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The business case for helping refugees



Gillian Tett

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‘Most companies have avoided getting embroiled in the issue, preferring to concentrate on less political causes’

Last year Hamdi Ulukaya, a Kurdish entrepreneur who created the billion-dollar US-based Chobani yoghurt empire, travelled to Greece to see the swelling refugee crisis with his own eyes. Unsurprisingly, he was horrified by the human suffering that he witnessed, particularly as he shares a cultural affinity with many of the refugees — he grew up near the Syrian border in Turkey, before moving to the US as a student.

But Ulukaya was also appalled by something else: the hopelessly bureaucratic and old-fashioned nature of the organisations running the aid efforts. “The refugee issue is being dealt with using [methods from] the 1940s and it’s in the hands of the UN and mostly government and you don’t see a lot of private sector and entrepreneurs involved,” he told me last week. “I decided we have got to hack this — we have got to bring another perspective into this issue, there are technologies that can be used.”

So Ulukaya decided to act. Last year he established a foundation, Tent, to channel financial aid and innovation efforts into refugee work. He also declared that he would give half his fortune to refugee causes (he has made an eye-popping \$1.4bn from his wildly popular Chobani yoghurts in recent years). And he has stepped up efforts to hire as many refugees as he can at his yoghurt plants, where they currently account for 30 per cent of the total workforce, or 600 people. “There are 11 or 12 languages spoken in our factories,” says Ulukaya. “We have translators 24 hours a day.”

Now, however, Ulukaya wants to take his campaign further. At next week’s World Economic Forum (WEF) meeting in Davos, he will call on other CEOs to join a campaign to channel corporate money, lobbying initiatives, services and jobs to refugees. Five companies have

already signed up: Ikea, MasterCard, Airbnb, LinkedIn and UPS — and Ulukaya says more are poised to join.

I daresay some FT readers will shrug their shoulders at this; indeed, as a journalist, part of me feels a little cynical. Over the past couple of years, there has been a string of philanthropy initiatives from American billionaires. And this year's WEF meeting is likely to produce another wave of pious pledges, not least because many corporate elites will be arriving in Switzerland keenly aware that they need to do more to quell a popular backlash over income inequality.

But what makes Ulukaya's move unusual — and admirable — is his unashamed embrace of the refugee cause. And that illustrates a bigger point: the voice of business has been extraordinarily muted, if not absent, from this wider policy debate. To be sure, some companies, such as American Express, Starbucks, Google and Uniqlo, have made donations to humanitarian groups involved in helping refugees. Others have offered practical services: Daimler, for example, has provided buildings and medical devices.

Most companies, however, have avoided getting too embroiled in the issue, preferring to concentrate on less political causes such as medical

aid. “With few exceptions, the business community has been absent from the debate about how to best deal with the refugee crisis, not only in the short term but, importantly, in the long term,” says Ioannis Ioannou, a professor at London Business School.

In some senses, this is unsurprising. With nationalist and populist sentiments rising, corporate leaders know that the issue is highly charged in a political sense, particularly when there are jobs involved. After news trickled out that refugees were working at Chobani's yoghurt factories in Idaho and upstate New York, some local residents organised protests. “[Chobani] is just looking for cheap refugee labour to make sure that [its] profit margin is good,” complains Ann Corcoran, editor of the anti-immigration blog Refugee Resettlement Watch.

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But Ulukaya insists that businesses need to make an active effort to hire refugees. This is not just for humanitarian reasons but for reasons of economic self-interest as well: once refugees are integrated, they start contributing to economic growth, he argues. “If a refugee has a job, they are no longer a refugee.”



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All of this is controversial stuff. So it will be extremely interesting to see what happens next. If more corporate voices do jump on board Ulukaya's campaign, at Davos or anywhere else, then it is just possible that this might recast the political debate a touch, not only in places such as the US but also in Europe. "When corporations — and employer partners — like Chipotle, Chobani Yoghurt and Ikea give their financial resources to solutions for refugees, it also boosts public awareness," points out refugee resettlement agency Higher Advantage in a recent newsletter.

However, if western companies continue to keep their heads down as political xenophobia grows, this will simply add to the sense of wider policy drift. Either way, the one thing that is crystal clear is that barring a miracle, the problem of what to do with migrants is likely to get more intense in 2016. All eyes on Davos — and on that symbolic revolution that Ulukaya is trying to start with his yoghurt pots.

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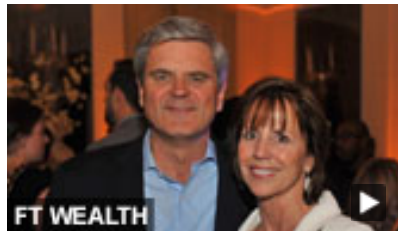
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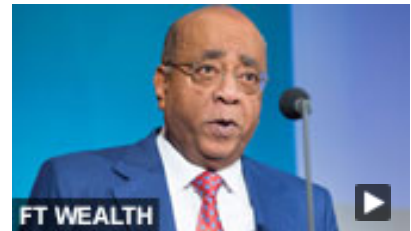
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