

12.9: Introduction to Banking

What you'll learn to do: explain what a bank does



A nation's banking system consists of commercial banks and similar financial institutions, and a central bank, which regulates commercial banks and the availability of credit. In the United States, the central bank is called the Federal Reserve System, which we will discuss in detail in the next module.

In this section, you will examine the role of banks and understand the purpose they serve in the economy.

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