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# Do Transnational Links Matter after Return? Labour Market Participation among Ghanaian Return Migrants

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**ABSTRACT** *Do transnational links matter after return? The study presents the conditions under which migrants participate in the labour market of their home countries. Though transnationalism describes return migration as a circular movement, there is still evidence of permanent return prompting the question of how returnees utilise their transnational links after return. This paper presents an analysis of pre- and post-return experiences of Ghanaian international migrants, focusing on their strategies, assets and labour market participation. The study finds that return migrants keep ties with host countries for the sake of businesses and other benefits which may not be readily available in the home country. The paper suggests that in order to promote national development and enhance national competitiveness in a globalising world, Ghana needs to encourage collaboration amongst its residents abroad and encourage opportunities for the sharing of knowledge and expertise.*

## Introduction

Transnational activities of immigrants in western countries have received more attention than migrants' post-return activities in their home countries. This is not surprising because, until recently, return migration had been under-researched in the migration literature. The increasing significance of the return movement led to the first European conference on international return migration held in Rome in 1981 (Kubat, 1981). Following this, Wyman (2005, p. 16), citing some return migration statistics, noted that at least one-third of the 52 million Europeans who left Europe between 1824 and 1924 returned permanently to their homelands. Similarly, the return rate was even greater in the United States in 1931 due to the economic recession: 89,000 persons left the United States compared to only 43,000 immigrants who arrived. It is most likely some of these immigrants found their way into Latin America and the African continent. Despite a lack of adequate data, migration from West African countries is also known to be essentially temporal (Adepoju, 2005; Ba, 2006) due to restrictive immigration policies that have led to a greater emphasis on (forced or voluntary) return as a policy tool or aim (Black & Gent, 2004; Blitz, Sales, & Marzano, 2005).

Such restrictive policies in host countries have deepened the transnational lives of migrants, and for that matter, Ghanaian migrants abroad in the sense that their ties and obligations occur in both their host and their countries of residence (Orozco, 2005). Migrants' attachment to the homeland is overly manifested through transnational practices such as remittances, phone calls and visits, among others (Nuro, 1999). Ghana's Central Bank reported \$1.6 billion in remittance inflows in 2009. Between 2009 and 2011, inflows to Ghana were reported to have increased by 23 per cent and by 2011, remittances were said to have accounted for 0.4 per cent of the country's Gross Domestic Product (World Bank, 2014). These remittances are usually used for physical projects particularly businesses,

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housing, as well as household consumption (Anarfi, Kwankye, & Ahiadeke, 2005; Smith, 2007). Focusing on the activities of migrants abroad has hardly provided a bilateral perspective on the concept of transnationalism. This is striking because the lives of migrants in the countries of origin are also likely to become ‘transnationalised’ and it would be unrealistic to assume that migrants would readily abandon their transnational activities and links after return.

In this article, our aim is to contribute to the ongoing debate on transnationalism by studying the benefits of transnational links to Ghanaian return migrants. First, the paper provides an overview of the transnational businesses of Ghanaian migrants abroad. This is followed by a theoretical perspective on the transnational approach to return migration. Then, there is a presentation of the methods used in the study and a description and an analysis of labour market participation among return migrants. Finally, the paper ends with conclusions and recommendations.

### **The Context: Transnational Influence on Migrant Businesses in Ghana**

Many of the small businesses in Ghana today have visible links with foreign places, sometimes in their names, but more often, in the products they sell and the services they offer. These businesses range from second-hand goods (slightly used items imported from Europe and North America) such as cars, fridges and clothes to new Italian floor tiles, fashion items and internet services (Smith, 2007). Besides businesses with clearly visible links abroad, there are many others initiated or supported by migrants. It is generally acknowledged that much of the flow of remittances by migrants to the country of origin, whether channelled through formal or informal avenues, is meant for businesses (De Haas, 2003; Grant, 2009; Hamann, 2000). Mazzucato (2005) has indicated with respect to Ghanaian migrants in Amsterdam that 28 per cent of all their remittances were invested in businesses in Ghana, mainly in Accra and Kumasi. According to Asiedu (2005), Diko and Tipple (1992), unskilled Ghanaians migrate abroad primarily to save capital in order to invest in houses and businesses in Ghana, since opportunities to accumulate such funds in Ghana are limited. Asiedu (2005) goes on to claim that a direct relationship exists between the duration of a migrants’ stay abroad and their ability to accumulate enough savings for housing and business projects in Ghana. The contribution of remittances to the local economy through business investments is increasingly recognised and welcomed, as these remittances are regarded as being ‘production’ oriented.

