

# Hyperinflation in Zimbabwe

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## Vocabulary

*Repeat each vocabulary word and definition after the teacher.*

- **Hyperinflation**      When currency loses its value at a very fast rate
- **Currency**              Money of a country, such as USD \$, GBP £, EUR €, and JPY ¥
- **Instability**            Being unstable
- **Confiscation**        When the government takes something away from someone
- **Involvement**        To be actively included in something
- **Peak**                    The highest part of something
- **Equivalent to** \_\_\_    The same as \_\_\_\_\_
- **Staggering**            Deeply shocking
- **Food production**    Growing, making, and preparing food
- **Banking sector**        Banking area of the economy
- **Collapsed**             To suddenly fall
- **Obtain loans**        To get large amounts of money from the bank to pay for business costs
- **Capital development**    Funding for new businesses
- **In'da**                    “In the“ (pronounced quickly)
- **En'duv**                “End of“ (pronounced quickly)

## Passage

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Read the passage with the teacher, asking questions about content, and then answer the questions on the next page.

**Hyperinflation** in Zimbabwe was a period of **currency instability** that began **in the** late 1990s shortly after the **confiscation** of private farms from landowners, towards the **end of** Zimbabwean **involvement** in the Second Congo War. Zimbabwe's **peak** month of **inflation** is estimated at 79.6 billion percent in mid-November 2008. The peak month of **hyperinflation** occurred in mid-November 2008 with a rate estimated at 79,600,000,000% per month. This resulted in US\$1 becoming **equivalent to** the **staggering** sum of Z\$2,621,984,228. From 1999 to 2009, the country experienced a sharp drop in **food production** and in all other sectors. The **banking sector** also **collapsed**, with farmers unable to **obtain loans** for **capital development**. Food output capacity fell 45%, manufacturing output 29% in 2005, 26% in 2006 and 28% in 2007, and unemployment rose to 80%. In 2009, Zimbabwe stopped printing its **currency**, with currencies from other countries being used. In mid-2015, Zimbabwe announced plans to have completely switched to the United States dollar by the **end of** 2015.

Courtesy of Wikipedia: [https://en.wikipedia.org/Hyperinflation\\_in\\_Zimbabwe](https://en.wikipedia.org/Hyperinflation_in_Zimbabwe)

## Checking Understanding

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1. When did hyperinflation in Zimbabwe start?
2. What started the hyperinflation in Zimbabwe?
3. When was the peak month of inflation?
4. What was US\$1 equal to during the peak month of inflation?
5. What did the country experience from 1999 to 2009?
6. What happened in 2009 to stop inflation?
7. What do they have plans to do by the end of 2015?
8. How to pronounce “In the” quickly?
9. How to pronounce “End of” quickly?

## Conversation Questions

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*Take turns asking the questions with your teacher, and if there's any time left over you can free chat*

- Do you remember seeing things on the news about Zimbabwe inflation in 2008?
- Why is currency inflation such a big problem?
- How is inflation in your country? Not a problem? A big problem?
- What causes inflation in most countries?
- Are you worried about inflation?
- How do governments control inflation?
- Do you follow what the central banks do in your country?
- How can inflation influence you in your everyday life?
- Is population growth related to inflation?
- If you were the president or prime minister of your country what would you do to prevent inflation?
- How can inflation affect your bank accounts and savings?
- When inflation becomes a problem a lot of people will buy gold and silver, do your parents do this? Do you do this?
- Sometimes governments try to print more money to control inflation. Do you think this is a good idea or bad idea?