

The essence of money

An interdisciplinary exploration

At first glance, the question of what money is seems trivial. Every one of us deals with money on a daily basis, whether by buying goods, paying bills or accumulating savings. Money seems to be so self-evident that many people never question it. Yet modern economics has so far failed to provide a universally accepted definition of money. This raises fundamental questions: Why is it so difficult to define money? What is the difficulty in grasping the essence of money? And what implications does this have for our understanding of the economy and society?

The aim of this exhibition is to incorporate knowledge about the nature of money into a systematic curriculum that takes philosophical, economic, sociological and psychological dimensions into account. An interdisciplinary approach is taken to illuminate the various facets of money and encourage learners to reflect more deeply on this central but elusive phenomenon.



Station 1

Introduction to the topic of money

Money Museum

What is money? - A question with many answers

Goal

Students should develop a basic understanding of why money is difficult to define despite its central role in modern economic systems. They should recognize that money is not just an everyday means of exchange, but represents a profound scientific and philosophical question that has not yet been conclusively clarified.

Contents

1. Money as a central element of modern economies: money is omnipresent, but its exact definition remains controversial. Students explore why the understanding of money goes beyond its everyday use.
2. Historical perspectives: A look at why the question of the definition of money has often been avoided in academia and what historical developments have influenced this.
3. Reflection on the use of money: Discussion on why our everyday use of money is not enough to truly understand what money is in its essence.

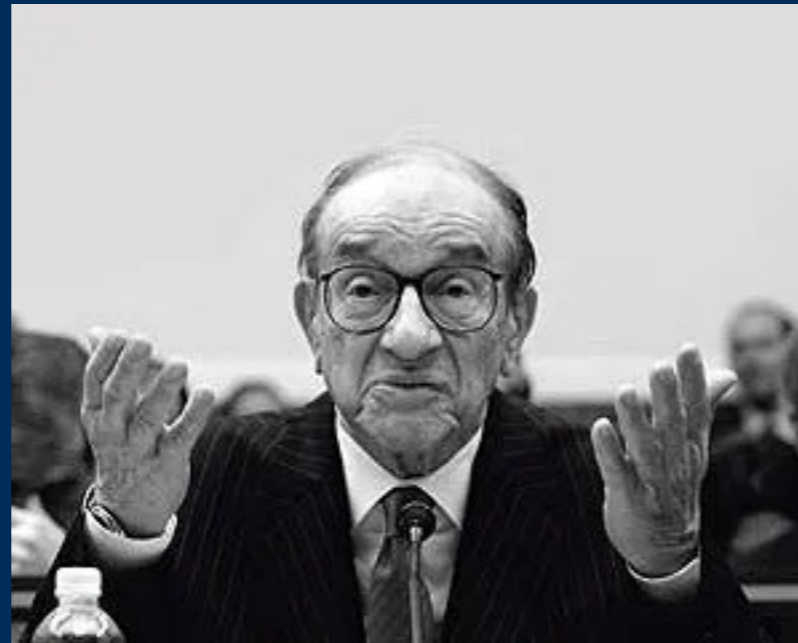
What is money? - A question with many answers

Methods

1. Discussion round: Students discuss why they think they understand money and critically question these assumptions.
2. Reading: Excerpt about Alan Greenspan's admission that after decades he still doesn't know what money is serves as a starting point for further reflection and discussion.

Lektion 1

What is money? - A question with many answers



ALAN GREENSPAN'S ADMISSION THAT AFTER DECADES HE STILL DOESN'T KNOW WHAT MONEY IS

Money Museum

Goal

Understand why economics has not yet produced a generally accepted definition of money.

Contents

The lesson gives an overview of different scientific approaches that have tried to define money. Particular focus is placed on circular definitions, such as "money is what fulfills the functions of money" (means of payment, store of value, unit of account), which are often questioned. Challenges and criticisms of existing definitions are highlighted, including their tendency to reduce money to its functions without considering the social, political or technological dimensions.

Methods

In group work, students will discuss and analyze existing definitions of money. Literature examples and case studies will be used to examine why previous definitions are often problematic or too narrow. The aim is to recognize the limitations of previous approaches and to develop an understanding of the complexity of the concept of money, which cannot be explained by economic functions alone.

"Money is what fulfills the functions of money"

- The statement "money is what fulfills the functions of money" is problematic and not very meaningful for several reasons:
- 1. circularity: the definition uses the term to be defined (money) in the statement itself. This is a classic circular argument that provides no new information.
- 2. functional instead of essential definition: The statement defines money only by its functions, not by its actual essence or origin. This leads to a superficial understanding of money.
- 3. lack of differentiation: A purely functional definition does not allow a clear differentiation from other things that could fulfill similar functions.
- 4. neglect of the origin: The question of how money is created and why it has value is ignored.
- 5. lack of explanatory power: nothing essential about the nature of money can be derived from such a definition.
- 6. unusual form of definition: most things are not defined by their functions, but by their nature or their belonging to a category.
- 7. obscuring the essence: The focus on functions obscures the actual essence of money and makes it appear mysterious.
- 8. presupposition instead of explanation: the functions of money are presupposed instead of being explained