Journal of Sustainable Development in Africa (Volume 12, No.6, 2010)

ISSN: 1520-5509
Clarion University of Pennsylvania, Clarion, Pennsylvania

THE POLITICS OF MONEY BURNING AND FOREIGN CURRENCY EXCHANGE IN ZIMBABWE: A CASE STUDY OF MUCHEKE RESIDENTS IN MASVINGO

Simbarashe Gukurume

Department of Sociology and Social Anthropology, Great Zimbabwe University, Masvingo, Zimbabwe

ABSTRACT

The country was experiencing an economic quagmire in the past few years and such a scenario pushed many people into abject poverty. People faced a multiplicity of challenges that included skyrocketing prices, shortage of basic commodities, enduring long queues as well as being poverty - stricken billionaires. Despite such seemingly insurmountable challenges, some people amassed wealth in the midst of this economic quandary. The money burning practice was largely inherently ambivalent with people viewing it as a blessing and a curse simultaneously. The research findings of this study unveiled that the money burning practice exacerbated the inequalities between people and ushered in untold suffering to many people as crime rates like corruption and theft rose sharply while advantaging very few elite. This study documented the perceptions of the local community pertaining to the money burning practice. The study also examined the challenges faced by money changers, as well as investigating the strategies they employed to circumvent these challenges. Bourdieu’s habitus and field thesis was utilized as the major theoretical insight. In this case, the author is of the view that as long as poverty persists unchecked, then sustainable development will remain a pipeline dream. This study is grounded in qualitative methodology and employed focus group discussions, unstructured interviews and secondary sources of data as the main data soliciting techniques. In selecting the actual respondents purposive sampling was utilized.

Keywords: money burning, economic shocks, sustainable development, livelihood strategies

INTRODUCTION AND BACKGROUND

This study’s major aim is to assess the perceptions of people on the practice of burning money, which became dominant when the Zimbabwean economy was in doldrums. The study further sought to ascertain and examine the challenges faced by the people involved in burning money, as well as, investigating the strategies they employed to confront these challenges. The money burning practice emerged as a survival strategy in a hyper –inflationary situation in Zimbabwe. Mlambo & Raftopoulos (2009) argued that the genesis of the Zimbabwean economic hullabaloo dates back to the era when Mugabe authorized unbudgeted gratuities and monthly pensions to war veterans who were demanding belated recognition for their role in the liberation struggle. This was further compounded in 1998 when Mugabe unilaterally sent Zimbabwean soldiers to aid the threatened Kabila regime in the Democratic Republic of Congo. Both of these initiatives had very large expenditures which were not budgeted for and this undermined the country's fiscal capacity and economy. Due to the problems that came with this resultant economic downward spiral, people resorted to money burning for survival. The practice of money burning was a system whereby foreign currency was converted into local Zimbabwean Dollars on the black market at rates excessively higher (depreciated) than the prevailing official interbank rates. Those who were burning money thus made loads and quick profits. These quick profits were made without any productive activity involved.

