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AN ANALYSIS ON THE EFFECTS OF MULTI-CURRENCY SYSTEM TO THE ECONOMY OF ZIMBABWE. A CASE OF MARANGE 2009-2014

Submitted by: **SINZIYA SIGAUKE (R113788Z**) in partial fulfilment of the requirements of the Bachelor of Social Sciences Honours Degree in Politics and Public Management.

SUPERVISOR: **MR. W.MUDYANADZO**

Signed ________________________ Date______________________

Declarations

I Sigauke Sinziya, sincerely declare that this dissertation is my original work and has not been previously submitted to any other university. Proper citations and acknowledgements in line with the copyright and ethical requirements have been strictly adhered to in writing this text

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Date

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Dedication

I dedicate this piece of work to a number of individuals who worked tirelessly and supportively towards my academic studies. To Mr and Mrs Sigauke, my brother Allen and my sisters Sithembile and Tendesai for your unwavering support in everything and for ensuring that my dream become a reality.

Abstract

There are a number of reasons that led to the collapse of the Zimbabwean economy for almost a decade prior to February 2009. Zimbabwe experienced the dramatic rise of hyperinflationary which led millions of Zimbabweans abandoning the country to find greener pastures somewhere across the globe. In response to the chaotic hyperinflationary period that had defined the country's economic environment, Zimbabwe adopted the Multi-Currency System (MCS) in January 2009. The purpose of this paper is to analyze the effects of multi- currency system to the economy of Zimbabwe particularly to the rural populace in Marange. Data was collected from 29% purposively selected respondents through interviews and unstructured questionnaires. Using descriptive statistics to analyze the primary data the research found that although the MCS has generally improved positively the quality of life for some people, the majority still remain in poverty considering the quality of life indicators like the national datum line especially on rural populace. Hence, this study is therefore important as it will shed some insight and provide recommendations to the macro-economic problems being faced by the Marange post dollarization economy. Thus the government must adopt a single currency to avoid exchange rate problems as well as reduce shortages of smaller denominations. This study was purely qualitative in nature and data soliciting techniques that includes questionnaire and semi-structured interviews targeting the households, school heads, shop owners, health providers so as to acquire detailed information about the performance of these crucial sectors; education, health and food.

Key: dollarization, economic indicators, rural people

List of acronyms

MCS	Multi Currency System
Z$	Zimbabwean dollar
OVC	Orphans and Vulnerable Children
GDP	Gross Domestic Product
GNU	Government of National Unity
GPA	Global Political Agreement
HIV	Human Immune Virus
RBZ	Reserve Bank of Zimbabwe
IGP	Income Generating Projects
ESAP	Economic Structural Adjustment Programme
MPS	Monetary Policy Statement
MSU	Midlands State University
STERP	Short-Term Emergence Recovery Programme
NGO	Non-Governmental Organization
ZCPT	Zimbabwe Churches Peace Trust
SAR	South African Rand
ZANU PF	Zimbabwe African National Union Patriotic Front
BP	Botswana Pula
MVTC	Marange Vocational Training Centre
USD	United States Dollar
IMF	International Monetary Fund

PDL	Poverty Datum Line

Definition of key terms

Multi-Currency System— refers to an international monetary system that is based on a group of currencies rather than primarily just one currency (copyright at 2011 International Monetary Fund)

Dollarization— is the substitution of a domestic currency by a more stable currency (Bloch 2009)

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CHAPTER ONE

1. O. Introduction

This chapter gives a background to the study, providing an explanation on the research gaps of the effects of multi-currency system to the economy of Zimbabwe. This chapter therefore covers the background to the study, statement of the problem, purpose of the study, research questions, justification of the study, limitations and delimitations of the study and the summary.

1.1 Background to the study

Money has existed since pre-historical times and was used as a tool to ease trade in all global economies for the development of societies. At independence in 1980 the Zimbabwean dollar replaced the Rhodesian dollar at par at a rate which was higher than the American dollar. Although this quickly deteriorated, it was not until the late nineties that a series of events led to the demise of the Zimbabwean dollar as it has been estimated to have lost more than 99,99 percent of its value within a space of two years alone between 2007 and 2008 (Hanke 2008). This has made the Zimbabwean dollar a valueless tool, unreliable for trade (Zimbabwe Independent 2008).

Zimbabwe experienced a crippling hyperinflationary economic environment, which created a nation of poverty-stricken billionaires over the past decade until it adopted the multicurrency system (MCS). The Zimbabwean government introduced the multi-currency system on 30th January 2009 to combat the hyperinflationary trends in the market. It was also meant to restore stability in prices and credibility in the monetary system (Robson, 2012).The presence of both semi and informal dollarization have forced the government to allow use of multiple currencies such as the South African rand, British pound, Botswana pula and the Euro and this policy was pronounced during the presentation of the country's 2009 national budget on 30 January 2009.

Multi-currency system refers to accounting software that enables trading in multiple currencies, which facilitates buying and selling internationally. MCSs can facilitate the recording of revenue and expenses converted from foreign to domestic currency. Chigora R. (2013) stated that, it is easy to characterize the emergence of a MCS in Zimbabwe as the country’s saving grace after a difficult decade of the currency devaluations and record-breaking inflation that came with a waning economy and a contentious political environment. After attempting everything from price controls to printing bearer checks that continued to accumulate zeroes, the country finally sanctioned the use of the United States dollar, South African rand, Botswana pula and the British pound in 2009.

At first, the government insisted that the Z$ should remain the legal tender alongside other currencies. However, due to worthless and total loss of confidence in the Z$ by the majority, the government later suspended the Z$ from the market, for multiple currencies. The researcher found out that although as much the MCS brought positive changes, it also brought a shame of its own challenges in particular; the people of Marange remain in poverty if one considers the quality of life indicators, like the national poverty datum line in a dollarized economy. Yang (2000) further noted that dollarization may have negative impacts on the overall macro-economy of the recipient country due to the differences in macroeconomic policies and as the recipient country loses economic sovereignty. Thus the researcher found it necessary to carry out a research on how the multi-currency system is affecting the majority in Marange area.

When the Government of National Unity (GNU) was formed in February 2009, one of the first measures the GNU implemented was to dollarize the Zimbabwean economy in order to bring some semblance of macro – economic stability, and to stem the scourge of hyperinflation. This was done in line with the advocates of dollarization who have argued that dollarization results in the virtual and almost overnight elimination of hyperinflation as what happened in Argentina in the late 1980s and Yugoslavia in the 1990s; they have successfully eliminated hyperinflation after the adoption of dollarization (Chitambara 2009). Under the new monetary system, the Government made a provision for the use of any foreign currency available for any transaction.

This resulted in Zimbabwe being viewed as a dollarized economy given that the government conducts all its business using the United States dollar (USD) dollar and it is the currency that has become predominant among the other currencies used in the country in February 2009. Bloch (2009) defines dollarization as the substitution of a domestic currency by a more stable foreign currency. Chitambara (2009) also pointed out that dollarization is predominantly a response to a loss of confidence in the local currency owing to severe bouts of macro – economic instability, notably hyperinflation, currency crisis as well as high and volatile interest rates.

However, the new monetary transformation is popularly known as dollarization, since in the US dollar is the de jure currency for government budgetary purpose. Schuler (2002), also defined dollarization as "any case where a country has no locally issued currency and officially uses a foreign currency instead, the currency need not to be the U.S. dollar." Therefore, in this research, the terms dollarization and MCS will be used interchangeably for an investigation of the effects of dollarization or new monetary regime in Zimbabwe to the people in rural areas of Zimbabwe mainly the Marange wards in Mutare area in its first two years that is 2009 and 2010 of its implementation.

Minda (2005), Dollarization has been described as an economic phenomenon that typically occurs in phases. AnhilHira and James W Dean (2001:2002) defined two types of dollarization. De facto dollarization and De jure dollarization, 'De facto dollarization is the spontaneous adoption of the dollar or any foreign currency by the general public without supporting government legislation and De jure dollarization is, 'the adoption of the dollar or any foreign currency with supporting government legislation.' The Joint Economic report of (2000) defined De facto dollarization in detail and its characteristics. They stated that, "De facto dollarization occurs when people hold much of their financial wealth in foreign assets even though foreign currency is not legal tender, legal tender means that a currency is legally acceptable as payment even if they would prefer the specify another currency.

The term 'unofficial dollarization' covers both cases where it is illegal. In some countries it is legal to hold some kind of foreign assets, such as dollar accounts with a domestic bank, but illegal to hold another kind of foreign assets, such as bank accounts abroad, unless special permission has been granted." Generally, dollarization is often used in a number of countries. Specifically, on an informal basis, the US dollar has circulated alongside national currencies in a number of countries, both developing and developed. It is only the formal dollarization, which seems to prop up much interest, especially in previously highly inflated countries such as Zimbabwe.

According to Ndlovu (2013), articulates that MCS on its own is not a source of stability if underlying policies are unsound. However, it is an incontrovertibly indubitable fact that the multicurrency system when sensibly adhered to, can eliminate the possibility of excessive printing of money and restricts budget deficits to an economy's ability to borrow in dollars or the currencies that are operational within the borders of that sovereignty.

1.2 Statement of the problem

While dollarization is generally viewed as a solution to economic crises, the prevailing liquidity crunch in the Zimbabwean economy is not deniable. In particular, the central bank's inability to conduct the monetary policy effectively within the auspices of the multicurrency system has not only affected financial institutions but has extended to have negative/ adverse effects on the livelihood of the rural folk. From a macroeconomic standpoint, it can be observed that the number of people living below the poverty datum line has been increasing. Rural households have been struggling to survive in the dollarized economy and this has prompted the researcher to establish how dollarization affects rural livelihood in Marange district.

1.3 Significance of the study

With policymakers in Zimbabwe having mixed feelings on the role of dollarization as an economic stabilizing tool, a study which attempts to establish the impact of dollarization on rural livelihood is imperatively important as it provides policymakers on socio-economic effects of dollarization. The study is also timely in view of the current debates on dollarization whose tenet is to seek proper monetary arrangements that can be used to bring economic stabilization and close the income inequality gap in developing countries like Zimbabwe.

The research seeks to figure out the effects of MCS to the economy of Zimbabwe in particular the rural populace. The research also seeks to fill the knowledge gap that is being created to bring out challenges facing Marange people. The Marange populace can also benefit from the study since the research work provides recommendations to the macro-economic problems being faced by the Marange post dollarization / multi-currency system of the economy.

