

The Global Financial and Economic Crisis and Its Impacts on Cooperatives

By

Honest Prosper Ngowi

Mzumbe University Dar Es Salaam Business School

(2011)

Abstract

This paper is on the 2008 global financial and economic crisis (GFEC) that officially started in the United States of America (USA) in September 2008 and its impacts on cooperatives. The author identifies and discusses the extent to which the GFEC has affected various kinds of cooperatives across the globe. These kinds of cooperatives include but are not limited to the traditional cooperatives that have mainly been based on agriculture to more current types that are financial in nature.

The crisis has impacted virtually all parts of the world including all sectors of the economy. It has also affected various kinds of businesses and organizations including cooperatives. There have also been various kinds of responses to the crisis. The responses have been seen at global, continental, country, organizational, household and individual levels. The responses have aimed at reducing and halting the crisis as well as preventing a future crisis. Some responses to the impacts can potentially cause new forms of impacts in a number of entities including cooperatives. It is argued in this work that the impacts of the crisis on cooperatives have not been adequately identified, documented and analyzed. The author of this paper attempts to bridge this serious gap in knowledge.

Key words: Economic and financial crisis, cooperatives