



INDIAN SCHOOL NIZWA - WORKSHEET

ENGLISH READING PASSAGE

Name: _____

Date: _____

Class: XII Sec: ____

Read the following passage carefully and answer the questions that follow:

Money came into existence to answer a need of mankind, but this need did not arise until civilization had grown beyond its earliest stages. Primitive man lived by hunting, each hunting only for himself and his family or tribe. At such a stage when strangers were avoided or driven away, money and even trade were unnecessary. Later, when he had learnt to domesticate wild animals, man lived a nomadic and pastoral life, constantly wandering as he drove his flocks and herds to new pastures. As the road to wealth was then the possession of beasts, money in its modern form was still not necessary, although the beasts themselves were a form of money. It would suit, what few craftsmen there were to be paid for their wares in cattle and farmers and herdsmen to pay in that way.

When human communities began to settle down and cultivate the land, instead of wandering over it with their flocks and herds, the division of labour increased and people specialized in crafts and trades. Most men specialized in growing or producing something of which only a very small portion was necessary for their own wants. So they had to get rid of their surplus. In exchange for it, they wanted something which would give them the power to choose what they wanted from the surpluses of other people. A few transactions might take place in straight forward exchange or barter, but only certain things could be treated in this way. It was unlikely for instance, that a shoe-maker needing supplies of corn for his family from time-to-time would always find that the farmer would take shoes in exchange. It would be more convenient, if there were some other object that would always be useful to both the shoe-maker and the farmer.

Once the people have agreed what this other object is to be and once they are prepared always to accept it or offer it in payment, then we have money in its primitive form. It is the go-between in all business transactions or as the economists say, 'a medium of exchange'. We have seen that in the pastoral stage of human history, cattle themselves were this generally acceptable commodity; it is therefore not strange that the Latin word for money, 'pecunia' comes from a similar Latin word, 'pecus' meaning cattle. In modern English we still use the adjectives, 'pecuniary' meaning, concerned with money, and 'inpecunious' meaning having no money.

The trouble about the cattle is that they may become diseased, are easily driven away while their owners are asleep, require a lot of land on which to graze and cannot easily be subdivided without being killed and so losing their value. The precious metals such as gold and silver do not suffer from any of these disadvantages. It can be buried and hidden away easily, it does not rust or lose weight through storage; it can be weighed out into quite small quantities without loss of value. Even some modern communities have used the precious metals by weight as their standard money, although they have used coins for pocket money and small change. For many years the standard money of China was the 'tael' which was not a coin but a weight of silver, the dollar and the cash were used for small change and minor transactions.



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There are, however, disadvantages in using weighed quantities of these metals. Dishonest persons may mix them with less valuable metals of the same appearance and weight. In time, so many mixtures might then be passing from hand to hand that every business man would need to be accompanied by an assayer to test and weigh every piece presented to him. The obvious way out of this difficulty is for the state to make coins of a standard shape, weight and fineness which are then called currency.

1.1 Based on your reading of the passage, answer the following questions briefly:

- i) Why did the primitive man not feel the necessity of money as a means of exchange ?
- ii) Mention the three stages in the development of human society.
- iii) How did the word 'pecuniary' originate ?
- iv) What necessitated the people to think of having a common medium of exchange ?

1.2 Find words from the passage which mean the same as the following :

- i) early (para 1)
- ii) business dealings (para 4)
- iii) clear (para 5)

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