

Conversation with Christine Mahoney

Christine Mahoney, Co-Founder, Alight Fund and Director of Social Entrepreneurship, University of Virginia

Christine Mahoney is an Associate Professor of Public Policy and Politics at the Frank Batten School of Leadership and Public Policy and Director of Social Entrepreneurship at the University of Virginia. She is the author of the book, "Failure and Hope: Fighting for the Rights of the Forcibly Displaced," published by Cambridge University Press. She is working on an alternative way forward that capitalizes on social entrepreneurship, crowd-funding and micro-finance to improve the lives of those who have been forced to flee their homes to find safety.

To help foster innovative solutions to social problems she launched and leads Social Entrepreneurship at the University of Virginia. Over the past three years the SE@UVA Initiative has introduced new courses on social entrepreneurship, a minor, a concept competition, scholarships to work with social enterprises and a myriad of student activities providing hands-on experience in social innovation.

Christine was previously an Assistant Professor at the Maxwell School of Syracuse University and the Director of the Center for European Studies and the Maxwell EU Center. She has been a Fulbright Fellow, Visiting Scholar at Oxford, a National Science Foundation grant recipient, and recipient of the Emerging Scholar award from the American Political Science Association.

My name's Christine Mahoney and I'm a Professor of Politics and Public Policy at University of Virginia in the US. I just published a book called Failure And Hope: Fighting For The Rights Of The Forcibly Displaced where I did field work at seven conflict zones in Asia, African, and Latin America over the past seven years. I've also started a new fund, the Alight Fund with my husband to work on supporting refugee and host community entrepreneurs and try to build bridges and rebuild markets and connections between those communities.

-

So I did this work over the past seven years that culminated in this book that just came out. I did fieldwork in seven conflict zones in Asia, Africa, and Latin America all on protracted displacement crises. And so in all of these cases, so northern Uganda, the war with the Lord's Resistance Army to the Somali border where we have the failed state of Somalia, to Bhutanese refugees that have been in Nepal for 26 years, to Burmese refugees that have been in Thailand for 23 years, the Civil War with Sri Lanka that went on for two decades, the conflict in Colombia where I did fieldwork in paramilitary controlled zones, all of these are massive displacement crises. And so while I did this fieldwork before the Syrian crisis, we can learn lessons from all of these crises, because the Syrian crisis is moving into a protracted crisis. We're already in the fifth year.

And so I think the most important takeaway is that my background was advocacy and activism and I was looking for places where the UN and the implementing partners, the non-profits that work with the UN, were able to effectively advocate for the rights of the displaced. And what I think is

important to focus on when we shift to this protracted displacement is that the right to work and the freedom to move are critical. So if you're just displaced for a year, temporary shelter or temporary food and feeding programs might be sufficient. But if you're displaced for two or three decades, if you've been born and raised in a camp and have never known anything else, the right to work is critical for any kind of mental health, dignity, or any kind of life. And so what I was looking for in this fieldwork is where has the UN and non-profits been able to advocate for freedom to work and freedom to move and try to learn best practices from those cases. And the depressing result is they were not successful anywhere.

For over 80 years no national government has allowed freedom to work essentially. And so it's very exciting what we're seeing actually in Turkey and Jordan because it's quite unique. For example, the Kenyan government does not allow 400,000 Somali refugees to work. The Thai government does not allow 190,000 Burmese refugees to work, and I can go on for 64 more examples. So that's the big piece that I think is important. Education obviously is critically important. Early childhood is critically important. But when we think about moving toward long-term solutions and not spending money in a way that's temporary, but spending money in a way that's actually going to get at root problems, I think investing in right to work and especially the fund that we're going to be launching is supporting refugee entrepreneurs and host entrepreneurs. I think that shift to right to work is really critical and so I guess that's one of the high level takeaways.

Don Mohanlal: If you could leave some other learnings from your work that would be relevant here and what is it that got you more as a philanthropist as well?

