

origins of money



There are numerous myths about the origins of money. The concept of money is often confused with coinage. Coins are a relatively modern form of money. Their first appearance was probably in Asia in the 7th century BC. And whether these coins were used as money in the modern sense has also been questioned.



What is money?



To determine the earliest use of money, we need to define what we mean by money. We will return to this **issue** shortly.

Money is the means of payment or medium of exchange. Money refers to coins or paper notes with their value printed on them. People buy and sell goods in exchange for money. When we receive money regularly we think of it as income , pension, benefit, salary, grant or scholarship and others. The money in use in the country is currency.

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The early Persians **deposited** their grain in state or church **granaries**. The **receipts** of deposit were then used as methods of payment in the economies. Thus, banks were invented before coins. Ancient Egypt had a similar system, but instead of receipts they used **orders of withdrawal** – thus making their system very close to that of modern checks. In fact, during Alexander the Great's period, the granaries were linked together, making checks in the 3rd century BC more convenient than British checks in the 1980s.

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However, money is older than written history. Recent anthropological and linguistic research indicates that not only is money very old, but it's origin has little to do with trading, thus contradicting another common myth. Rather, money was first used in a **social setting**. Probably at first as a method of **punishment**.





Early Stone Age man began the use of **precious** metals as money. Until the invention of coins, metals were weighed to determine their value. Counting is of course more practical, the first standardized **ingots** appeared around 2200 BC. Other **commonplace** objects were subsequently used in the abstract sense, for example **miniature** axes, nails, swords, etc.



- Full standardization arrived with coins, approximately 700 BC. The first printed money appeared in China, around 800 AD. Outside of China, the first coins developed out of lumps of silver. They soon took the familiar round form of today, and were stamped with various gods and emperors to mark their authenticity. These early coins first appeared in the Kingdom of Lydia (now in Turkey) in the 7th century B.C.. Paper money was adopted in Europe much later than in Asia and the Arab world -- primarily because Europe didn't have paper.



- The first **severe** inflation was in the 11th century AD. The Mongols **adapted** the bank note system in the 13th century, which Marco Polo wrote about. The Mongol bank notes were “legal tender”, **i.e.** it was a **capital offense** to refuse them as payment. By the late 1400s, centuries of inflation eliminated printed bank notes in China. They were reinvented in Europe in the 17th century.

origins ['OrldZInz]	начало; истоки
to confuse [tu kqn'fjHz]	1) приводить в замешательство; 2) смешивать, спутывать
coinage ['kOInldZ]	1) монетная система; 2) чеканка монеты; 3) металлические деньги
issue ['ISH]	1) выпуск, издание; 2) вопрос (проблема), спорный вопрос
to deposit [tu dl'pOzIt]	1) вносить, класть в банк, депонировать, сдавать на хранение; 2) давать задаток
granary ['grxnqrl]	амбар для хранения зерна; зернохранилище, зерносклад
receipt [rI'sJt]	расписка, квитанция
order ['Ldq]	1) приказ; приказание; распоряжение; инструкция; предписание; команда; 2) финансовое требование (требование выплатить какую-л. сумму на основании документа (напр. векселя, чека))
withdrawal [wID'drL(q)l]	1) отзыв, увод; 2) изъятие; 3) отвлечение, уход; 4) расходование (снятие денег)
social setting ['sOuS(q)l 'setlN]	социальные условия

punishment ['pʌnɪʃmənt]

наказание, взыскание

precious ['preʃəs]

драгоценный, благородный

ingot ['ɪŋɡɒt]

литейная форма; слиток, болванка

commonplace ['kɒmənpleɪs]

банальный, обычный, избитый,
неоригинальный, ничем не примечательный

miniature ['mɪniətʃə]

миниатюрный, маленький, изящный

severe [sɪ'vɪə]

1) суровый, строгий; 2) жестокий; 3) тяжелый; 4)
сильный

to adapt [tu ə'dæpt]

1) приспособлять, адаптировать; 2)
переделывать

i.e. сокр. от **id est (Lat.) = that is** [Dxt ɪz]

то есть

capital offense (offence (UK)) ['kæpɪtəl ə'fens]

1) серьезное правонарушение; 2)
преступление, караемое смертной казнью