It should be noted that when faced with an unprecedented economic downturn; people devised a plethora of survival strategies which ranged from conventional to clandestine dealings that enable them to cope with economic shocks. In 2008 and late 2009, Zimbabwe was experiencing an economic quagmire and many workers especially in the civil service were earning paltry salaries. Most of them had to quit their jobs, which forced them to engage in a multiplicity of informal activities as survival strategies, such as money changing. This activity of informal foreign currency exchange led to the proliferation of the phenomenon popularly termed "burning money" (*kupisa mari*). Prior to the dollarization of the Zimbabwean economy, many people had already started exchanging foreign currency illegally at the parallel market known as the black market (*musika mutema*). Poverty, unemployment and the economic quandary that confronted Zimbabwe initially compelled people to engage in illegal activities, like money changing. At the zenith of Zimbabwe's economic conundrum, speculative activities became rife as the worst cases of hyperinflation perpetually wiped away people's depleted incomes (Bracking & Sachikonye, 2008). This scenario inevitably had far reaching ramifications on the livelihoods of the people which deteriorated to tremendous and alarming proportions. During this era "burning money" became the talk of the country and many people thought of this phenomenon or practice as a messiah to their meager salaries in formal employment. Mlambo & Raftopoulos (2009) also noted that Zimbabwe has since the turn of the millennium, gone through a multilayered and pervasive series of catastrophes. This relentless economic meltdown transformed the country into an international pariah. While the Zimbabwean economy was in doldrums, the people who were in the money changing business were amassing wealth through the process of burning money. According to the Zimbabwe Exchange Control Act people are supposed to exchange their money at the Reserve Bank of Zimbabwe (RBZ) at an official exchange rate. However, the majority of people were shunning the RBZ citing lower rates, hence accounting for the thriving of the black market which offered relatively attractive exchange rates. According to Alwang (2008) money burning in Zimbabwe was so quick and efficient that one could mistake it for an official, well organized economic system. It was so viable a system of wealth generation that many people left their formal employment to venture into the business on a full time basis. The pervasive nature of the Zimbabwean economic conundrum and poverty at a national level cascaded to the local level. With the black market thriving in generating and injecting money into the Zimbabwean economy it was observed that the central bank's role was almost rendered obsolete (Clemence & Todd, 2005). The money burners or "*VanaBurnard*" as they were called utilized the Real Time Gross Settlement (RTGS) system which presented a major loophole where speculators manipulated and abused this system for their individual benefit. In fact the central bank noted that the system had become an active vehicle for illicit foreign currency dealings on the black market. The use of the RTGS by the speculators was the most viable means of burning money since it facilitated the settlement of the transactions without any physical cash being involved. The RTGS system tended to compound the economic woes of the country and the central bank because this system created abnormally high levels of instant demand for cash, leaving the burden of honoring such large amounts of hard cash to the tumultuously organized monetary authorities. In this study Bourdieu's (1979) habitus and field informs this study in portraying the capacity of the poorly remunerated civil servants in coming to terms with the hostile economic environment, in the form of meagre salaries.Bourdieu's (1979) notion of habitus refers to a system of durable, transposable dispositions, or people's lasting, acquired schemata that mediates an individual's behaviour and actions. Wacquant (2005) argued that the habitus is a totality of learned habits, sensibilities, skills, tastes and other non – discursive knowledge for a specific individual or group. The responses and activities that ensued in the economic quagmire is the crux of this study, particularly the money changing business through electronic transfers. This study ascertains the myriad of challenges that confronted people in the money changing business and unearthing how these people transcend those limitations. Chimhowu (2005) noted that people's response to economic shocks in most cases is either individual or collective.

STATEMENT OF THE PROBLEM

The advent of the Zimbabwean economic crisis ushered in a number of livelihood limitations to many people in formal employment. This compelled most of these people to adopt alternative survival and coping strategies. The arena of money changing as a survival strategy has largely remained a grey area in terms of research. Voluminous literature and study has focused on other types of survival strategies employed by people confronted with economic shocks, such as cross-border trading and urban agriculture, ignoring money changing as an emerging livelihood strategy. Despite the pervasive nature of the practice of burning money, very little if any research has been done to explore this practice in depth. Thus the researcher felt that there is paucity of information pertaining to the subject matter, this research thus seeks to ensconce the perceptions of people pertaining to the practice of burning money. There is a dearth of literature focused on money changing as a survival strategy, thus this study is groundbreaking, focusing on the experiences of people engaged in foreign currency trade.

OBJECTIVES OF THE STUDY

The main objectives of this exploratory study are:

1) To assess peoples' perceptions about the phenomenon of "kuburner" (burning money)
2) To examine the challenges faced by people in the money changing business (money burning)
3) To explore the various strategies employed by these money changers in overcoming these problems
4) To explore the implications of this practice on banking and monetary policies

