

## Banking System

During the rule of the Abbasids of Baghdad, a banking system was developed that helped to end the confusion caused by the many currencies (kinds of money) that were then in use. From this system came the word “check” from the Arabic word *sakk*. The Abbasids had central banks with branch offices and an elaborate system of checks and letters of credit. It became possible for a check written on a bank in one part of the empire to be cashed in a distant city. This was important because international trade had expanded and goods were being marketed (sold) throughout the empire and abroad (in foreign countries).