According to Grant (2009), about a third of all returnees operated as ‘transnational entrepreneurs’ with business associates abroad whom they frequently visited. Most of these business contacts were with their former host countries and typically involved dealing in import-export trade or for client referrals and service sector activities. Others were consultancy works in Ghana that depended on having offices abroad to secure contract work. Besides Grant’s (2009) study, which examined in some detail how returnees use their extended family, social and other networks to manage their businesses upon return to Ghana, most studies on return migration do not clearly indicate how migrants sustain their businesses upon return.

Currently, there are two debates on migrants and their roles in business related activities in the economy of developing countries such as Ghana. The first debate looks at the migration-development nexus. It analyses migrants’ ‘productive’ use of their savings through investments in businesses rather than in consumption activities like the purchase of cars, the building of mansions, or funding lavish ceremonies such as funerals (Black, King, & Tiemoko, 2003). The second debate concerns the sustainability of migrants’ business investments and their contribution to the national economy. In this debate, it is argued that larger businesses, rather than smaller sole proprietor businesses, can help expand Ghana’s economy. These two debates interrelate in examining the contribution of migrants’ investments to Ghana’s economy and how they alleviate rural and urban poverty and boost other sectors of the economy. Central to both debates is the view that current investments of migrants in businesses are insufficiently innovative. This, it is argued, relates to the unwillingness of migrants to place their hard-earned savings in investments believed to carry risks. These risks might arise if migrants were to pursue new, uncharted niches in the economy, or if they were to partner others in business ventures, pooling capital to establish more capital-intensive businesses. The unwillingness of

migrants to take such steps is because they see few other possibilities to make a living in Ghana (Ammassari, 2004; Black, King, & Tiemoko, 2003). Meanwhile, another way by which migrants could avoid these risks is to manage their own business upon return and also give it a transnational face.

While these two debates do raise relevant points, this paper argues that they give insufficient acknowledgement to the efforts migrants make in their bid to sustain their businesses in the national economy.

### **Transnational Approach on Return Migration**

Until recently, migration was understood in terms of two opposing outcomes: permanent settlement abroad or permanent return home. Return migration especially was thought of as the final outcome of the migration process. This relatively static bipolar model is a simplistic and unilinear depiction of migration and return migration that is not consistent with the realities of population movements in an increasingly transnational and interconnected world. Transnationalism refers to the multiple ties and interactions that link people and their institutions across the borders of nation-states (Vertovec, 2009). It emphasises the increased possibilities for migrants and their families to live and/or move between two or more countries and adopt transnational identities. This has become possible because technology has made it easier for migrants to maintain links between their societies of origin and their adopted homes through the use of the telephone, television or internet and be able to remit funds through globalised formal and informal banking systems. Migrants are able to travel back and forth to relate to people and to work and do business in two societies simultaneously (Kyei, 2013; Mazzucato, 2005; Vertovec, 2009). These transnational ties could span over several decades, thereby becoming trans-generational (De Haas, 2003). It is widely acknowledged that these kinds of transnational ties are built on reciprocity and trust amongst family members, friends and business associates.

The transnational emphasis in migration studies is based upon the recognition that modern migration and settlement patterns are increasingly taking place within bipolar and multi-polar structures. This behaviour, which was probably not part of early forms of migration, characterises modern patterns of movements. Some authors argue that migrants may not return definitely to their countries of origin or their parents' birthplaces; they may still maintain various forms of linkages with these countries that could develop into eventual return for permanent settlement (Thomas-Hope, 1999). On the other hand, it could further be argued that even when migrants have returned permanently to their parents' birthplaces, they may still maintain various forms of linkages with the host country.

