

# QUALITIES OF A GOOD MONEY MATERIAL

(1) **General Acceptability** : The metal which are selected for coinage should have general acceptability of public. Even if it is dis approved by a single group of people. It is considered a bad money material. From this point of view gold and silver are considered a best money materials.



(2) **Cognoscibility** : That metal chosen for coinage should have the cognizance of public. Accordingly gold and silver are considered an ideal material.



(3) **Indestructibility** : indestructibility is an important quality of money material. Money material should possess a durable quality. In other words, it must be available and should not rot, thaw or rust.



(4) **Portability** : Due to various reason money is transferred to many places therefore the material chosen for money should have the quality of portability. In this context paper money possesses maximum portability and it comes after gold and silver.



(5) **Divisibility** : Money material should have the quality of divisibility so that in adverse situation it can be fragmented into small units. Gold and silver its best examples.



(6) **Malleability:** money material should neither be too hard nor too soft it should be such that it can be melted and pressed into any shape and size and some specific value can be marked on it.



(7) **Homogeneity** : Metals to be used for coinage should be such money of a specific value which appear similar to each other.



(8) **Stability in Value** : The money material in use should have stability in its value i.e. its value should not fluctuate. Keeping in mind all the above mentioned facts we come to the conclusion that there is no such metal which has all favourable qualities other than gold and silver. So gold and silver can be said as good money material.