CONCEPTUAL FRAMEWORK

This study is largely embedded in Bourdieu's (1979) thesis of the habitus and field dichotomy, but also borrows from the Sustainable Livelihood Framework (Conway & Chmbers,1997); Department for International Development([DFID],1999) .Bourdieu (1979) was concerned with the relationship between the habitus and the field. He saw this operating in two dialectical, but reciprocal manners. On one hand, the field conditions the habitus; on the other hand the habitus structures the field making it something that is meaningful. This theory is more appropriate to this study since it explains how people deal with their social world. Bourdieu (1979) noted that the habitus refers to a set of dispositions created and reformulated through the conjuncture of objectives, structures and personal history of the people in question. People hold certain dispositions and perceptions about their problems. Such dispositions shape and inform the specific survival strategies that are adopted by people in pursuing their livelihood objectives and transcending the challenges confronting them. The field refers to an arena of contestations and struggles in a network of relationships. Thus the field, in this case, is used to identify areas of struggles for survival and strategies that are adopted. The habitus provides principles by which people choose the strategies they employ socially. According to Bourdieu (1979) the structure constraints and enables at the same time. Occupants of the positions within the field employ a variety of strategies to deal with their conditions. These strategies depend on their positions in the field (Benson, 1998). Bourdieu's thesis provides an important analytical milieu of understanding the dialectical relationship between the structure, in this case the economic conundrum, and many other restrictions confronted by the money changers in their transactional field and agency. In this case the money changers are referred to as actors since they actively devise strategies of dealing with their problems. Insofar as actors referring to the money changers are constrained by the structure, in this case the structure refers to economic problems, rules and regulations of the RBZ such as the daily cash withdrawal limits and poverty. These actors employ multiple livelihood strategies which vary with the nature of their livelihood capital endowments (DFID, 1999). Actors are thus not passive victims of their poverty and rules of the RBZ, but rather should be viewed as agentic, rational and knowledgeable beings that can negotiate sustainable livelihoods and respond swiftly to the dictates of the structure, here the structure refers to the rules of the RBZ and the economic challenges Thus, actors become both 'structured structures,' as well as, 'structuring structures' as they engage themselves in a number of survival and coping strategies in response to these structural constraints. Despite the fact that human action is performed within the context of a pre-existing social structure governed by a set of laws and norms, these rules should not be viewed as external to actors, but are sustained, modified and manipulated by social action.

The Sustainable Livelihood Framework views the poor as operating in the context of vulnerability, which is characterized by poverty, food insecurity, and social exclusion; the same case for money changers. However, it should be noted that even the poorest of the poor are portrayed as having access to certain livelihood capital assets that they draw on in the pursuit of their livelihood objectives (Chambers, 1989).Carmody (1998) noted that people utilize these various types of capital in their daily livelihood activities.

METHODOLOGY

This study is purely qualitative in nature, with indepth unstructured interviews, Focus Group Discussions (FGDs) and secondary sources of data being used as the major information soliciting tools. Participating individuals provide personal narratives pertaining to the subject matter. Qualitative methodology allowed participants to narrate their personal experiences in an interactive manner and portraying their perceptions on the burning of money practice. A qualitative methodology is also highly flexible since it allowed triangulation of techniques, whereby the researcher was able to employ focus group discussions, unstructured and key informant interviews, and secondary sources of data. Purposive sampling was used in selecting the participants in the study. The researcher selected the participants subjectively with the purpose of the study in mind, thus those people who suit the purpose of the study were selected. Purposive sampling was ideal since it has strength in selecting information rich-cases for indepth analysis related to the central issues being studied. A total of three focus group discussions were conducted. One comprised of male participants, the second had female participants and the last involved both men and women. This was done to corroborate information from both groups to get accurate information. Secondary sources, like the RBZ publications and fliers, were also utilized and had a paramount significance in appreciating the views of other scholars pertaining to the subject under study.

PRESENTATION AND DISCUSSION OF RESEACH FINDINGS

This section of the research seeks to present and discuss the major findings drawn from the fieldwork undertaken by the researcher. Bourdieuian thesis became the major analytical insight in understanding the phenomena under study, as well as, the discussion of research findings.

