

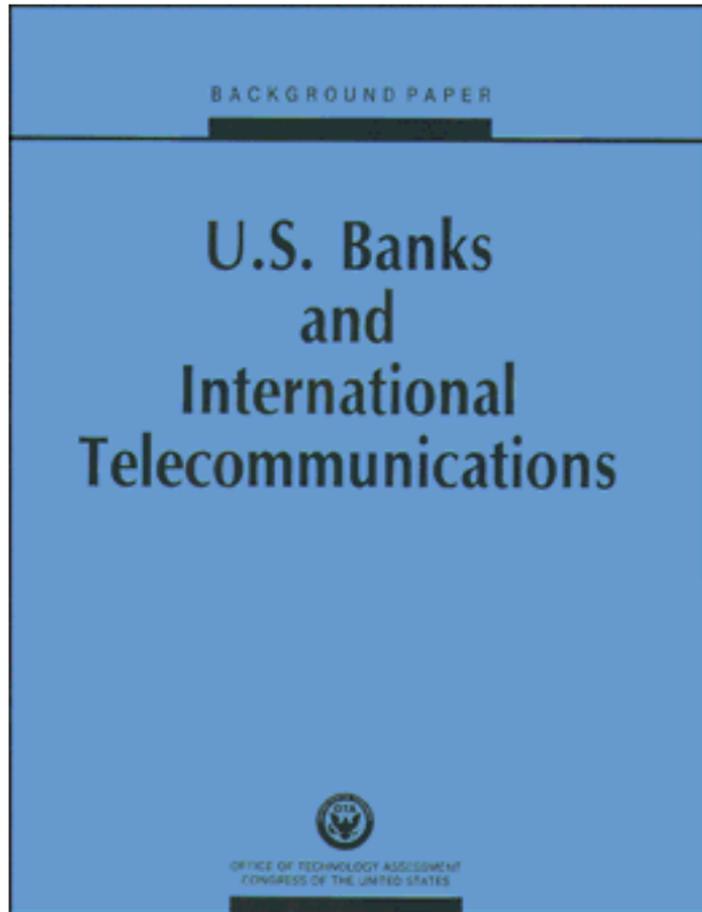
*U.S. Banks and International  
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# Foreword

U.S. banks competing in the European market for financial services are among the largest users of international telecommunications networks. Their ability to create innovative financial services and deliver them through public, private, and shared networks provides a competitive edge and allows financial services to contribute strongly to our positive trade-in-services balance. At the same time, however, reliance on electronic systems means increased risk to our national payment system, probably the most serious of the public policy issues related to U.S. banks and international telecommunications.

This background paper on U.S. banks is one of several case studies prepared as part of a **larger** assessment of *International Telecommunications Networks and U.S.-European Trade in Services*. The assessment, requested by the Senate Committee on Finance and the House Committee on Foreign Affairs, will be completed in the spring of 1993. The case studies focus on exporters of trade in services as users of global networks. This background paper is being released separately from the larger assessment to make it more readily available to those congressional committees whose primary interest is in financial services rather than in telecommunications or foreign trade.



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NOTE: OTA appreciates and is grateful for the valuable assistance and thoughtful critiques provided by the advisory panel members. The panel does not, however, necessarily approve, disapprove, or endorse this background paper. OTA assumes full responsibility for this background paper and the accuracy of its contents.

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