ABSTRACT. Last three decades of Sri Lankan history has been overshadowed by conflict and war. Fortunately, the war came to an end and now the peace is very much evident in the country. However, the dividends of peace have yet to come for the people living in conflict areas. Social and economic status of the post-war period has continued to be the same. Meaningful measures of recovery from war to peace have to be initiated. This paper investigates the present status and contribution of business entrepreneurs in helping the post-war recovery of the conflict affected South – East region of Sri Lanka which has an ethnically, religiously and linguistically mixed population.

Data were collected from the entrepreneurs and people through an intensive field investigation carried out in the South-East region using a questionnaire. The study employed both qualitative and quantitative data analysis techniques.

The results revealed that the entrepreneurs are ethnically segregated and lack interactions across ethnic boundary. The reason for such pattern of entrepreneurship is that the existing businesses mainly target consumers in an ethnically homogeneous population. This has led to ethnicizing other aspects of business establishments as well. For example, in most business establishments, employers, employees and customers are from the same ethnic group. War and conflict may have influenced this pattern of entrepreneur behaviour. The ethnic discrimination and negative perception towards other ethnicity groups have been deeply rooted among the entrepreneurs in this region. The present trend of spread and contribution of entrepreneurship is not a healthy sign for the post-war recovery. Attempts have to be made to diversify all aspect of business establishment which would target the best outcomes and best benefits to most in the region. Then the entrepreneurs will surely help erasing off the marks of war in the minds and hearts of people leading to healthy and free society.

Key words: Entrepreneurs, Ethnicity, Conflict Transformation.