

# To Be or Not To Be a Samsar: Motivations for Entrepreneurship among Romanian Returnees Involved in the Transnational Trade in Used Vehicles

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*Whilst the extant scholarship offers a detailed exploration of why return migrants enter self-employment or engage in business initiatives in general, we know relatively little about their involvement in transnational economic activities which connect the previous destination country with the origin one and how they compare to other kinds of entrepreneurial venture in this vein. This article aims to understand these motivations by using insights from 50 semi-structured interviews conducted with traders of used cars imported in Romania, a mass phenomenon in the Central and Eastern European area and beyond. An important result of this research is that entrepreneurs have to consider a multitude of factors in multiple locations when entering the used-car business. The article also suggests that entrepreneurial motivations among used-car traders are not fixed but, rather, can and do change over time.*

*Keywords: return migration, transnationalism, entrepreneurship motivation, used-car trade, Romania, East–West migration*

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## Introduction and literature overview

‘I am not a samsar<sup>1</sup> – I wasn’t starving abroad and [as a result] had to return back to Romania to sell wrecks and cheat clients’. This informative remark was stated by Ion, a used-car trader, in response to a client negotiating a lower price. The statement also brings out the central theme of this paper: return migrants’ motivations to enter the trade with imported second-hand cars in Romania. The existing literature shows that there can be multiple motivations behind return migrants’ business endeavour – such as individuals who embrace an entrepreneurship trajectory out of economic necessity, those who embrace entrepreneurship because of the potential market opportunities and individuals who have other motives (Acs, Desai and Hessels 2008; Reynolds, Bygrave, Autio, Cox and Hay 2002).

Yet the growing body of research on return migrants’ business motivations studies mainly the origin-country context (Garc, Luc and Padilla-Angulo 2020; Lundberg and Rehnfors 2018) while overlooking the returnees involved in transnational economic activities (Gruenhagen, Davidsson and Sawang 2020; Zapata-Barrero and Rezaei 2020). Therefore, this paper aims to better understand how the decision to establish a new business endeavour is taken and whether the main motives for entering the trade with used cars are necessity-driven, opportunity-driven or have other incentives, using insights from 50 semi-structured interviews conducted with traders of used cars imported in Romania.

Understanding the various motivations for entrepreneurship among returnees involved in transnational trade deserves closer attention for several reasons. First, the returnees involved in transnational businesses might have different reasons for initiating entrepreneurship when compared to other types of migrant entrepreneur. The existing literature already highlights that return-migrant entrepreneurs are doubly self-selected – at the initial emigration and at the return stage (Batista, McIndoe-Calder and Vincente 2017) – which hints at their potentially distinctive characteristics when compared to other migrant entrepreneurs. Furthermore, these characteristics are even more relevant if one considers the existing scholarship which highlights the self-selection problem among transnational entrepreneurs in general (Brzozowski, Cucculelli and Surdej 2017; Drori, Honig and Wright 2009).

Second, considering that, by definition, transnational entrepreneurs operate across country borders (Solano 2020), it is worth asking how returnees navigate between national contexts rather than within the same country and how this, in turn, can ‘push’ or ‘pull’ them towards entrepreneurship. In so doing we can also better understand how the reasons for conducting transnational trade with used cars compare with other kinds of entrepreneurial venture managed by return migrants.

Third, the typology and the reasons behind entrepreneurship motivation can be very important when discussing the impact of migrant entrepreneurship on the development/transformation/social change potential in origin countries (Kelly 2020; Monti and Serrano 2021; King and Kuschminder 2022). The existing research suggests that opportunity-driven return entrepreneurs are more likely to own bigger companies, to employ more people, to unfold different management strategies, to have higher aspiration levels or to use more from their migration-related experience (Barjaba 2018; Croitoru 2019; Bloh, Mandakovic, Apablaza, Amorós and Sternberg 2020; Klagge and Klein-Hitpaß 2010) but we do not know if this is also the case with the transnational businesses operated by return migrants. With increasing interest in this topic in Romania (Şerban and Croitoru 2018) and beyond (Barjaba 2018; Bloh *et al.* 2020), acknowledging that migrants can be involved in transnational businesses after their return and understanding their potential impact could be essential factors for better public policies.

