

WHAT IS MONEY?

Creating Prepared Students in Social Studies (CO standards):

Analyze historical time periods and patterns of continuity and change through multiple perspectives, within and among cultures and societies

Understand the allocation of scarce resources in societies through analysis of individual choice, market interaction, and public policy

I Can Statements:

I can understand the term continuity and apply it to explain the continuous characteristics of money across time and societies

I can identify the impact of economic change on what is defined as money

Grade Level: 5-8

Essential Questions:

What determines the value of money?

What makes something valuable?

Materials and Resources:

Internet Access to visit embedded links:

bit.ly/what-is-money-lesson



Learning Plan

1. ACCESS PRIOR KNOWLEDGE:

Define money for the class as a medium of exchange or any object that is generally accepted as payment for goods and services.

In small groups, have students make a list of everything they can think of that serves or could serve as money

- Students should keep the list for later in the lesson



Brought to you by the Education Department of the American Numismatic Association. Check out other lesson plans at

[MONEY.ORG/TEACHER-TOOLS](https://money.org/teacher-tools)

2. ACCESS NEW INFORMATION

Show the brief video about Rai Stones linked [here](#)
(4 minutes)

Show the class the video [Money and Finance: Crash Course Economics #11](#) (10 minutes)

Have a brief discussion about what is money, asking students to consider how money differs from currency. Have the groups share out the things on their lists and discuss if those things are money or currency

Provide students with an overview of how money has changed over time (include a discussion of the word continuity and how it applies to money)

- Use the links below to examine the commonalities between traditional money of Africa, Asia and Oceania, and North America
 - [Africa](#)
 - [Asia and Oceania](#)
 - [North America](#)
- Use the link below to examine the transition to the first use of coins in Lydia. What continuity exists with the first coins and traditional money?
 - [Lydia and the First Coins](#)
- Use the links below to examine the transition from the first coins to paper money in China and Europe. What continuity exists with the first coins and the invention of paper money? What major problems emerged as paper currency became more and more popular?
 - [Chinese Paper Currency](#)
 - [European Paper Currency](#)
- Use the links below to examine emergency currency that has been used to replace money in times of crisis. When examining both cases, discuss how money changes shape when something causes the value to change
 - [German Notgeld](#)
 - [U.S. Bank Holiday](#)

Wrap up the main lesson with a discussion that connects to the essential questions

- What determines the value of money?
- What makes something valuable?

3. ASSESS LEARNING

Place students in small groups

- Have students imagine a scenario similar to the Great Depression or hyperinflation of Germany after World War I, where currency no longer matters and society breaks down to mainly trade and traditional money
 - Have students create a list of what they believe would be used in place of currency (as money) in your current state. With each item on their lists, have them explain what gives that commodity value in their current state.
 - Have students create a list of what they believe would be used in place of currency (as money) in another state. They should pick one other state. With each item on their lists, have them explain why those items are different than their home state and what gives them value in their home state.



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