1.4 Objectives of the study

- To trace the origins of the use of multi-currency system in Zimbabwe on the rural populace.
- To show how the multiple currencies has affected the rural livelihoods
- To come up with policy recommendations to alleviate the plight of rural people

1.5 Research questions

1. What are multi-currency system / dollarization?

2. How did this come about?

3. What were the implications of the system to the livelihoods of rural populace in Zimbabwe?

4. What were the challenges faced by the rural people in Zimbabwe in 2009 following?

5. How have the rural populace coped to the prevailing economic environment and with what results on the life style?

6. What recommendations would you offer to overcome the challenges of MCS faced by rural populace?

1.6 Justification of the study

Following the introduction of multi-currency use, hyperinflation in Zimbabwe is now history. Monthly inflation rates since February 2009 to date have been either negative or when positive, they have been 1%, (Marambanyika, etal, 2010). The research has the potential to expose living standards of the people of Marange area. This research is aimed to benefit the rural people of Marange area through the assistance of Non Governmental Organisations (NGOs) and the Government to support the people of Marange through Income Generating Projects (IGPs) so that the people of Marange will have access to foreign currency.

There is need to know how multi-currency system is affecting the rural folk therefore the study provides some insights to policy makers in Zimbabwe that there is need to opt for a local currency which can be accessed by the majority. This will improve other indicators of welfare such as education, business, communication and health to the Marange people. The single currency to be chosen should not only ensure that the country do not return to the chaotic hyperinflation trend, but that its credibility in fulfilling the functions of money such as medium of exchange, unit of account, store of value and standard of differed payments should be credible in the eyes of the majority Zimbabweans especially the rural folk.

1.7 Limitations of the study

Limitations are potential weaknesses or problems with the study identified by the researcher. Therefore, the researcher is likely to face the following constraints which are ; the data collected are from individuals who are self -reporting their perceptions hence perceptions of those who will participates are not factual information and are biased based on the respondent's own experiences and attitudes. Some respondents might be unwilling to disclose information as they might fear victimization hence the researcher might obtain incomplete information. The geographical expanse of the study are, inadequate financial resources and time constraints also reduces the chances of contacting more respondents. These limitations are mitigated by making sure that there is purposive sample selection, piloting and careful scrutiny of the perceived parameters of measurement in the effects of dollarization, population and sample

1.8 Delimitation of the study

The study will be carried out in three wards that are Buwerimwe, Nyagundi and Nyachityu in Marange Rural District. The main thrust of this research is to fill the knowledge gap that exists within this field of study, as the study ought to explore on the factors affecting the rural populace due to MCS to the economy of Zimbabwe. Therefore, the Marange people can also benefit from the study since the research work provides recommendations to the macro-economic problems being faced by the Marange post dollarization / multi-currency system of the economy.

1.9 Conclusion

The central aim of this chapter was to introduce the reader on the research's main area of focus. A background of circumstances that prevailed in the Marange area pertaining Zimbabwean economy as a result of MCS and challenges being faced from 2009-2014 has been highlighted above. The chapter has laid a strong foundation upon which an analysis on the effects of multi-currency system to the economy of Zimbabwe particularly in Marange area under Mutare District.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter reviews literature on the subject matter of the study and will critically consider what has been researched and published which is relevant to the current study. The main thrust of this chapter is centred on identification, evaluation and interpretation of the existing recorded work produced by researchers, scholars and practitioners. It focuses on point's divergence and convergence among various authors, identifying the gaps and areas of further study. Embedded in this chapter in particular is an overview of economic crisis suffered in Zimbabwe, theoretical and empirical studies related to the effects of MCS on rural livelihood.

2.1 Background of the economic crisis in Zimbabwe

There were a number of reasons that led to the collapse of the Zimbabwean economy as the country experienced a dramatic rise in hyperinflation through the years. Hyperinflation is extreme inflation and is caused by extremely speedy growth in the supply of paper money. They occur when the monetary and fiscal authorities of a nation frequently issue large quantities of money to pay for a large amount of government expenditures.

The origins of Zimbabwe's economic collapse in the past decade is controversial among historians and economists, beside the subject being debatable it is also complex and have economic, political and social dimensions including both human and natural factors. The factors that affected the economy of Zimbabwe included the Economic Structural Adjustment Programme (ESAP), gratuity payment of War Veterans, Zimbabwe intervention in DRC war, Land Reform Programme, Economic Sanctions, bilateral disputes between Zimbabwe and the West period affected policies that in turn had a direct impact on the economy and in particular affecting the economy of Zimbabwe.

Just like in any other countries that implemented Structural Adjustment Programmes (SAPs) in Sub Saharan Africa (Bird and Shepherd, 2003, UN, 2005). The economic meltdown and political crisis that engulfed Zimbabwe from the mid 1990 onwards can be said to be the result primarily of the de-industrialising effects of the World Bank/ International Monetary Fund (IMF)

Structural Adjustment Policies SAPs that were implemented in the early 1990s. Zimbabwe's ESAP was a set of economic and political policies that were implemented in 1991 by the government. It is argued that the adoption of the Western conceived ESAP and misinforming people that it was a home grown was a direct assault on the economic and social security of the people (Ndlovu-Gatsheni, 2009)

Robertson (2009), stated that the gratuity payment of War Veterans is another factor which affected the Zimbabwean economy. The situation was certainly not helped by Government of Zimbabwe's decision in October 1997 to authorize unbudgeted for pay outs of Z$ 50 000 gratuities and monthly pension of Z$ 2000 to each war veteran. The decision was in the face of mounting pressure from the war veterans who demanded and received unbudgeted compensation equivalent to about US$ 1,300 per person for their war service rendered during the liberation struggle. They demanded belated recognition of their sacrifice in the liberation of the country during the liberation war (Hammar and Raftopoulos, 2002).

Given that Zimbabwe was already showing signs of a serious economic down turn as a result of the negative impact of ESAP and the manufacturing sector shrinking by more than a quarter and exports falling political decisions could have been informed by this situation. Moyana (2010), pointed out that the government of Zimbabwe could not have made the decision to pay gratuities to the war veterans because the economy was fragile and paying large amount of money meant increasing money in circulation and the end result was most likely inflation. It is argued that Zimbabwe is an unusual case of a country driven into advanced stages of economic collapse, not by war or natural disaster but by the deliberate act of its own leaders (Moss, 2009). Such a decision to pay an estimated 60 000 war veterans accelerated inflation and worsened the growing fiscal deficit which was the source of inflation in the succeeding years and created a hash operating economic environment.

The situation worsened in 1998 when Government of Zimbabwe sent Zimbabwean soldiers into the Democratic republic of Congo (DRC) to intervene in a local uprising that was threatening to destabilize the democratically elected government. Cox and Anderson (2009), state that the Government of Zimbabwe, sent 12 000 troops to DRC at the cost of US$ 5 million per week for about three years resulting in cash strapped. It is argued that the DRC war significantly drained Zimbabwe's treasury and eroded the country foreign currency reserves. Political turmoil combined with internal economic policy also closed off most of the aid tap from the west scared away most foreign investment and chased much of the talented workforce out of the country.

Zimbabwe's involvement in the DRC war as well as failure to repay monies borrowed from international financial institutions such as the World Bank and IMF resulted in seizure of funding as the institutions required Zimbabwe to payback borrowed monies. It is argued in 2000 Zimbabwe's annual application to the IMF was vetoed by Britain and the United States for the reason that Zimbabwe had sent troops to the DRC when the country was too poor to involve herself in such military adventures (Simbi (2008) quoted in Chigora, 2008.

In the early 2000s, Zimbabwe embarked on a fast track land reform and resettlement programme that resulted in the formation of two farming models namely the A1 and the A2 farms (Feresu, 2008). Its implementation resulted in numerous negative ripple effects throughout the national economy and the end results were factory closure, declining outputs and dwindling foreign currency earnings and massive unemployment (Mlambo and Raftopoulos, 2003). The impacts were pronounced given the fact that agriculture is the backbone of the country's economy with most of the manufacturing industries depending on the agricultural sector for inputs and markets.

The economic meltdown that Zimbabwe suffered between the years 2000 to 2008 can also be explained within the context of sanctions or restrictive measures which were imposed on the economy by Western countries (Parkin, 2013). Sanctions or restrictive measures do not have a universal definition but are generally used by the international community as a tool to effect change in behaviour or policies of states (Sims and Masamvu, 2011). Zimbabwe plunged into an economic crisis due to sanctions characterized by trade bans, without giving the background of the country's hostile bilateral relations with the British government which culminated to the imposition of sanctions after the land redistribution policy. This was after a bilateral dispute emerged between the government of Zimbabwe and the British Labor government over the land question in Zimbabwe.

Bilateral dispute between Zimbabwe and the West also led to the economic crisis in Zimbabwe. Gono (2008) indicated that the economic crisis was as a result of hostile relations that developed between Zimbabwe and Britain caused mainly by the land question.

Some of the root cause of the economic difficulties that crippling Zimbabwe today is to be found in the unfortunate 1997 response of the British Labor government to very sincere and open minded efforts by the Zimbabwean government after the 1995 presidential elections to address the unfinished business of land reform within the context of the 1979 Lancaster House constitutional talks.... (Gono, 2008).

Zimbabwe's political and economic meltdown can be explained as a product of a bilateral dispute that emerged after the Labor Party led by Tony Blair in Britain entered into government and rejected to honor the Lancaster Agreement on the land.

2.2 Multi-currency system

The International Monetary Fund (2011) refers multi-currency system to an international monetary system that is based on a group of currencies rather than primarily just one country. In a multiple currency system, it is conceivable that there would be greater discipline on reserve currency issuers as users could shift their holdings from one currency to another.

Bloch (2009) defines multi-currency system as accounting software that enables trading in multiple currencies, which facilitates buying and selling internationally. MCSs can facilitate the recording of revenue and expenses converted from foreign to domestic. Multi-currency system is a situation where the citizens of a country officially or unofficially use a foreign country's currency as legal tender for conducting transactions. Crotty (2009) stated that in an attempt to restore credibility in the monetary system and also to arrest the hyperinflationary trend, the government of Zimbabwe introduced the use of multi-currency 30th January 2009.

