

TRAVELING TRUNK

EARLY FORMS OF MONEY

TEACHER INTRODUCTION

Almost any item or asset can function as money as long as it is generally accepted as payment. In fact, a variety of items have been used as money over the centuries. The items that worked the best tended to have four basic characteristics: portability, divisibility, durability, and acceptability. Students will learn about the importance of these characteristics as they explore the early forms of money boxes. They will have a better understanding of why some forms of money functioned better than others, and how the currency and coin used today developed from these earlier forms.

LESSON DESCRIPTION

This lesson introduces students to various forms of money used in earlier times. As students discover these items in the money boxes, they will evaluate each form in terms of the four characteristics of money, using a grid format. A final discussion and comparison of their evaluations in class will help students decide which forms functioned the best, and why currency and coin is currently used today.

GRADE LEVEL: 4-8

CONCEPTS: Money characteristics; portable; divisible; durable; acceptable

OBJECTIVES: Students will be able to:

1. Give examples of earlier forms of money.
 2. Define the four money characteristics - portable, divisible, durable and acceptable.
 3. Explain why currency and coin are the forms of money used today.
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TIME REQUIRED: 60 minutes

MATERIALS:

- Visual 1 - Characteristics of Money (overhead)
 - Visual 2 - Examples of Early Money Forms (overhead)
 - Visual 3 - Early Forms of Money Grid (overhead)
 - Activity 1 - Early Forms of Money
 - Early Forms of Money Boxes (2)
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PREPARATION:

1. Make overheads of Visuals 1, 2, and 3.
2. Make copies of Activity 1 for all students
3. Review the contents of the Early Forms of Money boxes (2).



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PROCEDURE

1. Tell students to imagine they lived in earlier times before currency and coin were invented to be used as payment for goods and services. Ask them the following questions:
 - How do you think people paid for the goods and services they needed during these times? (*Answers will vary and may include the ideas that items were traded or bartered, or that items of value were given as payment for the goods and services needed.*)
 - What items of value do you think were traded in those days? (*Answer will vary and may include a variety of items the students feel have value, such as food products, tools or decorative items.*)
2. Display Visual 1 - Characteristics of Money on the overhead. Explain to students that money has **characteristics**, or features, that make it unique. The forms of money that worked best in earlier times had most of the following four characteristics. They were:
 - **Portable** - the money form was easy to carry around. If the item weighed too much, or was awkward to carry, it was harder to use as money.
 - **Divisible** - the money form was easy to divide into parts. If it was difficult to split or cut apart to create change or money back, it was harder to use as money.
 - **Durable** - the money form was long lasting and useful over time, If the item tor or broke, it was harder to use as money.
 - **Acceptable** - the money form was payment that others were willing to trade items of value for. If the item was something that many people did not use of want, it was harder to use as money.
3. After discussing these characteristics, show Visual 2 - Examples of Early Money Forms. Evaluate each example as a form of money, using the four characteristics as a guide. Ask the following questions:
 - Would the fish be portable? (*Answers will vary. Students may say it would be easy to carry, others may disagree and say it would be awkward.*)
 - Would a fish be divisible? (*Most will say no, it would be hard to cut apart or divide.*)
 - Would the fish be durable? (*Most will say no, it will not last long because it will spoil or smell.*)
 - Would a fish be accepted? (*Answers will vary, most will say yes as it is a food product.*)
 - Would you consider a fish to be a good form of money? (*Answers will vary.*)Continue the questioning with the other examples of early money forms on Visual 2.
4. Tell students that they will now be able to discover other early forms of money by looking through the trunk's examples. Hand out Activity 1 - Early Forms of Money Grid. Display Visual 3 overhead of the grid. Discuss the forms of money listed on the grid that they will evaluate. Divide into groups of 5. As they look at each form, they should ask the money characteristic questions in their groups. If a majority of students in the group answer yes to a characteristic, they should write a "+" sign in the grid box. If the majority says no, they should write a "-" sign. When they have evaluated all items, they should put stars next to the forms that have 3 or more pluses. (If an item as 2 plus signs, they should break the tie by making a group decision.)



