

Read the selection. Then answer the questions that follow.

Paper Money

About eight hundred years ago, an Italian boy named Marco Polo traveled to China with his father and uncle. The boy was amazed to see Chinese people trading bits of paper for things of value, such as clothing and food. Years later, he wrote a book about his travels. In his book, he described China's paper money. The people of Europe read Polo's book, but they were used to trading with gold, silver, and other things of clear value. The idea of using paper money did not catch on there for another four hundred years.

In the 1600s, some banks in Europe did begin making paper money. At first, there were problems with people making fake money. To solve this problem, banks began using watermarks. A watermark is a special mark in paper that can only be seen when the paper is held up to light.

Paper for money is made by pouring a liquid mixed with plant fibers over a wire screen. The liquid runs off, leaving a thin layer of fibers on the screen. This layer dries and becomes paper. If a picture is pressed on the screen ahead of time, some parts of the paper are thinner than others. When you hold it up, more light shines through the thin parts. You can see the watermark picture.

Today, most countries of the world use paper money. Each country has its own kind—in the United States, we use dollars. However, computers may be changing all that. Already, huge amounts of money are traded electronically with no paper money at all.

Answer the questions below.

1 Approximately when did Marco Polo see people using paper money?

- A** eight hundred years ago
- B** six hundred years ago
- C** four hundred years ago
- D** two hundred years ago

2 What clue words in the first paragraph tell readers that Marco Polo wrote his book after going to China?

- F** traveled to China
- G** things of value
- H** years later
- J** another four hundred years

3 Which of the following is an example of the most recent development in buying and selling?

- A** exchanging valuable metals for products
- B** trading money by computer
- C** paying for goods with paper money
- D** swapping labor for crops

4 What events led to the use of watermarks on money?

5 Do you think paper money is better than gold or silver? Give details from the selection or your own experience to support your answer.
