

Entrepreneurial pursuits in the Caribbean diaspora: Networking and its benefits

Thomas Schøtt
University of Southern Denmark

**Migrants and descendants
with a common origin, the Caribbean.**

**Embedded in their home society,
carry its institutions and traditions abroad,
live by these traditions in new host society.
Keep networking with home society.**

Also embedded in host society.

Dual embedding in home and host.

Entrepreneurship in Caribbean:

- institutionalised tradition, high rate**
- opportunity and necessity motivated.**

Entrepreneurship in host societies:

- less salient, lower rate than home**
- more often opportunity driven.**

So how are diasporans involved?

**Among diasporans, compare
first and second generation**

**Among diasporans, compare
those migrating within Caribbean
those migrating outside Caribbean**

Diasporans compared to
- locals in Caribbean
- locals in outside host societies

Research questions

Diasporans' entry into entrepreneurship:

What about them shapes entry?

What motivates them to enter?

What are their competencies?

What are their benefits? ... life-satisfaction?

- likely as at home or less likely as in host?**
- necessity-motivated as at home, or
opportunity-motivated like in host?**
- entrepreneurs more satisfied than employees?**

Research questions about diasporan entrepreneurs' work

**How are diasporan entrepreneurs working differently than locals at home and in host?
... are they networking differently?**

How are diasporan entrepreneurs performing?
- low or high compared to locals?
- do they have comparative advantages?

What benefits themselves and the Caribbean?

Data

Population of diasporans

Population of locals in Caribbean

Global Entrepreneurship Monitor

survey of adults, sampled

2,097 diasporans in 67 other countries

20,704 locals in 8 Caribbean countries

**People's entry measured by
asking each adult, essentially:**

Do you intend to start a business ?

Are you currently starting a business ?

***Are you motivated to start by
seeing a business opportunity, or by
the necessity to make a living ?***

Entrepreneurs' work is measured by asking about:

- innovation.**
- exporting.**
- expectations for growth of business.**
- networking for advice with others in
private sphere (family and friends)
public sphere (workplace, professions,
market, and internationally)**

Findings concerning diasporans' entry:

First generation:

**Less likely to start than locals at home,
but more likely than locals in host.**

Second generation:

Even less likely to start.

**Diasporans are less satisfied than locals,
but diasporan entrepreneurs are more
satisfied than diasporan employees.**

Findings concerning diasporan entrepreneurs:

**not innovative,
but exporting (to home),
strong transnational networks (to home).**

**Transnational networks are benefiting
innovation,
export,
growth-expectation**

Benefits of diaspora to Caribbean:

Diaspora entrepreneurs bring trade and networks, as intermediaries.

Returning entrepreneurs carry home trade, business practices, and networks, as intermediaries.

Conclusions

Diasporans' entry into entrepreneurial vocation has a dual embeddedness:

entry is enabled by the strong entrepreneurial tradition from home, but

entry is constrained by the lesser salience of the entrepreneurial institution in host society.

**Diasporan entrepreneurs
trading and gain satisfaction,
but not innovative.**

**Potential returnee entrepreneurs:
second generation more beneficial
than first generation**

X

X

X

X