Fourth, the trade in imported used cars from Western Europe seems to be a promising venture through which to analyse the motivation for entrepreneurship among returnees, as this is a business that has greatly developed in recent decades in Romania and beyond (Beuving 2006; Brooks 2012; Kołsut 2020; Kołsut and

Stryjakiewicz 2021; Rosenfeld 2012), including a significant share of (return) migrants. However, few studies deal with the used-car topic in relation to migration, return or transnational entrepreneurship.

Undoubtedly, migrant entrepreneurs can have multiple motivations behind their business endeavours. For instance, they can directly experience various push and pull factors which lead to the decision to engage in different occupational trajectories. One of the most important ways in which the academic scholarship unfolds the individuals' motivation to enter entrepreneurship is by distinguishing between necessity-, opportunity- and mixed-motivated entrepreneurs and the reasoning and outcome behind each of these typologies. Thus, it is acknowledged that necessity-driven entrepreneurs tend to establish a new business venture mainly to escape unemployment. By contrast, opportunity-driven entrepreneurs are seen as individuals taking advantage of various potential market opportunities (Acs *et al.* 2008; Reynolds *et al.* 2002).

More specifically, for the category of necessity-driven entrepreneurs, Barjaba (2018) mentions aspects such as a lack of employment opportunities, discrimination or overqualification as important 'push' factors among return migrants. In addition, Croitoru and Coşciug (2021) highlight that factors related to both the origin and the destination country can be relevant when considering the 'push' factors among returnees. For the category of opportunity-driven entrepreneurs, factors such as new ideas and skills brought back from a previous migration experience as well as transnational connections, are usually mentioned (Black and Castaldo 2009). In terms of reasons which go beyond the opportunity–necessity dichotomy, several studies show, for instance, that women were found to have a lesser likelihood of becoming entrepreneurs after return (Croitoru 2020; Martin and Radu 2012).

Similar typologies and explanations are also used for the transnational entrepreneurs. The existing literature suggests that migrants can create new transnational businesses using their unique mix of skills and embeddedness in two different national contexts. Furthermore, engaging in transnational businesses was also found to be associated with the level of diversity among entrepreneurs' social networks, the type and amount of social capital available to the entrepreneurs and the level of exposure to different settings, contexts or markets (Brzozowski *et al.* 2017; Rusinovic 2008).

## Methods

The design of this article is based on the research principles of multi-sited ethnography (Falzon 2016; Marcus 1995), following the second-hand cars through all the geographical and virtual spaces they pass from the source to the destination. Therefore, the research design includes data collection (in-depth interviews and participant observation) in the importation (Romania), exportation (Germany, the UK, Belgium etc.) and transit countries (Hungary, Slovakia etc.) as well as in various virtual spaces (dedicated web platforms etc.).

The study is based on face-to-face interviews with 50 people involved in the trade in imported second-hand cars who have a migration background, usually in the country from where the second-hand cars are imported. When the interviews were conducted, all the participants had returned to Romania at least a year earlier, while the most distant return took place about 10 years before. The interviewees lived abroad for at least one year, while several traders have lived in other countries for more than 10 years. In a similar manner, most of the interviewees have lived in one country, while several have migration experience in multiple destinations. All interviews were conducted between 2014 and 2018, in Romanian, and took on average between 30 minutes and two hours. An interview guide was used to cover topics such as their socio-economic background, emigration and return experience, life trajectories, etc. The interviews were recorded and transcribed and a thematic coding was undertaken, using ATLAS.ti software, for the analysis.

Interviewees were identified through both snowball and purposive sampling in Romania and abroad (Babbie 2016; Creswell 2014). The recruitment process started from several entry points in order to generate

as many immigration, return and entrepreneurial trajectories as possible. For the research carried out in this paper I used four entry points: a group of entrepreneurs in the area around Osertown (a pseudonym), one of the largest cities in Romania and located in the region of Transylvania; the second-hand car market situated on the outskirts Osertown, probably the largest such market in Romania and one of the largest in the CEE region; a second-hand car market situated in Berlin, one of the most important cities for this kind of trade in Europe; and a religious community stretching between the UK and Romania.

All the returnee entrepreneurs interviewed in this study were men – one of the main characteristics of the cross-border second-hand-car trade in Romania and beyond (Beuving 2006; Brooks 2012; Rosenfeld 2012). Most were middle-aged and had a medium level of education (high school or vocational education and training – VET), two had less than a high-school education while three had university degrees. In terms of the number of employees, most of them worked alone or together with other family members. It is relatively common for men to receive support from their wives or life partners or siblings – at least in parts of the trading process. Just three entrepreneurs employed non-family members to carry out elements of the importation process.