People's Perceptions on the Burning Money Practice

Research findings on the perceptions of people with regards to the practice were largely mixed. Many people had ambivalent feelings towards the practice of burning money. One respondent noted that this was a notorious phenomenon which was unique, imaginative and in some ways inherently exploitative. Money changing in Zimbabwe has proved to be one of the most popular survival strategies not only employed by those who the unemployed, but even those who are in formal employment. Magaisa's (1999) conclusions concurs that consequently this practice presented opportunities for individuals to make enormous wealth by exploiting the massive and unrealistic gap between the official and black market exchange rates. This study's findings point to the idea that burning money actually represented a very efficient, but unfair money making invention that grew out of adversity which accentuates the manifestations of poverty. Many respondents noted that this was easy money or "petro dollars" which promoted laziness since people would amass wealth without any productive input. Despite the fact that most of the respondents benefited directly or indirectly, most expressed concern that they did not like the practice of largely enriching the uneducated at the expense of the educated, which they argued was not proper. This era also ushered in "zvinhu zveBACCOSSI," this term was used to refer to anything that was cheap in the midst of hyperinflation, which was ravaging the Zimbabwean economy. Goods and commodities were made cheaper, because money changers used bank checks to purchase some goods which they would resell at a price thrice lower than the actual price. The rational for lowering prices was informed by the "small profit, quick return" or maybe "small loss, quick return," so as to generate quick money for reburning in a cyclic manner. Many people who were involved in this practice collected a lot of wealth, buying cars and houses. It should however be noted that the benefits that came with this practice were not equally distributed. Respondents moaned that this practice exacerbated the inequalities between the rich and the poor. This is because this practice was as equally enriching to some as it was impoverishing to others. It has been observed that this practice widened the gap between the rich and the poor. Those who were rich manipulated this practice and became richer, while those who were poor could not stand the competition riddled practice, and hence they became even poorer. In other words, this practice only benefitted those directly involved in this exchange, while those who were not burning money had to bear the brunt of a myriad of challenges that came with this practice, such as skyrocketing prices and increased competition for goods, services and commodities. As noted by one respondent, the burning of money led to astronomical prices as it assumed that people had money and prices changed every ten minutes due to the hyperinflation. With the advent of the money burning practice also emerged an increased shortage of basic commodities as demand far outstripped supply, and more of these goods (like food and fuel) became available only on the black market. In Masvingo province, certain areas came to be labeled as the "World

Bank," acknowledging their status as physical spaces where all the currencies were traded openly and on a large scale. Burning money to the urbanites came as a blessing, because they could afford to transfer their children's school fees into the school bank account. Since hard cash was in short supply this benefited largely the urbanites although even the rural people indirectly benefited from their relatives burning money. During this era cellphone recharge cards were sold at thrice lower than their actual price, so people called this airtime "*yeBACCOSSI*," through this practice, airtime became extremely cheap, this congested the network as almost everyone could afford spending hours using their cell phones. Spending days and nights at the banks became the order of the day, as people looked for potential clients and ways of accessing their trillions of dollars in the bank. One respondent noted that "*mari yekuburner yairwadza*," (it was painful accessing this money from the banks), because people had to go to the bank in the middle of the night for them to get money. This was a consequence of the cash shortages as demand far outstripped supply, because of this burning of money practice. As a result, people who had vast amounts of money in their accounts could not buy anything meaningful, in fact several respondents asserted that this practice compounded their problems of poverty, since most goods and services were unaffordable due to the Reserve Bank imposed cash withdrawal limit. Thus people had to wait a couple of days to get their bus fair, and another two weeks to withdraw grocery money. Most shops however had open shelves, leaving only cotton wool and tissues behind. Despite having generated a few dollars through burning money, that little money would be wiped away by inflation without even buying anything (in most cases). Thieves also thrived during this time, especially in town, as they thought everyone had money to burn. This money burning philosophy affected the financial market to such an extent that the central bank was failing to account for the levels of money supply in the economy. One respondent noted that the burning of money had turned the economy into a largely underground one, with lazy uneducated people reaping hefty benefits. He further labeled these speculators as a chain of corrupt individuals hurting the country's economy for their selfish personal interests. Another respondent argued that this practice benefited neighboring countries more, because our shops were empty and people trekked down to South Africa or Botswana to shop.

