

Homework Assignment 10. Due: Thursday, April 13.

1. (2 point) Explain how technological advances can prevent regulatory agencies from enforcing restrictions on bank branching?
2. (1 point) Describe the nature of the economies of scope large financial institutions hope to achieve by expanding beyond traditional banking services.
3. (2 points) Explain why the profitability of traditional banking has declined and how banks have responded.
4. (2 points) Why countries with more generous deposit insurance can be more likely to suffer from financial crises?
5. (2 points) What important changes in banking have occurred as the result of low cost information technology? Give at least two examples.
6. (1 point) Why U.S. banking system is considered dual?