Aqilla (2013), multi-currency options are vital to ensure that cross country accounting requirements are met, while easy access to accounting data from different locations allows employees, business partners and customers to quickly add or retrieve information, providing a solid foundation on which a mid-sized organization can grow. Multi-currency economy is the economy which runs with several currencies of various nature Archytas (2001). Hence, the use of MCS tends to eliminate the risk of exposure to sudden, sharp devaluation of currencies since consumers are free to switch from one currency to the other with relative ease. Although some analysts have stated that MCS are not suitable for developing economies, arguing that free floating currencies risk excessive exchange rate volatility.

2.3 Adoption of Multi-currency system

The economic situation in Zimbabwe continued to deteriorate drastically and has been on the threshold of total collapse for long. The Zimbabwean dollar was valueless and unusable as a currency and as a result most Zimbabweans started storing their wealth in asserts and foreign currency at the expense of the Zimbabwean dollar, with most transactions either paid in cash or in U.S dollar in case of credit purchases. This situation has ushered the adoption of the American dollar and South African rand equal as legal tender as the local currencies accumulate of value and standard of differed payments functions totally shrunken away. This has given rise to concepts such as dollarization and randization of the currency market in Zimbabwe. The local currency was highly unstable and it was eroding every day, changes its value almost every hour, causing prices of commodities to change frequently. Money deposited in the banks lost value many times over before it got to the owner and people's salaries and bonuses shrunk drastically before withdrawn as observed by Themba Mabhula, (2009). With this situation the government failed to insist on the use of the Zimbabwean dollar as the only currency.

Moyo (2010), noted that from 2004-2009 Zimbabwe suffered one of the most serious hyperinflations in world history, which forced the country to abandon its currency, the Z$, and adopt US$, South African rand, British pound and Botswana pula (multiple-currency system) as the official currencies. According to the Monetary Policy Statement (MPS) issued in terms of the Reserve Bank of Zimbabwe (RBZ) Act chapter 22:15 section 46 by Governor G. Gono enabled the government of Zimbabwe to adopt and legalize any foreign currency. Zimbabwe adopted a MCS in order to bring its ruined economy back to viability level. According to Robertson J. (2013) argues that in 2009, following a decade of economic decline and hyperinflation during 2007-08, policies improved significantly. The MCS adopted in early 2009 helped restore price stability, restart financial intermediation, and impose fiscal discipline by precluding the option of budget deficit monetization.

The Herald of 8 July 2011 pointed out that during the era across all sectors of the economy, there has been no capital re-investment and the prevailing pricing system in the country was indistinct and goods were over charged. Stakeholders are also advised that multi-currency regime is not an area of emotional choice or option but rather a measure officially introduced in January 2009 as part of the country's adaptive economic strategy and a pragmatic response to the challenges of the day (Gono, 2013). Thus, when the Government of National Unity was formed in Zimbabwe in 2009, one of the first measures the GNU implemented was to dollarize the Zimbabwean economy, in order to bring some semblance of macro-economic stability and to stem the plague of hyperinflation. Zimbabwean dollar was dropped from use early 2009 because it had become worthless after years of economic decay and corruption.

As an alternative to phase out a floating currency, Zimbabwe decided to implement full dollarization. The main reason was to reduce the country risk, thereby providing a stable and secure economic and investment climate. Just like any other countries Zimbabwe seeks full dollarization tends to be developing or transactional economies, particularly those with high inflation. It is because advocates of dollarization have argued that dollarization results in the virtual and almost overnight elimination of hyperinflation. Thus most chronic high inflation countries like Argentina in the late 1980s and Yugoslavia in the 1990s successfully eliminated hyperinflation after the adoption of dollarization (Chitambara 2009).

The Finance and Economic Development Minister P. Chinamasa articulated that the major reasons for adopting a multi-currency system were inflationary pressure, the unsustainable current account position, fiscal imbalances, depressed real sector activities and growth of parallel market activities. The local currency would fail to perform its basic functions as a medium of exchange and store of value under such conditions. Economic agents would shun the domestic currency and demand relatively more stable foreign currency explained Minister Chinamasa. Thus, Zimbabwe adopted the MCS as a “noble” policy that was introduced by RBZ in the last quarter of 2008 in the wake of the sanctions induced collapse of Zimbabwean dollar. More accurately, the rapidly collapsing Zimbabwean dollar forced the private sector to adopt and use other currencies, initially in defiance of RBZ directives, threats and prosecutions.

Recently on the 29th January 2014, Zimbabwe has expanded the official multi-currencies basket to include Chinese Yuan, Australian dollar, Indian Rupee and the Japanese.

Therefore, in general it is of paramount important to note that Zimbabwe adopted the multi-currency monetary system, commonly referred to as dollarization. The move was in response to the chaotic hyperinflationary period that had defined the Zimbabwean economic environment for almost decade prior to February 2009. Most Zimbabweans still are haunted by the memories of that era when Zimbabwe's then legal tender, the Zimbabwe dollar effectively lost its usefulness as a medium of exchange, store of value, unit of account and means for deferred payments- all considered features which give any monetary currency its value.

2.4 Countries that adopted multi-currency system

Zimbabwe's economic performance was not a new phenomenon in the global village. At different times, economies in the developing countries, worldwide, have been experiencing negative economic growth due to hyperinflationary environments as a result of different factors to play (Berg and Borezenstein, 2000). In order to improve their economies, some of the nations, officially or unofficially adopted dual currency systems, multi-currency systems, and/or currency substitutions with the US dollar. Ecuador, El Salvador, Panama, Puerto and Rico are some of the nations that adopted a change of currency systems (Schuler, 2001). A lot of countries have adopted dual and / or multiple currency in the past by countries like Mozambique, Zambia, Yugoslavia, Argentina, Mexico, Bolivia, Turkey, Georgia, Russia and these brought success to the economies of these countries (Robertson 2009). However, there is a point of departure with the researcher on the fact that the researcher will be concentrating on how the people of Marange suffered due to the introduction of dollarization in Zimbabwe.

As previously mentioned, in most cases countries that have adopted foreign exchange as an official legal tender had a background of economic, social and political disturbances that led to instability and poor economic growth. Some countries use foreign currency due to colonization or adopted the currency from their former colonizers (Kurt Schuler; 2005). According to Moreno Villaz (2005) articulated that for small countries like Zimbabwe, dollarization was an ideal option to stabilize the economy and integrates support by its financial system with that of the rest of the world.

Schuler; 2005 and Berriors; 2006 postulated that several studies have been undertaken on dollarization in Latin America and emerging countries but very little work has been done in African countries. Yet, many countries in Africa have used foreign currencies that have adopted dollarization have completely lost their sovereignty and the use of monetary policy, but have gained stability in exchange rate and prices. Minda (2005) examined countries that adopted official dollarization such as Panama (1904), Ecuador (2001), El Salvador and concluded that the adoption of full dollarization was far from being a remedy for all economic crises. Looking at the

American countries that have dollarized, their economies still lack notable economic development compared to their peers who have not dollarized. Some scholars have argued that for dollarization to be effective, it must be effective and it must be accompanied by fundamental macro-economic reforms as well as transformations in financial banking institutions.

The adoption of multi-currency system in Cambodia entails both benefits and costs. The costs of dollarization came from the losses of seigniorage and monetary independence as well as distortion of income distribution associated with exchange rate movements (Beresford, etal, 2004). In general the disadvantaged especially in rural areas earn their income in the riel, while the advantaged earn income in the U.S dollar. The exchange rate movements associated with dollarization could affect welfare especially for the deprived whose income was in riel. This study of Cambodia is in line with the researcher especially considering the issue of the exchange rate as the respondents complained about the exchange rates used by the retailers in response to inflation of foreign currency of different countries as they normally confuse clients, especially where prices are marked in South African rand. This was acknowledged by Schuler (2003) who noted that, 'exchange rate arrangements frequently neglect exchange controls………..' and in Zimbabwe, there is no uniformity in exchange rates as they are self tailor made. Though it is similar in terms of exchange rate there is also a point of departure with the researcher is the sense that in Cambodia the poor people in rural areas were still using riel, which is the currency of Cambodia whilst the rich people in urban areas were using U.S dollar. In Cambodia whenever they use United States dollars they encounter the problem of exchange rate.

Consider Ecuador, which also dollarized its economy following a severe economic crisis in 1999. At the stature of that crisis, Ecuador's local currency, the Sucre went from an exchange rate of 7,000 to one against the dollar, to 25,000 to one. Following the endorsement of the Economic Transformation Act, this outlawed the Euadorian government from printing the Sucre, and paved the way for the pronouncement of the US dollar as the country's official currency, hyper-inflationary was curbed and there was rapid recovery. However, the benefits were short lived, as in the period after dollarization; Ecuador still continues to be characterized by poverty and soaring disparities in income. The financial system continues to be susceptible due to the limits that dollarization places on the central bank's flexibility of policy responses to crisis. Similarities can be drawn between Ecuador's experiences and those of Zimbabwe since 2009.

Zimbabwe's record breaking inflation was reined in, and the economy grew like it had been shot on steroids in the years immediately after dollarization, though this positive GDP growth appears to have lost steam in recent years.

The question which has been posed in different circles of the Zimbabwean society is the extent to which the adoption of multi-currency system affected human livelihoods? Some authorities in government, in particular ZANU PF, highlighted that the use of foreign currency has negatively impacted most people's livelihoods as the cost of living is mounting. This position is hard-pressed for notwithstanding the fact that inflation has been diminishing since the introduction of the MCS, (Madzimure, 2009) The Zimbabwe Times, 2009). This research is in line with the researcher because the researcher carried out the research on how the adoption of dollarization affected the human livelihoods but there is a slight difference on the area of study since the researcher carried out the research taking a case study of Marange whilst Madzimure used an overview of the whole country both the urban and the rural people. Madzimure (2009) pointed out that ZANU PF supporters were arguing that the use of foreign currency impacted negatively on most people's livelihoods due to the rising of cost of living were the urban dwellers who were complaining for the unaffordable prices of electricity and water. This shows different with the researcher who also noticed the knowledge gap on the rural people failing to meet the basic needs of life which included food, health, and education.

2.4.1 The Short-term emergence recovery programme (STERP)

The rapid declining in socio-economic and political sectors culminated in the formation of an inclusive government (in February 2009) following the signing of the Global Political Agreement (GPA) on the 15th of September 2008. The purpose of the GPA was that, political parties had to work together to resolve the economic imbalances and political crisis that had affected the country. The inclusive government therefore launched the Short –Term Emergency Recovery Programme (STERP) ON 19 March 2009 as a programme for economic stabilization .The salient feature of STERP included, adoption of a cash and budgeting system, use of multiple currencies as legal tender and adoption of the rand as a reference currency, and the dismantling currency controls among other measures, (Chitambara, 2011).