Agentic and Rational Strategists

In this study the findings point to the fact that human beings, in this case the money changers should be viewed as active and reactive agents who are not merely victims of their poverty and situation, rather than being tabula rasa these people are rational strategists. From the interviews carried out by the researcher, money changers were not just operating from the dictating whims of society. The people in the burning business were very imaginative lot. Each time the Reserve Bank imposed daily cash withdrawal limits, new methods and strategies of withdrawing millions of dollars were devised by the people. This concurs to Giddens' (1987) conclusion that human are rational and the structure, as in the Reserve Bank, was not only constraining, but also empowering. This is because of such structural restrictions and limitations, people were compelled to strategize new withdrawal tactics. Many respondents did not view withdrawal limits as a constraint or structure, instead a minor limitation which they could easily transcend. Since many dealers had millions and trillions of dollars in their accounts and the daily cash withdrawal limit was pegged at Z$50 000, it would take years to withdraw all of a person's money. It should also be noted that not only were the people constrained by the RBZ and other bank's policies, but their activities compelled policy changes by the banks. Banks were changing policies because of the money changers operations to suit the hyperinflationary environment situation. One respondent noted that during this time the country's economy was in the hands of the black market speculators.

One respondent resorted to using unorthodox strategies, such as arming themselves with countless documents which included burial orders, death certificates and affidavits. With these documents some money changers would simply tell the bank officers that they had lost a close relative and thus needed immediate cash for funeral expenses. After such dramatic tactics many traders would access large sums of money from their bank accounts and use that money again to purchase foreign currency on the black market. In this case, actors regardless of their seemingly weakened position were endowed with various capital entitlements which enhanced their livelihood strategies as they engaged in social exchange and negotiated their positions in whatever context. One prominent strategy that many people used to access some money was the opening of multiple bank accounts. As noted by a number of respondents almost everyone in the family opened an account, even a one year-old would have an account opened for him by his/her parents. Such strategies became the order of the day at most banks, as more and more people sought ways of siphoning their fast depreciating local currency from their many bank accounts. One of the respondents noted that he opened five bank accounts for himself and two for his wife and each one of his three children. This strategy was more rewarding, because at the end of the day if one succeeds to withdraw money from all the accounts they would have about $50 million (ZIM) dollars cash in hard local currency. For many this had become a shrewd way of breaching an insufficient daily cash withdrawal limit of $50 thousand (ZIM) dollars. From this background Bourdieu's habitus and field thesis looms large in understanding the activities of these money changers. To Bourdieu (1990) the structure is both constraining and enabling. In this case withdrawal limits set by the RBZ became the structure which constrained the activities of the money changers. Inturn the money changers also simultaneously structures the policies and activities of the RBZ. This can be noted by how the Reserve Bank of Zimbabwe had to constantly change its policies as a result of the activities of the money changers. For example, after realizing that these speculators were manipulating the RTGS, this service was suspended and the impositions of the daily cash withdrawal were manifestations of how the speculators structured the activities and policies of the RBZ. Such practices, however, also impacted the general quality of services being offered at these financial institutions and banks, this can be seen by how banks refused to open new bank accounts for people even those that were not intending to burn money. Given the constraints posed by the daily cash withdrawal limit imposed by the RBZ, many people sought and manipulated other loopholes to siphon their trillions of dollars in their accounts. People could make cell phone transactions and thus could easily transfer money from their accounts into their phones as airtime. After doing that they would then make sales through airtime transfers, this enabled people to withdraw some extra money despite the constraints posed by the daily cash withdrawal limit. At the zenith of this practice many rural people were no longer making real savings in the financial sector, save for some foreign currency dealers eking a living from transactions on the buoyant parallel or black market foreign currency exchange rate. More so, the RTGS and internal bank transfers were the epitome of this practice of burning money (*kupisa mari*) and cash transfers after the banning of the RTGS remained as the main avenue utilized to burn their money. This avenue of checks transfers was later blocked by the RBZ, but people still sought other new ways to draw their cash from their accounts. This shows that people are rational agents who are ever inventive in bypassing structural constraints that hinder their livelihood strategies. The RTGS system was eventually suspended, but the agentic economic agents in the form of money changers sought other ways to continue burning money and these included the checks system. Despite its prolonged process, this system was equally pernicious since it attracted frighteningly high rates due to its long clearance process and this created higher demand for local cash. Many people lamented that this practice was just a reflective manifestation of livelihood limitations that were ushered in by the economic quandary that confronted the country during this time. Thus whenever people face challenges, they tend to devise certain survival or coping strategies to deal with livelihood shocks like poverty. During this phase the country decomposed into a “do as you like” scenario with no control over the operations of many parastatals and banks due to the central banks’ quasi fiscal operations. People made astronomical profits from their transactions in foreign currency exchange. While the imposition of the daily cash withdrawal was meant to be a punitive measure for these speculators, it was not effective to many, especially those with close networks with the bank officials. More still, internet banking was also utilized and it made it easier for the speculators to make their transactions over the internet and simultaneously amassing fortunes.

