

TUTTLE TIMES



A monthly magazine for kids



ALL ABOUT
MONEY

SPECIAL EDITION
ISSUE ZERO

FEE is dedicated to helping young people unleash their inner-hero and soar to new heights with an understanding of entrepreneurship and individual liberty.

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Hey There!



**IT'S ETHAN AND
EMILY TUTTLE!**

You already know us from reading the *Tuttle Twins* books. Welcome to our new magazine, the *Tuttle Times*!

Just like our books, this magazine is a place to learn ideas about how the world really works. Each monthly issue will have new stories, articles, and activities for you to check out.

This special issue is all about money, so you'll find lots of references to our past stories... like when we learned about *The Miraculous Pencil*, *The Creature From Jekyll Island*, and *The Messed Up Market*.

If you can spot all three references to these books, write to us and let us know where you found them for a chance to...

be drawn into one
of our books!



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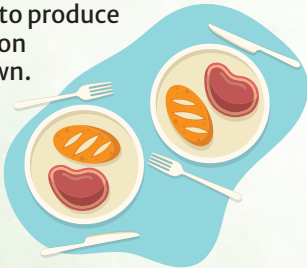
We can't wait to hear from you!

THE HISTORY OF MONEY

We talk about money a lot. But what exactly is it? To get the answer, we have to look back in time.

BARTERING - 10,000 BC

In ancient times, before coins, bills, or the word “dollar” even existed, people traded their food and supplies directly with each other instead of buying them with money. This was called *bartering*. One person might be good at growing wheat, while another might be better at raising cows. Thanks to free trade, both can eat bread and beef, without having to produce all of it on their own.



MEDIUMS OF EXCHANGE - 1500 BC

When bartering, items don't always trade evenly for each other. Some people didn't need a whole cow, or 50 pounds of grain at a time. To fix this, *mediums of exchange* were created to make trading easier. Bowls of barley, shells, and metal coins were used all over the world to represent value and let people trade more easily.



MONEY IN AMERICA - 1700s

In 1787, the United States Constitution gave the government the power to issue coins. “Continental currency” was being issued by Congress, but it wasn't backed by anything valuable, so it quickly lost its value. This is called *inflation*. A few years later, the Coinage Act was passed, and the dollar was established as the official currency of America.



“NOTES” - 800 AD

Carrying a lot of coins is hard! So people started using leather, cloth, and paper bills called “notes” which could be exchanged for coins at any time. Merchants and explorers like Marco Polo were the first users of notes. Having lightweight, easy-to-pack versions of their money made traveling long distances much easier!



PRECIOUS COINS - 500 BC

The Roman Empire made coins out of rare metals like gold, silver and bronze. This made the coins themselves very valuable, since they could be melted down into jewelry, or made into smaller coins for smaller purchases. Because the supply of metal was hard to increase, this made the coins rare, which helped preserve their value.



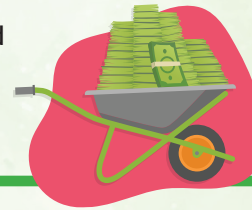
THE CREATURE FROM JEKYLL ISLAND - 1910-1913

In 1910, a group of powerful politicians and wealthy bankers gathered together at a place called Jekyll Island and created the Federal Reserve. They gave themselves the power to print unlimited “money,” even if it wasn't really backed up by anything valuable. They used their power to pass laws requiring everyone to use the same type of money for trades. This turned the dollar into *fiat currency* — money that had its value just because the government said it did.



THE GREAT DEPRESSION - 1930s

In the 1920s, the “Creature” decided to print a lot more money, even though it didn't have the gold to back it up. This helped lead to the Great Depression, the worst economic downturn in American history. Many people had saved up money for emergencies, but the Creature's fake money watered down the value of everything they had saved up. More inflation!



BITCOIN - 2008

America entered the Great Recession thanks to the Creature. The same year, an innovative digital currency was created, named Bitcoin. This currency can be sent from person to person without needing a central bank or middleman. There will never be more than 21 million bitcoin. It is valuable because there is only so much of it (kind of like gold) and because it's not controlled by a corrupt government or bank.