This paper actively adhered to the research ethics guidelines, as set out by the *Babeş-Bolyai University Code of Ethics and Professional Conduct*, including, but not limited to, the voluntary and informed consent for participation, data security, and/or active limitations on the collection and storage of personal data.

## Research context

No coherent or commonly accepted definition for return migration exists thus far. The current meanings refer to a variety of individuals who return to their actual or perceived origin country at various moments in their life and for diverse purposes – such as retirement, work or investment opportunities, life-style or failure in their emigration situation. While some migrants return permanently, many return temporarily and this dimension, in particular, sparks many debates (Anghel, Fauser and Boccagni 2019). To further blur the concept, many of the returnees do not go back necessarily from the initial emigration destination or into the same community as the one from which they left; they may also return to an ‘imagined’ homeland, as is the case for the second generation (King and Kuschminder 2022). These concurrent definitions of who returnees are can create much confusion, especially when attempting to estimate the composition and size of the phenomenon (Carling, Mortensen and Wu 2011). This confusion is even more noticeable in the Romanian case, where the individuals migrating abroad do not have to declare it to the authorities (such as deregistering from their previous residence) and the existing statistics/projections use a variety of operational definitions (Ciobanu and Bolzman 2020; Croitoru 2020; Kordel and Lutsch 2018). For practical reasons we use the United Nations (1998) definition of return migrants – one of the most common definitions used in academic research:

*Persons returning to their country of citizenship after having been international migrants (whether short-term or long-term) in another country and who are intending to stay in their own country for at least a year.*

Recent studies estimate that there is a Romanian diaspora of about 4 million people and that around 1 in 5 of the 20 million Romanian citizens have at least one migration experience (Botezat and Moraru 2020; Ducu 2018; Oltean, Anghel and Schuster 2017; Vlase and Voicu 2018). Due to the relatively high diversity and complexity of the country’s migration flows, no consistent data on return migration are available for Romania. Several estimates suggest that only a modest fraction of emigrants have returned home. Martin and Radu (2012) hint at a return rate of 7–8 per cent while Stănculescu and Stoiciu (2012) report that 4.5 per cent of households have at least one returned family member. Even if return migration was relatively small in scale

a decade ago, nowadays Romania appears to be experiencing an increasing and ongoing (transnational) return of migrants (OECD 2019).

Among the recent flows of returnees going back to Romania, entrepreneurship seems to be a relatively widespread phenomenon. Croitoru and Coşciug (2021) found in a survey that returnee entrepreneurship concerns around 8–9 per cent of the total sample of returnees and around 14–15 per cent of returnees exhibit an intention to invest in an economic venture in the future. In a similar fashion, an OECD (2019) study shows that the share of self-employed is 13 per cent higher among low-educated return migrants compared with low-educated non-migrants. Several existing studies dealing with the topic of entrepreneurship among migrants in Romania (Anghel, Botezat, Coşciug, Manafi and Roman 2016; Croitoru and Coşciug 2021) and beyond (Sinatti 2019) report that some of the returnees included in their studies are not ‘typical return migrants’ as they are usually defined in the scholarship (Cassarino 2004; King and Kuschminder 2022). Such a situation was also encountered in this research, where several participants reported that they migrated with the initial plan of acquiring a sufficient level of financial and social remittances to set up transnational business, such as the trade in used cars.

Regardless of whether or not they had well-planned migration trajectories, returnees can be observed in various business activities in Romania, from coffee shops and restaurants to food and textile factories or IT companies (Kordel and Lutsch 2018; Şerban and Croitoru 2018; Vlase 2013). The trade in second-hand cars is also a relatively widespread activity among return migrants in Romania but no statistics could be obtained about the precise number of them for several reasons. First, Romania is part of the European Union (EU) and, considering the EU’s principle of the free movement of persons, money and goods, the importation of second-hand vehicles is not subject to any specific taxation or institutional control in the origin, transit or destination countries (European Commission 2012). Second, the importation of used vehicles is mainly a small-scale business in Romania with usually only one person involved in the trade and just a few other persons engaged in parts of the process (such as repairing or transporting the vehicles). However, Croitoru and Coşciug (2021) suggest that 15–20 per cent of the return migrants participating in their survey are or were, at a certain point in their career, involved in the used-car trade.

