

Name: _____

Worksheet A: Mediums of Exchange Along the Silk Road of the Past

1. What product was demanded in Constantinople that Changan provided?
2. What products were demanded and supplied along the road from Changan to Constantinople?
 - a.)
 - b.)
 - c.)
 - d.)
 - e.)
- *3. As a trader along the Silk Road, how would you decide what items to purchase in one city to sell in another?
4. How much did the silk bought in Constantinople cost?
- *5. How did you calculate the cost of the silk bought in Constantinople (#4)?
6. Ask your neighbor the cost for his/her silk in Constantinople. Who had cheaper silk?
7. Sometimes you bartered for goods (exchanged one good for another), other times you used money to purchase certain items. List the different things you used for money along the way:
- *8. At Dunhuang, you exchanged silk for white deerskin money. How do you think you decided how many deerskin pieces each bolt of silk was worth?
- *9. How did you know that the deerskin money would buy you something later on?
- *10. There are two ways money gets its value:
 - a. commodity money – the object used as money has value all by itself

Example: corn is commodity money because the corn all by itself is important to people.
 - b. representative money – the object used as money does not have value by itself, but represents something that has value. This makes it easier to carry money around!

Example: a U.S. dollar bill used to be able to be exchanged at any bank for gold or silver. This meant that the dollar bill actually *represented* the value of the gold or silver it could be exchanged for at the bank.

Categorize the different types of money that you used along the way (answers to #6):

Commodity Money

Representative Money

11. **TIME WARP!!! Doodoodoodoo.....**It is now the present. What would it take to buy silk from Xi'an (the modern name for Changan) in Istanbul (the modern name for Constantinople)? Click on the map: Silk Road in Modern Times to find out!

*12. Why is it so much easier to buy silk today?

13. Let's say you sold that bolt of silk in Turkey for 100,000 Turkish liras and then wanted to go home to Xi'an and buy something else with that money, you would need to convert that money into Chinese Yuan Renminbi.

Go to: <http://www.biglook.com/bigtraveleng/infotips/curexc.asp>

How many Yuan Renminbi will you have?

*14. Both Turkish liras and Yuan Renminbi are **FIAT MONEY**. This means that they do not have value by themselves, like commodity *money*, nor do they represent something else that has value like *representative money*. Rather, *fiat money* has value only because the government says it has value. Is the United States dollar today fiat money?

15. Find examples for the three different types of money that exist today.

Commodity Money:

What do they use for money in Micronesia?

<http://www.janeresture.com/fedmic/yap.htm>

Representative Money:

No nations currently use representative money as their national currency. Can you think something else that we use in America that serves as representative money?

Fiat Money:

What do they use for money in Afghanistan?

<http://www.greenwichmeantime.com/time-zone/asia/afghanistan/currency.htm>

*16. As the nation of Iraq is being restructured it is facing the question of what type of money/currency to create. What type would you recommend (commodity, representative, fiat)?

Why?

*17. *The Silk Road Today*: US Bancorp Piper Jaffray invests its clients' money in different businesses. Its weekly publication that tracks internet stocks and the technology industry is called "The Silk Road Weekly." Why do you think US Bancorp used this title?