The adoption of dollarization, though the multi-currency regime had the immediate impact of eliminating hyperinflation. The economy has been on a general recovery and stabilization trajectory, since the formation of the inclusive government in Zimbabwe. The major challenge to the attainment of full economic recovery remains the highly volatile and unstable political milieu, (which increases the political or country risk premium). There are also economic uncertainties emanating from the implementation of the indigenization and empowerment regulations which were gazette with minimal stakeholder involvement and participation.

2.4 The implications of multi-currency system on local economy

The adoption of the multi-currency system brought in both negative and positive impacts

2.4.1 The positive impact of multi-currency system on local economy

(i) Low Inflation

The country entered deflation leading to decline in consumer prices. The International Monetary Report (IMR) stated that, by official dollarizing, a country assures itself of a rate of inflation close to that of the issuing country. Dollarization ensure low inflation country and this has been evidenced in Zimbabwe since the beginning of February 2009 after adoption of multi-currency system. Thus MPRA paper no.22463 of 2010 pointed out that, this comes from the fact that the dollarizing country's inflation will be closely related to the anchor country's inflation rate since these two countries will be using the same currency and applying relatively similar monetary policies (advised by the anchor country). This is an important advantage to Zimbabwe because the country was characterized by sky-rocketing of prices and everyday inflation during pre-MCS regime.

(ii) Establishment of sound financial sector

Dollarization brought about improvement in the financial services. The United States has deeper and more developed financial markets potentially making it easier for the government and the private sector to benefit from an eventual reduction in interest rate spreads. Paul Ryan (2000) noted that, besides helping to stabilize the economy, financial integration improves the quality of the financial system by allowing consumers access to financial institutions that have proved their competence internationally. That gives the domestic financial institutions to be high quality to compete with foreign institutions.

(iii) Lower interest rate

Dollarization establishes a stable relationship with a currency whose reputation is already well established and secure, thus lowering the level and volatility of domestic interest rates. Meyer (2000) argued that, 'through dollarization, instead of investing heavily in efforts to build market confidence in its own monetary policy, a government can achieve instant credibility by 'hiring' the respected anchor country's central bank policy. Zimbabwe's interest rates have been by far higher than the average rates applied in other neighboring Southern African countries, any policy that reduces them is likely to be viewed as positive for the future prosperity of the country.

(iv) Lower transactional cost

Dollarization reduce cost of international transactions with the country whose currency has adopted (in this respect, dollarization has more advantages than a currency board arrangement), thereby promoting trade and financial integration. This was supported by Moreno-Villaz, (2000) who propounded that dollarization eliminates the transactional costs of exchanging one currency for another and it allows countries to make maximum use of de facto dollarization that are already part of the economy.

(v) Stimulate domestic long term-capital markets.

Dollarization spurs the development of domestic long-term capital markets by eliminating the risk of high inflation. Thus MPRA paper highlighted that, 'the confidence brought about by a stable adopted currency will motivate investors, both domestic and foreign, to most investor for a long time (2000-2008), and thus any confidence restoration in this market through dollarization will be a benefit to the country.'

2.4.2. The negative impact of multi-currency system on local economy

Dollarization has costs associated with it and these costs are plaguing the payment system in as much as they may be macro-economic costs. These costs are however cascading thereby affecting people in a country which adopted dollarization hence affecting the majority in their everyday life styles.

(i) Unfair exchange rates.

The new multi-currency system also poses challenges for Zimbabwe's monetary policy. Firstly, prices and wages in Zimbabwe are now fixed in US dollars. At the same time South Africa which has a more comparable economy to Zimbabwe, remains its main trading partner as well as its main source of capital inflows. Any changes in the US$/ Rand exchange rate therefore may have considerable effects on Zimbabwe's import/ export position as well as levels of inflation.

(ii) Loss of national symbol

Although dollarization is argued to be a solution to economic crisis, it is worth mentioning that it is not without its own costs which include the loss in national symbol. This stems from the fact that with dollarization, the central bank loses majority of its functions such as the lender of last resort role, alteration of money supply and revision of interest rates. According to Cohen (2000), the local currency has a fundamental role as it acts as the national symbol of the country. In this regards, adoption of foreign currency leads to a loss of national symbol and this leads to a loss of prerogatives. Specifically, given Zimbabwe government's foreign policy thrust of sovereignty, this will be a major blow not only to its national symbol but also to its sovereignty.

(iii) Central bank will not be the lender of last resort.

Frydll (2000) stated that dollarization would result in the central bank not being able to act as the, 'lender of last resort'. This is because government will not be able to obtain sufficient funds to save individual banks.

(v) Loss of flexibility.

Loss of flexibility is another disadvantage of the use of multiple currencies. Hausamann etal (2002), stated that dollarization results in the cost of losing suppleness in monetary policy. In a dollarized monetary system, the national government cannot devalue the currency or finance budget deficits by creating inflation because it does not issue the currency. When a country gives up the option to print its own money, it loses its ability to directly influence its economy, including its right to oversee monetary policy and any form of exchange rate regime.

(v) Scarcity of foreign currency

Another critical shortfall associated with the multicurrency system relates to shortages of foreign currency. This stems from the fact that dollarization does not permit control over supply of the United States dollar since it is exogenously determined. In the Zimbabwean scenario, the critical short supply of foreign currency has made it extremely difficult for small to medium enterprises and other stakeholders to engage in business activities such as income generating projects. It is also noteworthy that the amount of reserves held by the central bank of Zimbabwe is not sufficient enough to suffice all business firms in the economy. This will in turn have a crippling effect on the performance of companies as they fall short of the necessary foreign currency.

(vi) Loss of sovereignty

Some politicians have expressed concern that loss of the national currency and seigniorage is an undesirable attrition of sovereignty and monetary independence. Thus according to Hann, (2000), local currency is a symbol of sovereign state, the use of foreign currency may damage a nation's sense of pride.

2.5 Challenges faced by the adoption of multi-currency system

After the adoption of multi-currency system in Zimbabwe, the situation in rural areas continued to be characterized by the 'tripple threat' of poverty and food insecurity, weakened human and material capacity of government and high HIV/AIDS prevalence rates. The extent of hunger and breakdown in the social service sector has left the country with the most serious humanitarian crisis in its history and this has been worsened by the introduction of dollarization in the country. This has manifested itself in the levels of poverty affecting the most vulnerable groups in the society especially in rural areas in this particular case Orphan and Vulnerable Children (OVC), female-headed families, school children, pregnant women as well as old people.

Operating under hyperinflationary environments, recruiting was not an issue but people were forced to retrench after the multiple currency system because the workforce was no longer sustainable. Capital equipment is depleted, production levels are low due to limited capacity utilization and consumers were retrenched as they had no the disposable income to buy the products' said an investment analyst with a local bank interviewed by the Herald. However the point of departure is that the researcher is going to look at the effects of multi-currency system to the people who are in rural areas not the investors.

Yang, (2000), noted that dollarization may have negative impact on the overall macroeconomic of the recipient country due to the differences in macroeconomic policies and as the beneficiary country loses economic sovereignty. In Mozambique, the new monetary system has benefited formally employed people, resulting in the urban majority remaining poor and resorting to informal activities, (Schuler, 2009). In light of this situational outcomes, there is different in such a way that the researcher will be concentrating on the rural folk and not the urban populace as researched by Schuler in Mozambique but the result are the same that the majority remained poor and in poverty even though inflation has been arrested because the majority are living under the national poverty datum line.

The plight of the ordinary people in Zimbabwe's rural areas has been exacerbated by the inaccessibility of foreign currency to buy food and other basic necessities. Thomas Chisvo, the director of Zimbabwe Churches Peace Trust (ZCPT) has said. In an interview with the Zimbabwean, Chisvo said that although the inclusive government introduced US dollars and South Africa rands in February 2009 to ease economic hardships, the move had only the desired effect in the urban areas. Dollarization has worsened the plight of families in the rural areas where there was little or no access to foreign currency; Chisvo adds that this resulted in many young people abandoning the country to neighboring countries in search of foreign currency.

The above, shows how the rural people were affected by the introduction of dollarization in Zimbabwe and the acute shortage and inaccessibility of foreign currency to the majority of rural people had compelled many families to barter their few possessions such as livestock, domestic property and farm produce to buy essentials from unscrupulous traders. Chisvo said that rural people were traders, who plunged villagers into worse poverty than before because the rural families need essential services like treatment, education and food, but with the scarcity of foreign currency they are finding it extremely difficult to survive as this has also affected their food security. This is what the researcher is going to study these effects in details.

The question which has been posed in different circles of the Zimbabwean society is the extent to which the adoption of multi-currency system affected human livelihoods? Some authorities in government, in particular ZANU PF, highlighted that the use of foreign currency impacted negatively on most people's livelihoods due to the rising of cost of living. The researcher also noticed that the rural people failed to meet the basic needs of life which included food, health, and education.

2.5. CONCEPTUAL FRAMEWORK

2.5.1 Monetary Policy Statement

In an attempt to understand the adoption of multi-currency system, the Monetary Policy Statement denotes the manipulation of money supply and interest rates in an effort to achieve certain macroeconomic in the economic objectives such as low levels of inflation and price stability, exchange rate stabilization, high levels of economic growth. According to a prominent economists Friedman (2009), monetary policies are the measures that the monetary authority takes to ensure the proper functioning of the financial system of the country and economy. It is used to direct economic activity in the manner the government desires through the central bank. It is the role of the central bank to ensure that they can devise and design appropriate monetary policy that can bring stability in the financial sector and enhance economic growth in the economy.

The Monetarists believe that changes in money supply can stimulate the economic activity and argue that government should use monetary policy in stabilizing economic conditions and to stimulate economic activities. Therefore, this supports the joint and several uses of numerous currencies inclusive of the USD, SAR, and BP as the phenomenon that is adapted to Zimbabwe in the global financial history. The monetary policy statement enabled the government of Zimbabwe to introduce multi-currency system after experiencing a crippling hyperinflationary economic environment, hence to bring some semblance of macro-economic stability and to stem the scourge of hyperinflation.

