

People often say that money is based on trust, or somehow made-up. Some forms of money *do* depend on trusting governments, but there are also forms like gold, which seem to exist on their own and are valued across cultures. Others have suggested that gold is pretty, or useful for things like electroplating, but there are forms of money like bitcoin that have become immensely valuable while having no physical appearance or other use at all.

It's even been said that money's value is in its *ability to be used as money*, and while this certainly is a good thing, that could be seen as circular logic. It doesn't explain why someone wanted gold, or another form of money, before anyone else knew of it or wanted to trade for it. So all of these explanations, in some way, may feel slightly unsatisfying.

But perhaps these forms of money have value for another reason, and there could also be one explanation for their origin, that also avoids those pitfalls? If that's possible, it might take the following form.

First, some early people would collect rare and unfamiliar items due to their potential usefulness. In the same way we keep knick-knack drawers in our homes today. The people who had the most unfamiliar items tended to be more capable than average, since they had to go to unfamiliar and thus more dangerous places to get them, or acquired them through friendship, treachery or force from the capable person who had them, which often required ability as well.

The items would also sometimes genuinely turn out to be more useful, in making sharper weapons, or burning longer, and so on. So the people with those items would survive more often, due to their own capability and that occasional advantage those things would sometimes give them. And their friends or mates would survive more often as well.

Thus, over time people evolved a desire to be with people who had these items, and people evolved a desire to have and display these items themselves, since, besides their potential usefulness, it gained them more allies and mates. They also would sometimes give some of these objects to their allies and mates, to benefit those people the same way.

Some of these objects, while scarce, were more plentiful, and thus were traded more often and became more recognized, increasing their value. Others were durable, letting them be kept and displayed, or harder to fake, making them more reliable signs of ability. And some were evenly divisible, allowing parts of them to be given for smaller amounts of value.

Eventually, the items with the most of these traits were sent around the most often, as thank-yous, or otherwise in exchange for things. These items, naturally, became what we call money. And societies that use it function more efficiently, spreading the concept.

This process requires no agreement by people. The key traits simply cause some things to fall easily into the role, and the desires involved are ingrained. Those desires also aren't baseless. The survival value involved at each step is genuine. And even if people decide they don't want some form of money, those real survival advantages would cause that instinct, and this process, to re-emerge consistently over time.

Hopefully this has some relevance to how we discuss or think about money. I've written a longer preprint on this, titled "*The Monetary Instinct*," that's available on [Philpapers.org](http://Philpapers.org) and [Social Science Research Network](http://SocialScienceResearchNetwork.com). I can also be reached at [EGarrett01@yahoo.com](mailto:EGarrett01@yahoo.com), and also [Twitter.com/StoryBrain1](https://twitter.com/StoryBrain1), and I make videos on aesthetics, entertainment, and evolutionary psychology at [Youtube.com/StoryBrain](https://youtube.com/StoryBrain). Thanks!