

DIRECTIONS FOR TEACHERS

LISTENING SECTION

COMPREHENSIVE EXAMINATION IN ENGLISH

Tuesday, August 16, 2005—8:30 to 11:30 a.m., only

BE SURE THAT THE LISTENING SECTION IS ADMINISTERED TO EVERY STUDENT.

- 1 Before the start of the examination period, say:

Do not open the examination booklet until you are instructed to do so.

- 2 Distribute one examination booklet and one essay booklet to each student.

- 3 After each student has received an examination booklet and an essay booklet, say:

Tear off the answer sheet, which is the last page of the examination booklet, and fill in its heading. Now circle “Session One” and fill in the heading on each page of your essay booklet.

- 4 After the students have filled in all headings on their answer sheets and essay booklets, say:

Look at page 2 of your examination booklet and follow along while I read the **Overview** and **The Situation**.

Overview:

For this part of the test, you will listen to an account about United States currency, answer some multiple-choice questions, and write a response based on the situation described below. You will hear the account twice. You may take notes on the next page anytime you wish during the readings.

The Situation:

Your social studies class is studying the international monetary system. You have been assigned to report on the evolution of the United States dollar. In preparation for writing your report, listen to an account by Daniel Gross. Then use relevant information from the account to write your report.

Now I will read the passage aloud to you for the first time.

- 5 Now read the passage aloud, including the attribution at the end. Read with appropriate expression, but without added comment.

Listening Passage

The Swedish krona and Bolivian boliviano aren't merely answers to crossword puzzle clues, they're meaningful national and historical symbols. Indeed, a nation's self-image and identity is inextricably linked with its currency. But currencies come and go. Wars and revolutions cause new regimes to replace outmoded systems. More recently, the advent of the ecumenical Euro has dispatched 12 once-proud monetary systems to the pages of history.

Given this, a currency that lasts for 200 years—say, the U.S. dollar, which has been legal tender since 1791—is a marvel. And it's especially noteworthy that this nation, which self-consciously engages in constant reinvention, has stuck so fiercely to its ancient money. Of course, when you consider that the dollar is one of America's greatest brands, this stubborn attachment to the greenback makes more sense.

The U.S. system of representative democracy and free markets may not be universally accepted. But the U.S. dollar sure is. It's more graciously received around the globe than American Express and Visa combined. Ecuador uses the American dollar as its own currency, and local currencies from Hong Kong to Jamaica are pegged to the U.S. dollar. All of which shows a remarkable faith in what is really more an idea than a hard currency. "Money is a belief that has to be shared with other people," notes Justin Goodwin, in his entertaining and discursive book, *Greenback*.

As Goodwin shows, the mighty dollar has humble origins. In the sixteenth century, coins made in Joachimstal, which lies in a valley (a *thal*, in German) in what is now the Czech Republic, were widely used. That coin, and others like it, came to be known as the *thaler*—in English, the *dollar*. (Despite intrepid investigations, the origin of the \$ symbol remains obscure.)

When the English settled the New World, colonists used as currency things they had or found: corn, peas, rum, nails, and strings of beads and shells (what the Massachusetts Indians called wampum). The rare silver dollars that found their way into circulation were ineffective for small transactions, and frugal traders would knock them into eight pieces. (Which is why, to this day, people refer to a quarter as "two bits.")

Of course, paying for 20 acres of land with several barrels of rum didn't prove an effective means of commerce. So the colonists turned to paper money. In 1691, Massachusetts became, in Goodwin's words, "the first state since medieval China to issue its own paper currency." And the question of how to establish a colonial paper currency occupied the leading minds of the colonies. Benjamin Franklin made his debut as a pamphleteer in 1729 with a piece titled "A Modest Enquiry into the Nature and Necessity of a Paper-Currency." (His agitation for paper money was a little self-serving, because Franklin owned a chain of print shops in New England.)

It wasn't until 1775 that the newly established Continental Congress printed its own paper bills, calling them Continentals. These first dollars bore several features—the Great Seal, with the eagle, the pyramid with the disembodied eye on top, and the term *E Pluribus Unum*—variations of which survive to this day. But since these first bucks were backed only by the credit of the struggling colonial government, the bills depreciated rapidly.

For much of the nineteenth century, printing money was generally the province of banks that obtained charters from states. By 1813, 208 banks were literally making money, from the Delaware City Bank to the Bank of Saint Nicholas in New York, whose bills featured Santa Claus. But not all dollars were created equal. In theory, every bill could be taken to the bank from which it was issued and redeemed for gold or silver. But due to significant distances and skepticism surrounding unfamiliar bills, a dollar bank note from a Massachusetts bank might be worth only 93 cents in Ohio, and even less in Indiana. The closest thing the young nation had to a national currency were the notes issued by the Philadelphia-based Bank of the United States, which had a 29-city branch network. But as

the bank rose as a central power, President Andrew Jackson took it on in an epic political battle. The bank went out of business in 1841.

The Civil War established the federal government as a force in currency. Faced with bare coffers—at the start of the war, the United States had just \$200,000—and a need to pay the growing Union Army, the government in 1862 first issued notes on the credit of what remained of the United States. Black on the front and green on the back, they came to be known as “greenbacks.” But these war bucks quickly lost value as negative battlefield reports came in. The federal ten-cent bills were dubbed “shinplaster,” in part because they resembled the sort of paper one might use to plaster a sore leg, and in part because that was pretty much all they were good for. Nonetheless, the National Bank Act of 1863 gave the federal government the exclusive right to issue money.

The dollar would remain a poor stepsister to European currencies until the world’s financial center of gravity shifted after World War I across the Atlantic. With the Old World’s power in decline and the New World’s might in ascendance, shrewd European observers recognized a tectonic shift. “If the English pound is not to be the standard which everyone knows and can trust, the business not only of the British Empire but of Europe as well might have to be transacted in dollars instead of pounds sterling,” Winston Churchill declared in 1925. Even then, the dollar stood for something more than 100 cents. By the 1920s, Goodwin notes, it was “a brand like the other brands already beginning to conquer and even define aspects of the nation.”

In fact, like Coca-Cola, Disney, McDonald’s, and Starbucks, the dollar has been one of the great global brands of the past century. People the world over seek it out and use it, not just because it meets a need, but because it conjures up a positive image in consumers’ minds, and because it stands for something that its competitors don’t.

In many ways, Americans regard the dollar the way they do other consumer brands. Just as some long-time patrons rejected New Coke and didn’t swallow all the innovations in the traditional McDonald’s menu, so have Americans proved reluctant to accept changes to the dollar. Neither the \$2 bill nor the Susan B. Anthony caught on. And the design tweaks introduced in the 1990s—intended to foil counterfeiters—were met with less than universal approval.

For a forward-looking nation like the United States, our attitude toward the dollar may seem overly nostalgic. But with currencies, as is generally the rule in business, why mess with success?

—from “Eight Bits”
Attaché, April 2003

6 After reading the passage aloud once, say:

You may take a few minutes to look over **The Situation** and your notes.
(Pause) Now I will read the passage aloud a second time.

7 Read the passage a second time.

8 After the second reading, say:

Now turn to page 4 of your examination booklet, read the directions, and answer the multiple-choice questions. Be sure to follow all the directions given in your examination booklet and your essay booklet. You may now begin.

