

## **A REQUIEM FOR SAM'S BANK**

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### **ABSTRACT**

*This symposium essay situates Wal-Mart's ill-fated efforts to acquire a bank in the context of payments policy. The basic argument is that Visa and MasterCard do not compete as vigorously in the development of new payments technologies as they would if they had to fear new rivals. Standard features of two-sided networks make it very difficult for any new entrant to compete. This essay takes the position that Wal-Mart's entry would have a positive effect on the competitive landscape because Wal-Mart would be an effective competitor focused on low cost.*