INNOVATION - TODAY

Now, more people are starting to realize that the Creature is attacking their savings by creating new fiat currency which lowers the value of what they've saved. This motivates us to find ways to protect what we have earned. Innovators and entrepreneurs are creating new ways to trade again, just like in ancient civilizations. New technologies can help us send and receive money without a bank or middleman. The future of money looks very different from the past. People are taking control of their currency, instead of the currency controlling them.

REAL-LIFE SUPERHERO

SATOSHI NAKAMOTO

HOW THE MYSTERIOUS CREATOR OF BITCOIN CHANGED THE WORLD



As you read in *The History of Money* earlier in this magazine, Bitcoin is a major financial innovation. It isn't controlled by the Creature, and there's only so much of it in existence. This makes it rare and desirable. But Bitcoin hasn't always existed. In fact, it was created recently!



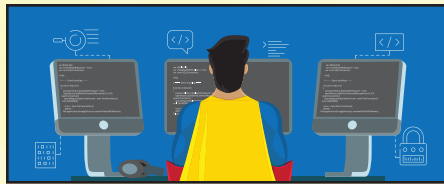
Scan here to see a video explaining more about Bitcoin!

It all started in 2008, when an anonymous author released a paper called *Bitcoin: A Peer-to-Peer Electronic Cash System*. This essay described a new form of money called Bitcoin that operated in a unique digital system called blockchain. It came with instructions that showed people how to use this form of money.



The author of this paper called themselves Satoshi Nakamoto. This was a *pseudonym*—a fictitious name used by an author. We still don't know the true identity of this person! But even if their real identity is a mystery, this author and innovator changed the way money works forever.

Bitcoin is special because it allows people to send money to each other without needing a bank account or the government's approval. Coins can be earned by "mining," which involves solving complex math equations according to the instructions in Nakamoto's paper to keep Bitcoin working well.

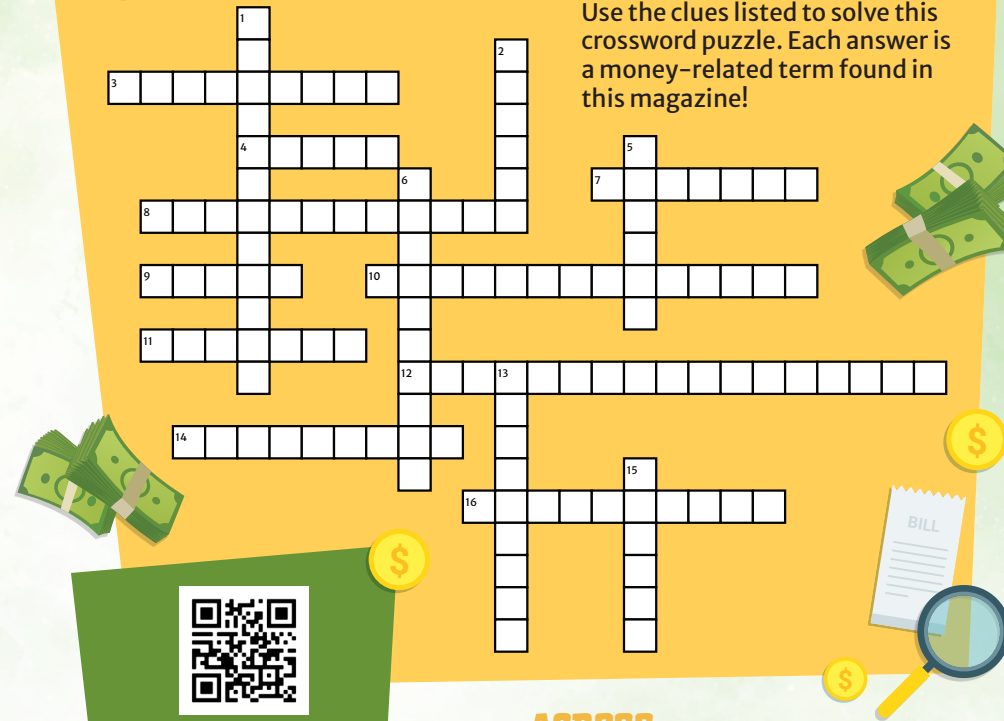


This new financial technology is a work of genius, and many people are just now catching on to its importance. As more people buy Bitcoin, its value increases. In April 2011, each coin was worth about \$1. In March of 2021, each coin was worth \$61,000. And while the price going up is exciting, that's not the most important thing.

