Perhaps, it is in the anti-establishment spirit that cooperatives in Uganda have been able to thrive. Historical records show that Uganda’s first cooperative was a subversive farmers’ union in Buganda formed to undermine the exploitative prices offered by the colonial regime. The 1913 Kinakulya Growers Cooperative in Mubende shaped the later occurrences by inspiring sustained pressure on the colonial administration to grant autonomy to the Ugandan farmers. The 1920 Buganda Growers Cooperative was a brainchild of such a development. Despite being faced with two opponents – the Asian merchants and the British administrators – the Ugandan farmers persisted. As a result, between 1946 and 1962, the regime embarked on a process of legislating on and formalising the operations of cooperatives in Uganda. The move eroded the foreign monopoly on the market, and improved the terms of trade for the Ugandan farmers.
hit the many cooperatives that depended on the Cooperative Bank for capital like a tsunami. The Cooperative Bank closure seemed to have been the last straw that broke the camel’s back. Furthermore, the inroads by the multinationals seemed unstoppable. They hijacked trade (both import and export trade, for example) leaving the possibilities for the resurgence of cooperatives in doubt.

But tracing the story of Uganda’s cooperative movement to the post-1999 closure is as thrilling and the findings are unbelievable. Can you believe that there are over 18,000 cooperatives in Uganda, excluding the over 8000 SACCOs? Yes, the requirement for collateral by commercial banks before advancing financial assistance to individuals necessitated alternative measures for, especially, the farmers. Falling back on the cooperative model, despite the limited financing, made more sense for thousands of citizens, especially the farmers.

Every little town in Uganda is home to at least three cooperatives, most of which are SACCOs. Popularised in the wake of the closure of the Cooperative Bank, SACCOs have replaced commercial banks in many areas. Even those who have accounts in commercial banks still subscribe to the SACCOs and different other cooperatives. If it was mostly farmers that subscribed to the cooperatives then, businessmen and women have since taken over the lead. It is undeniable that cooperatives are playing a tremendous role to change the lives of many Ugandans. Many years after the closure of the Cooperative Bank, it can be said that cooperatives are still alive and kicking.