Life Before Money

Money Foundations: Module 2

AGE RANGE	7–12	DURATION	40–45 min

CORE LEARNING OUTCOME

Understand how trade worked before money and why a shared currency made life easier

Learning Objectives

TYPE	OBJECTIVE
Knowledge	Children can explain what barter is and describe its main limitation.
Skills	Children can identify situations where direct exchange would be difficult and explain why money is more efficient.
Attitudes	Children value the convenience of money and feel connected to the human story behind trade.

Materials Needed

- Module 2 animation video, "Life Before Money" (cued up, device tested with sound)
- Printed "Life Before Money" activity sheet — one per child
- Pencils
- Optional, if running the offline challenge in class: a few small items per child to trade with classmates (see Homework / Offline Challenge below)

Lesson Flow

STEP	TIME	WHAT HAPPENS
1. Warm-Up	5 min	Ask: "Before money existed, how do you think people got the things they needed?" Take a few guesses. Introduce the word "barter" if no one offers it: trading goods or services directly, without money.
2. Watch the Video	2 min	Play the Module 2 animation, "Life Before Money." Prompt before playing: "Sam wants to know why people agreed to use money. As you watch, count all three problems bartering causes." After the video, take 1–2 quick answers before moving on.
3. Direct Instruction & Discussion	10–12 min	Walk through the three key concepts in the Content Knowledge table below. The video covers three separate barter problems — matching, transport, and the fact that some goods used to trade can spoil quickly
4. Guided Activity	18–22 min	Hand out the "Life Before Money" activity sheet. Complete Activities 1–3 in class (see Activity Breakdown table below). Activity 2's trade chain resolves successfully; Activity 3's chain stalls when the Potter rejects the trade — this is Concept 2's matching problem playing out directly, so let the failure land

		rather than rushing past it. The sheet's own reflection question ("which activity showed a successful barter?") can substitute for a discussion prompt if time is short.
5. Closure & Recap	5 min	Bring the group back together and pose one or both discussion prompts (see below). Check for understanding: ask a child to name the barter problems from the video and explain, in their own words, how money solved them.

Content Knowledge — Used in Step 3

Each concept below has a plain-language explanation and a suggested script you can read almost verbatim.

CONCEPT	EXPLAIN IT LIKE THIS	SUGGESTED SCRIPT
What barter is	Barter means trading goods or services directly with someone else, without using money at all. In the video, Sam travels back to a time before money to see how it worked. Lottie the Owl explains it plainly, then Sam watches a trade fail in real time when a baker offers flour to a fisherman who doesn't want it.	*In the video, Sam travels back to a time before money and watches a baker try to trade flour for fish. Did that trade work? Why not — what did the fisherman actually want instead? That's barter: trading goods directly with someone else, and as Sam just saw, it doesn't always go smoothly.*
Barter causes real problems — the video shows three	1) The matching problem: a trade only works if both people want exactly what the other has — the baker had flour, but the fisherman wanted shoes, not flour. 2) The logistics problem: even a successful trade can be impractical — a butcher trades meat for a huge pile of potatoes and can barely get them home. 3) The spoilage problem: some bartered goods don't keep — a dairy farmer trades their milk for shoes from a shoemaker, but by the time the shoemaker has gone home, the milk has gone sour.	*The video showed us three different problems with bartering. First, the baker and the fisherman didn't want the same things — that's the matching problem. Second, remember the butcher who ended up with a huge pile of potatoes? He could barely carry them home — that's the logistics problem. And third, the shoemaker traded for fresh milk, but by the time he walked home, it had gone sour — that's the issue of perishable goods. Which of these three would bother you the most?*
How money solved these problems	The King of Practicity introduces coins in the town square as something everyone agrees represents value — so people no longer need to find a perfect trade match, carry bulky goods, or worry about things spoiling before they can be traded. This connects directly to Module 1: money represents value, and that's exactly why it works so well here.	*In the video, the King of Practicity introduced coins that everyone agreed represented value. Instead of finding someone who wanted exactly what you had, you could just pay with coins — no more searching for a match, no more heavy potatoes to carry, no more worrying about things going bad. Remember from Module 1 that money represents value? This is exactly why that matters.*

Activity Breakdown — Used in Step 4

ACTIVITY	FORMAT	TIME
Activity 1: Anagram	Unscramble the word "barter," individual	~3 min

Activity 2: Complete the Trades *1	Sequential trade chain that resolves successfully, individual or pairs	~5 min
Activity 3: Complete the Trades *2	Sequential trade chain that stalls partway, plus a comparison reflection, individual or pairs	~8–10 min

Discussion Prompts — Used in Step 5

- *“Why do you think the fisherman said no to the baker's flour?”*
- *“Out of not finding a match, carrying heavy goods, or things going bad — which barter problem do you think would be the most annoying?”*
- *“Why do you think the shoemaker's milk went sour before he got home?”*

Homework / Offline Challenge — Activity 4: Barter Challenge

OPTION	WHAT IT INVOLVES	BEST FOR
Default: send home as homework	Children complete the Barter Challenge — trading an item with family members across several rounds and recording each swap, ending with a final item.	Most classes — the activity is designed as a family exercise, and works best with people the child can approach repeatedly over a few days.
Alternative: run as a class activity	Have children bring one small item from home (or use classroom items) and run the Barter Challenge as a live trading round with classmates during class time.	Classes where take-home activities are impractical. Note this trades the multi-day, real-world pacing of the original activity for a faster, single-session version.

Differentiation Notes

LEARNER	STRATEGY
Extension	Ask children to think of a modern example of barter — swapping snacks, favors, or trading cards all count.
Support	For Activity 2, work through the first trade (Apple Farmer / Baker / Fisherman) together as a class before children continue independently.
Shy / non-verbal learners	Allow drawing the barter chain in Activity 3 instead of writing full sentences.

Common Misconceptions to Watch For

MISCONCEPTION	TEACHING TIP
Children may only remember the matching problem (double coincidence of wants) and forget the video also shows the carrying and spoilage problems.	Point back to specific scenes — the butcher's potatoes and the shoemaker's sour milk — to anchor each problem separately.
Children may not realize barter still happens informally today.	Point out swapping toys, trading cards, or favors with friends — barter didn't disappear, it just stopped being the main way to get most things.