The transnational approach is thus an attempt to go beyond traditional migration theory and the structural approaches which are informed by and developed in the service of the nation-state and treated migrants as individuals who either departed (emigrants) or arrived (immigrants) (Levitt & Nyberg-Sørensen, 2004). Furthermore, De Haas (2010) argues that the transnationalisation of migrants' lives challenged assimilationist's models of migrant integration as well as the modernist's political construct of 'origin' or 'destination' and that categories such as 'permanent', 'temporary' and 'return migration' are increasingly difficult to sustain in a world in which the lives of migrants are characterised by circulation and simultaneous commitment to two or more societies or communities.

The transnational approach also criticises the notion of space that assumes that physical, social and political spaces perfectly coincide with a geographical space that is radicalised within the boundaries of a nation-state (Jackson, Crang, & Dwyer, 2004). Within this line of thought, the social fields approach proposed by Levitt and Glick Schiller (2004, p. 2) explains that individuals belonging to transnational social fields 'are through their everyday activities and relationships, influenced by multiple sets of laws and institutions. These sets of regulations could make it difficult for return migrants to easily give up their transnational activities and practices even after permanent return. Their daily rhythms and activities respond not only to more than one state simultaneously, but also to social institutions such as religious groups that exist within many states and across their borders.' Therefore, through the transnational approach, we are able to understand that migrants live between the home and

the host countries influence and are in turn influenced by what goes on in these two places. In this regard, return migrants may have strong ties with the host country and may exercise their double-citizenship rights to maintain contacts with the host country (Levitt & Nyberg-Sørensen, 2004).

### **Research Methods and Profile of Study Population**

Like most African countries, Ghana has no universal registration of returnees on which to base a random sample and returnees are extremely hard to track (compare Grant, 2009). Anarfi, Kwankye, Ababio and Tiemoko (2003) in their study of the Ghanaian case found that returnees largely mirrored national demographics overall. Cohen (2005) also argues that most returnees relocate to the most globally connected urban centres. Our sample was therefore purposively selected from four major urban centres in Ghana known for the concentration of return migrants. These include the two largest cities in Ghana (Accra and Kumasi metropolitan areas) and the Dormaa/Berekum and New Juabeng municipal areas. The international migration literature (Anarfi, Awusabo-Asare, & Nsawah-Nuamah, 2000; Taylor, 2009) cites these locations as the established return migration flow regions in Ghana.

The study used the snowball technique in selecting its respondents. In order to have as many diverse responses as possible, key informants with in-depth knowledge of the survey areas were recruited to assist the researchers to identify returnees. During the preliminary field trip to the selected sites, 14 returnees were selected. Through chain referrals by the 14 respondents and personal contacts, the researchers finally achieved the required sample size. A total of 138 return migrants from western countries were invited to participate through personal contacts and telephone calls. However, the difficulty and sensitivity of the research only made it possible for 120 respondents to actually participate.

The first section of the survey asked questions relating to migrants' socio-economic circumstances before and after return. The survey instrument was pre-tested to help establish stability, consistency and content validity. It was self-administered and the advantage was that all questions which were relevant to respondents were answered. At the end of the structured questionnaires, respondents were asked to give their consent by providing their contact details for further in-depth interviews. 25 such respondents were selected based on their sex, age and mode of return. The qualitative information focused primarily on post-return experiences and was a follow-up on the structured questionnaires.

The majority of respondents (78%) were between the ages of 30 and 54, including some younger and older returnees. 37 per cent of the respondents were females while males dominated with 63 per cent. A representative ethnic mix was a more difficult task to attain because of the diverse groups as well as the absence of records on ethnicity of emigrants or returnees. Most of the respondents were within their productive ages (with an average age of 42 years). Their educational levels were generally high with 61 per cent having either a university degree or a diploma. Out of the total of 120 respondents, 54 per cent either furthered their education or acquired some kind of training or skills abroad. Respondents were found in all sectors of the Ghanaian labour market with the majority (23%) of skilled returnees in the educational sector as lecturers, researchers or high school teachers. Other skilled returnees worked in the banking, administration, sales/marketing or health sectors. This is attributed to the fact that recent recruitment of skilled personnel appears limited to the teaching and telecommunication sectors as well as some non-governmental organisations (compare Anarfi & Jagare, 2005). Most of the low or unskilled returnees were engaged in trading/businesses (29%) including mechanics, drivers, traders, masons, hairdressers and tailors. 8 per cent were farmers while 5 per cent had no income earning activity. More than half (69%) of the respondents were married, while the rest were either single (22%), separated or divorced (8%) or widowed (1%). About 89 per cent returned voluntarily, while 11 per cent were involuntary<sup>1</sup> return migrants.

