opportunity Formation as an alternative approach to business development within immigrant enclaves. They define IET as ‘an enclave sharing the same group identity with the presence of collective sanctions mechanisms that generate trust, reduce behavioral uncertainty and enhances the immigrant activities within a geographical location’ and define TDE as ‘settled ethnic minority groups of migrant origins residing and acting in their country of residence, but maintaining strong sentimental, entrepreneurial and material links with their country of origin’.

Resting on these definitions, their desire to understand entrepreneur opportunity formation led them to ask where opportunities come from. By combining existing literature on the realist approach, constructionist approach, and discovery/creation approach, they found that opportunity formation is the result of an individual enabler interacting with an external enabler (environment, infrastructures, and resources). They propose a model to highlight the relationship between IET and TDE, and by the proposed model that highlights the dual connection of the individual enabler and the external enablers, they contribute to the existing literature stressing that the interaction at the individual level embedded in the external context is what forms opportunity.

They finally suggest that further research should seek to identify the importance of the connection of enclave and transnational diaspora entrepreneurship to create greater understanding of economic and social benefits within a national context, given that despite TDEs inherent ability to support economies in both host- and home countries, it is an ongoing issue of national divide.

In the last article Ye Liu, Rebecca Namatovu, Emine Esra Kardeniz, Thomas Schøtt and Indianna D. Minto-Coy (2019, this Special Issue) present their findings from a global sample study on 55,068 entrepreneurs, including 5,212 diasporans, collected between 2012 to 2014, in 75 countries. They wanted to know how embeddedness of diasporic entrepreneurs in their origins, shape pursuit of transnational networks and trade. By comparing diasporas originating from the five regions of the World: Central & South America, Sub-Saharan Africa, Middle East & North Africa, Asia, and the region of countries dominated by European culture, they found that: Exporting is greater for diasporic entrepreneurs than for domestically located entrepreneurs; Diasporic entrepreneurs network transnationally more than domestically located entrepreneurs, especially those originating from Sub-Saharan Africa; Transnational networking promotes exporting and effects on exporting of being diasporan are partly channeled through transnational networking, but differently across diasporas.

The Authors contribute to theorizing by demonstrating that the effect of being in a diaspora upon exporting is mediated by transnational networks differently across various diasporas. As other contributors they find differences within the group of transnational entrepreneurs and their original pioneering study shows that context has an influence on outcome. In line with most of the above contributions, Ye Liu et al. (2019, this Special Issue) recommend and suggest that further research is needed.

Justifying the subtitle: *the rise of a new social global pattern in migration studies*

The interlink between the framework and focus of this Special Issue grounds the ambitious proposed subtitle: *the rise of a new social global pattern in migration studies*. The idea comes from reading the seminal work of A. Portes, where he noticed the rise of transnational communities (A. Portes 1996), and further by Portes, Guarnizo and Haller (2002; 2013) who address the rise of transnational entrepreneurial communities in the following terms: "... it is the rise of a new class of immigrants, economic entrepreneurs or political activists who conduct cross-border activities on a regular basis, that lies at the core of the phenomenon that this field seeks to highlight and investigate".

Within transnational studies there is a need to analyze the variety of practices of transnational migrants. The emerging transnational practice can be explored in terms of the formation of a new global social pattern for many different reasons, all of which make this particular pattern unique. The most substantial and obvious one is a common interest of people engaging in the same venture from different contexts and nationalities. It has been shown, for instance, that some governments or business incubators organize collective multinational meetings to address common concerns among their own national TEs and are contributing to the formation of a sense of corporation across otherwise established social stratifications. This is why the dimension of a global social pattern makes sense, following the article by Scott Hartley who also address the *rise of a global entrepreneurship class* (S. Hartley, 2012). The idea of a socio-economic class construction at the global level assumes not only that there is a process of institutional recognition of this new pattern by home countries, but emphasizes also its continuity through time as a proper distinctive transnational community with differentiated interests, motivations and with a potential expansive wave beyond the economic sphere, with TEs becoming transformative agents in their home countries. Further TEs follow distinctive values, interests and motivations (we assume that cultural and national based approaches and ties are important, for example, but we do not know the intensity of this cultural national driver, or whether it is a real factor of TE or TEs simply are transnational by pragmatism rather than national affinities).

The uniqueness of TEs as an emerging global social pattern has also been signaled by Saxenian (1999), who gives an interesting example of TEs in her study on Asian immigrant engineers and scientists in Silicon Valley. She describes how these entrepreneurs exploit their social capital by building far-reaching professional business ties that connect them with Asia. They are ‘uniquely positioned because their language skills and technical and cultural know-how allow them to function effectively in the business culture of their home countries as well as in Silicon Valley’ (Saxenian, 2005).

