



All the Money in the World

By Bill Brittain

Lesson Overview

Quentin Stowe is an ordinary boy who catches a leprechaun. His wish for all the money in the world is granted, but ends up causing many unexpected problems. As Quentin helps to solve these problems, he learns much about the important economic concept of money.

Key Economic Concepts

Money	Barter
Market Price	Scarcity
Role of Government	Inflation

Materials

Handouts 1 and 2
Five-Step Decision
Grid (from part 3)



Teaching Procedure

1. Before introducing the story, discuss these questions with the class.
 - a. What is money? (*anything commonly used to exchange goods and services*)
 - b. Why do we have money? (*medium of exchange – to make trade easier*)
 - c. What are the different types of money that have been used? (*possible responses, wampum, tobacco, paper, gold & silver coins*)
 - d. Ask students to describe a world without money!
2. Explain the four characteristics of **money**. (*scarce, durable, divisible, portable*)
Discuss why these characteristics are important.
3. Read the book. Throughout the story, discuss the economic concepts.
4. Complete Handouts 1 and 2.
5. To supplement the concepts of barter, money, and inflation, you can use activities from the *Play Dough Economics* curriculum.



Key Questions To Ask Students

1. The money Quentin had was currency. Today, what makes up most of the money supply? (checking and savings accounts – in fact, the M1 money supply is about two-thirds checking accounts! In real life, even if Quentin had all the currency, people could still use checks!)
2. What does **barter** mean? (*exchanging goods/services without money*) Why is barter difficult? (*Each person must want what the other has!*)
3. Which of the four characteristics of money is most important? (its **scarcity**) Why? (*If it's not scarce, the other characteristics don't matter much.*)
4. In the story, how did the people of Cedar Ferry make their new money, Dillies, "scarce?" (*stamping it with "Cold Cut"*) How do we keep our real money scarce? (*The U.S. Treasury makes it very hard to counterfeit.*)
5. In an economy, what happens when governments print too much money to pay debts? (*inflation*) If the price of milk rises, does this mean there is **inflation**? (*not necessarily; inflation is when all prices rise*)
6. Are **credit cards** the same as money? (*No, credit cards are a form of borrowing. You must pay them back with money.*)



Follow-up Activities

1. *Video Programs:* Use the excellent videos, *The Fisherman Who Needed a Knife and Why Money*. (Lesson 9 from the *Trade-Offs* series)
2. *Recording Price Changes:* Research past inflation rates. Also, research the price changes of specific products. Graph the results.
3. *Write a Skit:* Write a skit illustrating how money makes trade easier.



Handout 1

Money

Divide into groups of four or five. Pretend your group is a country. In the space, design a currency. Make sure that you make it difficult to counterfeit! Then answer the questions about your country's money system. Use back if necessary.

Our Currency

1. How did you make your currency difficult to counterfeit? In other words, how did you make it **scarce**?
2. Will you allow checks (checking accounts) to be used as money? Explain.
3. How will your country get more money if it needs it?
4. How will your country keep **inflation** from happening?
5. Will people in your country use credit cards? How are credit cards different from money?





Handout 2

Which Money Is Best?

Many things have been used for money. To be effective, money should have four characteristics. It should be:

- SCARCE – not easy to make or copy
- PORTABLE – easy to carry
- DIVISIBLE – easy to divide
- DURABLE – long-lasting

These items have been used for money in U.S. history:

Wampum (small beads made from shells woven together)

Tobacco (especially in colonial Virginia)

Gold coins

Paper



Directions:

1. Use the Five-Step Decision Model (in Part 3 of this curriculum) to determine which item would be best to use for money.
2. In the space below, write a paragraph explaining your decision. Use complete sentences and correct grammar and spelling.

The Best Money