Hitherto, other countries like Argentina have generally dollarized but the extent of their dollarization had been limited to the adoption of the USD per se while their local currencies were either pegged to the dollar or generally disregarded by the markets due to the extent of their depreciation. Chikoko and Mabonga (2012) propagated that; Zimbabwe is the only country that has unambiguously adopted the MCS under free market conditions, notwithstanding the government's tendency to suppress of freedom economic activity. Some analysts argues that

MCS is not suitable for developing economies basing their argument on that free suspended currencies risk acute exchange rate volatility. However, the MCS has worked without any interruption except for some alleged shortage of liquidity at certain times. The level of liquidity that is found in Zimbabwe is commensurate with the level of economic activity in the country.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This chapter explores the methods employed by the researcher in the collection of relevant data and its subsequent analysis on the effects of multi-currency system to the economy of Zimbabwe, particularly in Marange area. Creswell (2003) defines a research as an enquiry undertaken with the aid of standardized procedures in order to obtain information. The chapter discusses the research design, population studied, sample used, sample size used and instruments used to gather primary sources of data.

3.1 Research Design

Churchill (1999) defines research design as simply the framework or plan for a study used to guide in collecting and analyzing data. It is a detailed blue print used to guide research study towards its objectives. In general, there are three major types of research which include descriptive, exploratory and causal and the researcher used a descriptive research. Descriptive is a research design which is generally used to describe the effects of a particular program on a given population. In this study the central objective was to describe the effects of multi-currency system to the economy of Zimbabwe and this necessitated the use of a descriptive research design.

Churchill argues that descriptive research is a type of conclusive research and its major objective is to describe something. The researcher chose descriptive research because it deals with everything that can be accounted and studied as this helped the researcher in coming up with the study statistics of the affected people in Marange area. Also descriptive research design was employed because the research was qualitative in nature so descriptive was ideal to the research as descriptive and qualitative works hand in hand. It helps the researcher on the study of how multiple currencies affected the rural folk in Marange area in 2009 following resulting to explanatory research.

3.2 Study Population

According to Frankel and Wallen (1996) the study population includes all individuals whom the researcher is interested in getting information from and making conclusions. The study population consists of those individuals whose characteristics are similar to those of the subjects in the sample and one makes conclusions from the sample drawn from this study population. In this case, the study was conducted and centered in three wards that is Buwerimwe, Nyagundi and Nyachityu in Marange rural district with a total population of 300 according to Central Statistics Office (CSO, 2010)

For the purpose of this study the target population comprises of the household heads, school heads, business people and health providers.

3.2.1 Sample Size

Sample size is the number of observations used for calculating estimates of a given population (www.ehow.com/facts-meaning-sample size accessed 25 July 2014). According to Bestkhan (1993) an appropriate sample size should be at least 10% of the total population. In this study 87 respondents were selected. This makes an appropriate sample size as it constitutes 29% of the total population.

3.2.2 Sampling

For a successful research, the researcher is supposed to go for a sample research. According to Zina O Leary (2004) sampling is a process of selecting a number of individuals or objects from a population such that the selected group contains elements representative of the characteristics found in the entire group.

However, in this study the purposive sampling technique was employed. The choice of this sampling technique is justified by the fact that it was employed to a number of individuals for a study in such a way that the individuals represent a large group from which they selected. This is supported by McMillan (1999) who defines purposive sample as a sample selected in a deliberate and non-random fashion to achieve certain objectives to preselected criteria relevant to answer particular research questions. Thus, the researcher used sample of the school heads, business people, nurses and the households to gather information on the impact of multiple currencies system in Marange area.

3.3 Research instrument

Research instrument refers to a set of tools that are used by the researcher in the data collection process and such include;

a). Questionnaires

b). Interviews

3.3.1 Questionnaires

According to Leedy (1999:98), a questionnaire is a general form to encompass all data collection techniques in which each individual is asked to respond to the same set of questions in a predetermined order. For the purpose of this study, the researcher used a questionnaire comprised of a standard number of questions designed and targeted household heads who assumed to have concrete information on daily survival activities for their households as well as the business people at Marange business centre, school heads, health providers and lecturers of MVTC. Information solicited for included income levels, assets, food access and availability, as well as affordability of domestic utensils, since the inception of multi-currency system. The researcher used questionnaires as it reduces manipulation or corrupted responses since the respondents gives personal opinion without the researcher or other people's influence.

3.3.2 Interviews

Easter by-Smith. M, etal (2002) defined an interview as a purposeful discussion between two or more people. They can be conducted face to face or over the telephone. In this study, face to face interviews were used and it helps the researcher to gather valid and reliable data relevant to the research questions and objectives pertaining dollarization. Interviewers in the study include the household heads, MVTC lecturers, school children and the old people within the community, attention being paid to identify the well-informed individuals in the firms to provide the required information. The purpose of the interviews is to acquire detailed information about the performance of these crucial sectors (education, health and food). Structured interviews and open ended questions were found ideal to extract in depth information. The merits of using interviews is that there is room for questions if there is misunderstanding and this will gives more explanation rather than to say yes or no.

3.4 Data Collection Sources

The study utilised a combination of primary and secondary data. Primary data was collected from the respondents using questionnaires and interviews while secondary data was drawn from the internet sources (fiscal policy statement)

3.4.1 Primary Data Sources

Zina O Leary (2004) defines primary data as information collected and specifically designed to address the particular research problem and is raw in nature. The research used questionnaires and interviews for collecting primary data. In collecting primary data the researcher used questionnaires and interviews so as to bring out the current and first hand information and is not derived from any pre-existing research on the impact of multiple currencies system in Marange area from the community members, school heads, business people and health providers. Therefore, all data collected for this study was useful in coming up with judgment and conclusion on the effects of dollarization on rural areas especially the people of Marange.

3.4.2 Secondary Data

This refers to information from sources other than the main source, whereby some intermediary agent has compiled data or information in their own research and has now presented it as some part of a bigger study. This proved to be the most helpful method and thus accounts for much of the data used, especially in the literature review and the analysis sections of this research project.

Therefore the researcher used the internet source and it unarguably forms the most endowed 'library' ever. The researcher accessed e-journals, e-books and works by other scholars and organizations via the internet. The internet provides the researcher with current updated information on how multicurrency system is affecting the economy of Zimbabwe especially on the rural populace. The advantage of using internet is that it is user friendly and provides the researcher with all referencing and cataloguing done electronically. However, the challenge of relying with the internet source is that it is vulnerable to the virus risk. Computer viruses can easily corrupt documents before or after the researcher completes his work.

3.5 Analytical framework

Having collected primary and secondary data from the respondents using interviews and unstructured questionnaires through qualitative and quantitative research, the data was then analyzed using descriptive statistics. Quantitative was employed in the form of bar graphs and pie chart to present the empirical findings of the study.

3.6 Conclusion

This chapter focused on the methodology used for data gathering and collection adopted to collect relevant data enough to substantiate the main objectives of the research which is to investigate on the impact of the adoption of multi-currency system to the rural populace particularly in Marange. The data collection methods and techniques selected were justified. In the next chapter, the collected data and related findings will be presented and analyzed.

CHAPTER FOUR

Data presentation and analysis

4.0 Introduction

This chapter presents analysis and interprets of findings of the study through descriptive statistics, other measures of central tendency, and measures of dispersion derived from the use of statistical package. The chapter encompasses the presentation of the findings obtained by the researcher through the use of both primary and secondary data. It is of paramount importance to note that the data gathered reflected different interpretations on the effects of multi-currency system to the economy of Zimbabwe on rural populace.

The questionnaire response rate acquired in the research is presented in the table below;

Table 4.1 Questionnaire response rate

Stratum	Questionnaires administered	The number of respondents	Those who did not offer an input	Response rate percentage (%)
Household heads	40	20	20	50
Business people	6	5	1	83
School heads	6	4	2	67
Nurses	2	1	1	50
Total	54	30	24	55

Source: Survey

In this study, the researcher targeted the household heads, business people, school heads and nurses in charge so as to acquire detailed information about the performance of the these crucial sectors that is education, health and food. The questionnaire was made up of both open and ended questions. Therefore in this research, 54 questionnaires were distributed and the total response was 55% out of the 54 questionnaires. 40 were given to the households, 6 to the school heads while the other 6 to the business people and finally 2 to the nurses in charge. Hence given

55% of the respondents, the response rate was fair as it constituted slightly more than 50% of the total questionnaire distributed. In general, all the respondents managed to give their personal opinion pertaining the effects of MCS without the researcher and other people's influence.

The interview response rate is presented in the table below;

Table 4.2 Interviews response rates

Target population	**Intended to be interviewed**	**The number of interviews carried**	**Percentage of response rate**
Household heads	20	15	75
MVTC Lecturers	2	1	50
School children	6	4	67
Total	28	20	71

Source: survey

The number of interviews prepared was 28 in all but the interviews carried were 20. Thereby the response rate was at 71% which was a reasonable percentage for this study. In line with this positive response means that there was a success as far as data collection is concerned. The interviewed managed to explore and exhaust all the information they had about the effects of MCS to the economy of Zimbabwe particularly in their area (Marange).

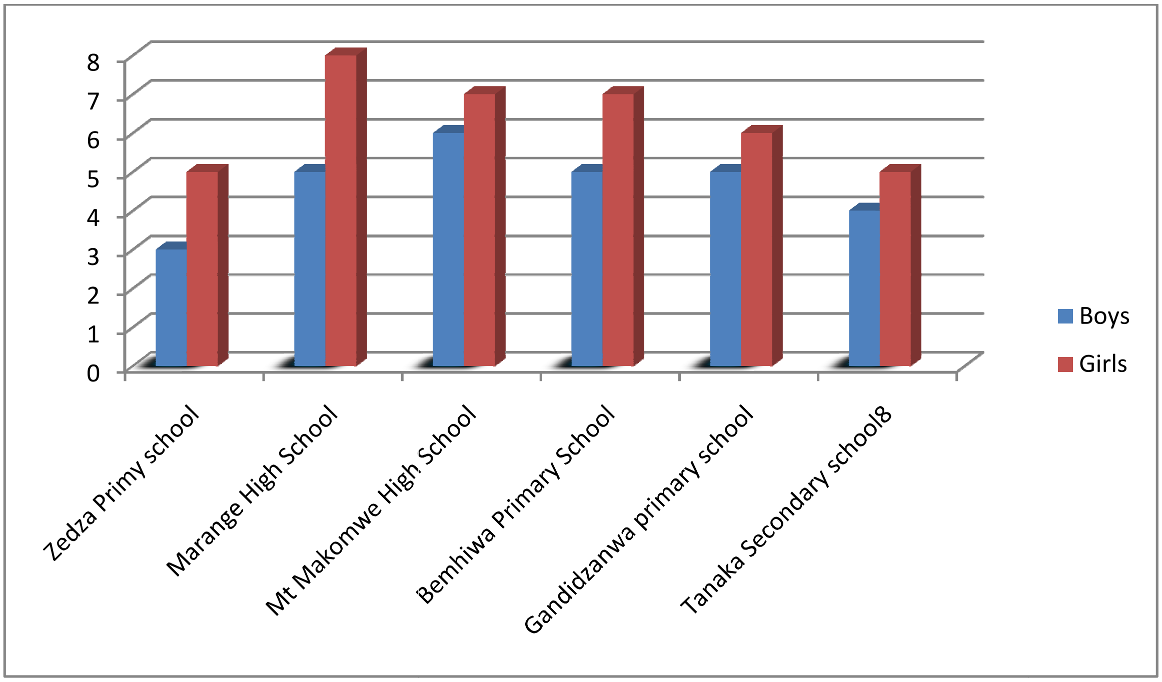
The multi-currency system never aimed to be the solution to all the economic problems in Zimbabwe but rather as an attempt to try and gain policy credibility and to lower inflation. Dollarization does not constitute a universal remedy that would eliminate all the problems. Although the country has witnessed some improvements especially in urban areas, there is still much to do in rural populace as the system was not ideal, the entire rural population through the interviews conducted shows that dollarization exacerbated paucity due to its scarcity.