An additional dimension of singularity of this pattern, seeing it globally and collectively, is how TEs view their home countries as lands of opportunities, most likely in terms of social mobility for necessity-driven TE, and in terms of increasing power and influence for opportunity-driven TE. The uniqueness of this pattern taken collectively as a new global social pattern shows us a need for transnational capital as well. That is a combination of economic capital (money to invest, and/or travel regularly to, or do business in, the country of origin), cultural capital

(bilingualism, knowledge of overseas markets, international management experience) and social capital (such as contacts, relatives or family in the country of origin whom one can trust and/or can do business with). In other words, the emerging global social pattern analyzed allows us to focus on the singularity of its potential to structure TEs environment and influence the development of their home countries.

General findings and further research

General findings from the collection of contributions invite us to widen the focus of this particular line of research and to look at intersections of fields. Home countries need more attention in research contexts. It is also crucial to see TEs in the heterogeneous fields they operate in as equally heterogeneous individuals. The overall contributions reflect precisely that there are very diverse forms of transnational entrepreneurship, much more diverse than what has been assumed in earlier research.

Adding this complexity and nuance strengthen even more this new global social pattern. The overall core message that speaks loud and clear through all sample studies selected for this special issue is that context matter, as well as pragmatism, loyalty, belongingness and how new migrants are perceived in both home countries (traitors that left) and host countries (strangers that might be a threat), whether immigrants are welcomed or not, and whether home countries provide support or initiatives to attract TEs.

Finally this special issue aims to cast light on the development in the rapidly changing world we live in, with migration patterns changing in previously unseen directions. As Honig points out, Europe previously provided US, Canada, Australia and New Zealand with immigrants. Now Western Europe is attracting Middle East and Eastern Europeans, not historically resources, and Europe additionally needs to address a shrinking and increasing aging/elderly population.

This collection help pave the way for further research, where a suggested longitudinal study seems to be at the forefront of all contributors attention, to shed further light on influences on decision making to engage in, and the success of, TE. Furthermore, additional research is essential to give political advice on how to best make use of, integrate, motivate and benefit from the increasing trend of TE.

The interface between Diaspora Governance and Transnational Entrepreneurship: some preliminary key-distinctions and key-questions

This Special Issue aims to contribute with a step forward in the emerging debate on TE and Diapora politics by focusing on how home countries' diaspora governance affect the decision to engage in a transnational entrepreneurial venture with home countries. The question of what the attracting or discouraging factors might be is less explored and we have very limited information on how governments focus on entrepreneurship, either towards necessity or opportunity driven ventures, and whether they seek to promote mobility from necessity to opportunity or not. Since opportunity-driven entrepreneurship inherently has a transformative potential, all political regimes might not be open to allow it without control.

From the point of view of home countries there is a need to analyse in depth home government programmes and how home countries incorporate transnational practice into their diaspora policy agenda. Why some TEs involve themselves in their home countries while other prefer to follow an international entrepreneurship venture or stay in host countries, still remain unanswered. From a comparative perspective, we may further ask whether the policy narrative behind diaspora governance varies among home countries or not, and further, the differences between home country narratives and TE narratives is also in need of evidence-based theorization to know if TEs are aware, or not, of being agents of change in their home countries. We suspect that those that enter into contact with home policies are likely to be more aware of their potential to influence beyond their individual business benefits, but there is still not a theorisation on how TEs build their project beyond the individual business scope. TEs have ties with their home countries, but how much these ties influence their decisions, or whether their decision on involvement is simply pragmatic in character, needs to be investigated as many developing countries have had only limited success in attracting their diaspora entrepreneurs.

From the point of view of the TE other different key-questions arise. Some typologies of profiles have been proposed in the literature (we have already noticed the necessity-driven and opportunity-driven distinction), but most of them are based on motivations and social status. We propose to keep an eye on these typologies, but also to incorporate other ones based on mobility, space and

territory. One of the first to highlight explicitly the mobility framework is the work of Saxenian (1999). The frequency of travels from home to residence countries make some TEs become example of a new migratory pattern, which she calls “brain circulation” as opposed to “brain drain” (Saxenian, 2005). This brain circulation has been the specific focus of a special issue coordinated by Rezaei, Light and Telles (2016), but it has not been compared to other TE profiles; those who remain in residence countries and those who decide to return.

