

# MONEY

One way all people are alike is we all want our lives to be as easy and enjoyable as possible. We satisfy our wants for an easy, more enjoyable life with goods and services. Goods are objects like a video game, a puzzle or a basketball. People want video games because they are fun to play. Services are something someone does for someone else. An example of a service is a teacher who teaches his students. Another example of a service people use is eating at a restaurant. When the chef prepares your meal and the server takes your order and brings your meal to you, they are both providing a service. People go out to eat at restaurants because it's easier and more enjoyable to eat a meal with family or friends when you don't have to do the work to shop for, prepare or clean up after the meal.

No matter how easy or enjoyable our life is, we always want things that would make it easier and more enjoyable. Our wants are unlimited. While goods and services help us to enjoy life, they cost money. People value money because money allows us to get the goods and services we want.

The main purpose of money is to act as a go-between, making it easier for buyers and sellers to come together to exchange. Buyers are willing to spend money to get the goods and services they want from sellers who are willing to accept money as payment in exchange for goods and services. In this way, money acts as a *medium of exchange*. Without money, people would have to find someone willing to trade something they had for something that they wanted. Money makes it easier for buyers and sellers to come together to trade.



Think about it...

Think about a time when you traded a friend to get something you wanted for something he had. Was it easy to make the trade? How did the trade benefit each of you? Write a paragraph about your trade experience.

What are some goods and services you and your family use to make your life easier or more enjoyable? List them on the back of this paper.

Name \_\_\_\_\_



Think about it...

My trade experience:

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Goods and Services I use that make life easier or more enjoyable: