

Cooperative Model and Transformation of Sub-Sahara Africa's Pandemic Economies: An Appraisal and Strategic Options

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Abstract: Transformation has been widely adjudged as the major index, for social change which is best applied to pandemic economies for resilience. This is necessary for people to live within the planetary boundary to prevent cynical consequences. Nowhere is the need for a transformation shift greater than in Sub-Saharan Africa where the region is assumed by extant scholars and true shreds of evidence to be the worst in virtually all of the most important social and economic indicators. The region's ugly circumstances were further exacerbated by COVID 19 pandemic thereby highlighting the fragility and complexity of the region's socio-economic system. It becomes imperative to demonstrate the urge for an innovative solution conducive to universal values which will protect and sustain economic prosperity. This is ultimately embedded in Cooperative Model. The paper is a qualitative study involving the appraisal and strategic options of transformation in the region through the Cooperative Model. It is concluded that the region's leadership adopts a more innovative growth model through strategic alliances, networks and joint ventures with cooperatives to salvage the region.

Keywords: Cooperative Model, transformation, pandemic economies, sub-Sahara.

INTRODUCTION

Transformation connotes a rudimentary change in society, which can be contrasted with social change considered as incremental changes over some time (Khondker & Schuerkens, 2014). This implies that transformation is adjudged fundamentally to be about agency: human intention, motivation and power to influence and otherwise to resist (Benessaiah & Eakin, 2021), which indicates a vital tool in regional economic success, survival and sustainability (SSS). Transformation in any form has become a new consensus paradigm for Sub-Sahara development through a model that operates across all sectors of the economy and a major economic force. Nowhere is the need for a transformation and transition shift greater than in Sub-Sahara Africa where the region structural transformation remains elusive despite many years of country-specific structural adjustment programmes aimed at inducing sustainable growth and development.

Sub-Sahara Africa is naturally gifted with endowments in human, natural, and material resources and vastly diverse in population, size and economic scale (Sparks, 2021) but displays greatly the worst record in virtually all of the most important social and economic indicators. In the region, production is very

low and is dominated by the primary sector with limited application of modern techniques, production and export are based on a narrow range of commodities, the lowest gross national income per head \$1.479, a 5.23% decline from 2019 (World Bank Development Indicator Database (WBDIDB), 2020) *Table 1 refers*, lowest life expectancy at birth, the highest illiteracy among all adults -34.7% (Szmigiera, 2021). The highest rate of adult HIV infection (9.0%) (Population Reference Bureau [PRB], *Table 2 refers*, rooted poverty – 41.2% (Aguilar *et al.*, 2021; Schoch & Lakner, 2020), debt distressed, prolonged Covid 19 with the job and income losses and other economic contraction highlighted key disparities in resilience between countries in the region and has also exacerbated preexisting vulnerabilities and inequality within each country thereby creating an acute pandemic economy in the region (International Monetary Fund [IMF], 2021). This, suggesting a divergence from the rest of the world. A vulnerable environment exists in sub-Saharan Africa.

As the pandemic intersect and persevere global crises and challenges such as climate change, resource depletion, and widening social inequality (Hölsher & Loorback, 2018), authorities in the region face an increasing difficulty policy environment, rising needs

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and limited resources hence a spurred interest in policy for systemic social change which the cooperative model possesses enormous development strategies for negotiating regional contexts of inequality amid broader contexts of international markets and global competition (Finan, Burke & Vasquez-leon, 2017). The cooperative model involves economic and socialization processes through which man (region) can recover, hold and gain grounds in various fields of endeavours in pandemic economies (Akanji, 2022), thus cooperatives are stabilizers of regional economic and social cycles. Consequently, the paper writes on the assessment of the cooperative model as an ingenious action-oriented response to external situations in markets, competitive advantage and contributor to the GDP of the region.

The paper seeks to disseminate positive examples of cooperatives in building better economies in pandemic times and to encourage fostering relationships between cooperatives and authorities in sub-Saharan Africa for inclusive solutions in the hard times prevalent in the region.

Conceptual Clarification

Cooperative Model

Cooperatives are people-centred enterprises jointly owned and democratically controlled by and for their members to realize their common economic, social and cultural needs and aspirations. As enterprises based on mutual benefits creation, it operates on values and principles, they put fairness and equality first allowing people to create sustainable enterprises that generate long-term jobs and prosperity (International Cooperative Alliance [ICA], 1995, 2021).