Rampant Queuing in the Era of Money Burning

While queuing was not unique to Zimbabwe and Masvingo, queues in Masvingo were not just ordinary queues. It has been observed that during this era people did not just queue, people queued in numbers, for days and nights. People would queue for anything, sometimes they were disappointed to find out a queue they were waiting in was for something not desired. This was alluded to by one male respondent who argued that after queuing for several hours, he was later told that the queue was for female pads. People would go to town and join as many queues as possible without even knowing what that queue is for, only to ask the purpose of the queue after securing a place. This was largely caused by the excessive demand for any available goods and services. Some people jokingly responded that they once joined a queue only to later discover that it was a queue into a funeral parlor. This scenario was the order of the day everywhere and people labeled this as the era of queues. Queues were everywhere from retail and wholesale shops, and worse still, at financial institutions. This was because the money that the practice created generated high levels of money supply growth and the central bank had to meet this avalanche demand with equivalent money creation. Yet the burning practice was so excessive that the printing press could not keep up the pace with the amount of money in the economy, hence this compelled the RBZ to impose restrictions on the withdrawal of cash. Many of the people noted that this problem of queues was exacerbated by the practice of burning money since it was so popular that almost the whole town was doing it. This meant that queue also worsened as more people tried to withdraw their money. One respondent noted that thieves also thrived during this time since almost everyone was thought to have some money. This led to a number of robberies in Masvingo. Despite many people being skeptical about this practice, other people highlighted some positives. One female respondent noted, “I would just make cash transfers to pay school fees for my three children at boarding school into the school bank account after burning just US $5.” She noted that many people in town were actually making a living by burning money. The only option to survive was to burn money. Those who were not burning money were pushed into abject poverty because prices were also skyrocketing on an hourly basis, going beyond the reach of those not involved in this practice. Because of the long queues many people opted to sleep at banks and shops, so to access some money and goods respectively. Other people would go to the banks at the middle of the night when the queues were not too long, while others had several queue cards. Some people had to bribe and give kickbacks to the security guards manning these banks and shops for them to easily access their money. This goes to show that despite people being constrained by the queues, such limitations compelled these people to strategize ways of bypassing such structural constraints. Thus rather than viewing people as structures who are mere passive victims of structural limitations, people can also be viewed as structuring structures. With this practice street urchins also got some form of temporary employment, since they would be paid to hold places in these queues for many clients. Some of the street kids were handsomely paid that they stopped doing this business themselves, thus removing them from the streets. The queue crisis affected even those people who were not involved in this practice. One responded moaned that this practice was more of a "survival of the fittest" and those residing in rural areas were the hardest hit, since they could hardly access the foreign currency for burning. This meant that those who were not involved in burning money were relegated into abject poverty since they could hardly afford anything. This also led to the proliferation of social ills such as theft and prostitution, as people sought ways of surviving under this economically unfriendly atmosphere. During this era, any commodity or service that one wanted to access; be it matches, soft drinks, fuel, money and foodstuffs, one would have to queue for it for hours only to be told that the establishment was sold out (even though it may not be true). However, apart from the biting effect of this comatose economy, there emerged a class of 'nouveau riche,' who were spending without care in the renowned city pubs and restaurants; because of the wealth they were collecting on a daily basis from burning money. One respondent noted that Zimbabwe appeared to be a 'dealer economy,' but since the dealers generally do not pay tax, the government could not raise any revenue from such a practice, despite the fact that it had the responsibility of making Zimbabwean Dollars available to cater for those who wanted it after burning their small amount of foreign currency in return for trillions of local currency. This led to massive cash printing by the RBZ which was costly since the paper was exported from Germany.

