

# Elementary Banking History Quiz

Banking History · Practice Test · 22 Questions

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**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