Bitcoin is a new way of looking at money. It can't be messed with by politicians. You can't have it taken away by the government for no reason. Bitcoin doesn't work for giant banks, politicians, or systems. It works for the people who use it.

CURRENCY CLUES

Use the clues listed to solve this crossword puzzle. Each answer is a money-related term found in this magazine!



SCAN HERE!
For answers and a printable version.

DOWN

1. Money that's only valuable because the government says so
2. The currency of the United States
5. A system or place that allows people to exchange money for goods and services
6. Putting money into a business or idea in hopes it will make you more money
13. What happens when the government prints too much money
15. Putting money away rather than spending it

ACROSS

3. A system where the government controls people's money and businesses
4. Form of currency made of precious metal
7. First "name" of Bitcoin's mysterious founder
8. A person who earns money by solving people's problems
9. Early form of cash issued by banks to represent value
10. The "Creature from Jekyll Island," controls American currency
11. A cryptocurrency founded in 2008 by an anonymous person
12. First forms of currency, created units to trade with
14. People exchanging valuable goods between one another
16. A system where people control their own money and businesses rather than the government

THE WAY THE WORLD WORKS



The US government can be confusing, especially on the federal level... but the more informed we are about how it works, the more powerful we are as citizens and future voters.

One crazy part of our government is its system of federal agencies (or departments). There are hundreds of these, mostly in Washington, DC, employing thousands of people. So **many federal agencies exist, the government won't even count them all or give us an official list!**

Federal agencies make all sorts of rules and regulations regarding our health, our education system, the environment, and much more. You can think of just about anything, and chances are, there's a government agency making up rules about it.

They control how we live and force us to get the government's blessing for our activities. This is a big problem because these people controlling us are paid for by us, the taxpayers.



SCAN HERE!
to listen to us talk about
this on our podcast,
The Way the World Works!

This is a simple example of *taxation without representation*.

America's founders talked a lot about this idea. In fact, this was a key motivator for the Revolutionary War. Colonial patriots wanted to be free from the British taxes that they had no say in.

This concept is still very important to America's system of government. It's wrong to force people to pay taxes if they have no say in how they are spent.

The people who run these agencies were never elected by voters... but the government has given them the power to make rules that we all have to follow. The rules made by agencies almost always make it harder for families and businesses to succeed.

Agency budgets are funded through something called "discretionary spending." This type of spending usually takes up about one-third of the federal budget. In 2020, that sum was **\$1.6 trillion dollars!** That's a lot...

Another wacky thing the government does is give money to favored people or businesses. These are called *subsidies*: financial benefits given by the government to certain people or industries.

These benefits have many different names, like "pork," "carve outs," or "earmarks." They can take effect in many different sneaky ways.

Sometimes, subsidies come through tax breaks for farmers who grow certain crops, or companies that mine certain natural resources. They can also come in the form of government "grants." This is when money is paid directly to certain businesses or types of businesses, like "environmentally friendly" energy companies.

EVER HEARD OF POLITICAL "PORK?"



"Pork-barrel" spending is a sneaky form of corruption that happens right under our noses.

This happens when legislators give interest groups benefits called "earmarks," often in exchange for money or political support. "Pork" can be government spending in certain cities or states, tax breaks, subsidies, and much more.

This costs taxpayers billions of dollars, but only benefits a few powerful people. Talk about a *Messed Up Market...*

Subsidies can also be "free" services, like health care or college... but none of these things are ever really free. Special benefits are always paid for by taxpayers, just like the federal agency budgets. Nothing the government gives us is really free.

These subsidies are a result of *special interests*: a group of people or organizations who get special advantages, typically because they lobbied (or asked) Congress. This is a form of corruption overlooked by many, but paid for by everybody.

Remember... **the government doesn't earn money.** The only cash it has to give away to agencies and subsidies is taken from each of us as taxpayers.



Ask the Author!

Hi there, it's Connor Boyack, author of the *Tuttle Twins* series. I love to hear from our readers!

Matthew G. wrote in after reading *The Tuttle Twins and the Case of the Broken Window*. Here's what he had to say:

"Your book was interesting to me because it was so much different than any other book I have ever read.... My favorite character is Ethan. I like Ethan because he makes lots of jokes and he also loves playing sports, he is ornery to his sister, and he acts mature. I loved this book. I was wondering if you think your book will become a movie? If it did I would definitely see it. How long have you been writing books? How old were you when you published your first book? I would love to hear back from you."