The return migrants had stayed in different countries in Europe and North America with the majority coming from the United Kingdom (41%). The average time spent abroad was about nine years with a minimum of one year and a maximum of 44 years. The majority of return migrants came

back home because they either felt homesick (32%), had completed their training or ended their contract abroad (21%), wanted to start their own businesses or projects (15%), or had lost their jobs in the host country (8%).

Generally, in our sample selection, we considered many of the important variables that influence the activities of return migrants: location of residence, age, sex, class, level of education and the type of business undertaken by the returnees. Most returnees to Ghana live in Accra and the major urban centres, hence our choice of the capital, Accra, and three of the most urbanised settlements in Ghana. The age of the returnee often determines the type of jobs and businesses that they undertake. Elderly returnees are most likely to be self-employed or work as consultants if they have specialised qualifications. Women with low education are most likely to work in the informal sector which is highly feminised in Ghana (compare Esson, 2013), while middle-aged persons with high education and training will likely seek employment in the public or private formal sector. The income level, or rather the amount of capital available to the returnee determines the kind and level of investments made (see Grant, 2009).

Finally, we must also mention the stellar performance of the national economy during the period of the research and data collection (2009–2010) as this influences the potential success rate of returnees' enterprises. In 2008, Ghana attained the status of a middle-income country and per capital income reached US \$1500 in 2009. In addition to income earned from the production of gold, cocoa, tourism, exports of non-traditional goods and remittances from Ghanaians abroad, Ghana started the commercial production of oil in December 2010. These developments resulted in considerable confidence in the economy by foreign and local investors. Furthermore, macro-economic conditions relevant to the performance of any business venture were quite favourable. Economic growth reached a peak of 14.4 per cent in 2011. The rate of inflation and interest rates were falling and the exchange rate was relatively stable (Oxford Business Group, 2011). Thus, the general economic conditions for doing business in Ghana were quite favourable during the period of research.

### Labour Market Participation among Return Migrants

In terms of accessing the job market in Ghana, return migrants could be categorised into two. The first category consists of return migrants in wage employment with mostly higher education and/or professional qualifications working in the public or private formal sectors. These include doctors, nurses, lecturers, teachers, engineers and bankers. A little more than half (50.8%) of the return migrants interviewed were found in this sector. The second consists of self-employed return migrants who came to Ghana with capital but only had secondary education; they were either in the private formal or informal sector. About 44 per cent of the respondents were in this area of employment. These enterprises include schools, farms, beauty salons, and building materials and groceries stores. Only six respondents (5%) had no income earning activity as at the time of the survey (see Table 1).

Despite all the preparations made towards their return, most respondents indicated that it took some time to enter the Ghanaian labour market. The majority (78%) of respondents had their jobs within three months of return, while approximately 22 per cent had jobs after three months and beyond. Most

**Table 1.** Employment of returnees

Nature of Employment	Number	Percentage
a. Wage employment	61	50.8
b. Self-employed	53	44.2
c. Unemployed	6	5.0
Total	120	100

of the respondents who took more than three months in finding jobs were usually those searching for wage employment. In cases where the job search took more than a year, respondents relied on their savings while others depended on extended families, both home and abroad, to make ends meet.

