

Beyond Making a Living: How Can Entrepreneurship Help Refugees?

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A young Bosnian man who fled the Balkan wars in the early 1990s, Edin Basic arrived in London seeking asylum after having to lose his family members to either concentration camps or getting killed in the war and losing a future career as graduate engineer. With no word of English, Edin started working in the basement of a 250-seat restaurant washing dishes. 24 years later, Edin sold his Gourmet Pizza Chain “Firezza Pizza” to Pizza Express and is now a serial entrepreneur and an angel investor¹. “I didn’t want people to feel sorry for me...I always took this feeling of being a refugee as an advantage” Edin says in describing how big obstacles can lead to big victories in life.

Edin is one of many examples of refugees who were able to overcome the hardship of forced migration and start their businesses. With the number of forced migrants reaching a record of 70.8 million people, their economic and social integration remain problematic. However, through entrepreneurship, refugees have shown some signs of being a contribution rather than a burden.

Although starting a business might be the available option for refugees because of the difficulty of getting a job, Why and how would someone who have been through such a traumatic experience take such a decision despite the legal, economic, and psychological obstacles? and how can it help beyond making a living? Answering these questions would be valuable for both policy makers in countries hosting refugees and more specifically for the NGOs supporting them.

I have conducted a study in Egypt where I interviewed 52 refugees, mainly Syrians and Sudanese who are either self-employed or small business owners, and 7 business mentors and psychologists from refugee supporting NGOs. The life journeys shared by those refugees showed that their small businesses are significantly helping them adapt economically, psychologically and socially in their new lives. However, the interesting part was that this startup experience had different motivations and functions based on the refugee’s pre-migration life and current circumstances.

For some, Entrepreneurship can help in growing out of the traumatic experience and building better meaningful lives. While for others it can play a lower, yet critical, level of adaptation through distancing one’s self from past or current stressors. NGOs supporting refugees need to critically identify and

¹ <https://www.theguardian.com/small-business-network/2017/feb/28/refugees-turned-entrepreneurs-future-business-perserverance>

differentiate these factors to design their support services and allocate funds effectively, and to capture and evaluate its impact more accurately.

In selecting the refugees for their micro-funding schemes, research findings direct the supporting NGOs to consider the non-financial motivation for those with previous startup experience. Many Syrians who were already business owners but they lost their wealth after migration were willing to take the risk of re/starting a business or getting loans to do that since they already lost a lot. Most importantly, they maintained a level of ego that didn't make them like working for others and made self-employment a way of maintaining this ego through the social recognition gained from owning a business.

A group which NGOs can consider for selection despite their need for significant training, is female refugees who had comfortable lives in conservative societies. Losing this life was in fact an eye opener to a new liberated world for many of them. From living in a society where a women's career is restricted, to becoming business owners, many were motivated and saw that "the war was good". Nag,² a Syrian housewife turned entrepreneur, said "Egypt gave Syrian women a value, we feel that we are more valuable not just sitting at home, but in Syria, it's impossible to do this".

When it comes to designing programs, supporting NGOs ought to work closer with some refugees beyond the initial training they receive. Self-employment was for the refugees who had been facing racism or acts of violence from Sudan and Ethiopia an escape from persistent hardship. So, they started businesses close to where they feel safe or under the support of an NGO. However, NGOs should be wary of investing long-term resources in these businesses because entrepreneurship is just a temporary solution for those refugees as they prioritize other goals such as getting a degree or resettlement.

Furthermore, it is critical to assess not only the psychological impact of the migration experience on refugees but also previous hardships. For example, starting and managing a business was a way for those who have been through traumatic migration journeys to escape from these traumas. A refugee who faced death and then lost his kids to his ex-wife, A.M. Said "This business and the work... they make me forget. Just this". Identifying these traumas beforehand can help later in accurately evaluating the success of the micro-funding programmes for those refugees.

As for policy makers, not only can they facilitate the livelihoods of refugees and their well-being, but they can channel their different motivations and previous experiences to establish businesses that create jobs for citizens and other refugees. In Turkey, the top refugee host, around 10,000 Syrian businesses were established since the Syrian refugee crisis started in 2011³, and According

² Names of refugees have been anonymized to preserve privacy .

³ <https://www.tepav.org.tr/en/haberler/s/10023>

to a UNDP report, Syrians Contributed with over \$800 million into the Egyptian Economy⁴. This can be enabled by easing the regulations for starting businesses by refugees, supporting NGOs and combating racism to ensure the sustaining of these businesses.

Finally, these points were acknowledged by the NGOs. Indeed, they believed that the United Nations High Commissioner for Refugees (UNHCR), as the main funding body, and other fellow support providers have to add these criteria to their impact indicators and fund allocation criteria. The success of a micro-finance scheme should not only be evaluated according to the income created because this does not capture the psychological benefits which are vital for individuals who faced and might still be facing severe life difficulties.

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⁴ <https://www.jobsmakethedifference.org/full-report>