### **Unpacking entrepreneurship motivations among traders of imported used cars in Romania**

As discussed in the introduction, the existing literature on entrepreneurship motivation among returnees shows that they seem to be ‘pushed’ or ‘pulled’ onto entrepreneurship trajectories or to have multiple motivations. The following sections present these categories of necessity-, opportunity- and mixed-motivation entrepreneurs while highlighting the transnational contexts in which they unfold.

#### *Necessity-driven entrepreneurs*

About a third of the participants in this research fall into the category of necessity-driven entrepreneurs, meaning that returnees’ establishment of businesses selling imported used vehicles was mainly a result of various constraints rather than something to which they aspired. Several individuals in this category seemed to face difficulties in either the origin or the destination country or both, which, in turn, ‘pushed’ them towards the trade in used cars.

Lacking the requisite networks and being unable to secure the desired jobs were among the main reasons highlighted during the interviews in relation to both origin and destination country. For instance, Mihai<sup>2</sup> is a former migrant to Switzerland who detailed how he had difficulties in accessing a job as a firefighter back

home in Romania. During the interview he mentioned that, after returning to Romania, he applied twice for this position but was rejected because he lacked the relevant political connections.

*(...) if one doesn't know the right people or if one doesn't do favours to those who have the power, one doesn't stand a chance to get those jobs (...) [Rejection] was a shock for me, I returned home specifically for this job and couldn't see myself doing anything else in Romania.*

While waiting to apply for the second time for the firefighter position, Mihai also tried other jobs in Romania. For instance, he also worked for a short time as a taxi driver – until he realised the ‘informal working conditions’ in the field – and later as a ‘partner’ in a ride-sharing company with his own car. However, he understood that the income obtained from the ride-sharing activity was not sufficient when he had to sell his car to pay for an unexpected expense:

*I urgently needed some cash for my mother's medical expenses... It was a surprise how fast I sold it (...) the next day after I posted an ad in the [name of a newspaper] several people called and the same day it was already sold (...) at a price almost double the one I paid [in Switzerland] the year before.*

Several weeks after selling the car, Mihai applied and was rejected for the second time for the firefighter job. With this refusal and his mother out of the hospital, he decided to re-migrate to Switzerland. However, he found a different context there compared with the one he left more than a year before – employers were more reluctant to hire foreign workers not registered in Switzerland after the 2014 referendum against ‘mass immigration’. After several unsuccessful attempts to secure conventional (satisfying) employment, including at his former workplace, he decided to return to Romania. He initially planned to invest in a small farm with his family in a village near their hometown. To do so, he bought a second-hand car in Switzerland and filled it with used items, such as furniture, sports equipment and electronics, to be sold after his return to Romania to ‘cover some of the financial losses’ he had by going to and staying in Switzerland. He recalls during the interview that after selling the used items brought back from Switzerland, he realised that this could be an activity which could be turned into a viable business and therefore postponed the farming idea:

*I wasn't aware of the number of cars brought from abroad and how many potential customers there are. (...) The [used car] market was full of clients; I sold the car in the first hour. (...) The Oser [used-goods market] was crowded with many used goods but I sold everything I took because it was from Switzerland. (...) I started considering it as a serious activity and an honest source of income.*

Like Mihai, several other entrepreneurs explained that becoming traders in used vehicles was not something to which they initially aspired but was, rather, a form of self-defence against the harsh conditions in the labour market which ‘pushed’ them along this entrepreneurship path. Besides the lack of access to networks and not adapting to the job market, several participants also mentioned the factor of discrimination. For instance, it was reported in several interviews that native workers tend to have much higher wages and better working conditions than other migrants in the same job – as in the case of Marius, who was working as an electrician in Germany:

*(...) all foreigners were self-employed, paid by the meter, and had to work 10–11 hours per day with half an hour break, six days per week to get a decent income (...) The German workers employed in the company had higher salaries, a 7–16 working schedule, one hour lunch break, a lot of free days, and work only*

*5 days per week (...). We were engineers while they had, in the best case scenario, a hochschule [vocational] level [qualification].*

Discrimination in the German labour market was not the only factor inciting Marius to switch to the trade in used vehicles. He returned from Germany to work for one of the supermarket chains operating in Romania which has an important regional logistic deposit open in his hometown. However, he quit within several weeks after realising that he could not use his pre-migration education as he had been promised when applying for the job:

*I was employed as an electrician, I had to do maintenance and repair (...) they promised a job as an electrical engineer, that was my basic formation. (...) I have been told that I need previous experience as an engineer, preferably in Romania, to hire me as an engineer there...*

In this context, Marius considered that he faced discrimination in both his origin and destination country and he saw the trade in second-hand cars as a way of restoring his economic and social status. During the interview, he emphasised how his negative experience on the labour market in Germany and Romania was not something that his ego could tolerate for too long, especially ‘after investing so many resources’ in his education and the extensive work experience he had in the field. In his case, exploring the trade in used cars seemed to be a path towards status (re)gain in both origin and destination countries – by having his education recognised and used at its true value:

*When something happens to our cars on our way back and it is an electrical problem, I can usually solve it on the spot so we can return home safe and sound. (...) Mr electrical engineer is how I was nicknamed...*

### *Opportunity-driven entrepreneurs*

While some of the participants were ‘pushed’ onto entrepreneurship trajectories due to issues related to the origin and destination country contexts, other returnees seemed, instead, to be ‘pulled’ into entrepreneurship. In other words, opportunity recognition refers to how individuals use cognitive frameworks to ‘connect the dots’ in a changing environment (Baron 2006). About one third of the participants in this study maintained that they became transnational entrepreneurs dealing in used cars when they recognised the potential market opportunities of this trade. Several individuals in this category seemed to be ‘pulled’ by factors in the origin or the destination country.

Having migration experience is one of the most important ‘pull’ factors mentioned in a variety of forms during the interviews. Darius, a returned migrant from Spain, offers an interesting example. He was aware that investing in a house and a basic infrastructure in the home village was only the first stage to which migrants aspired and where they tried to reproduce the same standard of living as the one they experienced abroad. However, most migrants have moved on from these initial ‘development’ forms and started to ‘invest’ their money in other ‘assets’, such as cars. He explains that his own migration experience gave him the possibility to identify this increasing need for used vehicles which he then transformed into a business opportunity:

*Investing in houses was no longer seen as being enough for the following generations of migrants accustomed to the ‘Western’ standards of living. (...) I was in constant contact with the migrants and their families (...) and [could observe] the subsequent increasing investments in personal vehicles, not only in houses.*

Alpár is another entrepreneur who was ‘pulled’ towards entrepreneurship by his migration experience. He used his former experience of working in Germany in a technical inspection centre to seize the opportunity to import used cars back in Romania after observing that this trade was growing in Poland:

*Polish people were a constant presence [at the inspection centre] to get the technical inspection for their cars which was necessary to obtain the matriculation plates for export. (...) I thought that sooner or later Romanians would also start to do the same – which was later confirmed by more and more relatives asking for my help [to import used cars].*

Even though he started his firm in the same industry in which he worked before, not all the returnees involved in this trade had experience in related fields. An example of opportunity-driven entrepreneurs importing used automobiles in Romania – but who did not specifically work in a related field while abroad – is Bogdan, whose business operates in both Germany and Romania. Bogdan, who was 28 years old when he was interviewed, was himself raised in a family already involved in the trade in used cars and he considers that, because of this context, he was also capable of chasing the business opportunities provided by this trade. Bogdan has experience of several years working abroad, especially in the agriculture sector, which he left in order to start this trade in importing used cars. While his family was involved in buying and reselling local (not imported) used cars, he used his experience abroad to establish a transnational business with used cars imported from abroad:

*I saw that my family was not able anymore to compete with those businesses bringing cars from abroad. (...) I knew the language, the places to find the used cars and anything one needed to import them.*

#### *Going beyond the opportunity–necessity dichotomy*

As briefly discussed in the first part, the existing literature tends to treat entrepreneurs’ motivation as being fixed. However, this categorisation overlooks the dynamic nature of entrepreneurial motivations as they appear in this research, which shows that entrepreneurial motivations among used-car traders can change over time. One such example is related to previous business experience. As several participants in this research specify, the trade in used vehicles can also have its roots in their previous entrepreneurial activities and experiences, some of which appear to be associated with the necessity-driven category. For instance, Călin opened a car repair shop in France in 2010. Before this he was, for a long time, in a difficult economic situation during which he only had short-term informal jobs in the context of the economic crisis and remained unemployed for almost two years. As a reaction to this prolonged negative work experience in the host country he decided, together with his wife, to revitalise a car repair shop based on a previous business owned by his wife’s family. According to him,

*The economic hardships we encountered during the financial crisis in 2008 influenced my decision to reopen my wife’s family’s car repair shop (...) employment opportunities in France were limited – there were massive layoffs.*

After more than eight years of business experience in France, they decided to channel their business energy towards the country of origin, Romania. Călin further explains his path to this form of entrepreneurship and how he diversified his business both in order to capitalise on perceived new business opportunities and also to reduce the risk of bankruptcy of their business in France.



