

Name _____

Exploring the History of Money

Have you ever wondered how we buy things and trade for items we need? The answer lies in the fascinating history of money! Money is something we use every day, but its story goes back thousands of years.



Before money, people used a system called barter to trade. Imagine trying to trade your bicycle for a bag of apples! It could be quite challenging. The barter system involved exchanging goods or services directly with each other. For example, you might exchange a chicken for a sack of rice. But this system had its problems. It was difficult to find someone who had exactly what you needed and wanted what you had to offer.

To solve the problems of bartering, people began using objects like shells, beads, or even livestock as a form of money. These objects were valuable and easy to carry. In some cultures, huge stone disks called "rai" were used as money on the island of Yap in the Pacific Ocean. These were so large that they couldn't be moved easily, but everyone knew who owned them.

As societies grew, people needed a more convenient form of money. Around 600 BC, the first metal coins appeared in what is now Turkey. These coins had different shapes and sizes and were stamped with images to show their value. This made trading much easier.

Later, in China, people started using paper money around the 7th century AD. This was a significant innovation because paper money was lightweight and easy to carry. It eventually spread to other parts of the world.

Today, we use coins and paper bills as money. Coins come in different values, such as pennies, nickels, dimes, and quarters. Paper bills, on the other hand, have higher values, from \$1 to \$100 (or even more!). These bills have pictures of famous people, like George Washington on the \$1 bill and Abraham Lincoln on the \$5 bill.

In addition to coins and bills, we now use plastic cards and digital money for our transactions. Credit cards and debit cards allow us to buy things without carrying cash. Digital money can be transferred electronically using computers and smartphones.

Money has come a long way from the days of bartering and trading shells. It's an essential part of our lives, and without it, buying the things we need and want would be much more difficult.

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Reading Comprehension Questions

1. What was the problem with the barter system?
 - A) It involved using shells as money.
 - B) It required exchanging goods or services directly.
 - C) It used metal coins for trade.
 - D) It was easy to find exactly what you needed.
2. What were some objects people used as money before metal coins?
 - A) Wood and leaves
 - B) Cars and bicycles
 - C) Livestock and rai
 - D) Computers and phones
3. When did metal coins first appear as a form of money?
 - A) Around 600 BC
 - B) Around 7th century AD
 - C) In the 20th century
 - D) In the 19th century
4. Who is featured on the \$1 bill?
 - A) Abraham Lincoln
 - B) Thomas Jefferson
 - C) Benjamin Franklin
 - D) George Washington
5. What is a modern form of money that allows us to buy things without using cash?
 - A) Metal coins
 - B) Shells
 - C) Digital money
 - D) Livestock