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**Model Program**

**Program title:** My Two Cents on Bartering

**Program summary:** This instructor-led program involves a storytime reading of *One Cent, Two Cents, Old Cent, New Cent*. After reading the story, the instructor and participating children will compare and discuss bartering and using money to obtain the things we need and want.

**Duration:** One hour

**Suggested venue:**  ☑ In Library ☐ At Home ☐ Either

**Instructor led:**  ☑ Yes ☐ No ☐ Either **Facilitation required:** ☑ Yes ☐ No

**Target audience:**

|  |  |
| --- | --- |
| ☑ | Kids (ages 3–7) |
| ☑ | Tweens (ages 8–12) |
| ☐ | Young adults (ages 13–18) |
| ☐ | Adults |
| ☐ | All ages |
| ☐ | Other: |

**Program budget:**

|  |  |
| --- | --- |
| ☐ | $0 |
| ☐ | $1–$50 |
| ☑ | $51–$100 |
| ☐ | $101–$250 |
| ☐ | $251–$500 |
| ☐ | More than $500 |

**DETAILED DESCRIPTION**

**Advance planning:**

Acquire *One Cent, Two Cents, Old Cent, New Cent* by Bonnie Worth, if the library does not already have a copy. The instructor leading the program should read the story beforehand and review the program execution details below to prepare for a successful lesson. The person leading the program will also need to order or purchase costume items for kids to wear during section 4. It does not have to be a full costume (you are not putting on a big theatrical production). It could be simple things like a beekeeper mask for the kid who is the beekeeper, or maybe a jar of honey for him/her to hold. For the farmer, you could have a straw hat and a plastic ear of corn. For the kid who grows apples, you could have her/him hold a fake plastic apple. Feel free to use other costume ideas.

**Partnerships/Collaborations:**

Not needed

**Budget:**

$51 to 100 to purchase a copy of *One Cent, Two Cents, Old Cent, New Cent*. Also, there is the option of buying costume items and props for the kids who act out the activity in section 4. You can also have a jar of pennies — plastic pennies, if you would like — and kids who come to the program can all guess how many are in the jar. The kid who guesses the closest could win a prize. This is not a requirement of the program, but rather a suggestion to promote interest in the program. If you decide to do this you, would need to spend money on the jar, the plastic pennies, and the prize for the winning child.

**Program execution:**

1. This instructor-led program involves a storytime reading of the book *One Cent, Two Cents, Old Cent, New Cent.*
2. After reading the story, ask, “Does anyone remember the word used to describe situations when two people swapped things?” Answer: bartering.
3. Explain how bartering allows people to trade goods and services without using money. Ask kids if they can provide an example of bartering. When would bartering be difficult? Examples: when one person doesn’t have something the other wants; when people are in a hurry and don’t have time to find somebody willing to barter; when two people are willing to barter but don’t have things of equal value to exchange, etc.
4. Invite three kids to volunteer. Have them stand up and give their names. Ask them act out the three paragraphs below. (If costumes and props were purchased for this activity give them to the kids at the beginning of this activity.)  
   1. Kid #1 is a beekeeper who makes honey. Kid #2 is a farmer who grows corn. If kid #1 wants corn, he would ask kid #2 for some corn. However, if kid #2 does not want the honey, kid #1 would not be able to make the trade and would not get the corn he/she wants. We can see that bartering does not work well in this instance, and kid #1 is unsuccessful in getting corn for his/her honey.
   2. In this scenario, kid #3 is another farmer who grows apples. Kid #3 goes to kid #1 and asks if he/she would be willing to swap the honey for some of the apples. In this situation, kid #3 wants to trade his/her apples for the honey, and after thinking about the offer, kid #1 decides he/she would like some apples. The two kids make the trade. Therefore, bartering works this time.
   3. Now let’s make this more interesting. Kid #1 has honey and wants corn. If kid #1 goes to kid #2, will s/he be able to get corn? Answer: No, because kid #2 doesn’t want honey. But kid #2 just happens to mention that s/he really likes apples. Hmm . . . so what can kid #1 now do? Let’s see: Kid #1 goes to kid #3 and trades honey for apples. Then kid #1 goes to kid #2 and trades apples for corn. Did all of our traders get what they want? Answer: Yes, bartering worked, but it took time and was complicated.
5. Ask the kids, “What are some reasons from the book that explain why using money is easier than bartering?” Answer: Money is easier to carry around, easier to save, and easier to store.
6. Talk about the scenario acted out by the kids. If you have apples, you would need to trade them sooner rather than later because in time they would go bad and be worthless. They could not be collected and stored for years and then used to buy something expensive like we can do with money.
7. Money makes it easier to compare the value of things we are thinking about buying. Imagine there are two beekeepers, each with a jar of honey to offer. One beekeeper is willing to trade the jar of honey for six apples. The other beekeeper is willing to trade the jar of honey for three watermelons. Which is the more expensive jar of honey? It’s difficult to know, isn’t it? By contrast, if one jar of honey costs $3.75 and another jar of the same size costs $4.25, it’s easy to determine the better value.
8. Ask the kids about a time when they went with an adult to buy something at the store. What did they buy? Let a few kids give different answers. Point out that the kids said a variety of different things were purchased when they went shopping. All of those things were probably bought using money. (You might need to point out that a credit or debit card is really another form of money.) Money can be used to purchase what you need and want: food, clothes, cell phones, computers, etc. But what if you had to swap/barter for all those items? Would you ever have enough time to complete your shopping list? Money is usually much more convenient than bartering.

**Advice:**

If kids are interested in learning more about bartering vs. currency, they can go to the link below and play *Escape from Barter Islands*. This interactive online game from the Cleveland Fed teaches how a barter system works and shows the value of a uniform currency. Players help a castaway on the Barter Islands purchase a sail for his boat to return home by bartering/trading things like coconuts, bananas, and fish.

[www.clevelandfed.org/learningcenter/escape-from-barter-island](http://www.clevelandfed.org/learningcenter/escape-from-barter-island)