*The declining number of clients made us decide, in addition to the initial business activity (car painting in France), to start a secondary activity in Romania. (...) We had several clients who also exported used cars and it seemed that, in their field, things were working better than in ours...*

As in the previous example, one oft-mentioned reason given by the interviewees is that their business establishment was the result of a lack of (satisfying) financial outcomes with their previous businesses. In this vein, the traders argue that switching to becoming entrepreneurs importing cars was not something to which they aspired but, rather, was a form of adjustment to the local economy which ‘pushed’ them along this specific entrepreneurship path.

However, this was not the only possible reason, as the example of Marian (a returnee from the UK) shows. He had a transportation company to the UK which was negatively impacted by the declining number of people travelling by bus to the UK after the introduction of low-cost airlines connecting the main cities in these two countries. Even though he could survive for a while transporting (fewer) people and more parcels, he was ‘forced’ to switch the business to the importation of used cars, as mentioned during the interview:

*It was impossible to outwit the low-cost air companies which have four–five departures every day from here [name of airport] and another two–three from there [name of another nearby airport]. (...) They can be in the UK in three hours at half of the price of a bus ticket or even less...*

As he continues explaining in the interview, in the first phase he had to switch the business from one mainly transporting people to one mainly delivering parcels. In addition, he also tried to identify possible clients in the Republics of Moldova and Ukraine. However, more and more clients were requesting that he also transport right-hand-drive vehicles from the UK to Romania, Moldova or Ukraine; he had fewer requests from migrants and their families to deliver gifts and other goods. Considering this, he also had to adjust his company to this increasing demand by buying car trailers and employing people with professional driving licences to be able to carry more than one car at once.

As the above examples show, changes in both the destination- and origin-country economic contexts can push entrepreneurs from other types of economic activities to the trade in used cars. However, these changes are impacting not only on the individuals who were initially ‘pushed’ to switching to the trade in used cars, as seen in the earlier examples but also on the individuals who were ‘pulled’ towards the entrepreneurial path. One such example is Adi (a return migrant from Germany), who had a shop in Osertown selling imported consumer goods from Germany. He explains how he and his brothers initially used the gap between the increasing needs of the local population in Romania for goods to which they had become accustomed while living abroad or when they were sent by other family members living abroad. However, as he clarifies, they soon realised that there was an increasing demand for used cars in Romania and they started first by selling their minivans in which goods were imported from abroad:

*One day one of the clients asked if the vans in front of the shop were for sale. (...) He saw the [temporary] red matriculation plates and thought that the vans were imported to be resold. (...) I answered that we didn’t want to sell them because we used them to bring goods from abroad (...) later we discussed keeping only one van and selling the other in order to increase our income.*

In addition to the above-mentioned reason of seeking a higher income, the entrepreneurs in this category also mentioned the idea of switching to the used-car trade so that they could return home, also citing their emotional attachment to the homeland, the lower costs of running their business or seeking a less-complex business

endeavour. For example, Bencze underlined in his interview that, after more than a decade of working and conducting business in the agricultural sector in Belgium, he felt he was too far away from his family and needed to be closer to his country and his people:

*I was almost 40 years old and the moment to be closer to my country and my people had arrived but also to start my own family. So, I decided to orient my business endeavours towards Romania too. The trade in used cars allowed me to share some time living in both Belgium and Romania (...) and the idea was to move back to Romania after strengthening the business.*

For some of the participants, their decision to enter the used-vehicles trade was closely linked with a thorough cost analysis. Thus, switching to this specific entrepreneurial activity conducted across borders is a way to reduce the associated financial costs. Several interviewees explained that their business establishment abroad was partly due to the foreseen lower costs of conducting this type of trade. As an illustrative example, Tudor explains how he decided to enter the market of imported vehicles soon after 2007 when Romania became part of the EU; for several years, the importation–exportation procedures were not clear and those running this kind of business could avoid paying VAT which was around 20 per cent of the price of the car and was an important part of the economic calculation. In other words, his transnational investment decisions were based on the logic of exploiting the differences between Romania and other EU countries from where Tudor (a returnee from Italy) imported used vehicles.