Christine Mahoney: When I finished my PhD and my first book, which was on advocacy and activism in the United States and the EU I went to work in Washington, DC with an NGO that was part of the Save Darfur Coalition. So many of you may have remembered the Darfur genocide that was going on. It was a very well-organized campaign. It was very well financed. It achieved pretty high-level star power. George Clooney got involved. There was a lot of media attention, which then spilled over into governmental attention. So Colin Powell declared it genocide, the European Parliament declared it a genocide. There was seemingly a movement and then we watched month in, month out the Janjaweed continued to attack these villages, people continued to be murdered, and the genocide continued. It was like Rwanda all over again until essentially the genocide burned out. And so after that experience it was like most of the cases, and I do data collection in my book on all 61 protracted displacement crises. I look at media attention in the United States and the European Union for a decade, advocacy around those cases.

What we learned is most cases received no media attention at all. For example, you saw in Christina's figure the number of displaced in Colombia, which is approaching 6 million. No media coverage of this crisis whatsoever. And so most of those cases just received no attention and I thought, "Well here is this best case scenario where you've got a really well-oiled machine. You've got really well-organized advocates. You've got the US and the European governments paying attention and still absolutely nothing is done. We have to do something different," and so I embarked on a second major project trying to find how we could be more effective in advocating for rights. And so after seven years of fieldwork and seeing so few durable solutions, and the scale of the suffering, and just the massive scale of the problem, I felt like being a traditional academic and just putting an argument out there wasn't sufficient, so we decided to actually build this fund.

Originally, we were thinking, "Well, maybe we can just partner with the IRC and get them to do it," but we realized that if we're actually going to make this happen, I think we're going to need to put our energy behind it.

Don Mohanlal: So getting Colin Powell and celebrities always helps to draw attention to the issue. But the slow hard work is the day-to-day work that needs to happen away from the spotlight. How do you keep the sustained interest that is so vital? What's your learning on that?

Christine Mahoney: From my research I know that the media attention often does burn out and I have graphs in the book that show, for 20 years of the Sri Lankan Civil War with hundreds of thousands of people displaced, there was no media attention until crazy spikes in violence when they finally murdered the leader of the Tamil Tigers. So I know that from my data that it's hard to keep the spotlight on something. Because the Syria crisis is so big and there is a mobilized journalistic community around it, and because it's a very critical issue to Europe, I think it's going to stay in the spotlight for a while. The big question is how we turn that attention and that concern into actual action, which is both donations to philanthropic organizations like some of the ones we've heard about, and what I'm arguing for is also investment as well. So we know that most philanthropists, they have their portion of philanthropy but they also have their investment funds.

More and more family offices are converting some of those investment funds to socially responsible investments. And so what we're saying is let's channel some of that toward the refugee crisis. Let's invest in host community and refugee entrepreneurs and begin building markets and ties between those people. In this way we empower families directly, we empower a more dignified life, we empower kind of peace bridges between host communities, and refugee communities, and internally displaced communities. And ultimately this is a more sustainable long-term solution so that a baker not only has a more dignified day in, day out existence but she can help her daughter have access to early childhood education because she actually has an income coming in. In addition, once we've lent all of the research - we're going to begin in Iraqi Kurdistan so hence my question, I'll look to talk to you more later—once we begin and we lend 50,000 entrepreneurs those, that money will come back again and we'll lend again the next year, so it's not just a one off payment, but we can actually keep lending. It'll be an evergreen solution.

Don Mohanlal: One of the real sensitive issues always is that the host communities have also needs. There are never enough jobs to go around for the host communities and where the migrants are. I'm not talking about Turkey only. I'm talking about anywhere in the world. There are health care needs, employment needs, and if you don't have the support of the host communities, there's very little that can be done as well. And you said something very interesting that you helped build bridges. How do you do that?

Christine Mahoney: I saw this in case after case, this tension that we see between host communities and the displaced, and essentially we're arguing instead of just international philanthropic aid to also be supporting international impact investment, and so to do that investment in a way that recognizes this reality on the ground. Just like we heard from the Mayor, many of the communities hosting the displaced are poor themselves. They don't have access to jobs and they don't have access to many basic services. Therefore, if the international community,

a community of concerned global citizens can come in with investment, and whether that's a small micro investment to support an entrepreneur or a larger SME, kind of small, medium-sized enterprise loans so we can get more jobs in these areas then the presence of a refugee can almost become a boon for the economic area.

