Kioko worked for 10 years in one of Kenya’s leading microfinance institutions. She enjoyed her job and the knowledge that she improved the lives of a great number of Kenyans. In February 2008, Kioko left and started a new career, representing international shareholders investing in microfinance banks across Eastern Europe, Central Asia, and Southeast Asia.

During her first few months on the job, Kioko flew to exciting destinations like Warsaw, Istanbul, Astana, Tbilisi, Jakarta, and Yerevan. The diversity of cultures and banking practices fascinated her.

However, Kioko’s life soon changed. While sitting in a hotel room in Phnom Penh in September 2008, she watched on CNN as the global financial crisis engulfed much of the world like a tsunami. In a matter of weeks, Kioko’s portfolio of European and Asian banks faced their most serious crisis since the 1997 Asian Financial Crisis.

By 2009, the banks in her portfolio started to collapse due to the strong US dollar against the Kyrgyz Som, Kazakh Tenge, and Thai Baht, among many others, as millions of people moved assets into US dollars as a “safe” currency during crises. The banks had borrowed money in US dollars and euros, but lent out the loans in local currencies. The banks could not repay their foreign currency loans to investors. Despite Kioko’s stellar career as a finance im-

In next week’s edition of Business Talk, we explore “Kenyan Student Reactions to European Business Culture”. Read current and prior Business Talk articles on the Business Daily’s website and www.usiu.ac.ke/blog/businessdaily.