*I started with an agriculture company dealing with the importation of used and new agricultural tools and machinery (...) this sector was growing nicely but the automotive sector was increasing even more. (...) I moved some of my business efforts to the auto sector when realising that, for so-called personal vehicles, nobody paid VAT or other import taxes.*

Pavel (a return migrant from France) also offers an interesting example of why some entrepreneurs switched to the importation of used vehicles in Romania – in his case due to the less-complex nature of the business environment. Pavel has a company transporting people and parcels from Romania to France and back. As mentioned during the interview, he started to search on the French car market for available offers and almost completely switched to the trade in imported used cars because he found it less sophisticated – even though the income remained relatively the same. In his words,

*People transportation and delivering parcels across countries was an increasingly complex business (...) one needed more and more insurances (...) technical certificates for the drivers and for the vehicles (...) health records (...) psychological tests (...). For the cars the process is less formal (...) one gets in the car and just drives from France to Romania.*

### *Intertwining trajectories*

Another important way in which the scholarship overlooks the dynamic nature of business motivation is that it usually assumes that an entrepreneurship trajectory excludes other possible occupational trajectories. However, what this research shows is that entrepreneurs can have both viable businesses in used cars and a full-time job. Thus, discussing the reasons why people entered the transnational trade in second-hand vehicles seems to be strongly related to the jobs they had when starting it, as well as to their previous migration experience. For instance, Lucas is a former migrant in Denmark who works as a police officer in Romania. He

has a work schedule which requires 24 hours on duty followed by 48 or 72 hours off duty. He sometimes uses this time off to fly to Denmark and drive back to Romania, usually two or three times per month. When asked about the reasons why he started the trade in used cars, Lucas mentioned that he has tried several other entrepreneurial activities or employment but the trade in used cars was offering a good mix of autonomy, being in touch with his former destination country and the additional income he needed at that moment:

*I tried working as a gym instructor (...) had an agricultural investment producing walnut oil (...) was a salesperson for [name of a company producing sports food] (...) was ridesharing for [name of a company] (...) it kept me too busy and couldn't see my nephews growing up [in Denmark]...*

### *Family traditions*

In addition to the above reasons for starting to trade in used cars, this decision seems to be shaped by other variables such as family traditions and socio-demographic traits. Among the traders in used cars, one cluster consists of migrants from entrepreneurial families who went abroad to pursue their studies or/and to seek employment and gain experience in various sectors. Upon completion of their studies or work experience abroad, they returned to Romania and entered the trade in used vehicles by taking over pre-existing family-owned businesses. Therefore, these entrepreneurs did not establish a new firm *per se* but, rather, continued running the already established family companies dealing with importation of used cars.

This group of people, referred to here as second-generation entrepreneurs, explained how, while living abroad, they always had in mind to continue their family tradition. During one of these interviews, the entrepreneur mentioned that his family expected him to return to their home country after the completion of his studies and take care of his parents' business. As a member of a family with an almost decade-long tradition in the used-car trade, Dumitru knew that he would take over the family company after finishing his studies in Norway in 2016 and returning to Romania. The family intention to pass the business on to their son was constantly reiterated both before and during his stay in Norway. One of the ways in which his family restated their plan was to ask their son to search for used cars in Norway which could be exported back to Romania:

*My parents knew that car prices are very high in Norway but they still asked me to check out the market prospects and find possible deals. (...) I worked for a few months in Oslo after finishing my Master's (...) the temptation to return home was too strong. I have more autonomy now and my parents' full support. (...) I can travel, visit the world, and live la vida bella.*

However, there were different perspectives among the entrepreneurs regarding their children's involvement in the trade in used cars. While those traders with male children tend to mention the latter's (future) involvement in the trade, none of the participants having female children mentioned it. In a similar manner, the salient role of gender can be observed in the case of entrepreneurs who have both female and male offspring but who consider only the males as possible successors of their businesses. Although based on a small subsample of six interviewees, these findings suggest that their parents do not see the trade in used cars as being suitable for females. For instance, Stelian (a returnee from the Netherlands) accepts that at least one of his daughters will most probably pursue an entrepreneurial career, just like his son, although he would prefer to see her working or conducting business in fields considered more suitable for them, such as care work.