And so there's been a number of conversations. President Obama watched a whole summit during the UN General Assembly on the role of the private sector in this refugee crisis. We hosted a dinner with the UN Foundation's Global Entrepreneurship Council. There's a number of private sector major corporations that are talking about, "Well, what if we strategically open a factory in a refugee zone so we're hiring refugees as well as local coast community people?" So I think that the burden is on us to be bringing in new investment, creating opportunities for small companies and larger companies, and in that way then we're creating jobs for both host communities and the displaced. And to answer the question of how, the idea is to not just give micro loans to some promising refugee entrepreneurs and some promising host community entrepreneurs, but instead to do it in a systems thinking market building way so we're actually strategically investing in a host community supplier and a refugee buyer.

We're actually looking at what businesses are already existing, who can be scaled up. You know, we're not looking at investing in brand new startups. We're investing in small businesses, people that had their own businesses back in Syria and they know how to run a business, but maybe they've lost the tools of the trade and trying to help scale that up, so maybe they can hire a global host community person to work for them as well as a local, another local refugee and grow those small businesses.

Don Mohanlal: And how do you work with partners in Turkey?

Christine Mahoney: We're going to begin to work in Iraqi Kurdistan, because it is by Iraqi law that refugees are legally allowed to work there. It's one of the only countries in the world. So our idea is to begin somewhere where it's legal to support entrepreneurs—we don't want to go into a country and be funding something that's illegal—but this idea is once we prove this model and once we provide a direct pathway to empowerment for the displaced of those communities, we build bridges between these communities and we show that this works. We're going to raise a second fund and bring it into a country and Turkey would be a good opportunity to say, "We'll bring in these new investment funds, but it's conditional on you allowing the displaced to work." Now that doesn't need to be nationwide. It could be in a special economic zone like Jordan's done and as we talked about earlier. So that, that would be the idea there. So how would we work with partners, we don't plan to be hiring a whole legion of loan officers.

We're planning to work with non-profits that are already working on the ground. So instead of us just reinventing the wheel we're already in talks with Mercy Corps and World Vision who've already been working on the ground running NFIs. We're looking at other smaller non-profits. We've talked with a non-profit that's working in Jordan. But working with NGOs that are already doing micro finance on the ground, already know entrepreneurs on the ground, and then we'll be funneling the funds to them. In addition, we'll be bringing a digital backbone to help, and a streamlined process so that all of our partners will be using the best practices in micro finance, the best practices in selecting entrepreneurs as recipients of loans, best practices of tracking repayments, and best practices of intervening and helping entrepreneurs if they get challenged

along the way. Maybe their supplier is no longer a supplier and they need help finding another one, we'll help facilitate that rather than allow them to default.

Don Mohanlal: You have a very good understanding based on the research of the context on the ground of the displaced people. You and your family being a philanthropic family you also have an understanding of the philanthropic work, so help me out with a story. If I were to go and speak to a philanthropist in northern Riga or Western Europe, or even for that matter a philanthropist from Turkey

Christine Mahoney: Well I think we have a lot to draw on. So as many of you know in the United States there's been a number of fantastic documentaries done like Salam, Neighbor, where two Americans actually register in a Za'atari camp and they provide this narrative bridge to connect somebody in Ohio, America with the camps. There is Refugees Deeply, which is a fantastic outlet, and Syria Deeply, which is bringing great stories from the front line. So I think that there exists a number of different storytelling mechanisms out there that we can build on, for example, doing a screening with philanthropists in New York of Salam, Neighbor, or the new film that's being done by the team that did Half The Sky. They're doing a new film called Humanity On The Move where they're showcasing six different displacement crises. So I think we can build on some really impressive creative people's storytelling and that's exactly what we hope to do is to connect that philanthropic world with the world we know on the ground.

It's not just philanthropic resources. It's also your investment resources. We are going to create a conduit whereby you can direct some of that socially responsible investing into the refugee crisis because right now there's just not that many options to do so, and so we hope to be that conduit.