4.3 The impact of multi-currency system on education

Before the introduction of multi-currency system many schools were closed, Zimbabwe lost a lot of teachers due to brain drain, recurring strikes and a hyperinflationary environment. Hence, after the adoption of multi-currency system, most schools managed to recover from the effects caused by the hyperinflationary environment. Although the system came with positive impacts, the problem still remains to some parents who could not afford to pay fees for their children especially those who had their children learning at Marange High School. The school head Marange pointed out that a lot of children transferred from Marange High School adjoining other day schools due to the unaffordable fees at a boarding school. Thus due to commencement of MCS the introduction of tuition and ancillary fees for primary, secondary as well as tertiary education affected a lot of children in rural areas since there was inaccessibility and elusive nature of foreign currency in Marange area.

The introduction of MCS left some pupil with no option but rather dropping out from schools, a trait which was uncommon in pre-MCS era. Marambanyika stated that the coming of dollarization was a good move for a country which was at its peak of inflation but in rural area it failed to bring a visible change rather accelerate poverty which was already troubling the populace. The education system has drowned backwards as numerous children especially girls were forced to drop out from the school due to hard currency hardships. This resulted in gender inequality leading parents giving first preference on education to boys as compared to girls. A bar graph in figure one below shows the pupils who dropped from both primary level (Bemhiwa, Zedza and Gandidzanwa schools) and secondary level (Marange, Mt Makomwe and Takana, schools).

Figure One: Number of boys and girls who dropped from the primary and secondary level



During the first months of the introduction of dollarization the civil servants were given U.S$100 voucher per month as their salary not considering the fact that this amount was too much below the poverty datum line. The situation weakened the performance of teachers in their duties as they could teach under conditions, for instance when they are given incentives.

In an interview with Chief Marange, he highlighted that many children were sent back home and lost their time of learning after failing to pay fees in time and this draws back the educational system in Marange area. Chief Marange expressed that foreign currency has changed the everyday way of life, by arresting hyperinflation and this helps some parents to buy text books, school uniforms, school shoes among other learning utensils but the majority are failing to pay fees for their children. The school programmes were affected ending up the schools failing to provide goods and services necessary to run the school efficiently due to late payments of fees.

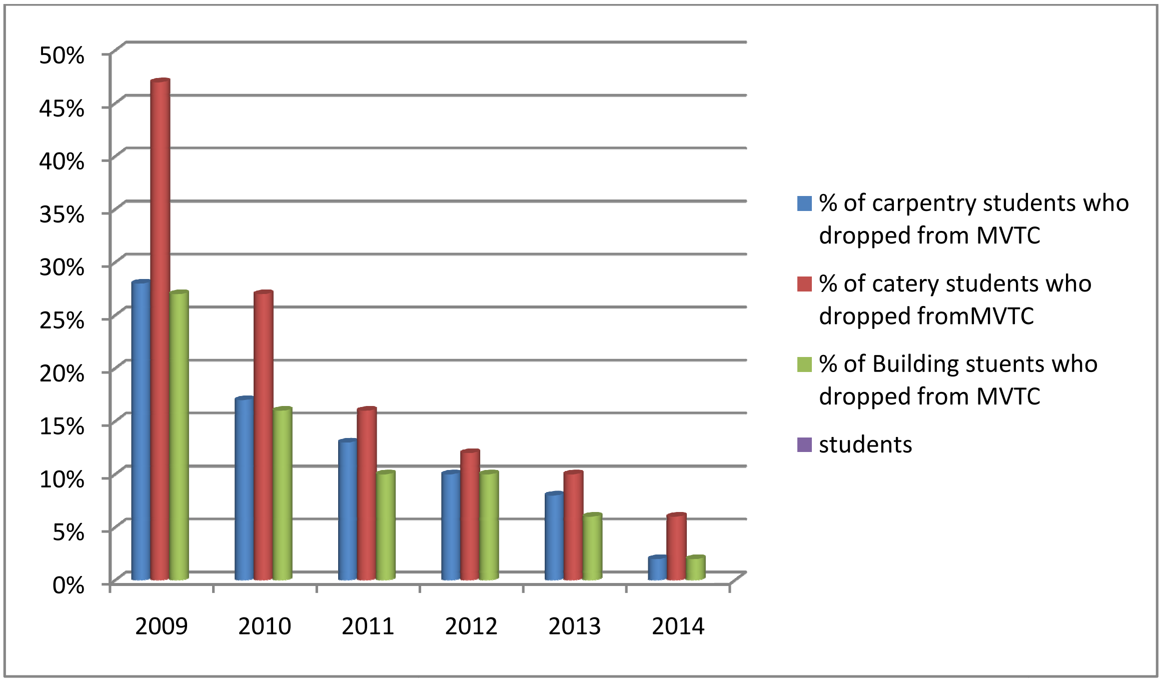
Therefore the study found out that very few children could afford paying fees in cash while others could pay in kind, hence the school budget never met (interview with Mr Mashiri of Mt Makomwe Primary School). MCS also affected education sector in such a way that guidance were not affording to pay examination fees for the average of eight subjects at Ordinary level.

Each subject went for U.S$10 and it cost U.S$80 for eight subjects which most of the people could not afford to pay as many guidance managed to pay five or six subjects, forcing children to drop some subjects. This is happening not because the parents are willingly but it is because of the paucity and vague nature of the USD (interview with Tendai Muromo)

An interview with the students from Marange Vocational Training Centre shows that dollarization affected tertiary education especially in rural areas. Dera a lecturer at a Vocational Training Centre said that his carpentry curriculum affected by the use of multiple currencies in the country, as many students dropped out in 2009 and the number of drop outs decreased as people get used to MCS. He stated that other classes were also affected such as catering and building as a lot of girls dropped out from catering as compared to carpentry and building.

Figure two below shows the number of students who dropped out from the college since 2009 onwards. During the early days of MCS, drop outs at MVTC was at high level but by the progression of time people get used to it and they were engaged in all activities which built up their income and the dropout rate decreased each and every year, as parents and guidance of the students were getting used to the multi-currency system. People are geared up to sell their livestock so that their children complete their courses regardless of the economic situation. Figure two below also shows that most girls were much affected by dollarization in Zimbabwe, thus it increased the gap between boys and girls whereby boys were given the first priority at the expense of girls.

Figure Two: Percentage of students who dropped out from MVTC.



4.4The impact of multi-currency system on business owners

4.4.1 Informal business people

The informal sector in Marange has been affected much with the changing of currency in Zimbabwe. Chisvo, (2009) pointed out that the delicate shortage and inaccessibility of foreign currency to the majority in rural areas had obliged many families to barter their few possessions such as livestock, domestic property and farm produce to buy essentials from deceitful traders. This shows that multi-currency economy concealed those in informal business due to the scarcity of foreign currency especially small denominations. Chief Marange pointed out that the move of dollarization was good for the economy of Zimbabwe which was characterized by high inflation but the problem still remains on the informal business people especially vendors who could not sell their agricultural produce to the local people as they do not have the money, coins for vegetables, tomatoes and onions.

The majority in Marange especially the informal business people were relying with the companies such as Cairns Foods which used to come to the area and buy the agricultural produce but with the introduction of dollarization the company has closed down hence affecting the majority. Thus the rural business people in Marange were affected by dollarization because on top of the scarcity of foreign currency they were not aware of the value of money hence most of them were cheated by the unscrupulous traders from the nearest town, Mutare.

The research found that many people in Marange area earn their living through informal business especially those of Johanne Marange sect. They make and sell cooking sticks, wooden bowls and repair cooking pots. This business was affected by the adoption of MCS in the country. Builders and carpenters are being paid in form of livestock such as cattle, sheep, goats which at the end can be sold at a lesser value than what they expect/deserve. The carpenters are also facing challenges as their business is crumpling down due to failure to purchase the carpentry materials such as timber, glue, vanish among other materials, (interview with Temba Muuyu).

4.4.2 Formal business people

The Herald of 8 June 2011 reviewed that, the adoption of the multi-currency system in Zimbabwe after 10 years of hyperinflation characterized by acute foreign currency shortages and low investment has ushered economic stability but it has also caused even worse economic challenges. The shop owners in rural areas were affected by dollarization in such a way that in rural areas people were not able to access foreign currency. Madzimure, a shop owner highlighted that the insufficiency of foreign currency is the major problem in rural areas and the daily selling rate has decreased since the inception of dollarization in Zimbabwe. Madzimure articulated that in pre-MCS in Zimbabwe, their daily business was better since the money was easily accessible from the customers as compared to foreign currency.

During the early days of dollarization there has been no capital re-investment and post dollarization period many people were in business fail to recapitalize due to serious shortages and the cost of money (interview with Tapiwa Chari). This affected the rural populace of Marange because few shop owners who managed to import their goods from the neighboring countries were overcharging the goods and also taking advantage of the prevailing pricing system in the country which was distorted. The study found that the shop owners at Marange business centre are not in bona fide business due to the scarceness of foreign currency. Every day business is on low profile because business is not flowing even during the festive holidays when people are supposed to do their shopping (an interview with Mhlanga).

