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The role of employer associability and labour-state coalitions

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Abstract

How do we explain divergent trajectories of change in wage bargaining institutions? Existing studies maintained that European economic integration and liberalisation, decline in trade union power, changing work organization and new pay systems would push national wage-setting institutions towards decentralisation. This expectation, however, was not borne out. Instead, change in wage bargaining has been more nuanced and differentiated than anticipated. To overcome the limitations of earlier theoretical conjectures, this paper explores the mediating conditions under which centrifugal tendencies in wage bargaining are likely to be reversed. I argue that 'employer associability' and 'labour-state coalitions' mediate pressures for convergence to the Anglo-Saxon model of decentralised bargaining. A strong employers association is expected to better appreciate the long run benefits of industry-wide bargaining, but also accommodate its firm-members needs for increased flexibility, striking effective compromises. In the absence of a strong employers association, the state may 'fill the gap' of employer associability and the institution is likely to survive due to a labour-state coalition. Unions will likely stem an employers' offensive, if they are able to speak with a single voice and use their political influence effectively. The relevance of the argument is suggested by two critical case studies that trace developments in wage bargaining since the mid 1990s in Italian and Greek banking.

Keywords

Employers; European Integration; Industrial relations; Trade Unions; State.

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Introduction

The last two decades proved to be turbulent times for national employment systems. The move from Fordism to post-industrial society generated tensions in several realms including institutions regulating the world of work. Markets liberalisation and privatisation, intensified competition, and firms' search for flexibility were expected to erode the institutionalised bargaining arrangements of the Fordist era. Diffusion of best practices in work organisation rendered collective agreements too rigid to accommodate new needs, while constant decline in union power made the prospect of decentralization all the more likely. As a result, several scholars expected the generalised breakdown of bargaining arrangements and their convergence on more decentralised models of industrial relations (Kapstein, 1996; Katz, 1993; Mueller & Purcell, 1992).

However, this expectation was not borne out. Notably, Wallerstein *et al* (1997) showed that there is little evidence of a generalised trend towards decentralisation across Western European countries. In addition, other studies maintained that wage bargaining change took more nuanced forms than anticipated, dubbed as 'organised decentralisation' (Crouch, 2000:213-215; Ferner & Hyman, 1998:xvi; Traxler, 1995:7). Even more surprisingly, trends towards centralisation were observed as well (Korczynski & Ritson, 2000). These developments pose an intriguing empirical puzzle for earlier theoretical conjectures and call for their reconsideration under a new light.

The main research question dwells on identifying the conditions that explain the direction of wage bargaining change, and specifically the factors likely to reverse centrifugal tensions in wage-setting institutions. Instead of the simple chain of causality linking changing firms' needs with abandonment of institutions, the paper puts forward the hypothesis that a more elaborate causal mechanism is at work. It is argued that 'employer associability' is likely to be a crucial mediating factor between firms' needs and institutional outcomes. At the same time 'politics are brought back' through the interaction between politicised unions and governmental political parties. Wage bargaining institutions are likely not only to rest on a 'cross-class coalition' between labour and capital (Swenson, 1989:34), but also on a 'labour-state coalition', especially in Southern Europe.

The paper applies the 'most similar systems' comparative research design (Mahoney, 2004; Przeworski & Teune, 1970). From a methodological standpoint, Southern European banking sectors are 'most likely' cases to observe Anglo-Saxon decentralisation of bargaining. All the scope conditions attached to earlier theories were present, yet, wage bargaining change followed divergent trajectories. In Italian banking one observes a trend towards 'organised decentralisation': industry-bargaining is retained, but is reformed. In Greek banking the process of change is closer to Anglo-Saxon 'disorganised decentralisation': abandonment of industry-wide arrangements. The empirical section seeks to explain this variation with data gathered through primary sources and a series of interviews with key informants.

The paper is structured as follows. The next section reviews the literature examining the factors likely to push towards decentralisation of bargaining. These theoretical conjectures are criticised for leaving blind spots and being inconsistent with current trends. To overcome their limitations alternative hypotheses are put forward. The third section examines structural changes in the external and internal environment of firms, and gauges unions' cohesion in these sectors. While all the push-factors are present, trajectories of change in wage bargaining diverge, casting doubt to rival hypotheses. The fourth section examines developments in wage bargaining, paying close attention to the interactions between employers, labour and the state. Thus, the case studies suggest the relevance of the research hypotheses. The final section concludes.