Hi Matthew, I'm glad you related to Ethan, and enjoyed learning about the "broken window fallacy."

We don't have a *Tuttle Twins* movie (at least not yet), but we are working on a very exciting project — an animated cartoon! We're so excited to share the lessons and ideas from our books in this fun, new format. Head to TuttleTwins.tv for info!

I wrote my first book when I was 28 years old. My first book was about why liberty is important. Since then, I've written over two dozen books about freedom, economics, and politics!

Writing is my favorite way to spread the word about the things I believe in. Thank you for reading my work, and being such an awesome part of the *Tuttle Twins* family!

Beatrice L. recently wrote to tell us about reading *The Tuttle Twins Learn About the Law*. She said:

"I am a huge fan of the Tuttle Twins books. My mom got the entire collection. When I see a Tuttle Twins book, I want to pick it up and read it. I really enjoyed learning about The Law alongside Ethan and Emily. My Dad has the book The Law by Frederic Bastiat. Are you going to write more books, like about US history or how things grow? Please write back to me."

Hello Beatrice, thank you for writing in! We have a lot of new books coming out soon, but there's one that I think you'll be extra interested in. Our team is working on a *Tuttle Twins* textbook about American history!

This book will cover our country's history from the colonial era to the ratification of the Constitution. It will be packed with lots of useful information, but also with fun activities and lessons to show what life was like in early America.

I can't wait for you to read it! Stay tuned for more updates, and keep reading!

WANT TO WRITE TO CONNOR?



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YOUNG ENTREPRENEUR SHOUTOUT

TUTTLE TIMES INTERVIEWS

Caleb + Carson

FOUNDERS AND OWNERS OF TWO BROTHERS RUBS AND SPICES!



Tuttle Times: Where did you get the idea to start your business?

Caleb and Carson: Our dad likes to smoke meat. One day we were helping him make a rub, and we thought that was a potential business. We tried a lot of different combinations of spices before we found the four we liked. They're called Oink, Moo, Glub, and Cluck. Some people are afraid of the fish rub, but we tell them they can put it on vegetables if they don't like fish!

TT: How did you gather the supplies and resources needed?

C&C: We found out we could buy spices in bulk for cheaper than the grocery store. We had to buy giant bowls to mix the spices in, and labels and jars. After our first market, we decided we needed a gift box, so we package the spices in sets of four.

TT: What were some challenges you faced in starting your business? How did you solve them?

C&C: Sometimes we couldn't find the right spices at the store, so we had to special-order them. We usually do samples when we sell at different markets, but at first it was hard to keep them warm. One time, we dropped my mom's crockpot while we were setting up... and bought her a new one.

At first, we were nervous to talk to customers, but now we like it because we know they like the spices.

TT: What advice do you have for other kids who want to be entrepreneurs?

C&C: Have a good sales pitch and know what you want to say. Talk to the customers, don't just stand there staring at them. Be nice to everyone you talk to. If what you make first doesn't work, try a different way. Don't be afraid to be creative.

TT: How can people buy your products?

C&C: We sell mostly at markets, but we have an Instagram account [@twobrosrubsandspices](https://www.instagram.com/twobrosrubsandspices). We sell to a lot of family and friends, and have many repeat customers. A box of our spices was the most popular gift at the family white elephant party one Christmas!



GET IN MY BELLY!

The crazy journey of a delicious burger delivery



One time, we took a field trip and learned about the miracle it is for even a simple pencil to be made. There are so many different parts and people who help make each pencil, you can't even count them all!

We ordered burgers from a food delivery app recently, and it was miraculous, just like the pencil. There are so many different steps and ingredients to make a burger... Nobody can do it on their own. It takes help from lots of other people, and that's how the free market makes our lives better!

Here are just a few of the steps needed to get one juicy burger delivered to your house...



This rancher raises cattle that will make tasty beef.



Ketchup doesn't grow on trees! Farmers have to grow lots of tomatoes to make our favorite burger topping.



To make a hamburger bun, there needs to be a wheat harvest!

After beef is harvested, it needs to be ground up by a butcher so chefs can make it into a patty.



Once the wheat is harvested and milled into flour, it is baked into buns, bread, and all kinds of tasty products.



