

Elementary Banking History Quiz

Banking History · Answer Key · 22 Questions

1. What was one of the earliest ways people stored and exchanged valuable items before modern banks?

- A) In locked safes
- B) Under their beds
- C) In temples or with trusted individuals**
- D) Buried in the backyard

2. In ancient times, what were 'temple banks' often used for?

- A) Storing food supplies
- B) Keeping armies safe
- C) Holding valuables like gold and silver**
- D) As places for public speeches

3. What did early goldsmiths do that led to the development of modern banking?

- A) They made jewellery
- B) They lent money to farmers
- C) They kept people's gold safe and issued receipts**
- D) They built large houses

4. What document did goldsmiths give to people who deposited their gold, which later became a form of money?

- A) A loan agreement
- B) A receipt**
- C) A property deed
- D) A trading ticket

5. The Bank of England, founded in 1694, was initially established to help the government with what?

- A) Building new roads
- B) Funding wars**
- C) Organising festivals
- D) Starting a new school system

6. What is a 'savings bank' primarily designed for?

- A) Making large business loans
- B) Allowing people to save their money**
- C) Exchanging foreign currencies
- D) Issuing new banknotes

7. When did the concept of 'central banks' begin to become more common in different countries?

A) Ancient Roman times

B) The Middle Ages

C) The 17th and 18th centuries

D) The 21st century

8. What does a central bank often do for the country's economy?

A) It makes all the shops in the country

B) It prints the country's money

C) It builds all the houses

D) It organises all the sports teams

9. What was a significant development in banking during the 19th century that made transactions easier?

A) The invention of the telephone

B) The invention of the telegraph

C) The invention of the printing press

D) The invention of the camera

10. What invention in the 20th century greatly sped up banking transactions and record-keeping?

A) The abacus

B) The calculator

C) The computer

D) The quill pen

11. What is a 'credit union' similar to a bank, but often owned by its?

A) Government

B) Company shareholders

C) Members

D) Foreign investors

12. What did the introduction of ATMs (Automated Teller Machines) allow people to do?

A) Open new bank accounts

B) Withdraw cash at any time

C) Apply for mortgages

D) Change foreign currency

13. In early banking, what was a common way to transport money safely over long distances?

- A) By mail
- B) In armoured trucks
- C) Using secret codes and messengers**
- D) By balloon

14. What historical period saw the rise of more formal banking institutions in Europe?

- A) The Stone Age
- B) The Renaissance**
- C) The Industrial Revolution
- D) The Age of Exploration

15. What does 'interest' in banking refer to?

- A) The fee for opening an account
- B) The amount you pay to borrow money
- C) The profit made by the bank on your savings**
- D) The cost of printing money

16. What was a key function of the 'Bank of Venice', one of the earliest public banks?

- A) To provide loans to kings
- B) To manage public debt and facilitate trade**
- C) To train soldiers
- D) To build new cities

17. What historical event led to the establishment of many new banks and financial systems worldwide?

- A) The invention of the wheel
- B) The Industrial Revolution**
- C) The discovery of fire
- D) The development of the internet

18. What did people historically use to make payments before coins and paper money became widespread?

- A) Feathers and shells
- B) Gold bars
- C) Cattle and grain**
- D) Precious stones

19. What was one of the main reasons for the development of early banks?

- A) To create a place for people to play games
- B) To protect people's wealth and make it easier to trade**
- C) To build large libraries
- D) To organise music concerts

20. What is a 'mortgage' a type of loan for?

- A) Buying a car
- B) Buying a house**
- C) Going on holiday
- D) Buying toys

21. What technological advancement in the late 20th century changed how people interact with their banks?

- A) The steam engine
- B) The electric light bulb
- C) The internet**
- D) The printing press

22. What is the primary role of a commercial bank?

- A) To print money for the government
- B) To accept deposits and make loans to individuals and businesses**
- C) To regulate other banks
- D) To oversee international trade agreements