

From refugees to trans-local entrepreneurs: crossing the borders between formal and informal institutions in Bosnia and Herzegovina

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This paper¹ focuses on the former war refugees, who (partly) returned to their homeland Bosnia and Herzegovina and became significant investors in their local communities. We are particularly interested in their experiences with manoeuvring between different countries and institutional environments as these refugee entrepreneurs are running their businesses simultaneously in developed European economies (Switzerland and Sweden) and in their home country. Although the two companies run by the former refugees described in the paper are located in the areas that remain divided along the ethnic lines caused by the war (Srebrenica and Banja Luka), we find that the post-war returnees' businesses are ethnically tolerant and inclusive, sending a powerful message to the formal institutions, which often act in the opposite way.

Keywords: refugees, return, Bosnia, investment, institutional environment, informality

Introduction

Over the last three decades, the communities and families in Bosnia and Herzegovina (hereafter "Bosnia") have experienced unrepresented challenges caused by the 1992-95 war and the resulting destruction, displacement, emigration, and post-conflict return migration. This paper is based on two case studies exploring the emerging trends in return migration to Bosnia; i.e. partial returns from the diaspora, in our case, from Sweden and Switzerland. In particular, we look at economic activities of the returnees in localities of origin, the formal-informal institutional interactions and their influence at both ends of the migration path, and the effects of returnee migrants'