

Contextualizing Migration and Development: Cape Verdean Returnees and Small-scale Businesses

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It is common that transnational migrants aspire to return and set up small-scale business in their places of origin. Such aspirations coincide with the expectations of many European policy-makers who assert that return migrants can play an important role for development in African countries. Policy-makers see returnees' entrepreneurship as positive because they believe it leads to creation of new jobs and transfer of skills. At the same time, however, research on return migration makes clear that "home-coming" is a complex and ambiguous process, and that returnees for various reasons often are unable to realize their planned business activities.

This paper is based on interviews with 30 Cape Verdean returnees with varying backgrounds. Long-term anthropological fieldwork provides a context to the interviews. During the last decade, Cape Verde has marketed itself as a case of political stability and good governance, and thereby attracted both external investments and international development support. This has resulted in improvements of basic infrastructure as well as sustained economic growth. For returnees who try to set up a business, however, the smallness and geographical fragmentation of the local market is a challenge. Another constraint is the lack of credits for investments.

The aim of the paper is to discuss conditions that constrain or, alternatively, enable returnees' entrepreneurship in Cape Verde. Both structural and individual conditions will be explored. In the light of the economic and social development taking place in Cape Verde, the paper discusses the state's initiatives to support returnees' investments in small-scale businesses. With regard to individuals, the paper explores the extent to which the returnees' believe that their years abroad have provided them with useful skills and resources. It also analyzes the returnees' motivations for setting up a business, and discusses why so many invest in activities that from a rationalistic economic perspective are less promising because of market saturation.

Analytically this implies that the paper explores return migration as an integral part of broader transformation processes embodied in the term "development". Through illuminating contextual factors the paper contributes to comparative research on the reciprocal relationship between migration and development.