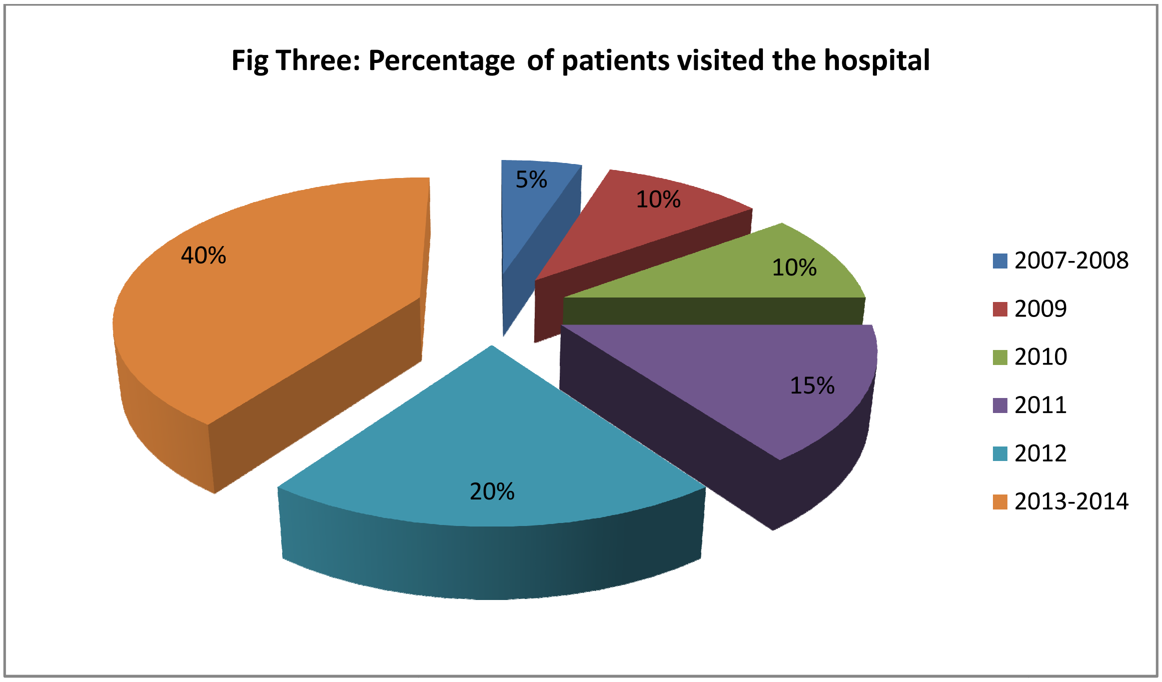
Many people lost their jobs especially in companies like Mutare Board and Paper Mill, Cairns Foods as they have closed down hence leaving workers with no option except for going back to their villages and this increased unemployment rate. The closure of these companies affected small farmers who were selling their produce at Cairns Foods. The President of the Confederation of Zimbabwe Industries (CZI), Henry Nemaire stated that, "since dollarization three major manufacturing operations have closed down in Mutare which are Mutare Board & Paper Mills, Cairns Foods and PG Glass. About 1 800 people lost their jobs and 3 500 farmers supplying produce to Cairns were also affected. According to Robertson (2009) the company was earning at least US$1.8m every year. Karina Textiles is operating at 25 percent capacity and the two main factors were inability to fund modern and efficient machinery and competition from imports". The Financial Gazette (2009) revealed that most private companies remain closed due to political uncertainty which made investors skeptical and some companies lack the foreign currency liquidity to pay workers, produce raw materials and recover dilapidated equipment. This led to most workers retrenched and turned back to their rural homes empty handed.

4.5 Impacts of multi-currency system on Health delivery system

The adoption of MCS improved the health delivery system from the pre-MCS period which was characterized by medical staff evacuation and a severe shortage of drugs, though in rural areas nothing changed. There was shortage of drugs and staff members in Marange rural hospital, thus hospitals were regarded as 'death camps' in the pre-MCS period because of the brain drain of the health workers. Patients in Marange hospital are referred to Mutare General Hospital, which is a challenge to the people as they had no money for transport fares, which leave them with no option but rather selling their livestock such as cattle, sheep and goats to cover up the hospital bills and the transport cost (interview with Loice Mandeya, nurse in charge).

It must be noted that during the first two years the situation was not at its climax but coming 2011, 2012, 2013, 2014 the situation was much better. From the interview done at the hospital by Mabika it shows that from 2008 to 2010, the situation was not quite good due to the scarcity of foreign currency and the researcher came out with the following results indicated on the following pie chart.

Figure three: Percentage of patients visited the hospital



At Marange rural hospital there are no specialist services such as surgical and radiography for example in a case of giving birth through cesarean section, these services is provided at Mutare General Hospital. The services are so expensive, worse still with the scarcity of foreign currency to the rural populace it becomes a challenge even considering the fact that in 2009, the introduction of MCS resulted in donors pouring in resources for medical staff, monetary incentives, and drugs, which were sold to patients at subsidized prices, the situation at the hospital did not improve as per expectation.

4.6 Impact of multi-currency financial system on household

The plight of the ordinary people in Marange area has been exacerbated by the inaccessibility of foreign currency and thus buying food and other basic commodities became a challenge to the rural folk of Zimbabwe because of dollarization. Food access and consumption improved as the value of the new currency is more stable and the prices of the goods are reasonable as compared to the pre-MCS era which was marked by hyperinflationary. Therefore the researcher targeted the household heads for interviews as they are the ones responsible for household expenditures. In interviews with household heads they propagated that the adoption of MCS was a good move but it brought about challenges when considering the fact that the money they earn were not sufficient to cover their needs. In an interview with Alice mudhuu shows that many people in the area end up venturing into illegal diamond selling from the nearest diamond fields of Chiadzwa and life becomes difficult when Chiadzwa became a no go area and the situation was worsened by the introduction of MCS.

Before multi-currency system, a household used to fork out an equivalent of US $10 for all utility bills. Since the introduction of MCS, utility bills constitute more than fifty percent of salary expenditure for formally employed people, considering that the government (being the major employer) was paying an allowance of US $100 until September 2009 (an interview teacher Majoni). Load shedding and failure to pay electricity bills became a challenge to the rural populace especially the students from Marange High and Vocational Training Centre that required electricity for some of their lessons. Programmes offered by the training centre such as carpentry, cookery and dress making and designing requires electricity and as such it becomes a problem when some students operate without electricity.

In an interview with Mrs. Mapeza, pin pointed the fact that dollarization reduced the prices of goods and services but there is nowhere the rural people can find the money as almost everything in Marange is being bartered. People are exchanging dried maize with livestock for their survival and even paying grinding mill using a five litre bucket of dried maize. Thus the research found that the general population in Marange is willing to go back to the local currency articulating that the local currency will circulate better as compared to the 'Obama', meaning the United States Dollar (USD) which had a narrow circulation.

Multi-currency system also affected the rural people more than the urban dwellers and this forced the people of Marange to venture into illegal activities to earn a living. An interview with Evidence Mandirahwe shows that illegal drug selling, such as cannabis and marijuana has cropped up due to inaccessibility of foreign currency in rural areas. This has been enabled by a large market provided by students from MVTC when the college is open. Mandirahwe pointed out that since his retrenchment from Mutare Board and Paper Mills (MBPM) cannabis became his way of earning income to cater for his family. Thus, MCS has seen an increase in illegal activities as people strive to earn valuable foreign currency for survival.

4.7 Impact of multi-currency system on agricultural sector

Agriculture is the mainstay of the country and at one time Zimbabwe was once the bread basket of Africa but the coming of foreign currency affected the agricultural system in Marange. Marange is well known of poor fertile soil not good for agricultural activities and many people rely on manure from their livestock. The dollarization of the economy affected the agriculture sector in such a way that many people have no any source of income, hence they end up selling their livestock for their survival and this decreases the quantity of dung they requires for a prosperous yields. The situation is much worse especially to the few with no livestock at all and can't even afford to buy fertilizers for a promising harvest (interview with Tawanda Mhizha). The poor circulation of foreign currency is accredited to limited production in agricultural sector which is a pillar of Zimbabwe's economy hence affecting the general populace of Marange area. In the pre-MCS people had access to the local currency and could afford buying fertilizers and surplus food without selling their livestock but due to inaccessibility of foreign currency, there is no option except for selling their livestock in order to buy their basics.

4.8 Impact of multi-currency system on labour mobility

Observed definite emigration from Zimbabwe to South Africa, Mozambique and Botswana is a crucial safety valve, mitigating the social and humanitarian costs of Zimbabwe's economic problems. The people that have been retrenched, the ones that had resigned due to poor remuneration and those of the working age had moved to neighboring countries like South Africa in search for greener pastures. Dollarization has reduced the employment rate in the country as many companies closed down and the ones operating are retrenching workers (interview with Douglas Mukuze). Most emigrants entered South Africa illegally without the required papers such as passports.

To make matters worse, South Africa removed visa requirements for Zimbabweans in April 2009 to legalize an increasingly difficult situation and improve control over migration. Zimbabweans are now allowed to go into South Africa for up to 90 days and seek temporary work on a visitor's permit; this was because of dollarization which increased the employment rate in the country. Hence affecting the rural folk in the country as many able bodied young people migrates for better life leaving the old people, some families are left child-headed and female-headed languishing in poverty in rural areas without enough food and living standards due to the inaccessibility of foreign currency. This as a result forces girl children to run away from their homesteads to the nearest town, particularly in Mutare for prostitution in order to earn a leaving. In interviewing, Fadzai Mapepa openly stated that her husband and son were all retrenched from MBPM company and go to South Africa but they are not sending anything back home for the survival of the family. This therefore shows that dollarization impacted negatively to the social life of the populace in Marange as many girls are at risk of HIV/AIDS pandemic.

Therefore, Change, by its nature, has both gains and losses. Whilst MCS appears to have transformed the livelihoods of urban dwellers, on average, income levels reflect that majority of people especially the rural folk are still trapped in abject poverty as they live below the PDL of US $500. Sources of income for the majority of people who are not formally employed increase to shrunk, hence criminal activities such as theft, robbery and prostitution increases as people fight for survival in Marange area. However, goods and services provision drastically improved, but the people of Marange are not enjoying the multi-currency regime because it is bringing more harm than good due to the inaccessibility of foreign currency.

