

Foundations of Finance: Historical Milestones

Finance · Answer Key · 10 Questions

1. What ancient civilization is credited with the invention of coinage, revolutionizing trade?

- A) Ancient Rome
- B) Ancient Greece**
- C) Ancient Egypt
- D) Mesopotamia

2. Which country was the first to issue paper money, beginning in the 7th century?

- A) Japan
- B) England
- C) China**
- D) Mongolia

3. The Bank of England, a central bank, was founded in which year?

- A) 1776
- B) 1694**
- C) 1800
- D) 1500

4. What significant financial event occurred in the United States in 1929, leading to the Great Depression?

- A) The Savings and Loan Crisis
- B) The Dot-com Bubble Burst
- C) The Stock Market Crash**
- D) The Enron Scandal

5. Who is often referred to as the 'father of modern economics' for his influential work 'The Wealth of Nations' published in 1776?

- A) John Maynard Keynes
- B) Karl Marx
- C) Adam Smith**
- D) Milton Friedman

6. The Bretton Woods Agreement, established after World War II, aimed to stabilize international currency exchange rates. Which currency was made the world's reserve currency?

- A) British Pound
- B) Japanese Yen
- C) German Mark

D) US Dollar

7. What was the primary function of the Hanseatic League in medieval Europe, which had significant financial implications?

- A) Military defense
- B) Religious pilgrimage

C) Trade and commerce

- D) Art patronage

8. Which famous financial institution, founded in the 15th century by the Medici family, was one of the most powerful and influential banks in Europe?

- A) Rothschild Bank
- B) Barclays Bank

C) Medici Bank

- D) Deutsche Bank

9. The establishment of the first stock exchange is generally attributed to which city in the 16th century?

- A) London
- B) New York
- C) Paris

D) Antwerp

10. What was the main purpose of the establishment of the International Monetary Fund (IMF) in 1944?

- A) To fund space exploration

B) To promote international trade and financial stability

- C) To regulate global pollution
- D) To develop nuclear energy