The cooperative model is a tool for regional transformation that has been a means which impacts positively affecting economic development, ensuring income-generating activities (IGA), source of income and reducing vulnerability among pandemic economies. The cooperative model operates across all sectors of activity such as agriculture, banking, fisheries, health, housing, insurance, utilities, energy, tourism, transport, funeral and consumer cooperatives and many more (Rouseliere, 2010). The application of the cooperative model by authorities in sub-Saharan Africa provides the region with opportunities for millions of people in all economic sectors particularly in the rural and urban low-income groups to escape poverty in a sustainable way (Oladejo, 2013).

The cooperative model is driven by values and not by the remuneration of capital, hence the 3 million cooperatives on earth act together to build a better world which the region can explore for sustainable economic growth and stable quality employment that reduces relative, absolute and endemic poverty which the region is vulnerable. Other success stories of the cooperative model as a transformation option to

pandemic economies includes, the cooperative model accounts for at least 12% of humanity, top 300 cooperatives generate 2.14 trillion USD in turnover and cooperatives provide jobs/work opportunities to 280 million people across the globe (ICA, 2021). The cooperative model is not just a marginal phenomenon, rather, nurtures, a long term vision for sustainable economic growth, social development and environmental responsibility.

Cooperative Model in Sub-Saharan Africa

Cooperative institutions are growing in leaps and bounds in sub-Saharan Africa which are critical to transforming pandemic economies that lack access to capital technology education and training, cooperative structures allow vulnerable states in the region to pool together their resources to solve problems, identify common goals and target the causes and symptoms of vulnerability as in other climes. But there are constraints to the effective development of cooperatives in the region which are excessive government control, often exacerbated by donor support, enactment of policies, legislation and programmes that promoted cooperatives as vehicles for accelerating national economic development; the expectation that cooperative will fulfil too many functions, usage of the cooperatives by the government to create jobs for political supporters and other political ends, cooperatives as instruments for channelling grants to recipients; cooperatives serving the governments as collecting agents for agricultural produce on behalf of state marketing boards as well as being distribution channels for agricultural inputs and unfavourable environment to meet up with emerging competitive market economy in the liberalization ideology, which attracted new actors into the economic sectors. The listed have persisted in cooperative development in the region thereby the model losing its voluntary and bottom-up character, self-controlled and self-reliant business associations capable of competing with other private enterprises in the market (Wanyama, 2013; Braverman *et al.*, 1991). The cooperative model in sub-Saharan Africa with its current antecedents (government-controlled) represents no more alternative principles of economic association hence an appraisal for the transformation of pandemic economies. Nonetheless, the cooperation model remains significant in the region due to its compatibility with cultural values (Kwakyewah, 2016).

Transformation Perspective in Pandemic Economies

Transformation is a unidirectional and irreversible change in dominant human economic activity. Such change most time is driven by slower or faster continuous improvement in sector productivity growth rate. Transformation refers to the different strategies or approaches through which societies and institutions are expected to respond to the many demands that Covid-19 and globalization have laid on them which places emphasis on attitudinal change along the path of patriotic zeal and commitment to

systematically upgrade region development indices (Anyim, 2012).

Transformation in this paper refers to a redress targeted at addressing the pandemic economies of sub-Saharan Africa through the cooperative model. The global pandemic brought disastrous impacts on the region's already strained health systems, which in turn ushered economic and social emergencies. Apart from health risks, the Covid-19 shocks lowered trade and foreign investments, a demand slump associated with lockdowns, and a continental supply shock affecting domestic and intra-regional trade. Further, food systems were impacted resulting in price increases, schooling and essential health care services were disrupted across sub-Saharan Africa, the Covid-19 pandemic has taken a major toll on livelihoods human capital, job losses are widespread especially in urban areas, and earnings from other sources fell dramatically (Havard T.H. Chan, 2021; Paci, 2021; OECD, 2020).

The outlined disruptions by the Covid-19 pandemic displays that the region is facing serious

challenges that require fast and effective intervention that must be carried out in an affordable way in the context of a rapidly shrinking fiscal space (Paci, 2021). External mitigation and recovery interventions may be possible, ultimately, external actors do not have the capability or right to impose lasting – solutions to sub-Saharan Africa pandemic challenges. The future efforts to resolve and develop healthy economies must be led by the people of the region, hence the cooperative model in sub-Saharan Africa outshine other forms of economic organizations because of their complementary nature to the regions history, traditions and customs.