Social Capital and Social Networks in Foreign Currency Dealings

Bourdieu's concept of social capital also looms large in understanding how people in the practice of burning money interact. Social capital and networking was more of an antidote or 'sine qua non' for successful transactions in this business. For those with strong links either with the bank officials (like bank managers), RBZ officials and bank tellers, the business was fruitful and flourishing. In this case the poor used their social capital to enhance the success of their transactions, while the rich utilized their economic capital to amass wealth and assets. Social capital was of paramount significance in sustaining the livelihoods of both poor and rich people, who would use their economic muscles to use the labor of middleman in their transactions. Some of these people included prominent political and RBZ officials who collected loads of wealth during this era. One respondent noted that because cash was in short supply, one needed to have strong links to enhance their chances of getting any cash. Those who had links with the bank officials had no problems opening new bank accounts and accessing grants. Such burning transactions created a network or syndicate of many people. Some bank tellers would also get bribes and kickbacks from people involved in this practice. Thus, through this practice the bank tellers and other bank officials amassed wealth and many of them bought assets and properties in town. This also simultaneously improved the livelihoods of their kinsman as some would send remittances to the rural areas. However, this practice exacerbated the inequalities within the rural areas, as those with better-off relatives involved in burning money became richer and richer. Findings from this study concur with Bourdieu's (1990) conclusion that the field is a structure of relationships that guides the practices and transactions of social life.Luhmann (1982) noted that the strategies and positions that an actor or actors adopt, is informed by different types of capital that the actors might posses. In this case, social capital was a fundamental resource in the field of money burning transactions. This confirms the fact that in any field social, cultural and economic capital determines position and opportunities of various actors. In this practice success in transactions were either enhanced or hampered by the degree of connectivity one had to certain significant others, especially bank officials and shop managers. Bourdieu (1990) argued that these forms of capital endowments possessed by agents are important in determining and defining chances of winning the stakes in the field. Coleman (1988) noted that social networks foster relationships that can be utilized in negotiating and improving social position of actors in a variety of different fields. Thus, differences in the control of social capital may explain why the same amount of economic capital can yield different degrees of success and profits.

For one to succeed in this business establishing relationships with significant others was a necessary pre – requisite and money changers, as actors became attached to such relationships for their transactions to succeed. However, it was observed that the activities and routines of these money changers was shaped and reshaped by the contextual structures embedded within that worldview (habitus) in Bourdieuian terminology (Gukurume, 2009). Money changers aligned themselves strategically to certain people, thereby fostering a more or less patron–client relationship, which made it easy for both parties to execute their operations effectively and efficiently (Gukurume, 2009). This is seen through the way some money changers even went to the extent of establishing links with the top police officials to avoid being arrested while completing their transactions. Thus social capital enabled money changers to grapple and come to terms with the grueling limitations posed by structures, such as the RBZ, and restrictive policies, such as withdrawal limits.

CONCLUSION

The money burning practice emerged as a direct manifestation of the economic challenges that confronted many people in the country. From the study, it was established that people had mixed feelings with regards to their perception of the practice of burning money in Zimbabwe. While some viewed it as a messiah in sustaining their threatened livelihoods and meager salaries, others viewed it as more of a curse to them and the country at large. This practice of burning money had differential impact on people. It was established that this practice exacerbated the inequalities between people, as those who were rich manipulated this advantage to further amass loads of wealth, hence becoming even richer, while the poor rural people had to bear the brunt of being pushed further into abject poverty. However, it was noted that this practice was riddled in controversy and people involved in this practice faced a number of challenges in carrying out their transactions, such as maximum cash withdrawal limit and suspension of some services they used in burning money, such as the RTGS. Social capital in these transactions played a fundamental role in enhancing the success of transactions, and thus social networks were resources used by the people to ensure their success. People devised a number of strategies to circumvent the myriad of challenges they faced in their transactional field and transactional habitus. This, points to the fact that people are rational and calculative agents who can rationally deal with shocks that threaten their livelihood. Despite being constrained by the monetary and banking policies of the RBZ and other banks, the activities of these money changers also had a backlash on these financial institutions, as most of them were compelled to model and remodel their policies to suit the situations. This was seen by how these institutions had to constantly change their policies and services in response to this money burning practice. People used the various types of capital accessible to them as resourceful entitlements to sustain their livelihoods during this era. This showed that people are not just passive victims of their poverty, but are agentic actors who act and react to transcend the many problems they face in life (as was the case with the money burning practice in Zimbabwe). The whole phenomenon of money burning was thus riddled in ambivalence pertaining to how people perceived it.