The fact that TEs must navigate within very different social and cultural institutional settings and administrative frameworks and business cultures is important. We can expect then that there are several main profiles that deserve analysis. The nature of movement as well as motivation and background are important; While some TEs permanently repatriate to their home country, many more “migrate circularly”. We know by preliminary studies that this circular TE is a profile that comes in later stages of entrepreneurial projects, but it is becoming an increasingly interesting profile to analyse in the framework of migration studies and in comparison with other TE profiles.

Articulating some key strides all contributions explore in this Special Issue

TE is seen as a resource and an opportunity for both the country of origin (which develops a new focus, adding to the traditional one of remittances management) and the migrant (who develops a new activity perceiving his or her country of origin as a resource rather than as a constraint). This is being discussed in terms of explanatory variables to understand the new dynamic and the distinctive features of its profile (sharing different cultures and social and cultural capital), but also in terms of the effects on countries of origin (social, economic, political, cultural effects). There is also a new research trend of brain gain policies for countries of origin who attract skilled migrants, but there is less research on how this brain gain operates as a policy for the home countries and for targeting their own diaspora.

Finally, current research shows that factors relating to generation (the future potentials of young migrant generations), education and sense of identity shape how transnational enterprises are created, as this is an essential part of fully comprehending the benefits of TE. We are furthermore interested in discussing how to justify political intervention in these new dynamics, and how to frame this intervention beyond legal and administrative services and assistance by

understanding what main programmes, policies and structures that are being developed; the main policy focus; the network of actors involved; and the intercultural aspects of these initiatives linking economically, politically and culturally both the country of origin and the country of immigration.

- ***Normative expansive wave of diaspora governance and TE:*** The task of normatively evaluating new transnational practices and diaspora policies is to contribute to the development of this field of research. This focus allows us to explore the important transformations that can take place, not only theoretically, in debates on citizenship and externalization of policies of home countries. Because they project domestic policies beyond territorial borders, formal state policies towards Diasporas fall into a grey area in need of further explorations. More fundamentally, such initiatives disrupt the assumed symmetry of the self-governing national population and its territorial jurisdiction, and give rise to unconventional modes of post-Westphalian citizenship and sovereignty not envisioned in modern geopolitics. These processes both reinforce and undermine the foundations of the nation-state. Indeed, transnational organisations and multiple identifications compel home states to position themselves and develop what is called “diaspora politics” as a means of maintaining the loyalty of the citizens on both their territory of settlement and “abroad”. For the countries of origin, the process involves then extending their power beyond their territories, which leads to the de-territorialisation of nationhood, which becomes a resource for identity and for mobilisation for individuals and/or groups of immigrant descent.
- ***Deepening and going beyond current theoretical frameworks paradigms.*** The master theoretical framework is based on the hypothesis that TE and economic developments are positively linked. This ground the argument that TEs are not merely immigrant entrepreneurs working in a transnational space, but are instead, distinctive agents of change (Riddle and Brinkerhoff, 2011). Following the current economical view of how TE have an active role and added value, we suggest to go beyond the business enterprise focus. Recent research suggests that TE can contribute to development by creating businesses and jobs, stimulating innovation, creating social capital across borders, and channeling political and financial capital toward their countries of origin, beyond the traditional remittances focus and TEs are thus likely to

also be agents of social, cultural and political change in home countries. How TEs capacities and capital can be mobilized and utilized beyond the economic development activities, and how TEs can contribute to processes of democratization and political opening, is still unanswered in current literature and we have no knowledge on to what extent TEs have a greater sense of corporate social responsibility in the homeland. Crucially, we may explore through case studies how TE lead not only to economic change by creating new goods and services, new firms, and innovative solutions to local needs in developing economies, but at the same time, how they might play a vital role in the development of democracy that can expand opportunity, unleash individual initiatives, and cultivate independent citizens who are invested in society and democratic governance.

History shows that a great gain can be made from TE and migration, and foreign trade has existed as long we have recorded history; Marco Polo and the early explorers were TEs. A remarkable contrast to the still increasing anti-immigration politics to be found across Europe and elsewhere, stressing the need for further research to help policy makers navigate and tailor policies to help national growth from TE.

As seen in the previous, more research is indeed needed. Until recently, no comparable empirical data was available to analyse TE on a global scale, and as our global communication and travel capabilities continue to expand, we can only expect that the importance and impact of immigration will grow as well. How we deal with it is therefore crucial and we need a frame for understanding and fully grasping the rapidly evolving world, to navigate it best.

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