*This is a very harsh trade (...) driving thousands of kilometres every week (...) a lot of crooks trying to sell you wrecks (...) good orientation skills are essential (...) only men work in the field (...) it is for the best if we work in the fields where we are surrounded by other people like us.*

## **Conclusion**

The main aim of this article was to unfold the motivations behind return migrants' involvement in business activities in Romania. Whilst the existing literature offers a detailed exploration of why returnees enter self-employment in general, we know relatively little about those returnees who start transnational businesses and how it compares to other kinds of entrepreneurial venture. By looking at the entrepreneurial motivations among Romanian transnational entrepreneurs involved in the trade in used vehicles, who operate across country borders, this research tries to fill this gap in studies of the migration–entrepreneurship nexus.

This article uses a typology which reveals the individual's motivation to enter entrepreneurship by distinguishing between necessity-driven, opportunity-motivated and mixed-motivations entrepreneurs and their reasoning behind each of these typologies – which can improve our understanding of why and in what context returnee transnational entrepreneurs start to build their careers.

As do other studies dealing with the topic of entrepreneurship among migrants (Barjaba 2018; Bloh *et al.* 2020), this paper highlights that necessity-driven entrepreneurs tend to establish a business venture with used automobiles imported to Romania after their return usually as a way to escape the various difficulties encountered in the origin and/or destination countries. However, the article draws a comparison with the existing scholarship by explicitly showing that difficulties in both origin and destination countries can play a significant role for return migrants starting up a transnational business. In this vein, for some of the participants, becoming entrepreneurs was not something to which they aspired but, rather, was a form of self-defence against the harsh contexts in both the origin and destination countries which 'pushed' them onto the entrepreneurship path. Lacking the requisite networks and not adapting to the local job market are among the most important difficulties mentioned by the participants – factors also reported in the existing scholarship (Knowlton 2006; Wassink and Hagan 2020). However, what this research also shows is that there is a constant interplay between these factors and that entrepreneurs have to consider factors in multiple locations when entering the used-car business.

While some entrepreneurs were 'pushed' onto entrepreneurship trajectories due to issues related to the origin- and destination-country contexts, other returnees seemed rather to be 'pulled' into entrepreneurship. In other words, like other studies on migrants' entrepreneurship (Bloh *et al.* 2020; Croitoru 2020), in this study several returnees maintained that they began their transnational entrepreneurship with used cars on recognising the potential market opportunities of this trade. However, it is important to note that the results contrast with the existing scholarship on returnee transnational entrepreneurship which usually highlights market opportunities related to the home-/residence-country context.

Another important result of this research is that the framework used, which reveals why migrants initiate businesses, can be also applied to the case of return migrants involved in other transnational businesses. What this article highlights, in addition, is that the entrepreneurial motivations of used-car traders are not fixed but, rather, can and do change over time. For instance, several individuals in this research have shown that the trade in used cars can have its roots in previous entrepreneurial activities and experiences which can be both necessity- and opportunity-driven. These findings contrast with other studies covering the return migration–entrepreneurship nexus which do not consider the changing dynamics over time (Cain and Spoonly 2013; Wang 2020), a situation which seems to occur regularly for used-car traders.

This study has a number of limitations which indicate the need for future research. One important limitation is that it focuses on entrepreneurs from one country – Romania. As argued by several scholars (Dabić, Vlačić,

Paul, Dana, Sahasranamam and Glinka 2020; Portes, Guarnizo and Haller 2002), migrants from different national or ethnic groups tend to develop distinct forms of entrepreneurship with varying degrees of success and comparison between the different groups of migrants can yield important additional knowledge. In a similar fashion, looking only at the second-hand-car traders reveals potentially very specific forms of motivation which cannot necessarily be extended to other returnee entrepreneurs. In addition, as in most research on returnees and returnee entrepreneurship, this works only with those who decided to return to the origin country and not with migrants who remained in the destination country or onward-migrated to other destinations (Wassink and Hagan 2020). Along these lines, further comparative research is needed with returnees involved in other types of business than the second-hand-car trade or coming from other origin countries or with entrepreneurs who still live in the destination country.

## Notes

1. Samsar is defined in the Dictionary of Romanian Language as ‘a person who mediates sale–purchase businesses; person who makes everything a business object’.
2. All the names in this research are pseudonyms.

## Conflict of interest statement

No conflict of interest was reported by the author.

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