

## CHAPTER-11 | From Barter to Money

### QUIZ PART-01

- What is the barter system?
  - Buying goods using only coins
  - Exchanging goods and services without using money
  - Borrowing goods from others
  - Selling goods only in markets (B)

**Explanation :** The barter system is a method where people exchange goods or services directly without using money.

- In the example given, what did the student exchange to get a pencil?
  - A book
  - A pen
  - An eraser
  - A notebook (C)

**Explanation :** The example shows a student exchanging an extra eraser for a classmate's extra pencil.

- Which of the following items was used as a medium of exchange in early times?
 

A. Plastic cards	B. Cowrie shells
C. Mobile wallets	D. Paper tickets (B)

**Explanation :** Early societies used commodities like cowrie shells, salt, cattle, and seeds for exchange.

- What does the term "transaction" mean?
  - A type of farming tool
  - A business activity involving buying, selling, or payment
  - A government rule
  - A storage place (B)

**Explanation :** A transaction is an exchange involving buying, selling, or payment between people.

- What major difficulty did a farmer face while exchanging an ox in a barter system?
  - The ox could not be transported
  - People refused to trade anything
  - Finding someone who needed an ox
  - The ox had no value (C)

**Explanation :** In barter, exchange happens only when both parties want each other's goods. This problem is called double coincidence of wants.

- Why would exchanging an ox directly for shoes be unfair?
  - Shoes are more expensive
  - The ox is much more valuable than shoes
  - Shoes cannot be traded
  - The farmer dislikes shoes (B)

**Explanation :** The ox has much higher value than shoes, so the exchange would not be equal.

- What problem occurred after exchanging the ox for wheat?
  - Wheat could not be eaten
  - Wheat spoiled immediately
  - Wheat needed storage and transportation
  - Wheat had no value (C)

**Explanation :** The farmer had to store and carry leftover wheat to trade for other goods.

- Which of the following best defines money?
  - A farming product
  - A government document
  - A commonly accepted medium of exchange
  - A transport system (C)

**Explanation :** Money is a commonly accepted medium of exchange used to make payments for goods and services.

- Which example shows early forms of money in different regions?
  - Credit cards
  - Mobile banking apps
  - Rai stones and feather coils
  - Plastic tokens (C)

**Explanation :** Rai stones and Tevau feather coils were used as money in certain regions.

- What was the earliest form of exchange system used by people?
  - Banking system
  - Digital payment system
  - Barter system
  - Credit system (C)

**Explanation :** The barter system was the earliest method where goods and services were directly exchanged.