

Banking History Through the Ages

History Of Banking · Practice Test · 18 Questions

1. In ancient Mesopotamia, what were the earliest 'banks' primarily used to store?

- A) Gold coins
- B) Grain and agricultural produce
- C) Paper promissory notes
- D) Precious silks

2. What is the name of the oldest continuously operating bank in the world, founded in Italy in 1472?

- A) Bank of England
- B) Banca Monte dei Paschi di Siena
- C) JPMorgan Chase
- D) Bank of Venice

3. During the Middle Ages, what item did the Knights Templar invent to allow pilgrims to deposit money in one country and withdraw it in another?

- A) Letter of credit
- B) Debit cards
- C) Iron locks
- D) Encrypted scrolls

4. Which city is widely considered the birthplace of modern banking during the Renaissance?

- A) Paris
- B) London
- C) Florence
- D) Berlin

5. In 1694, which institution was established as the first modern central bank to fund the British government?

- A) The Royal Mint
- B) The Bank of England
- C) The Bank of Scotland
- D) The Exchequer

6. What were 'banknotes' originally in the 17th century?

- A) Checks written by private goldsmiths
- B) Government-issued plastic cards
- C) Receipts for gold stored at a goldsmith
- D) Digital currency logs

7. Which ancient civilization is credited with creating the first standardized metal coins around 600 BCE?

- A) The Egyptians
- B) The Lydians
- C) The Romans
- D) The Persians

8. What was the primary purpose of the 'Medici Bank' in the 15th century?

- A) To provide insurance for ships
- B) To facilitate international trade and currency exchange
- C) To issue credit cards to kings
- D) To store agricultural tools

9. Before modern banking, what group of professionals often acted as the first bankers by safeguarding valuables in their strongrooms?

- A) Blacksmiths
- B) Goldsmiths
- C) Tailors
- D) Farmers

10. In 1950, what was the first 'universal' credit card, made of cardboard, introduced in the United States?

- A) Visa
- B) Mastercard
- C) Diners Club
- D) American Express

11. The term 'bank' comes from the Italian word 'banco', which translates to what?

- A) A ledger
- B) A vault
- C) A bench
- D) A coin

12. What was the 'Gold Standard' system, which fixed the value of currency to a specific weight of gold?

- A) A way to make coins shinier
- B) A method to stabilize international exchange rates
- C) A competition for the best gold mines
- D) A type of high-interest savings account

13. During the Great Depression, what did the US government create to ensure people would not lose their money if a bank failed?

- A) Federal Reserve System
- B) Federal Deposit Insurance Corporation (FDIC)
- C) The Stock Market
- D) World Bank

14. In which country did the first 'paper money' appear during the Tang Dynasty?

- A) China
- B) Japan
- C) India
- D) Korea

15. What is the oldest bank in the United States, founded in 1784 by Alexander Hamilton?

- A) Bank of America
- B) The Bank of New York
- C) Citibank
- D) Federal Reserve

16. What were 'tally sticks' used for in medieval England for financial accounting?

- A) To count daily customers
- B) To record debts by notches on wood
- C) To measure the size of gold bars
- D) To sign official legal documents

17. Which invention in the 1960s allowed customers to withdraw cash without entering a bank branch?

- A) The internet
- B) The Automated Teller Machine (ATM)
- C) The checkbook
- D) Credit registers

18. What was the purpose of the 'Bretton Woods Agreement' of 1944?

- A) To trade goods for spices
- B) To establish rules for international financial cooperation
- C) To invent the first debit card
- D) To close all small banks