

Economies of Scale, Economies of Scope dan Technical Change
Bank-Bank Umum Swasta Devisa Besar di Indonesia
Periode Studi 2004:1 – 2006:12

Abstract

The purpose of this research is to measure three indicators which are economies of scale, economies of scope and technical change to select appropriate operating efficiency strategy for 10 large foreign exchange commercial banks between 2004:1 and 2006:12. The research is performed by examining the derivative of translog cost function which is regressed using pooled least square regression with fixed effect. The results suggest that those 10 banks acquire economies of scale and economies of scope during the period of observation. However, the technical change measures of those banks vary greatly with only two banks show statistically significant values of total technical change.

Keywords: Economies of Scale, Economies of Scope, Technical Change, Competitive Advantage, Banking, Operating Efficiency, Cost Function.