Theoretical Framework and Research Hypotheses

Theories on Wage Bargaining Decentralisation

The main drivers towards decentralisation of bargaining can be grouped under three hypotheses. First, structural changes in the external business environment of firms (outside firms) following from product market liberalisation and intensification of competition. Second, changes inside firms in work organisation and pay systems. Finally, the decline in organised labour's power and capacity to stem drives towards decentralisation. Before developing an alternative argument, I shall examine the causal mechanism through which these push-factors were expected to operate and assess their plausibility.

The first hypothesis emphasises the increasingly competitive business environment due to increased product market integration (Reder & Ulman, 1993; Streeck & Schmitter, 1991). As barriers to trade across countries are eliminated and protection of industries removed, competition within product markets is increased. The integration of product markets is expected to weaken the logic of 'taking wages out of competition' through wage bargaining within the nation-state (Marginson *et al.*, 2003:164; Swenson, 1989:29) eroding the institution as a positive-sum game. Labour is unable to enforce collective agreements beyond the national product market. Therefore, collective agreements no longer keep wages out of competition. Unless wage bargaining is centralised at the product market level, decentralisation of bargaining is likely.

The second hypothesis entails a more diverse list of factors, summarised under the rubric of 'changes inside the firm'. These include the adoption of new production strategies in response to changes in technology (Katz, 1993:14-15; Pontusson & Swenson, 1996:235; Wallerstein & Golden, 1997:700-701), the introduction of incentive pay systems (Brown & Walsh, 1991:51-53; Iversen, 1996:406-407; Pontusson & Swenson, 1996:236-237), and a move to flatter management hierarchies (Brown & Walsh, 1991:49-51; Katz, 1993:15-16). Changes in product market demand or production technology[1] require adoption of new working practices. Individual firms are expected to prefer suiting work organisation to their respective needs and industry-wide bargaining will be regarded as too inflexible to accommodate them. Rigidity is more pronounced when there are 'information asymmetries' between the higher and lower levels of bargaining. The firms may possess information about changes needed, which central bargainers cannot acquire (Zagelmeyer, 2005:1630) or even if they can, they may not be able to reconcile different firms' needs. Additionally, the widespread adoption of performance-related pay systems weakens industry-wide bargaining. Central negotiators can only set wages in broad job descriptions/classifications (Zagelmeyer, 2005:1630). Traditionally, the allowance for 'wage drift' at the firm-level permitted some flexibility. However, this practice is increasingly insufficient, when remuneration is linked with performance at the branch/plant level (group incentive schemes) or individual level. In a nutshell, firms in their search for 'pay flexibility' are expected to prefer decentralisation (cf.Traxler *et al.*, 2008:406-407).

The third hypothesis shifts the focus from firms and looks at the side of labour. The 'weakened capacity of trade unions to act collectively' (Wallerstein & Golden, 1997:701) would also contain the seeds of destruction of the institution. This can be either because of the decline in union membership or changes in the composition of membership. The fall in union membership signifies the decreased capacity to mobilize against firms. The composition of union membership signifies the extent of

[1] Admittedly, changes in production technologies have a more direct impact on work organisation in manufacturing rather than services. Still, 'best practice' models in manufacturing (e.g. lean production or just-in-time) can be adjusted and transferred to services sectors (e.g. total quality management), whereas other aspects of work flexibility (e.g. flexible working time) are common to manufacturing and services sectors.

solidarity within labour. Thus, internal divisions between workers may indeed weaken unions' power (Swenson, 1989:32) allowing for decentralisation.

The causal factors identified in the first two hypotheses are fairly plausible as triggers of change; they are likely to change firms' preferences. In the third hypothesis, the factor identified is not a trigger itself, rather it emphasises labour's inability to stem an employers offensive. Their merits notwithstanding, these explanations can be criticised[2] for leaving blind spots.

Starting with the two firm-centred hypotheses, they seem to suffer from an excessive functionalism. Functionalist explanations are based on the doctrine that actors have 'needs' and we can explain an institution in terms of the 'functions' it performs for the actors. Therefore, institutions are expected to collapse, if the needs of actors change. This is problematic because they assume a simplistic causal chain between changing needs and changing institutions; a mechanistic response of actors to external *stimuli*. They miss, therefore, the point that rational self-interested actors possess also a 'creative capacity' (Streeck, 1997:212) and their responses are far from mechanical. As a result, they are likely to ignore crucial mediating factors that facilitate, obstruct or transform the nature of institutional change. The relevant example of a 'creative response' in this case is what Traxler (1995:7) dubbed as 'organised decentralisation'; an institution is restructured to meet new needs, it is not abandoned on the whole.

