



The History of Money

Metal Money

Narrator:

The History of money in 10 minutes. Number 2, metal money

Once people start using money to facilitate trade, whether in the form of shells, barley, feathers, or whales' teeth, some useful characteristics of money become apparent. Barley, for example, is heavy to carry, so not portable or even durable. Whales' teeth are hard to split into two. So not easily divisible. Shells can be picked up on any beach, so not exactly scarce. And if the token standing as money doesn't have much intrinsic value, like feathers, it's hard to trade outside your immediate community. Another noticeable feature of money was that having a lot of it made you powerful. And power could get you a lot of it. So kings hit on the idea of minting coins from precious metals, stamping them with an emblem that guaranteed their weight and value.

Metal money ticked all the money boxes, and because it had intrinsic value, it could be used to trade with other communities. But the success of metal money brought temptation, and sovereigns soon realised that by slimming down the coins, or slipping cheaper base metals in to the mix, they could make money, by circulating debased currency worth less than face value.