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PROCEDURE (CONTINUED)

5. Pass the money form box compartments (4 small ones and 2 larger ones) around to the groups. After each group has evaluated the forms in one compartment and marked their grid, that compartment should be passed to the next group so that all compartments circle the room.
6. When all students have finished their grids, ask groups to report to the class with their findings, using these teacher-guided questions:
 - Which items did your group evaluate as good forms of money?
 - Did you generally agree on your evaluations? Why or why not?
 - Was there an item or items that your group thought were poor examples of money? What were they and why did they receive a poor evaluation?
7. When the group reports are completed, ask students to share their ideas on why they think we now use currency and coin for money instead of the earlier items. (*Answers will vary, but students may bring up the idea that most early forms did not meet all characteristics well, and that there was disagreement on the best forms to use.*)
8. Tell students that the money we use today has been agreed upon as a medium of exchange between buyers and sellers. In other words, people have agreed that currency and coin have value and everyone is willing to accept them as money. Using currency and coin for money makes transactions easier because everyone is willing to trade their money for goods and services, and trade their goods and services for this money.

CLOSURE

Discuss the following questions as review:

1. What are some examples of earlier forms of money? (*Answer will vary, but could include food products, animals or animal products, tools or decorative items.*)
2. What does it mean if money is **portable**? (*Easy to carry around*) **Divisible**? (*Able to be divided or cut apart*) **Durable**? (*Long lasting or useful over time*) **Acceptable**? (*Others will trade items of value for it.*)
3. Why is currency and coin the forms of money that we use today? (*We use currency and coin because it has been agreed upon as a medium of exchange between buyers and sellers. Using this money makes transactions easier because everyone is willing to use it in trading for goods and services.*)

ASSESSMENT

Ask students to think of a different form of money (another food product, animal product, tool or decorative item not discussed) that could have been used in earlier times. After they have decided on their idea, they should write a paragraph evaluating the new form of money using the four money characteristics. The paragraph should explain why their idea would be portable, divisible, durable and acceptable. If time allows, they could also illustrate their idea.



VISUAL 1 - CHARACTERISTICS OF MONEY

Money Forms should be:

Portable - Easy to carry around

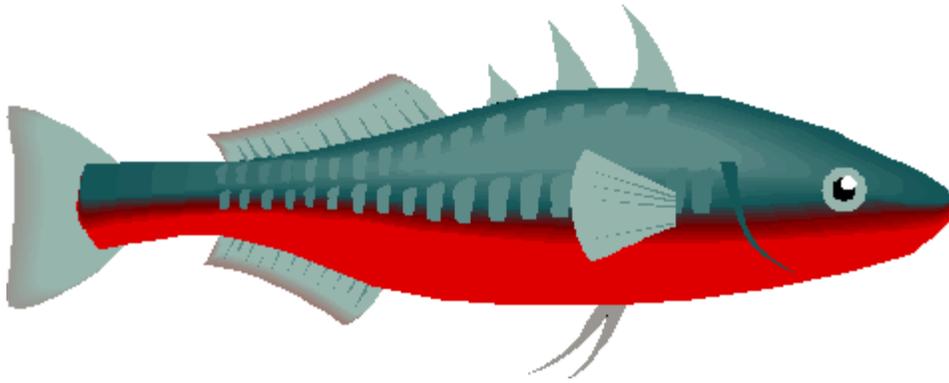
Divisible - Able to be divided to create change or money back

Durable - Long lasting and useful over time

Acceptable - Payment that others are willing to trade items of value for



VISUAL 2 - EXAMPLES OF EARLY MONEY



VISUAL 3 - EARLY FORMS OF MONEY GRID

Key: + = has the characteristic - = does not have the characteristic

MONEY FORM	PORTABLE EASY TO CARRY AROUND	DIVISIBLE ABLE TO BE DIVIDED TO MAKE CHANGE	DURABLE LONG LASTING; USEFUL OVER TIME	ACCEPTABLE PAYMENT THAT OTHERS AGREE UPON
TEA				
FISH HOOKS				
ARROWHEADS				
GRAIN				
RAW METAL				
BASKETS				
COWS				
WHALE TEETH				
COWRIE SHELLS				
KNIVES, FORKS, SPOONS				
FARM TOOLS				

