



# What is money and its function in society?



# Money has been around for a very long time



5,000 to 2,000 BC  
Livestock and other goods  
used as money



3,000 to 2,000 BC  
Miniature/replica money



Coins start to be  
used 1,000 BC



Paper money in China  
11<sup>th</sup> century



Marco Polo travels to Asia  
(brings back exotic stories)  
13<sup>th</sup> century

Bank of Stockholm bank note  
First paper money in Europe – 1661

What do we  
use now?

How many  
coins and notes  
do we have?

Do we ever use  
anything else  
as money?

- Each country has its own bank notes (“currency”) that are used to pay for goods and services in that country.
- These bank notes are of great significance to the citizens of these countries. They feature important historical scenes, national symbols, architecture and local landscapes.
- Every single detail, from the colour scheme to images to fonts, has each been very carefully considered.

What do you notice on our ten pound note?



Buckingham Palace

Queen Elizabeth II



Winchester Cathedral

Images taken from the Royal Coat of Arms and the Royal Badge of Wales to represent all 4 nations of the UK

What did people do before money was invented?

# World before money...



People used to **BARTER**

Barter is when people exchange (swap) things without using money. They might exchange goods (physical things) or services (things people do).

- Before the introduction of money, communities would trade between themselves to secure different goods.
- Over time, barter was replaced by coins and bank notes as it is easier to use these to buy goods and services.
- Even today, barter is still used in certain circumstances, especially in difficult times such as a war or a natural disaster.
- Sometimes a country's currency becomes almost worthless. People might then barter with gold or food instead because they keep their value.



# Which would you rather pay with?

How would you pay for goods and services?



Is it easier to pay with BARTER ?



or

Is it easier to pay with coins and bank notes?



Money is just a tool in society to purchase goods and services and is neither good nor bad.

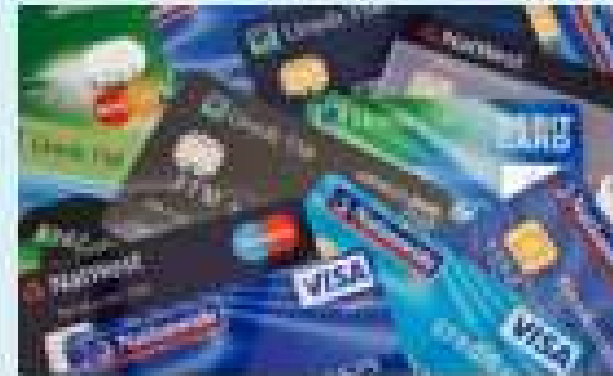
However, you can make a difference in your community by giving to charity.

Every country has some form of currency. There are lots of reasons why countries chose to have money, including:

- Money is a store of value- we always know what it is worth.
- It prevents cheating, by using standard sizes (everyone knows how big a 10p piece should be).
- It is easier for governments to collect taxes versus physical goods. It might not be fair to collect 2 chickens in tax from one person and 2 bags of flour from someone else!
- Money can be used to purchase both goods and services.
- Physical money defines a country and its history and culture.
- It is easier to keep coins and money safe, rather than things like animals!
- Money is easier to use than bartering.
- Different nations can use money to trade goods.

# Will we always use money?

- We now use bank cards (credit and debit cards) as well as using physical money.
- We can also now use contactless payments to buy things, using bank cards, our phones and even our watches!
- Contactless payments surpassed cash payments for the first time in 2016- this means more “money” was spent without using money than with!
- Even without physical money, we still have a currency – the Great British Pound – so we are not bartering.



# Will we always use money?

- Did you know that it costs the Royal Mint (where all money is made in the UK) more money to produce the penny coin that it is actually worth?
- Canada and Brazil have eliminated the penny for this reason.
- Some people think that we should, and will in the future, get rid of all money and only use cashless payment.