To make ketchup, processors mix tomatoes with sugar, vinegar, salt, and other ingredients, and cook it until it's smooth and tasty.



The chef seasons and grills the patties. He puts on the correct toppings according to each customer's order.



Once the ingredients are done, they need to be picked up and transported to their destination. Products are loaded on trucks, trains, and planes and brought all over the world!



A restaurant employee gets all the main ingredients ready for the chef by slicing, chopping, and forming patties.



At the restaurant, the host has packed up the order and gives it to the delivery driver.



The driver has made it to his customer, and knocks on the door. Mission complete!

When a customer submits an order, it sends a notification to the restaurant and the driver. Time to pick up the burger!



The customer has already paid for their food online, but they decide to tip the driver to thank him for his service.



Cell tower technicians climb hundreds of feet to make sure everyone's phones have cell service. This allows customers to place orders, and delivery drivers to navigate to the right houses with the right food.



Time to eat!



A web developer monitors the food delivery app to make sure it's working smoothly.



The customer is very happy with how the burger tasted, and the food arrived quickly! Now, she gets to leave a review. This one gets 5 stars.



The delivery driver fills his car with gas so he can make it to his customers around town.

MAKE YOUR OWN MONEY!

If the government can do it, why can't you?

By now, you've learned about fiat currency—money that's only valuable because the government says so. Now is your chance to try "printing" your own fiat money. Maybe you can get your family to use your money, but good luck buying anything with it at a store! After all, real money is backed up by something valuable...

HERE'S WHAT YOU NEED:

4 pieces of lightly colored paper,
one of each color

Scissors

Colored pencils or pens

AND HERE'S WHAT TO DO:

1. First, cut out your money shapes. You can do rectangles, like most cash, or whatever other shapes you like.
2. Decide what units of currency your family money should take. In the US, we use dollars, but you can come up with your own! If you have a dog named Scout, you could call your bills "Scouts"... or maybe they could be Tutttles! It's your call.
3. Choose the amounts for each different type of bill. These are the "denominations" for your money.
4. Choose a picture to go on each different denomination. Draw them on so you can tell them apart quickly. This picture could be a family member, a pet, a favorite athlete or singer... it's your call!
5. After you've drawn up all your bills, count up how much "money" you have.
6. Once you tallied up how much money is in the "bank," you can distribute some of your cash to family members and friends. How will you try to use it?

Could you create a 1 million denomination? Zimbabwe once created a 100 TRILLION denomination... wow!



See how easy that was? It's what the Creature from Jekyll Island does 24 hours a day, 7 days a week... with nothing backing it up like gold, to stop them from printing as much as they want.

CANDY BAR ECONOMICS

What our favorite treats tell us about money...

Want to learn why candy is so much more expensive than it used to be? Grab a pen and get ready to do some investigating!

If you were to go to the store and buy a Snickers bar today, what would it cost you?

Price: \$. Current Year:

Now, ask one of your parents what a Snickers bar cost when they were 12 years old.

Price: \$. Year:

Now, ask a grandparent (or someone old enough to be your grandparent) what a Snickers bar cost when they were about 12 years old, and what year that was.

Price: \$. Year:

Pretty crazy difference, right?

If you've been reading the *Tuttle Twins* books for a while, you might know this is because of inflation.

Inflation is when new money is created by the government without anything valuable to back it up. The more this happens, the less our existing money is worth. That's why candy bars are so much more expensive now. It's the same product... you just need more of the same money to buy it!

Candy bars aren't the only thing going up in price because of

inflation. When our money is watered down, everything from houses to cars to groceries require more money to buy... even though their value hasn't changed.

How do your findings compare to what the country have found? You can share the results of your research, and see what other readers discovered!



SCAN HERE
For an interactive graph and printable version of this activity!

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NEW ONE EVERY MONTH!**

Hey, parents! Did your kids enjoy this special trial issue of our new magazine? You can sign up today for a *Tuttle Times* monthly subscription.

Young readers will get a regular dose of stories, lessons, and activities delivered right to their doorstep every few weeks!

Keeping up with current events is hard enough to do on your own. Let us help you by teaching your kids to make some sense of the world.

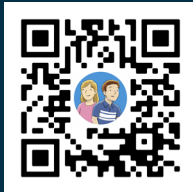
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