Family members and relatives play a crucial role in the economic behaviours and business ventures of return migrants (Black, King, & Litchfield, 2003; Tiemoko, 2004). Having been away for a number of years, the study revealed that kinship and social networks did not only become the main source of information for return migrants but were also used to establish the needed acquaintances required to secure employment in the formal sector. These networks comprised of those who had the capacity to influence their recruitments as well as those who served only as informants. About 62 per cent of the respondents secured or started their jobs with the help of friends, relatives, schoolmates, church members and associations while 29 per cent either responded to an advert or sent an application and nine per cent returned to their former jobs. Presented below is the experience of one of the respondents re-entering the employment market:

Emma, a Master's degree holder, secured his first job with an insurance company in 2007, two years after he returned to Ghana. He obtained this job with the assistance of his uncle who had distributed copies of Emma's curriculum vitae to several institutions prior to his return to Ghana. In order to overcome the stigma attached to being 'unemployed', he accepted a job opening based on his Bachelor's degree while he continued to search for a better paid job. In 2008, he was employed by a college as an Assistant Registrar. He stated: 'I will forever be grateful to my uncle and my friend who helped me to secure this job in Ghana'. (Emma, interview in Kumasi, 14 December 2011)

Another respondent shared the following as her experiences with friends and family:

I saw it as a responsibility because some friends had helped me before and were definitely going to continue assisting me on my return, so I needed to appreciate them. My mother was always asking me to buy gifts for this and that person; she never ceased reminding me of the assistance I received from friends and family. Maintaining contact with friends and family through the internet and telephone increased the bond between us. I remember upon my return, my former Director whom I used to call on phone while abroad, helped me re-enter the job market. (Akua, interview in Accra, 22 January 2012)

Kin and friendship networks are often maintained by returnees through transnational practices while abroad. They enable returnees to secure jobs that would have been difficult to acquire because they had to compete with non-migrants for the limited available vacancies. Therefore, social networks which were maintained while abroad are relevant not only to those who want to start their own businesses but also to those looking for formal jobs in the private and public sectors.

Another significant observation was the willingness of some respondents to work in areas below their educational qualification or in professions they were less enthusiastic about. For some respondents, accepting such offers irrespective of the education and skills they had acquired abroad were the only options available because of the challenges in the labour market.

Some migrants were faced with language problems on their return. For example, in depth interviews with some doctors trained in Russia showed that, on their return home, language was a barrier because they could not translate the names of some hospital equipment from Russian into English. This delayed service delivery at the hospital wards. However, with time they learnt these from friends and other colleagues who had similar experiences (compare Cassarino, 2004).

The other category is self-employed returnees who utilised their networks at home and accumulated resources to set up their private enterprises. Self-employed returnees expressed different reasons for starting their own businesses. These include the need to create employment opportunities, the love for the work they did while abroad and the need to be independent and build a fortune for their children. Indeed, the reasons outlined by returnees hardly support the view that migrants are often

entrepreneurial by default rather than choice. In other words, return migrants started their own businesses based on their personal aspirations and attitudes and not because they saw fewer other possibilities to make a living in Ghana (Ammassari, 2004; Black, King, & Tiemoko, 2003).

Most of the self-employed returnees hired stores in the city centre where commercial activities are vibrant. Some respondents came along with capital goods such as electronic machines, corn mills, building materials, computers and cars that aided their businesses. Nana, for example, sold his corn mill in order to start his mattress selling business. She explained further:

I decided to start my shop in Accra but the rent was so expensive. I came back to Kumasi, surveyed the town very well and I began a mattress shop. Before starting the shop, I sold one of the corn mills and used the capital to start my own business. I was able to buy a lot of mattresses to start the shop. It was moving on very well which made people venture into that business too. (Nana, interview in Kumasi, 28 December 2011)

However, not all returnees had positive experiences with family members and friends. A few returnees complained of the excessive financial demands made on them by their relations and friends and the pressure to meet the high societal expectations from returnees. Some returnees reported being cheated by family members and friends. The most frequent case involved the mishandling of funds meant for investment in housing and businesses (compare Grant, 2009; Kyei, 2013). Nevertheless, the significance of family, friends and social networks in establishing successful businesses and transnational ties cannot be overemphasised. Generally, our findings support recent studies by proponents of the livelihood and the new economy of labour migration approaches that stresses the significance of family and kin ties and network in (return) migration (see De Haas, 2010).