Moreover, the third hypothesis operationalises union power in terms of membership and cohesion, while the role of the state is entirely missing from any account. This downplays the fact that unions' power may stem from its investment in links with political parties and the state, as happens in Southern Europe (Molina & Rhodes, 2007). States' coercive power is especially important in more interventionist industrial relations systems, and the expansion of organised labour's political influence may compensate for falls in membership.

Finally, the above literature expected generalised decentralisation in an almost deterministic manner. Thus, there is a total lack of a conceptual framework to understand other possible trajectories of institutional change: resilience or even centralization of wage bargaining. This is not a trivial point, because empirical reality proved to be inconsistent with earlier expectations. Wallerstein *et al* (1997) showed that there is little evidence of a generalised trend towards decentralisation, whereas recent evidence also document resilience or even centralisation across Europe (Korczynski & Ritson, 2000; Visser, 2007). In conclusion, the above critiques warrant the necessity to refine earlier theoretical conjectures and develop alternative hypotheses.

Hypotheses: Employer Associability and Labour-State Coalitions

It does not strike as surprising that earlier literature ignored the role of employer associability or the role of the state in wage bargaining change. The starting points of institutional collapse and decentralisation were located on Anglo-Saxon settings. In this context, employers associations were generally weak and the state never assumed the role that it did in more statist industrial relations systems. As a result, hypotheses were overly focused on individual firms' changing needs, rather downplaying the potential mediating effects of collective entities. In contrast, the hypotheses developed here attempt not only 'to bring the state back' in the analysis, but also to 'bring the capital back' this time as a collective actor. To this end, I draw on insights from adjacent literatures on social pacts and business associations.

To show the role that an employers association may play in transforming firms' preferences *vis-à-vis* wage bargaining I will start with a simple example. Suppose that in a given sector industry-wide bargaining is the norm and there are two firms, firm A and B. Following the triggers from the changed

[2] For a critique of those theories from a different angle see also Wallerstein (1998:185-194).

conditions (competition, work organization, union decline) each firm has an incentive to abandon industry-wide agreements pushing for decentralisation. If both firms choose this solution, they will be trapped in a 'low pay-off equilibrium'. The lower payoffs will include increased transactions costs and vulnerability to unions' whipsawing tactics. Indeed, the larger the number of firms, the higher the transaction costs are expected to be. Moreover, firms will lose the 'peace obligation' attached to agreements and this poses grave dangers for inter-firm competition. If firm A concludes an agreement with company unions, but firm B does not, the union in the latter will strike. While firm B is closed down, firm A monopolises the market and will likely capture some of the market share from firm B. Disruptions like those led to the centralisation of bargaining in the first place, and are likely to reappear in the event of decentralisation.

Employer associability may indeed protect firms from these risks, which individual firms will tend to underestimate or even ignore. Schmitter and Streeck (1999:13) argued that 'collective interest associations' are in a better position than individual firms to appreciate and protect the long-run interests of their membership, even if this requires to enforce their decisions upon reluctant or resisting members. Indeed, it is not enough to have an 'enlightened' leadership delineating long-run from short-run interests. For the definition of employer associability here it is crucial to include adequate internal mechanisms for mediating members' interests (cf.Doner & Schneider, 2000:278), but also to make decisions binding to them. Employers associations –and not just trade associations- are likely to have such a capacity to enforce decisions to their members (Traxler, 2001).

I argue that an employers association is able to appreciate the continued benefits of industry-wide bargaining in minimising transaction costs and safeguarding fair inter-firm competition in a sector. But an employers association with adequate internal mechanisms will also be able to recognise members' increased needs for flexibility. Therefore, it is likely to strike a compromise between the two, reforming wage bargaining towards 'organised decentralisation' and enforcing this institutional arrangement to resisting firms. Thus, firms will get 'the best of both worlds': peace at the industry-level and flexibility at the firm-level. This analysis leads to the first hypothesis:

Proposition 1: Whilst changes inside the firm, changes outside the firm, and weak labour may act as triggers changing individual firms' preferences, employer associability is likely to reverse centrifugal tendencies in wage bargaining towards 'organised decentralization'.

