

Name: _____

Main Idea Worksheet 4

Directions: Read each passage and ask yourself, “What is the author doing in this paragraph?” Write your answer in the summary box and then think of an appropriate title for the passage based on the main idea of the passage.

1. It’s hard to imagine what things were like before there was money, but such a time did exist. During these times people exchanged goods using the barter system. The word *barter* means to trade. People using the barter system traded things instead of buying and selling them. So if you were a rice farmer, you would trade your rice with many people to get all of the things that you wanted or needed. Unfortunately, the people from whom you needed things might not want your rice. Isn’t it nice to just go to the store and buy candy instead of having to trade rice for it?

Summarize this paragraph in one sentence. **Be specific and clearly explain the main idea.**

An appropriate title: _____

2. Money is pretty old but nobody knows exactly how old it is. Perhaps the oldest evidence of people using money is in the Code of Ur-Nammu. The Code of Ur-Nammu is a system of laws written around 2050 BC. That’s like 4,000 years ago! Many of Ur-Nammu’s laws carry fines, such as one stating that if a man is proven innocent of sorcery, his accuser must pay 3 shekels. This ancient document shows me two things: Ur-Nammu didn’t tolerate false witch-hunts, and money is very old.

Summarize this paragraph in one sentence. **Be specific and clearly explain the main idea.**

An appropriate title: _____

3. One particular problem that the U.S. faced when rebelling against the British was currency. While under British control, colonists mainly used British paper money and foreign coins, but after forming a new nation the Americans needed their own currency, so they created Continental currency. Congress issued over 240 million Continental Dollars during the Revolution. Unfortunately, these dollars soon dropped in value, giving rise to the popular expression, “not worth a Continental.” By the end of 1778, Continentals were worth $1/5^{\text{th}}$ of their face value. By 1780, they were worth $1/40^{\text{th}}$. In the 1790s, the U.S. bought back Continentals for 1% of their printed value. One reason for this decline was economic warfare. During the war the British hired artists to counterfeit Continental Dollars. Large amounts of these counterfeit notes were funneled into the American economy and the value of the Continental Dollar crashed. When people start complaining about today’s inflation rates, I tell them about Continentals.

Summarize this paragraph in one sentence. **Be specific and clearly explain the main idea.**

An appropriate title: _____

4. *Hyperinflation* refers to when the value of money drops rapidly. During World War I, Germany paid for the war by borrowing. The German Mark steadily lost value as the war went on and German people could buy less and less. After losing the war, Germany was required to make large payments to the Allies. They paid all of the debts that they could by printing more money. Soon the German Mark was worthless. When the war had started, the U.S. Dollar was worth around four German Marks. By November of 1923, one U.S. Dollar was worth 4,210,500,000,000 German Marks. At this point the money had more value as a fuel than as a currency, and people burned it to stay warm.

Summarize this paragraph in one sentence. **Be specific and clearly explain the main idea.**

An appropriate title: _____

5. Counterfeiting is the act of making phony money that looks official. It is a very old crime but recent advances in the printer industry have made it possible for even amateurs to produce decent counterfeits. Fortunately, there are a number of ways that you can detect counterfeits. The first and most telling inspection is to pay attention to how the money feels. It is difficult to reproduce the texture of real money. If the money feels suspect, look carefully at the microprinting on the bill. Many features along the portrait and border of a genuine bill contain writing that is too small to reproduce in most printers. If you are still suspicious, hold the bill up to the light and look for the strip that says the value of the bill. With a little diligence, you can keep yourself from becoming a victim of this rising trend.

Summarize this paragraph in one sentence. **Be specific and clearly explain the main idea.**

An appropriate title: _____

6. Currencies have changed and developed over the course of history, but one of the newest forms of payment doesn't even really exist, at least in the physical world. Bitcoin is an entirely digital currency. Users of Bitcoin send payments to one another over computer networks. These payments are nonrefundable. In other words, once the money is sent, you can't get it back. The value of a Bitcoin has risen rapidly since its introduction in 2009, when each Bitcoin was worth around 30 cents. At the time of this writing, it would cost you around 900 U.S. Dollars to get one Bitcoin. That's quite a jump. On the downside, if the value of Bitcoin ever crashes, you won't be able to heat your home by burning it.

Summarize this paragraph in one sentence. **Be specific and clearly explain the main idea.**

An appropriate title: _____

7. As young Americans mature into adults, they are tempted by the allure of easy credit. Credit card companies attempt to ensnare young people by giving away "free" headphones or sports towels in return for completing credit applications. Many of these young people go on to accumulate debt through undisciplined spending. They pay much more than the original loan because they are charged a high rate of interest and it takes them years to repay their debts. It is best to avoid this debt prison altogether.

Summarize this paragraph in one sentence. **Be specific and clearly explain the main idea.**

An appropriate title: _____