### **Benefits of Transnational Links on Employment after Return**

Although the rise of academic and policy concern with transnationalism might imply that permanent return is becoming less relevant as a process, not just in relation to Africa, transnationalism itself can arguably be conceptualised as a form of return just as it can be seen as a form of integration in host societies (Kivisto, 2001). Thus, contrary to the perspective of northern governments where any return that involves re-emigration is seen as indicating a failure of the sustainability of return (International Organization for Migration, 2003, 2009), an alternative view suggests that in order for return to be sustainable, returnees often need to retain continued access to the wider international, professional and social world in which they have worked and lived. This is reflected in the way in which these respondents continue to value their contacts made abroad after their return. The experience of Junior is related below:

Junior was trained as a nurse in Ghana. After some years of practising nursing, Junior earned a government scholarship to study abroad and subsequently diverted from nursing and pursued further education as a medical doctor in the UK. After his studies he had the opportunity to specialise and also work with one of the renowned hospitals in the UK. In 2005, Junior returned to Ghana and was employed in one of the Teaching Hospitals in the country. His former employers in the UK sometimes call him to help out in the hospital, especially during the summer breaks. He confirmed that the intermittent call for support gives him the opportunity to earn more income as well as learn new skills in his area of specialisation. He is a member of the Medical Association in both Ghana and the UK. (Junior, interview in Accra, 3 December 2011)

42 per cent (that is, 50 out of 120 respondents) of the returnees said they had professional contacts abroad. In all of these cases, the relationships were built by the individuals themselves. Some returnees, like Junior, maintained contacts and exchanges with their foreign partners through the internet, video link, telecommunication and other social media. Their professional contacts are so

crucial to them that these contacts have become part of their everyday lives in the home country. Many professionals such as doctors, lecturers and engineers who have maintained their foreign networks typically spend their sabbatical in hospitals and schools abroad. Such visits help them to keep abreast with new trends and modern technologies in their jobs while at the same time boosting their incomes back home. It further enhances the ability of return migrants to compete with non-migrants for the opportunities available in the Ghanaian labour market because of the general belief that people who are trained abroad have good work ethics and are smarter.

About half (51%) of self-employed returnees have business contacts abroad. Although some admitted that these business contacts were not too close, they still used them whenever the need arises. Besides their own businesses, some sold imported goods and used items such as television sets, cooking utensils, teacups and mattresses. Some of the respondents attested to the fact that their businesses were booming because many Ghanaians believe that goods from overseas are durable even when they are slightly used. Returnees usually obtain their goods on credit basis from their partners abroad. They then sell the items and pay their debtors thereafter or share any profits made with their business partners depending on the nature of the contract. Businesses were contracted informally on two main levels: in the first case, the return migrant pays for the goods before they are sent to Ghana; and secondly, the partner abroad initially sends the goods and the return migrant pays after sales. These informal arrangements may change overtime. For example, Kweku has a business partner who supplies him with computers from the Netherlands. He explained their relationship thus:

... my former colleague in the Netherlands has been supplying me with these computers. I go to the harbour almost every three months to retrieve the goods for the shop. The deal is that, he brings them so that I pay for them after sales. The initial plan was to just sell computers but gradually I had to also include servicing because people kept bringing their broken computers for repairs. As we speak now all these guys are my apprentice [pointing to some four guys who were busy working on some of the computers]. I have trained them for that. (Kweku, interview in Kumasi, 6 January 2012)

Many return migrants who had business partners abroad explained that in order to sustain their position in the transnational arena; they needed to engage partners who were most likely to help them sustain their businesses or association. For this reason, returnees identified trust as a key factor in maintaining these links. Smith (2007) in studying transnational businesses among Ghanaians in the urban sector also identified trust as an important factor. Indeed, among return migrants, there were hardly any formalised agreements in their transnational arrangements. Return migrants engaged in these activities also relied on information collected through family and friends in the selection of their business partners abroad. However, most return migrants also claimed that they were aware of the risks involved in these kinds of transnational arrangements; for example, the other party may not fulfil his part of the arrangement. One of our interviewees who trades in second-hand refrigerators shared his experiences:

Business is business, it has ups and downs, but so far, my partner and I have been faithful to each other. Since I have been diligent in my sales and sharing of the profit, I don't foresee any breach of contract. We both benefit from the business so why would one cheat on the other. (Mr. Amofa, interview in Koforidua, 25 October 2011)

In this regard, Lyon (2000, pp. 664–665) argues that trust operates when there is confidence in other agents, despite the uncertainties, risks and the possibility for them to act opportunistically. Most of our respondents said they hardly foresee such risks because they have confidence in their partners so long as they (the return migrants) fulfilled their part of the arrangement. This means also that the multiple ties and interactions that link people across the borders of nation states (Vertovec, 2009) can only be successful if it is built on trust and reciprocity.

