Essays on Economic Policy (ESPE in Spanish) - On the Social Value of Banks

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I compare the utility of individuals in an economy with and without banks. To make the comparison interesting, the economy without banks has cashin-advance money that the individuals use for consumption and for precautionary (emergency) purposes and that firms use to pay their wage bill. In the economy with banks, the precautionary funds are deposited in banks, which lend this money to firms for working capital. In these economies output is generally higher, people have higher utility and live longer. Also, the price level is usually higher.

Fuente: https://www.banrep.gov.co/en/publications-research/espe/on-the-social-value-of-banks