

Currency has only existed for a small minority of human history, but today is used for almost all exchanges of value, and nearly every time that a person acquires a new tangible thing, some medium representing value plays a role in that acquisition. Most exchanges not done with currency in the present day are “barter transactions” which involve the exchange of non-monetary commodities of decidedly equal value. Given this contemporary reality, it is not surprising that the vast majority of people today tend to hold the view that the earliest of civilizations predominantly relied on barter transactions to effectuate commerce and function as a society.

This widely espoused view, however, is contrary to much scholarship. Contemporary anthropologists generally believe that before the introduction of currency, civilized humans performed specialized tasks for each other without any immediate expectation of return. In fact, these researchers assert that early civilizations were so close knit that currency would have frustrated their operation, leading to counterproductive greed and selfishness. This idea, that one contributes for the good of the whole, is often called “Gift Theory”, and is premised on the notion that if one does useful things for others, then others will return the favor with their own valuable services.

In a human settlement based around Gift Theory, one tribal member might be an excellent bowyer or fletcher and produce a great number of arrows of use to the tribe for hunting and warfare. This person might not immediately receive consideration for this service, but the arrows may be provided to one who is skilled at curing and preserving meat in the settlement who would in turn help preserve the food to feed the tribe member who was a bowyer or fletcher. Under Gift Theory, ancient human beings saw the production of commodities and services as an activity for the good of the civilization and as a moral issue, much like we think it immoral to steal and lie today, regardless of any laws on the subject.

Gift Theory calls into question many contemporary views about the role of free markets. While many economists espouse the view that a purely capitalist system allocates resources most efficiently and that compromises to this are only in the interest of appeasement or human decency; in fact, capitalism alone often does little to incentivize socially responsible behavior. Indeed, if the only deterrent to crime was loss and punishment, society could not function. It is peoples’ own engrained moral behavior which holds civilization together, just as it did in the past.

14. Which one of the following most clearly expresses the main point of the passage?
- (A) Before the inception of currency, exchanges in civilizations were not based on any type of immediate value exchange, but rather a broader notion of contribution to the group.
 - (B) Anthropologists believe that a “Gift Theory” and not barter transactions was the primary basis for exchanges for civilizations that lacked currency, and have recently found evidence to support this theory.
 - (C) “Gift Theory”, a means by which value is produced as part of societal contribution without any immediate expectation of return, is very different from modern exchanges using currency or barter transactions, which are motivated to make profit.
 - (D) The first civilizations did not have any formal currency, and had to adopt alternatives such as Gift Theory or barter transactions to function.
 - (E) Many modern views about the supremacy of the free market are flawed in light of a recent anthropological concept called “Gift Theory.”
15. Which one of the following statements would the anthropologists mentioned in line 15 be most likely to agree with?
- (A) Currency probably first developed as a means of exchanging things between people from different communities and civilizations.
 - (B) Gift Theory is inapplicable to anything in modern society because currency is so widespread.
 - (C) No other theory has ever been proposed to explain the earliest exchanges in civilizations without money.
 - (D) Most barter transactions that occur today would not occur under Gift Theory.
 - (E) No civilization developed currency without first developing barter transactions.

16. Which one of the following most effectively describes the organization of the passage?
- (A) A widely held conclusion is acknowledged, the inaccuracy of this conclusion is revealed, and the details and implications of the true conclusion are discussed.
 - (B) A general principle is articulated, an exception to this principle is then clarified and elaborated upon.
 - (C) A phenomenon is described, a series of potential explanations are given, and one explanation is offered as the correct one.
 - (D) Evidence is introduced, several possible conclusions which could be drawn from it are discussed.
 - (E) A theory is introduced, a controversy within that theory is acknowledged, and the better view in this controversy is espoused.
17. Which one of the following examples is closest to the Gift Theory described in the passage?
- (A) A firefighter who could make more money at another job, but enjoys working in a field honored and respected by the community.
 - (B) An elderly man living in a remote area in the country helping a traveler with a broken down car out of desire that others would do the same for him in that situation.
 - (C) A mother who gives a babysitter a gift certificate to the babysitter's favorite store to thank her for agreeing to watch the mother's children at the last minute.
 - (D) A teacher who gives good students positive marks on a wall poster each day and bad students negative marks on that same poster.
 - (E) A string quartet where all members learn their part accurately so that they can play in time with one another.

18. The primary function of the third paragraph is to
- (A) rebut common criticisms of Gift Theory
 - (B) explain why Gift Theory was better in the first civilizations
 - (C) elaborate upon how Gift Theory probably functioned in early societies
 - (D) show various ways that Gift Theory promoted the good of civilization
 - (E) explain that Gift Theory explains how civilizations eventually adopted currency
19. The author's attitude toward the economists (line 42) can be best described as
- (A) stern outrage
 - (B) reasoned disagreement
 - (C) casual indifference
 - (D) mixed acceptance
 - (E) heavy reluctance
20. The author mentions "barter transactions" in line 6 primarily in order to
- (A) demonstrate the primary way in which goods are exchanged today without money
 - (B) show the reader how transactions generally took place in civilizations without currency
 - (C) describe something contributing to a common misconception that will be corrected
 - (D) illustrate one example of Gift Theory
 - (E) stress the need for transactional exchanges