Other return migrants received financial support from relatives at home and abroad to keep their businesses running. Derrick, for instance, had no capital to start a business upon return. Actually, he returned to Ghana because he had lost his job in Italy. Derrick only had a secondary school certificate, which could not find him a well-paid job in Ghana. In order to make a living, his eldest sister who also lives abroad with her family assisted him to start an electrical shop. Derrick's experiences as well as those of our respondents emphasise the importance of family ties and intergenerational support in establishing and maintaining businesses in Ghana (compare De Haas, 2010).

Apart from professional and business contacts, about 22 per cent of the respondents also had some investments abroad. These include mortgages, bank savings, shops and pension, among others. Some respondents said that they deliberately kept those investments to support them financially since they perceived the Ghanaian economy to have several challenges. Therefore, to sail through these challenges they maintained some links abroad that could assist them financially until they had established themselves back home. Paul shares his story about receiving his pension from the UK thus:

You know, I was on pension before I returned to Ghana to start this school. So my wife has been remitting my pension pay to me every month. In fact this school is doing well because of my pension pay. Sometimes parents don't pay school fees and meanwhile teachers need to be paid. In Ghana you can hardly go to the banks for loans because their interest rates are too high. (Paul, interview in Kumasi, 23 January 2012)

One of the returnees also said:

I have a house in Spain which I gave out for rent before coming to live in Ghana. Every month the occupants deposit the rent in my account. At least, if for nothing at all, these monthly incomes keep me going in my transport business and also to fulfil other family obligations. You see, I am fulfilled, when I think of the fact that I have a house in Spain that fetches me money every month. (Adom, interview in Dormaa, 29 September 2011)

To sum up, this paper has identified three major groups of return migrants who developed and nurtured transnational ties in order to establish and grow their enterprises. The first consists of professionals who maintained ties with former colleagues and institutions abroad. Through exchange programmes and short stays abroad they were able to learn new skills and technology and earn some additional income. Generally, both the returnees and their partners and colleagues abroad benefited from such transnational ties despite the associated risks. Our findings tie in with those of Grant's (2009) who illustrated the benefits of transnational links with the case of high-profile Ghanaians such as Patriet Awuah who after a 20 years sojourn in the United States returned to Ghana to establish the Ashesi University, a private, Western-styled, African Ivy League university with the assistance of advisors and former colleagues from US universities.

The second group consists of returnees who established and nurtured their businesses with the assistance of some partners abroad. These foreign partners either provided them with goods on credit basis or some form of financial support. The relationship between the returnees and their business associates were also reciprocal as both partners benefited from the cooperation. Indeed in such cooperation, it was the foreign partners who provided goods on credit or secured loans for their partners in Ghana who took on the risks involved in going into such partnerships.

The third form of transnational ties was those established by returnees with some form of investments abroad. These included those who had savings, mortgages, shops and pensions abroad. Such persons usually utilised the services of a reliable partner abroad, usually a family member or a close confidant who can be trusted with funds and business secrets. The risks involved in such partnerships are very high for the returnees, so such engagements only took place with persons whom they trusted, usually family members or persons they have lived with or have had business dealings with over a long period.

## Conclusions and Recommendations

This paper underlines the importance of return migrants to the economy of Ghana. It shows that return migrants utilise the transnational links that they have developed while abroad in accessing new skills and technology, sustaining their businesses, as well as obtaining financial support (mainly credit) from their business partners, family members and former colleagues abroad. These kinds of transnational links provide return migrants the opportunity to access resources which might not be readily available in the home country and also enhance their ability to compete with other businesses in Ghana. Furthermore, through the provision of specialised services in health, education and other sectors, returnees contribute to the improvement in the quality of life in Ghana. Some authors (for example, Ammassari, 2004; Black, King, & Tiemoko, 2003) have argued that migrant businesses are more often on a small scale and lack innovation because they are for the purposes of sustaining migrants' lives at home. On the contrary, our findings revealed that although some of the businesses were small and for sustenance purposes, they provided employment to many residents in Ghana.

