A. As You Read
As you read Section 1, supply the requested information.

1. Sources of confusion and problems with American banking between 1836 and 1907:

________________________________________________________________________

2. Why the Federal Reserve System was unable to hold off the Great Depression:

________________________________________________________________________

3. How the chair of the Federal Reserve’s Board of Governors is appointed:

________________________________________________________________________

4. The function of each Federal Reserve Bank:

________________________________________________________________________

5. The makeup of each Federal Reserve Bank’s board of directors:

________________________________________________________________________

6. Which banks join the Federal Reserve System and why they join:

________________________________________________________________________

7. The main function of the Federal Reserve’s Federal Advisory Council:

________________________________________________________________________

8. Areas affected by announcements from the Federal Open Market Committee:

________________________________________________________________________

B. Reviewing Key Terms
Define the following terms.

9. monetary policy _________________________________________________________

________________________________________________________________________

10. Federal Reserve Districts ________________________________________________

________________________________________________________________________

11. Federal Advisory Council _______________________________________________

________________________________________________________________________

12. Federal Open Market Committee __________________________________________

________________________________________________________________________