

## Zimbabwe's new currency is U.S. dollar

15th June, 2015



The central bank of Zimbabwe scrapped the country's national currency on Friday and started using the U.S. dollar. The Zimbabwean dollar has for the

past decade become more and more worthless because of spiraling inflation. Hyperinflation peaked at an incredible 500 billion percent in 2008. Since then, Zimbabweans began seeking financial security in the U.S. dollar. Economists estimate that today, 90 per cent of the economy is based on the U.S. dollar. People have until September to exchange their remaining local currency for the U.S. dollar. The official exchange rate is one U.S. dollar to 35 quadrillion Zimbabwean dollars. That's 35 followed by 15 zeroes.

All is not lost for the old Zimbabwean dollar. The large number of zeroes that make up each denomination of the bills is making them a collector's item online. On the auction site eBay, a 100 trillion Zimbabwean dollar note is getting up to US\$35 from bidders. This is nearly one hundred times more than the 40 U.S. cents the bill is officially worth in a bank. One hundred trillion is one followed by 14 zeroes. The 100 trillion dollar bill used to be able to buy a weekly bus ticket. One enterprising Zimbabwean has decided to cash in on the old currency by selling it to tourists. Shadreck Gutuza, a former currency trader, said it was a waste of time to cash it in at the banks when tourists will buy the notes for US\$20.

Sources: Reuters / NY Daily News / Fox News

## Writing

There should be just one world currency. Discuss.

## Chat

Talk about these words from the article.

*central bank / national currency / the past decade / worthless / financial security / zeroes / collector's item / a quadrillion / weekly / bus ticket / tourists / trader / cash*

## True / False

- Zimbabwe stopped using its old currency last week. T / F
- Inflation in Zimbabwe was once 500,000,000,000%. T / F
- Over 99% of the Zimbabwe economy already uses the U.S. dollar. T / F
- A quadrillion is a one followed by 15 zeroes. T / F
- The old Zimbabwe currency is now selling to collectors online. T / F
- A 100 trillion Zimbabwean dollar note is getting US\$350 on eBay. T / F
- A 100 trillion Zimbabwean dollar note can be cashed for \$4 in a bank. T / F
- Tourists are buying 100 trillion dollar bills for US\$200. T / F

## Synonym Match

- |                 |                      |
|-----------------|----------------------|
| 1. scrapped     | a. value             |
| 2. decade       | b. bills             |
| 3. spiralled    | c. left over         |
| 4. estimate     | d. rocketed          |
| 5. remaining    | e. fetching          |
| 6. denomination | f. got rid of        |
| 7. getting      | g. almost            |
| 8. nearly       | h. resourceful       |
| 9. enterprising | i. 10 years          |
| 10. notes       | j. roughly calculate |

## Discussion – Student A

- What do you think of buying things on sites like eBay?
- Would you buy the 100-trillion-dollar notes as an investment?
- How do you think U.S. dollars will change Zimbabwe?
- What's the best thing to do to combat hyperinflation?
- How good would it be to work as a currency trader?
- Should all money be in digital form, with no notes or coins?
- What do you think about money?
- What questions would you like to ask Zimbabwe's finance minister?

# BreakingNewsEnglish - The Mini Lesson

## Phrase Match

- |                           |                        |
|---------------------------|------------------------|
| 1. scrapped the country's | a. by 15 zeroes        |
| 2. for the past           | b. security            |
| 3. spiralling             | c. lost                |
| 4. seeking financial      | d. decade              |
| 5. That's 35 followed     | e. from bidders        |
| 6. All is not             | f. national currency   |
| 7. a collector's          | g. trader              |
| 8. getting up to US\$35   | h. item                |
| 9. cash in                | i. inflation           |
| 10. a former currency     | j. on the old currency |

## Discussion – Student B

- What do you think about your national currency?
- What do you think of other countries using the U.S. dollar as their national currency?
- What experiences do you have of inflation?
- How much financial security do you have?
- What do you think of the idea of a single world currency?
- Should Zimbabwe have created a new national currency?
- Why is the U.S. dollar so popular?
- Why are exchange rates between currencies important?

## Spelling

- cpasredp the country's national currency
- for the past edceda
- more and more hewltross
- seeking financial tivrceus
- exchange their igainmre local currency
- The iflfaioc exchange rate
- each anooitmnnde of the bills
- the ntuiaco site eBay
- getting up to US\$35 from dresdib
- htowr in a bank
- One iinpterrsnge Zimbabwean
- a fermor currency trader

### Answers – Synonym Match

1. f	2. i	3. d	4. j	5. c
6. a	7. e	8. g	9. h	10. b

## Role Play

### Role A – U.S. dollars

You think U.S. dollars are the best way of paying for things. Tell the others three reasons why. Tell them why their ways aren't so good. Also, tell the others which is the least useful of these (and why): credit cards, Bitcoins or PayPal.

### Role B – Credit cards

You think credit cards are the best way of paying for things. Tell the others three reasons why. Tell them why their ways aren't so good. Also, tell the others which is the least useful of these (and why): U.S. dollars, Bitcoins or PayPal.

### Role C – Bitcoins

You think Bitcoins are the best way of paying for things. Tell the others three reasons why. Tell them why their ways aren't so good. Also, tell the others which is the least useful of these (and why): credit cards, U.S. dollars or PayPal.

### Role D – PayPal

You think PayPal is the best way of paying for things. Tell the others three reasons why. Tell them why their ways aren't so good. Also, tell the others which is the least useful of these (and why): credit cards, Bitcoins or U.S. dollars.

## Speaking – Money

Rank these with your partner. Put the best ways of paying at the top. Change partners often and share your rankings.

- |                    |                           |
|--------------------|---------------------------|
| • Mobile phone     | • U.S. dollars (cash)     |
| • A world currency | • Bitcoins (online money) |
| • PayPal           | • Credit cards            |
| • Bank transfer    | • Checks / Cheques        |

### Answers – True False

a	T	b	T	c	F	d	T	e	T	f	F	g	F	h	F
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Answers to Phrase Match and Spelling are in the text.