However, available literature indicates that some returnees are engaged in businesses that are controversial and not necessarily beneficial to the populace. Grant and Oteng-Ababio (2012), for example, highlight the role of returnees in facilitating the importation of electronic waste into Ghana. Despite its lucrative nature, this business has negative health and environmental impacts on the population. Other authors have pointed out that the effects of returnees building posh houses, establishing successful companies, living a 'good life', travelling frequently abroad and displaying their wealth and so forth are that there will be more migration, inequality, dependency and the brain drain but this remains a debatable assertion. Successful companies established by returnees do provide employment, encourage investment and may result in more people staying in Ghana (see De Haas, 2010).

The paper also shows that return migrants maintain their existence in the transnational space by gaining the trust of their partners and family members. The basis of this trust is familial and the long-term association with their partners abroad. Although there are huge risks involved particularly in the business ties that they enter into with their overseas partners, most returnees we interacted with hardly perceived such risks, so long as they fulfilled their part of the agreement. Furthermore, the business and professional contacts between the returnees and their partners were mutually beneficial. Both parties benefited financially from the arrangements. To the returnees, income generated from their businesses and the expertise and skills they acquired while abroad enabled them to expand their businesses and improve upon service delivery in Ghana. Their partners abroad also earned additional income as a result of the collaboration with the returnees.

Generally, the findings support the argument on transnational network formation that suggests that the multi-stranded relationships and interactions proposed by transnationalism are often sustained through trust that is established through informal arrangements and relationships.

Finally, in spite of the above findings, we would like to reiterate the fact that our research was based on a small sample of 120 respondents obtained through the use of the snowball sampling method. This was largely due to the absence of reliable data on return migrants to Ghana and the difficulty in estimating the population of returnees. The extent to which our findings are representative of the situation of return migrants throughout the country can therefore be justifiably raised. Furthermore, it is worthwhile noting that the political and economic situations in Ghana during the period of the research were particularly good. A stable democratic political system that promoted free enterprise and a growing economy with bright prospects following the discovery of oil in 2007 contributed to the general euphoria and the high business confidence in the country during the period of the research. These conditions encouraged many Ghanaians abroad to return home and set up businesses. However, given the fragility of Ghana's economy, it is unclear whether the favourable investment climate in the country can be maintained in the long term. This will influence the willingness of return migrants to stay and invest in the country in the future.

Following from our findings, we make the following suggestions. First, in order to promote national development and enhance national competitiveness in a globalising world, Ghana needs to strengthen

both its educational and business sectors. With this goal in mind, Ghana needs to encourage collaboration between its citizens and foreign countries and encourage opportunities for the sharing of knowledge and expertise (Asiedu, 2010; Hart, 2006; Lynn & Salzman, 2006). For example, the government should remove barriers and limitations placed on return migrants' and expatriates' travels and also provide subsidies and other forms of assistance to return migrants so that they can work more effectively with their overseas counterparts towards the promotion of national development. In order to enhance such engagements, a database of third-country nationals who left host countries (for example, North America and Europe) at the expiration of their temporary residence or work permit should be created so there could be a provision for long-term, multi-entry visas for such return migrants. Alternatively, there could be an understanding that former migrants would be given priority for obtaining tourist or business visas under simplified procedures.

These endeavours call for the strengthening of institutions responsible for the collection and assembling of data on migration such as the Ghana Immigration Service, the Customs Excise and Preventive Service, and the Ministry of Foreign Affairs so that they can provide regular, timely and comprehensive data to help formulate effective and comprehensive migration policies for the nation. There should also be more effective collaboration with global efforts by the International Monetary Fund (IMF), the World Bank, the Organisation for Economic Co-operation and Development (OECD) and other United Nations' (UN) bodies and institutions to sort out existing inadequacies and discrepancies in migration data sets. Furthermore, the impact of investment of return migrants within specific sectors of the Ghanaian economy needs to be evaluated.

### Disclosure statement

No potential conflict of interest was reported by the authors.

### Notes

1. The situation of involuntary returnees was not discussed in the paper because their number is too small for any statistical analysis.

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