



NAME \_\_\_\_\_ DATE \_\_\_\_\_ CLASS \_\_\_\_\_

# Geography and Economics Activity

## Elements of Culture

### What Do Cultures Value?

When people think about culture, they often think of ideas like language, religion, and customs. They may not even consider that a group or place's economy—how people produce, use, buy, and sell goods and services—is also part of culture. Within an economy, the type of currency that is used offers clues about what the culture values. For example, using currency may indicate a desire for convenience, trust in government, or the need for privacy.

In the world's earliest economies, there was no currency. Instead, there was bartering. A good or service needed by one person was exchanged for a good or service needed by another. The partners in the exchange made sure the items bartered were of approximately equal value, such as one cow for several bags of barley. But bartering did not work as well once societies began trading with other societies. Barterers from different cultures often had different ideas of the value of a good or service; plus, cows and barley were heavy to transport! To solve this problem, cultures developed currencies whose value all trading partners could agree on. In parts of Asia and Africa, a seashell called a cowrie was used as currency. This shell was almost always the same size and shape, making it a currency that was considered fair and easily divisible for transactions. (Cowries were still accepted currency in parts of the world throughout much of the 1900s.) In ancient China and Rome, coins were minted from metals that many groups considered valuable. The coins were portable and easy to make consistently. In North America, certain Native American cultures used beads called wampum to trade with each other. These groups considered the beads valuable because of the time and skill that went into making them, as well as their role as highly esteemed gifts.

During the 1800s, many major world economies began using the gold standard. To many cultures, gold was the ultimate store of value. Yet this changed when governments—including that of the United States—began realizing there might not be enough gold to exchange for their currency if everyone demanded an exchange at once. By the late 1900s, the gold standard was no longer in use. People now use national currency with the understanding that the government that issued it guarantees its value—a show of trust.

Yet not everyone relies on only national currencies. Other currencies exist today as well. For example, in today's technologically connected global market, Bitcoin and other forms of cryptocurrency have become more popular. For people looking for a secure and private way to participate in economic activities, cryptocurrency is a game-changer. This is because neither banks nor governments are involved in it.

Yet the global economy has not abandoned all of its older economic behaviors. Although it is less frequently used, the traditional barter system still exists in parts of Africa and other places. Bartering has also taken on new forms. For example, many websites help people swap goods they do not need for those they do. These exchanges reflect the cultural importance of reuse and community cooperation in some societies. Time banking, or the swapping of services, is another ongoing form of community currency. People swap labor hours to exchange services, such as grocery shopping for childcare or legal services for music lessons.

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### Economics Terms

**currency** a medium of exchange, such as coins or paper money

**gold standard** a monetary system in which the value of currency is directly linked to the value of gold

**cryptocurrency** a digital, virtual currency that is made up of transactions spread across a network of many computers

# Geography and Economics Activity *(continued)*

## Elements of Culture

### Economic Reasoning

DIRECTIONS: Answer the questions below in the spaces provided.

1. **Analyzing Data** Use the graphic organizer to describe what different currencies indicate about the cultures that have used them or continue to do so today.

Currency	What it was/is	What cultural values it shows
Cowries		
Coins		
Wampum		
Cryptocurrency		

2. **Evaluating Economic Policies** In Europe, 27 countries are members of the European Union, a cooperative economic and political organization. Of these 27 countries, 19 use the same currency: the euro. The rest use their own national currency. Think about what you have learned about culture and economies and suggest reasons why not all EU countries use the euro.

3. **Using Economic Reasoning** Think about where you live and what you consider to be elements of the regional culture. Then imagine that your region is developing its own alternative currency based on its people’s economic activities. What might be a good type of currency to use? Explain your idea in two or more sentences.