

it is farming or tailoring or carpentering or looking after a machine or teaching school, and he exchanges his services for money with which he can, in turn, get whatever he wants.

If There Were No Money.

If there were no such thing as money, it would be awkward for people to exchange their goods and services with each other directly. The shoemaker who wanted bread, for example, would have to carry a pair of shoes around with him until he found a baker who happened to want shoes and would give some bread in return for them. Since people need bread oftener than they need shoes, it is plain that the shoemaker might have great difficulty in finding somebody who would exchange with him. Many other examples might be given to show how hard it would be to exchange our goods with other people without using money. With money, of course, there is no difficulty. The hungry shoemaker now sells his shoes to anybody who can afford to pay for them, and receives money in exchange. Money is something that everybody desires, and in exchange for enough of it, our shoemaker can buy what he wants from anybody who will sell. Because money thus comes in between the goods and services which people give and the goods and services which they finally receive in return, it is called the MEDIUM of exchange.

Money the Standard of Value.

Money also serves as a standard of value. Without such a help in measuring value, it would be hard to calculate how many pairs of shoes should be given for a coat, or how many hours' work should be given for six dozen eggs. Now it is easy, because we have learned the habit of expressing the value of things in money first. We say, "This coat is worth twenty dollars. This pair of shoes is worth five dollars. Therefore one coat is worth four pairs of shoes." Just as we compare the lengths of two pieces of wood by measuring them in feet and inches, we compare the values of articles by measuring them in dollars and cents.

What a Dollar is Good For.

A dollar is useful to the man who has it because of its purchasing power. He has, one might say, a RIGHT TO ONE DOLLAR'S WORTH OF ANYTHING WHICH IS FOR SALE. There is something wonderful in this power which money gives us over other people. Carlyle said, "Whoso has sixpence is sovereign (to