

The History of Currency: Barter, Bars, and Bills

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| **Introduction** | |
| The bills, coins, and cards we use today to buy and sell things are modern versions of the bar currency shown in the photo. As trade increased, people began to realize a need for currency, a medium of exchange. Before currency was invented, people used the barter system in which they would trade one good for another good. Currency was invented to help people exchange goods easier, expand trade with outside communities, and create a uniformed way to represent wealth. The invention of currency supported trade by allowing people to carry their wealth in their pocket in amounts that were easier to divide. For example, consider how much easier it is to carry $2 than a gallon of milk or $1000 instead of a whole cow.  Early currency was typically made of a metal, like gold, silver, or copper. Different areas had different styles of currency that reflected the community’s culture. This remains true in the modern world, with different countries having different forms of currency that reflect their culture, such as the US dollar’s depiction of American symbols and figures. Some styles of currency also were considered more valuable based on their design. For example, this bar currency was considered more valuable because the spirals on either side of the bar required a skilled metalsmith.  In this lesson, students will learn the origins of modern currency, discuss how currency reflects a culture, and evaluate the utility of currency. Students will also compare solutions of ancient civilization with those of modern civilization. | |
| **Indiana Standards Connections:**    K.1.1 Compare children and families of today with those from the past.  1.1.1 Identify continuity and change between past and present in community life using primary sources.  2.4.8 Explain why people trade for goods\* and services\* and explain how money makes trade easier.  3.4.5 List the characteristics of money and explain how money makes trade and the purchase of goods easier.  4.4.6 List the functions of money and compare and contrast things that have been used as money in the past in Indiana, the United States, and the world.  6.4.3 Explain why international trade requires a system for exchanging currency between various countries.  7.4.2 Illustrate how international trade requires a system for exchanging currency between and among countries. | **Compelling Question(s):**  In what ways does money support the economy?  What can you learn about a culture from their money?  How do ancient money systems compare to modern money systems? |
| **Lesson Objectives:**  Students will:   * Learn about the evolution of money. * Understand the ability of currency to reflect culture. * Compare historical money systems to modern money systems. | |
| **Materials** | |
| * Class Projection Device * Access to Indiana University Digital Toolbox * Paper and drawing utensils for timeline/currency creation * Currency or photos of currency | |
| **Learning Plan** | |
| **Activities**   1. Show the students the photo of the Matakam bar currency and have them write down as many observations as possible about the object. 2. Have students share their observations with the class and then ask them to guess what the object is. Give hints to facilitate guessing, as needed. Once the students have learned that the bar is a type of currency, explain how the design of currency can reflect on the culture the currency comes from. Tell the children about the culture this piece of currency comes from. 3. Using some forms of modern currency or photos of currency, have students split into groups and discuss the symbolism in a particular piece of currency. Encourage students to discuss what these symbols might tell us about the culture the money came from. For younger students, use American currency. For older students, use currencies from all regions of the world. 4. Give each student 2 pieces of paper, one that says the good that they have and one that says the good that they want. Have students trade amongst themselves for ten minutes and see how many can get the good that they want. 5. Play the same game, but this time give everyone 2 pieces of paper with prices on each paper and 5 pieces of currency. Explain that students can either swap their goods or redeem them for the currency. After ten minutes, see how many students can get the good they want this time.      1. For younger students show [this video](https://www.youtube.com/watch?v=TNjNaULISGs) to explain the history of money. For older students use [this video](https://www.youtube.com/watch?v=Dugn51K_6WA) to help describe the function of money in the economy and its history. Ask students what they understand from the video using key questions like “how does money help people exchange goods?", "what has been used as money historically?”, and “what are some modern forms of currency?” 2. Divide students into groups of 3-4 and have them design a currency that reflects the culture of their local community. While illustrating this new currency, students should write about the symbolism they are incorporating. | |
| **Assessment Suggestions**  Using the information learned in class, have students write a brief history of currency that explains how the different developments supported the economy and how different forms of currency function. | |
| **Extensions**  Have students create a detailed timeline of the history of money, including influences of different cultures, more recent developments like credit card and cryptocurrency, and important developments in the US, like the switch from the gold standard. As an extra challenge, have students reflect on what the future of currency might be and how their understanding of the role of currency in economics supports that hypothesis. | |

Bar Currency Activity Possibilities

Some of the best opportunities for education are *integrative*—meaning that students are able to make connections across disciplines to reinforce the knowledge that they are developing. For example, they may be learning about Renaissance Italy in World Studies at the same time that they read Dante’s *Inferno* in English class while also studying Botticelli in Art. Feel free to combine and adapt some of the ideas across disciplines and standards to best suit your particular context. You can also collaborate with other teachers at your school or supplement the resources provided by contacting your librarian.

**Note: The following ideas are meant to give general guidance for teachers to include artifacts and other material culture in their classrooms. They are not meant to be treated as comprehensive activities or lessons that are one-size-fits-all for any classroom. They should be personalized to best fit the needs of a teacher’s individual context in accordance with prior student learning, student abilities, available resources, and any curriculum.**