



## History of Money By C4A Academy



(Source: <https://www.thoughtco.com/history-of-money-1992150>)

Money has been an INTEGRAL (essential) part of human civilization for thousands of years. From the earliest days of bartering to the invention of DIGITAL CURRENCY, money has played an essential role in the development of economies and societies. However, there is more to the story than just the EVOLUTION of different forms of money. In this lesson, we will delve into some of the other important aspects of the history of money, including the use of different objects as money in different cultures, the ethics and PSYCHOLOGY of money, and the uneven DISTRIBUTION of wealth.

**SPELL:** DELVE                      INVENTION                      EVOLUTION  
What word from the text means essential?      INTEGRAL  
Money has been an integral part of human \_\_\_\_\_ for thousands of years.  
CIVILIZATION

Money has played an essential role in the development of what?  
ECONOMIES, SOCIETIES

Name one of the aspects of money's history that we'll talk about in this lesson besides the evolution of different forms of money. THE USE OF DIFFERENT OBJECTS AS MONEY; THE ETHICS AND PSYCHOLOGY OF MONEY; THE UNEVEN DISTRIBUTION OF WEALTH, etc.

What comes to mind when you think of the word "wealth"?

The earliest forms of money were based on the concept of BARTERING, where goods or services were exchanged directly for other goods or services. In ancient times, COMMODITIES (goods or materials) that were accessible and necessary were often used as forms of money. For example, COWRIE shells were used as a form of currency in ancient China, the AZTECS used cocoa beans, and the ancient Egyptians used grains such as barley and wheat. However, these commodities had the drawback of being PERISHABLE and difficult to transport over long distances. Bartering was efficient in small, tight-knit communities, but as societies grew larger and more complex, a more standardized form of currency or money was needed.

SPELL: PERISHABLE      TRANSPORT      EXCHANGED

The earliest forms of money were based on the concept of \_\_\_\_.

BARTERING

When bartering, goods and services were exchanged directly for what?

OTHER GOODS AND SERVICES

A more standardized form of currency was needed when societies grew larger and more \_\_\_\_.

COMPLEX

What is the word from the text meaning goods or materials?

COMMODITIES

Bartering was efficient in what kind of communities? SMALL, TIGHT-KNIT

What were two of the commodities used in ancient times for money?

COWRIE SHELLS, COCOA BEANS, BARLEY, WHEAT

In your own words, define perishable. BIODEGRADABLE, LIKELY TO GO BAD QUICKLY, SOMETHING NEEDING REFRIGERATION, etc.

What is a good or service that people exchange today?

Precious metals, such as gold and silver, were among the first STANDARDIZED forms of money. They were durable, easily DIVISIBLE, and had INTRINSIC value, meaning they were valuable in and of themselves. This made them an ideal medium of exchange, and they were widely used by ancient peoples such as the EGYPTIANS and CHINESE. The use of precious metals as money allowed for the development of long-distance trade and the growth of complex economies. In fact, the word "currency" is derived from the Latin word "CURRENS" which means "in circulation", referring to the precious metals that were in circulation as money.

SPELL: LATIN VALUE DURABLE  
\_\_\_\_\_ metals, such as gold and silver, were among the first standardized forms of money. PRECIOUS  
Precious metals like gold and silver were ideal as a medium of exchange because they were durable and easily what? DIVISIBLE  
Besides their durability and divisibility, the paragraph says that precious metals had \_\_\_ value. INTRINSIC  
The word "currency" is derived from the Latin word what? CURRENS  
Name one of the ancient civilizations in the paragraph that used precious metals as money. EGYPTIANS, CHINESE  
The use of precious metals as money allowed for the development and growth of what? LONG DISTANCE TRADE, COMPLEX ECONOMIES

Coins were also an important development in the history of money. They were first MINTED (cast or produced) around 600 BCE in ASIA MINOR and quickly spread throughout the ancient world. Coins were made from a variety of metals and were often stamped with the image of a ruler or a DEITY to demonstrate the money's AUTHENTICITY and value. The use of coins allowed for even greater standardization of exchange. Another benefit of coins was that they were easier to use than precious metals alone. They also allowed for the development of a monetary system based on a unit of account, such as the Roman DENARIUS.

SPELL: MINTED PRODUCED DEMONSTRATE  
When were coins first minted? 600 BCE  
Where did the first coins appear? ASIA MINOR  
The first coins were made of a variety of what? METALS

The use of coins allowed for even greater \_\_\_\_ and ease of use than the use of precious metals alone. STANDARDIZATION

Coins allowed for the development of a monetary system based on a unit of \_\_\_\_ . ACCOUNT

A monetary system that was developed because of the use of coins was the Roman \_\_\_\_ . DENARIUS

Coins were often stamped with the image of what? DEITY, RULER

The image of a ruler or deity was stamped on coins to demonstrate their what? AUTHENTICITY, VALUE

Whose image is stamped on the U.S. quarter? GEORGE WASHINGTON

Briefly, if you were going to put someone's image on a coin, whose image would you choose and why?

