

Prior to beginning work on this discussion,

- Read Chapter 13 of *Macroeconomics: Private and Public Choice*.

Monetary policy is largely determined by the Federal Reserve Bank (Fed) in the United States. For this discussion, let's cordially debate the necessity of the Fed.

For your initial post address the following:

- How does the Fed control the money supply? Be sure to explain how they can expand or restrict the money supply.
- How does the banking system create money?
- List two to three pros and cons of the Federal Reserve Bank.
- What is your conclusion: is the Fed necessary? Support your opinion.

Your initial response should be a minimum of 200 words. Graduate school students learn to assess the perspectives of several scholars. Support your response with at least ONE scholarly and/or credible resource in addition to the text.