4.9 Conclusion

Conclusively, based on the narrative given by the informants during the questionnaire session and interviews on their perceptions of the effects of multi-currency system, their views often provided diverse and sometimes conflicting perceptions but the overall impression however was that in general the dollarization has brought noticeable improvements to their lives considering the fact that hyperinflation in the country was arrested. The adoption of multi-currency system was a good move by the government as it helped to restore price stability, restart financial intermediation and impose fiscal discipline by precluding the option of budget deficit monetization. However, the research findings in the study noted that though MCS brought positive impacts especially to the urban areas, it also brought a shame of its own challenges particularly to the people of Marange as they remain in poverty if one considers the quality of life indicators like the national poverty datum line due to inaccessibility of foreign currency in the area. The majority in Marange are facing challenges due to insufficiency circulation of foreign currency in the country hence they are failing to pay school fees for their children, clinic charges, cater for household expenditures, increase in barter trade and increase in migration accompanied by unfair currency exchange rate as clearly highlighted above.

CHAPTER FIVE

5.0 Introduction
This chapter sums-up the entire study through concluding remarks, recommendations and suggestions for further study.

5.1 Summary
Multi currency system was introduced in Zimbabwe as a policy response to the Zimbabwean dollar which had turned out to be virtually meaningless in economic terms. As can be witnessed at the moment, MCS played a fundamental role in combating the hyperinflation trends in the market and restoring stability in prices and credibility in the monetary system. Nonetheless, the corresponding loss of government seigniorage and lack of monetary policy control has ignited a hemorrhaging liquidity crunch that has in turn translated into a loss in human welfare in remote areas of the country. This is particularly true for the Marange populace where people are struggling to survive within the auspices of the multicurrency system.

Against this background, the central objective of the entire research was to establish the effects of multi-currency system on the rural folk of Zimbabwe, particularly in Marange. The entry point of the study was a presentation of the research gap in the existing board of literature as well as the problem statement that motivated the researcher to conduct this particular research. The study employed a qualitative research design in which primary data was collected from the randomly selected respondents though interviews and unstructured questionnaires. The questionnaire consisted of both open ended and closed questions. The collected data was then analyzed using descriptive statistics and resented in form of bar graphs, pie charts and tables. The results of the study confirmed positive and negative impacts of the multicurrency system to the general populace of Marange. Although the MCS managed to improve the quality of life for some people, reopening of some schools that had closed in the pre-MCS era, the majority in Marange remain in poverty considering the fact that they were not accessing foreign currency for their domestic use such as buying groceries, paying school fees, paying clinic charges among other factors. Hence, above all the data presented and analyzed in this research is a mirror of the finding about the effects of multi-currency system to the rural folk of Zimbabwe in Marange.

5.2 Recommendations

The discussion of results obtained from this study has indicated that multi-currency system had managed to bring positive changes in as far as hyperinflation was combated. In light of the findings confirmed in this study, the following policy recommendations can be made:

- The government of Zimbabwe is advised to introduce systems that retain resources and capital in communities such as income generating projects. Income generating projects allows autonomy and self sufficiency. They help families secure much needed income with which to buy necessary food and medicines.
- Since Zimbabwe is an agrarian economy and rural population is dependent on agriculture, the minister of finance is advised to channel much of its limited financial resources towards the agricultural sector. Central here is provision of key farm inputs to minimize the production costs of farmers and promotion of value addition of agricultural produce so that people do not pay for services elsewhere to minimize money leakages.
- Given to the current loss of confidence in the central bank of Zimbabwe by the citizens, it would be unreasonable for the government to consider reintroduction of the Zimbabwean dollar in the medium term. Rather, the economy should continue with the use of MCS for stability and healing of economic wounds suffered during the past decade.
- There is also need for the Ministry of agriculture to improve market linkages. This should also be complemented by improved dissemination of market information for farmers in particular so that they can increase their efficiency levels in agricultural production.
- The government and donor agencies should assist rural communities with knowledge/ skills and financial resources necessary to alleviate poverty and bolster sustainable utilization of the resources at the rural people's disposal.
- Given that limited ways of government revenue under the MCS, the government is advised to increase efficiency and transparency in revenue collection areas such as ZIMRA. Import duty should be revised upwards for vehicles proliferating from Japan and such revenue will then need to be used to finance agricultural production in the country.
- Smallholder farmers on the other hand can start up local village/ income saving and lending schemes for income generation.

Therefore with the above recommendations upon which challenges of MCS had contributed to the crisis in the rural areas, one way or the other if the mentioned recommendations are considered it will help the majority in the country.

For Zimbabwe, as has been witnessed with the slow uptake of the recently unveiled bond coins, many locals still harbor reservations as the memories of the losses they suffered when the Z$ was suddenly demonetized, are still fresh in their minds. Of course, in addition people's confidence in their currency, there are other critical issues that influence the decision to reintroduce a previously demonetized currency. Factors such as sufficient asset reserves to back that currency as well as the scale of production activity in the country all weigh in on that decision. Talk have been doing rounds in Zimbabwe, that the introduction of the bond coins is a precursor to full re-introduction of Z$ by the country's government.

The Finance and Economic Development Minister P. Chinamasa had articulated that it would be ill-advised to re-introduce the Z$ now as the pre-conditions for the introduction of the local currency have not yet been met. MCS is here to stay (adding that unfounded reports and speculation on the re-introducing of local currency were undermining government's effort to restore confidence and macroeconomic stability). Given the current state of the economy where real sector activities remain uncompetitive and the balance of payments situation remains acute, it is ill-advised to re-introduce the Z$. The government is committed to ensuring policy consistency and predictability in order to restore confidence and stimulate economic activity. The Zimbabwe Agenda for Sustainable Socio-Economic Transformation (ZIMASSET) also reiterates that the use of the MCS will continue.

5.3 Conclusion

This study examined the effects of multi-currency system to the economy of Zimbabwe on the rural populace specifically in Marange. The country went through an economic crisis in the period 2000-2008. The macroeconomic imbalance and decline in output experienced by Zimbabwe's economy was so severe that monthly inflation soared to 79, 6 billion percent by the end of 2008. To deal with hyperinflation, the government of Zimbabwe introduced the multicurrency system in February 2009 with the US dollar being the official currency instead of

Zimbabwean dollar. Therefore, the adoption of multi-currency system was a necessary step to avoid what had turned into a disaster of catastrophic magnitude from escalating into what would have been, and in fact already was, unsustainable levels. It remains to be seen how much longer the economy will remain dollarized, but it is safe to say that for the foreseeable future this will remain quo. Any reverse of this situation and reintroduction of the Z$ would require that confidence in the Reserve Bank of Zimbabwe (RBZ) to perform its functions be restored. Hence MCS is not the end for Zimbabwe, but rather a starting point that has brought about certain level of stability which is needed to support the other changes that need to occur.

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APPENDICES

Appendix 1 Questionnaire

My name is Sigauke Sinziya (Registration Number – R113788Z); I am a student at the Midlands State University studying for a Bachelor of Science in Politics and Public Management Honours Degree. I am currently undertaking a research project for my final year entitled **"AN ANALYSIS ON THE EFFECTS OF MULTI-CURRENCY SYSTEM TO THE ECONOMY OF ZIMBABWE. A CASE OF MARANGE 2009-2014"**. To this end, I intend to collect data by use of the attached questionnaire. I am kindly asking you to complete the attached questionnaire. I assure you that all information will be used for purely academic purposes and confidentiality shall be maintained.

Date.........................

Questionnaire for Marange Rural District Council

Section A: Background information

Village name…………………………………………………

Tick were appropriate

1. Sex Male ☐ Female ☐

2. When did you start living in the area?

2000-2005 ☐ 2006-2010 ☐ 2011-2015 ☐ other specify ☐

3. What is your age group?

16-20 ☐ 21-30 ☐ 31-40 ☐ 41-50 ☐ 50+ ☐

4. What is your level of education?

"O" Level ☐ "A" Level ☐ Diploma ☐ Degree ☐

5. What is your occupation?

Formal employed ☐ Self-employed ☐ Unemployed ☐ Other specify ☐

6. What is the main source of household income?

Crop production ☐ gardening ☐ selling forest produce ☐ Livestock Production ☐ other specify ☐

Section B: Adoption of multi-currency system

7. Which currency do you use?

USD ☐ SAR ☐ BP ☐ GBP ☐ MT ☐ Other specify

8. When did you start using this currency?

Dec-2008 ☐ Feb-2009 ☐ May-2009 ☐ July-2009 ☐ Other specify ☐

9. What were your reasons for using multi-currency system?

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10. What challenges did you face from Z$ transition to MCS?

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11. Did the use of multi-currency system solve the problems identified in question 9?

Yes ☐ No ☐

12. If yes, how did it solve these problems?

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13. If no why did it fail?

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14. Has the adoption of the multi-currency system made any changes to your life?

Yes ☐ No ☐

15. If yes, what are these changes?

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Section C: Recommendations

16. What strategies have you adopted to cope with these changes?

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17. What do you think needs to be done to reduce/ mitigate socio-economic challenges brought about by multi-currency system?

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Appendix 2 interviews

Interview guide questions

1) What do you understand about MCS?

2) What led to the adoption MCS in Zimbabwe?

3) In your own view, do you think the adoption of MCS can help to improve your economic situation?

4) What are the benefits of MCS?

5) What are the costs of MCS?

6) What are the challenges encountered by the use of MCS?

7) How have you coped with the prevailing economic environment?

8) What recommendations would you proffer to overcome the challenges of MCS?

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FACULTY OF SOCIAL SCIENCES

DEPARTMENT OF POLITICS AND PUBLIC MANAGEMENT

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ITEM UNDER OBSERVATION	***COMMENTS***	***SCORE***
Title [10 marks] • Is the title clear and precise? • Does the title expose the problem under investigation?		

Abstract/Introduction [10 marks] • Does the abstract successfully bridge the gap between the title and subject? • Does the student demonstrate knowledgibility about the nature, problem and purpose of study? • Have the objectives of the study been clearly stated? • How relevant is the literature reviewed and theories used?		
Content [50 marks] • Are the chapters well laid out and coherent? • Does the work show the use of relevant research methods? • Is the evidence authentic? • Is there evidence of research?		
Conclusion/ Recommendation [10 marks] • Has the work been resented? • Does the conclusion answer the objectives?		
Reference [10 marks] • Have the references been accurately presented? • Has the referencing style been consistent?		
Layout, Presentation and Editorial		

Assessment [10 marks] • Is there continuity in the style of writing? • Is there correct use of English in terms of consistency?		
TOTAL SCORE (100 MARKS)		

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