VAKT: Watch this video to learn about some of the oldest coins:

[https://www.youtube.com/watch?v=5baJ6bn\\_iDc](https://www.youtube.com/watch?v=5baJ6bn_iDc)

VAKT: Count the Roman denarius below. How many are there? (There are 40)

300 years of silver Roman denarius



[https://www.reddit.com/r/coins/comments/eybt3w/300\\_years\\_of\\_silver\\_roman\\_denarius/](https://www.reddit.com/r/coins/comments/eybt3w/300_years_of_silver_roman_denarius/)

Paper money first appeared in China during the SONG DYNASTY which ruled from 960–1279 CE. It was called JIAOZI (pronounced jee-**OW**-zee) and was created as a way to reduce the amount of metal needed to produce coins, as well as to lessen the sheer weight of LUGGING (carrying) metal money around. This was the world’s first government-produced paper money, and it could be exchanged for gold or silver. However, the Song government produced more and more jiaozi, which eventually led to INFLATION and the government's inability to redeem it for FACE VALUE in precious metals. Despite this, paper money continued to be used and eventually became a widely accepted form of currency.

**SPELL:** GOVERNMENT PRODUCED EVENTUALLY

In what country did paper money first appear? CHINA

Paper money first appeared in China during the \_\_ \_\_. SONG DYNASTY

When did the Song Dynasty rule? FROM 960 TO 1279 CE

Use an equation to show how many years ago the Song Dynasty ended.  $2023 - 1279 = 744$

The first paper money was called \_\_\_\_. JIAOZI

The Song government produced more and more paper money, which eventually led to \_\_\_\_\_. INFLATION

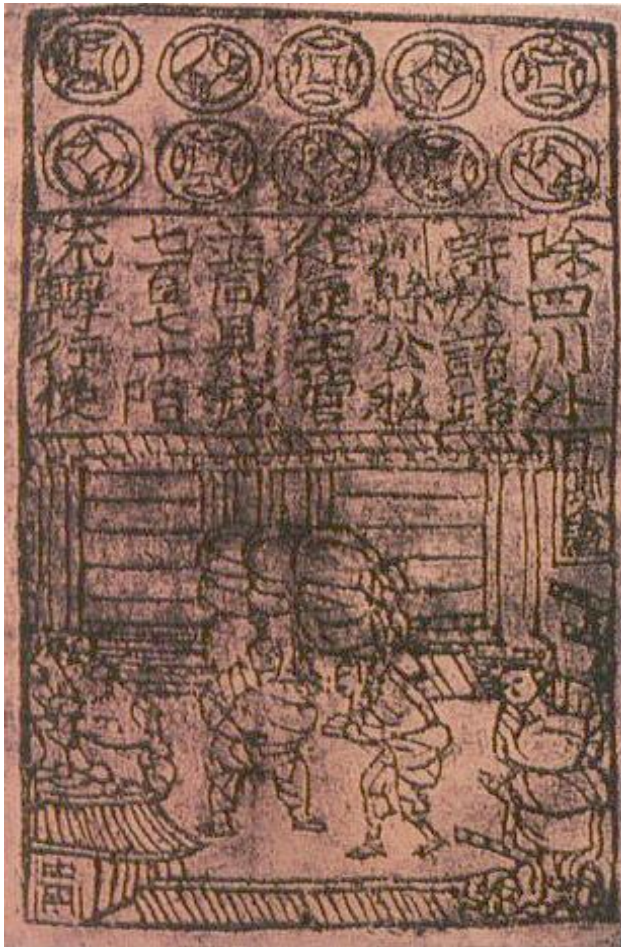
From the text, what could paper money be exchanged for?

GOLD, SILVER

Besides “carrying,” what’s another word for lugging?

HEAVING, HAULING, HOISTING, etc.

Despite the challenges with paper money, why do you think it continued to be used?



[https://en.wikipedia.org/wiki/Banknote#/media/File:Jiao\\_zi.jpg](https://en.wikipedia.org/wiki/Banknote#/media/File:Jiao_zi.jpg)

In 2009, the invention of digital currency, otherwise known as CRYPTOCURRENCY, marked a significant shift in the history of money. BITCOIN was the first form of digital currency created; now there are more than 20,000 types of digital currency! Cryptocurrency is any means of payment that exists solely in electronic form. It operates on a DECENTRALIZED system, and is not backed by a government. Transactions are recorded on a digital ledger called BLOCKCHAIN, which allows for transparency and SECURITY. While digital currency is still in the early stages of development, it has the potential to REVOLUTIONIZE the way we think about money and financial transactions.

SPELL: TRANSACTIONS DIGITAL INVENTION

When was digital currency was invented? 2009

The term mentioned for digital currency was \_\_\_\_\_. CRYPTOCURRENCY

Digital currency transactions are recorded on a digital ledger called a what? BLOCKCHAIN

The first digital currency to be invented was? BITCOIN

Now there are more than how many cryptocurrencies? 20,000

Digital currency operates on a \_\_\_\_ system and is not backed by a government. DECENTRALIZED

The text says that having transactions recorded on a blockchain allows for two things; name one. TRANSPARENCY, SECURITY

How is digital currency different from traditional currency?