REFERENCE

Alwang, J. (2008). *Why has poverty increased in Zimbabwe?* Washington D.C.: World Bank.

Benson, C. (1998). *Drought and the Zimbabwean economy*. London: Macmillan.

Bourdieu, P. (1979).*Distinction: A Social Critique of Judgement of Taste*. London: Routledge and Keagan Paul.

Bourdieu, P. (1990). *In Other Words: Essay towards a Reflexive Sociology*. Cambridge: Polity Press.

Bourdieu, P. (1991). *Language and Symbolic Power*. Cambridge: Polity Press.

Bjurek, S. & Durevall, D. (2000). Does market liberalization increase total factor productivity? Evidence from the manufacturing sector in Zimbabwe. *Journal of Southern African Studies, 26*(3), 463-479.

Bracking, S. & Sachikonye, L. (2008). *Remittances, poverty reduction and Informalisation in Zimbabwe 2005 – 06: A political economy of dispossession.* Manuscript in preparation (28), University of Manchester. Manchester: Brooks World Poverty Institute.

Carmody, P. (1998). Neoclassical practice and the collapse of industry in Zimbabwe: The cases of textiles, clothing and footwear. *Economic Geography*, *72*(4), 319-343.

Conway, F & Chambers, R. (1997).Livelihood Vulnerability in Rural Households. London: Capman and Hall.

Coleman, J.S. (1988).*Social Capital in the Creation of Human Capital*.Cambridge: Cambridge University Press.

Chambers, R. (1989). *Vulnerability: How the poor cope. IDS Bulletin, 20*(2).

Chimhowu, A. (2005). *Tinkering on the fringes? Land reforms, chronic poverty and poverty in Southern Africa.* Manuscript in preparation (58), Chronic Poverty Research Centre. Manchester: University of Manchester.

Clemence, M. & Todd, M. (2005). *Costs and causes of Zimbabwe's crisis*. Massachusetts.

Denzin, N.K. & Lincoln, Y. S. (Eds.). (2000). *Handbook of qualitative research* (2nd Ed.). Thousand Oaks, CA: Sage.

Department for International Development (DFID). (1999). *Introduction to sustainable rural livelihoods framework and its relationship to project work.* London: DFID Publications.

Dingwall, S. (1998). *Introduction to research methods*. London: Routledge.

Giddens, A. (1979). *Central Problems in social theory: Action, structure and contradiction in social analysis*. London: McMillan.

Giddens, A. (1987). *"Social Theory and Modern Sociology". London:* Polity Press.

Gukurume, S. (2009). *Survival strategies devised by people living in informal settlements in Masvingo to cope with lack of health related amenities*. Harare: University of Zimbabwe.

Magaisa, A. (1999). *The A to Z of a lost decade of development in Zimbabwe*. Kent: Kent Law School, University of Kent.

Mlambo, A. & Raftopoulos, B. (2009). *Zimbabwe's multilayered crisis*. London: University of Sussex.

Narayan, D. et al. (2000). *Voices of the poor: Can anyone hear us?* New York: World Bank/Oxford University Press.

Neefjes, K. (2000). *Environments and livelihoods: Strategies for sustainability*. Oxford: Oxfam GB.

Wacquant, L. (1992).*Pierre Bourdieu and Democratic Politics: The Mystery of Ministry*. Cambridge: Polity Press.

Wisner, B. (1988). *Power and need in Africa*. New York: Earthscan.

Luhmann, N. (1982).*Familiarity, Confidence, Trust: Problems and Alternatives*. Oxford: Basil Blackwell.

ABOUT THE AUTHOR:

Simbarashe Gukurume is a lecturer in the Department of Sociology and Social Anthropology at the Great Zimbabwe University in Masvingo, Zimbabwe.