Cooperative Model Success Story in Other Climes in Pandemic Era

The International Cooperative Alliance [ICA], (2021) incidentally the voice of cooperatives worldwide showcases that the history of cooperative is to build a stronger future hence cooperatives are answering to the pandemic, revealing a series of measures adopted to support members and communities during the crises.

Table-3: Distribution of Cooperatives on Services Rendered in Pandemic Times

S/N	Names of Cooperatives	Country Location	Services Rendered
1	India Farmers-Fertilizers Cooperative (IFFCO)	India	Solidarity fund: Building oxygen plants free. Delivered PPE across several regions
2	Urulungal Labour Contract Society (ULCCS)	India	Shifting oxygen plants to hospital sites
3	National Cooperative Corporation (NCDC)	India	The setting of new hospital and upgrading infrastructure
4	National Cooperative Federation of Nepal (NF)	Nepal	Working to address the needs of its members (livelihood support)
5	Rabo Bank	Netherland	Postpone interest payment and repayment of loans by SMEs
6	Buldana Urban Cooperative Society	India	Reducing lending rates to support members
7	Smart Workers Cooperative	Belgium	Develop 0% credit mechanism and training plans for their members.
8	Argentina Cooperative de Trabajos Portuarios Limitade	Argentina	At-risk workers receive increase remuneration
9	S-Group and Midcounties Cooperative	U.K	Indroduced new health and sfaty requirment: create restart fund for financial support
10	Kibbutz Movement	Israel	Protected unemployed members with economic assistance provided the elderly and children with social support, supplies and recreation activities.
11	Mondragon Cooperative	Spain	Addressed the lack of PPE, produced 340 million masks for healthcare workers

Source: World Cooperative Monitor (2021)

Table 3 indicates that the cooperative model proved to be resilient in times of crisis thus supporting the economic recovery while rebuilding businesses and communities.

Theoretical Framework

The paper drew insight from the transformational change theory which was first

discussed by Robert Gass in the year 2020, who is an acclaimed authority in human consciousness and organizational change. Transformational change theory is a profound, fundamental and irreversible philosophy that metamorphoses a radical change from one form to another. There are key principles to the theory, but the paper aligns that transformational change is grounded in the power of positive vision and focuses on what the

society wants to create. Transformational change theory balances critique with power generated by an appreciation and honouring of what is already good and useful, and the hope inspired by focusing on what's possible. The theory is relevant to this paper in that it engages the deepest aspirations of what the region care most deeply about which is a change thus transformational change activates not only the power of collective purpose but also helps lower the barriers that keep the region separate from each other rather inviting greater care for one another which the cooperative model possess in building a better future.

Cooperative Model the Basic Strategic Option

Owing to the Cooperative ethical and democratic features as well as their dual pursuit for social and economic yields, the model has come to be perceived as the best solution to the enigma of pandemic economies (Kwakyewah, 2016). Consequent, to this assertion, the authorities in the region can through the cooperatives create strategic alliances where several organizations (public and private) cooperate with the cooperative institutions to reduce to the barest minimum the shocks of the Covid-19 pandemic on regional livelihood and health safety. Other forms of alliances can be through networks, and joint ventures, thus dynamism of practices are created.

No doubt, the benefits of the strategic alliance network includes

- Access to the information which no organization has monopoly
- Positive publicity, where the interests of organizations are projected to positive light to other group members.
- Higher flexibility and effectiveness (Tanya, 2019; Sroka, 2012)

METHODOLOGY

This paper utilized and adopted mainly secondary data sources and content analysis of various ICA materials, and scholarly documented researches relating to the subject investigated.

SUMMARY AND CONCLUSION

The cooperative model is the frame alternatives to the regional pandemic economies as it promotes secure livelihood, enablers of collaborative and participative solutions to increasing health and safety protocols. The *cooperatives* remain the unfiltered reality in a highly stratified region. The extent to which the authorities in the region pursue a policy of creating enabling environment for cooperatives proves to be the key factor in reconstructing the pandemic economies. The cooperative model is significant for other policy domains.

Policy Recommendations

- Sub-Sahara African leaders need to engage in strategic alliances with the cooperatives as viable tools in development administration which is an aspect of Sustainable Development Goals of the United Nations (UN).
- The government of sub-Sahara Africa need to harmonise the point of divergence with cooperatives, for a transformation, based on closer regional economic cooperation.

This paper is a qualitative study which most times researchers question the validity and reliability of its recommendations since the information needs scrutiny and critical evaluation. Again, the study is on the cooperative model only and sub-Sahara Africa transformation which do not include other forms of institution, hence the limitations of this study.

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