VAKT: Watch this 5 minute video describing what cryptocurrency is.

<https://www.youtube.com/watch?v=1YyAzVmP9xQ>

In addition to the different forms of money that have been used throughout history, the ETHICS and PSYCHOLOGY of money are also important aspects to consider. For example, the concept of "money as a means of exchange" is based on the idea that money serves as a NEUTRAL medium for exchanging goods and services. However, the reality is that money is often used to EXERT (meaning apply or wield) power and control over others. The unequal distribution of wealth, for example, can create a cycle of poverty and inequality that is difficult to break.

SPELL: REALITY ETHICS CYCLE

The concept of "money as a means of exchange" is based on the idea that money serves as a \_\_\_\_ medium. NEUTRAL

The word from the lesson meaning apply or wield is? EXERT

The unequal distribution of wealth can create a cycle of poverty and \_\_\_ that is difficult to break. INEQUALITY

The text says that money is often used to exert two things over people; name them. POWER, CONTROL

What did I say was one of the two important aspects to consider about money? ETHICS, PSYCHOLOGY

What is an antonym for “neutral”? BIASED; PARTIAL; OPINIONATED

Despite the fact that money is meant to serve as a means of exchange, it has often been used to ACCUMULATE (amass or stockpile) wealth and power in the hands of a select few. This has led to a wide range of social and economic problems, including poverty, inequality, and lack of access to basic NECESSITIES. In many cases, the wealthy have used their financial power to influence political and economic systems in their favor, leading to a concentration of wealth and power in the hands of a small ELITE (select group).

SPELL: ACCUMULATE                      POVERTY                      INFLUENCE

Money has been used to accumulate \_\_\_ and power in the hands of a select few. WEALTH

Wealth being in the hands of a select few has led to a range of social and \_\_\_ problems. ECONOMIC

Three social and economic problems mentioned in the lesson that are caused by concentrated wealth are poverty, inequality and a lack of access to what? BASIC NECESSITIES

When wealthy people use their financial power to influence politics and the economy, it leads to a concentration of wealth and power in the hands of a small \_\_\_. ELITE

A word I used to define accumulate was? AMASS, STOCKPILE

The wealthy have often used their financial power to influence what kind of systems in their favor. ECONOMIC, POLITICAL

Name an elite group. MENSA MEMBERS; ASTRONAUTS; MARINES

VAKT: Point to the US currency in the picture below.



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In conclusion, the history of money is a complex subject, spanning thousands of years and many different forms. Every new form has presented new benefits and challenges, but money's fundamental role in FACILITATING (assisting) trade and supporting economic growth has remained constant. It is interesting to CONTEMPLATE (regard thoughtfully) how our use of money will adapt to new TECHNOLOGIES and economic conditions. What will we deem valuable, and who gets to decide that?

**SPELL:** CONTEMPLATE                      FUNDAMENTAL                      VALUABLE  
 The history of money is a complex \_\_\_ spanning thousands of years and many different forms. **SUBJECT**

The word from the lesson meaning assisting is? **FACILITATING**  
 Money's fundamental role in facilitating trade and supporting economic growth has remained \_\_\_\_\_. **CONSTANT**

Every new form of money has presented new what? **BENEFITS AND CHALLENGES**

What is one way wealth is used to exert power or control over others?

What is an example of how the unequal distribution of wealth creates a cycle of poverty and inequality?

Why is it important to remember the lessons of the past and the role of money in shaping our world?



Creative writing: You are tasked with creating a new form of money. What will you call it? What will it be made of? How will people use it? What is special about your new monetary system?

*This lesson was adapted from text generated by ChatGPT.*

Additional resources:

<https://www.thoughtco.com/the-invention-of-paper-money-195167>

[https://www.google.com/search?client=firefox-b-1-d&q=how+to+pronounce+jiaozi%3F#kpvalbx=\\_ly3gY8HTM4-t5NoP6uGa8Ac\\_28](https://www.google.com/search?client=firefox-b-1-d&q=how+to+pronounce+jiaozi%3F#kpvalbx=_ly3gY8HTM4-t5NoP6uGa8Ac_28)

<https://www.investopedia.com/terms/d/digital-money.asp>

<https://money.usnews.com/investing/articles/the-history-of-bitcoin>

[https://en.wikipedia.org/wiki/Banknote#/media/File:Jiao\\_zi.jpg](https://en.wikipedia.org/wiki/Banknote#/media/File:Jiao_zi.jpg)

[https://www.youtube.com/watch?v=5baJ6bn\\_iDc](https://www.youtube.com/watch?v=5baJ6bn_iDc)

<https://www.youtube.com/watch?v=1YyAzVmP9xQ>

<https://www.britannica.com/story/a-brief-and-fascinating-history-of-money>