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Inquiry Based Project

Banks are beneficial and crucial to have throughout the world. These financial institutions benefit the economy and its activity as well as, businesses and people within society. On the other hand, there are some people who do live without having a bank account. Some people tend to find it hard to save money when it's right in front of them that's why having a bank account is crucial. You can open a savings account where you're not able to touch the money for a certain amount of time. Whereas, if you have cash you're tempted to spend it on your personal needs. If we knew what was to happen in the future everyone would have life figured out but that isn't the case to elaborate, it's important to save for future purposes and emergencies. Another reason why banking is important is because with physical money you can lose it easily versus having a debit/credit card you can just cancel the card and the money will still be there.

Some may argue that banks take your money but that isn't true. Since you are holding money in a bank they take interest out which is usually 1%. "With many savings accounts having an interest rate below 1%, you will still accrue interest over time with an account. That means you have more earning potential with your money compared to keeping it in a safe at home." To elaborate, people who cash their checks lose money as well because when you cash a check the facility takes money from your check and the amount varies. So, the more money you have the more they take out and vice versa. In addition, when banks take interest the money goes to the people that take out a loan. With

banks you get a better understanding where your money is going whereas, with check cashing places it just goes to the facility.

Everyone relationship when it comes to money is different. Money can take a toll in everyone's life, money doesn't discriminate. Majority of the time money is an issue within relationships, money is the number 1 reason why marriages fail and causes divorce. It is important to pay off student loans and other debts you may have because it'll cause you to have a financial strain. Saving money is crucial for anything life may hand you, without having money saved in times which you may need it may cause depression and other health issues. There is a such thing as having a money disorder. "Money disorders are persistent patterns of self-destructive and self-limiting financial behaviors. They result from distorted beliefs about money we develop from our financial flashpoint experiences." Everyone goes through a financial flashpoint which is a point in your life that reflects on your financial struggles.

Ever heard someone say, "Every little penny counts" this saying is absolutely true. To open up a savings account you do not need much. You can put as little or as much away it'll still add up over time. It is important to set a goal when you are saving and strive for that goal. A bad habit people have when saving money is taking out money and telling themselves they'll put it back but never do. That amount you take out matters in the long run. All you need is \$25 to open a savings account but every bank is different. When saving money you want to try and not to accumulate more debt. Also, keeping a steady budget is important because you know to stay on track with bills and daily essentials you need. Taking notes on your expenses is beneficial because you tend to get an idea of what you spend the most on or what bill is the most expensive. I believe saving money outside of a bank is for low amounts of saving like about \$400. If you plan on saving thousands putting it into a savings account is more

efficient and safe. When saving money at home your putting your savings at risk. Money that is being saved at home can be lost within a house fire, burglary, natural disaster, etc.

All in all, saving money is a essential when it comes to life. The economy is always changing and without having money you may just end up homeless or bankrupt. Banks are a source of guidance when it comes to money. If there weren't any banks the world would be in danger, we would have no one to borrow money from, no where to put our savings, etc. This is why we should take advantage and use banks because they are here to help us financially.

Work Cited

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