

Before Money



Today, we use coins, bills, checks and electronic money (like debit cards) to pay for the goods and services we want. Long ago, people used things like shells, salt, beads and stones as money. Though money has existed, in some form, for many years, it hasn't always been used.

Before money, people bartered to get the goods and services they desired. This means they traded the things they had for the things they wanted. A farmer who specialized in growing corn might have traded some of his corn to a baker for some loaves of bread. A cobbler who specialized in making shoes might have traded a pair of shoes to a fisherman for some fish.

While bartering helps people get the things they want, it is not always easy. You first have to find someone who has what you want and is willing to trade for what you have. Sometimes people had to make multiple trades in order to get the things they really wanted. Money was created to make the exchange of goods and services easier.

Although barter still exists as a way of life in some parts of the world, in the United States, money makes it simpler for people to get the goods and services they want.

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vocabulary

Complete the following sentences with the vocabulary word that makes the most sense.



1. People trade or _____ money for the goods and services they want.
2. Workers _____ in jobs they do best and then exchange their income to get the goods and services they want.
3. When people trade goods and services directly without using money, it is called _____.

Write a sentence using one of the above vocabulary words.

Name _____

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What is barter? Give an example.

Why did people barter?

What are some problems with bartering?

Name _____