Early Days of Banking

Banking History · Answer Key · 8 Questions

1. What was one of the earliest forms of banking that involved lending and borrowing?

A) Trading in spices
B) Farming and agriculture
C) Bartering goods and services
D) Mining for precious metals

2. Ancient temples in civilizations like Mesopotamia and Greece often served what early banking function?

A) Operating schools
B) Providing entertainment
C) Acting as safe places for deposits
D) Building bridges

3. What commodity was commonly used for exchange in ancient times, before the widespread use of coins?

A) Paper money
B) Salt
C) Electricity
D) Plastic cards

4. The development of coins as a form of money is often credited to which ancient civilization?

A) Ancient Rome
B) Ancient Egypt
C) The Lydians
D) The Mayans

5. In medieval Europe, who were often among the first to conduct significant lending and money-changing activities?

A) Farmers
B) Knights
C) Merchants and moneylenders (like the Medici family)
D) Artisans

6. The concept of a 'bank' as we know it today, involving the acceptance of deposits and making loans, began to take shape in which region during the Renaissance?

A) Ancient China
B) Renaissance Italy
C) The Viking lands
D) The Aztec Empire

7. Early banks often issued their own notes, which were essentially promises to pay a certain amount of specie (gold or silver). What were these notes called?

A) Credit cards
B) IOUs
C) Banknotes or paper money
D) Cheques

8. The Bank of England, established in 1694, was one of the first central banks in the world. What was one of its primary initial functions?

A) Issuing passports
B) Lending money to the government
C) Providing weather forecasts
D) Organizing festivals