As mentioned above, previous accounts operationalised union power in terms of membership only. This appears problematic because it ignores investment in 'political power' through links with political parties and the state (Molina & Rhodes, 2007:27-28). The importance of the role of the state in steering social bargaining and reviving neo-corporatism was highlighted by the literature on social pacts across Europe. Schmitter and Grote (1997:6) provided a reminder of the Weberian insight that really resilient institutions 'could perform many different functions and even restructure themselves quite substantially in order to survive'. Thereby, corporatism was revived across Europe in the form of social pacts (Crouch, 2000:213-220). This new form of 'competitive corporatism' took place 'in the shadow of hierarchy', namely the shadow of the state (Rhodes, 2001:177). Subsequent accounts of welfare reform and social pacts fleshed out the causal mechanism that led to neo-corporatist revival, pinpointing the role of party politics and electoral pressures as a motivation behind state steering the pacts (Green-Pedersen, 2003; Hamann & Kelly, 2007; Van Wijnbergen, 2002:13-18).

I argue that a similar causal mechanism is likely to apply to wage bargaining change. If a strong employers association is missing, the state may step in and 'fill the gap' preventing institutional collapse. Labour by itself cannot stem an employer offensive, but if labour hinges on state's coercive power, it can strike a labour-state coalition and enforce an institutional arrangement to individual firms. There are two important conditions, however, for a labour-state coalition to be struck. First, labour should be able to speak with a 'single voice' and, second, the state should be interested in intervening and saving the institution from collapsing.

The nature of state intervention is expected to be different from the past. Instead of patronising organised interests, the state will intervene in an 'enabling manner' facilitating compromises between the two sides. State motivation will likely include electoral concerns, but those should not vary along partisan identity (left/right), because unions' members may be considered as voting constituencies of either centre-left or centre-right parties and their links go both ways. Instead, government's interests will likely be more state-functional including strategic trade-offs in government agenda. Siding with the unions for an institution that is not costly for government budget will likely leave more 'room for manoeuvre' in other policy-domains (privatisation, welfare state reform). Another motivation for state would be steering competition on quality rather than price. Wage bargaining agreements setting uniform standards will stabilise labour costs across the sector and this will deter firms engaging into competitive under-cutting. Instead, they are likely to shift their competition on product and services quality. Thereby, 'cut-throat competition' following from product market deregulation will be avoided, while consumers will still benefit from competition on quality.

Inversely, if labour is divided or priorities in government agenda differ, then the drive towards decentralization will be left loose. The overall argument is all the more likely to hold in cases where politicised unions have close links with both centre-left and centre-right parties as in Southern Europe (Featherstone & Papadimitriou, 2008:54; Karamessini, 2008:513-514; Molina & Rhodes, 2007:228). The above analysis results in the following hypothesis:

Proposition 2: Politicised trade unions will likely stem centrifugal tendencies in wage bargaining, if they are able to speak with a single voice and manage to forge a labour-state coalition with the government.

Before examining the relevance of the above hypotheses in the fourth section, I will first gauge the explanatory power of rival hypotheses in the next section.

Banking in the 1990s: State Withdrawal and Market Unbound

Changes 'Outside the Firm': EU Regulatory Impact and Liberalisation

Banking sectors across Europe have been strongly influenced in the 1990s by developments in European economic integration. The principle of 'mutual recognition' for the Single Market was followed by the Commission in 'network industries' such as banking (Young, 2005:109) in an effort to establish a Single European Financial Area. The Second Banking Directive removed obstacles for the further integration of national financial markets and any bank licensed in one country was allowed to open a branch in any other member-state, encouraging EU-wide banking (Story, 2000:94).

Greek and Italian banking sectors were no exceptions in these developments. The liberalisation of the financial market in Greece progressed rapidly from the second half of the 1980s and had several elements: abolishment of capital and credit controls; removal of interest-rates regulation; and allowance of *Bancassurance* activities. In the next decade, privatization of many state-owned banks accelerated and was largely completed by the early 2000s (Pagoulatos, 2003). In Italy, privatization went hand in hand with liberalization since the late 1980s. The Commissions' Directive allowed the banking system to move towards the universal bank model, in which deposits, loans and insurance are provided by all banks (Pradhan, 1995). By the early 2000s the state had largely withdrawn from the regulation and ownership of both countries' sectors.

The 'opening up' of the market and the removal of barriers to entry facilitated the appearance of new players. In Greece there is an aggressive expansion strategy from foreign banks entering the market in the early 1990s such as HSBC and Citibank (Eichengreen & Gibson, 2001:545-546). Similarly, from 1992 onwards the entry flows of foreign banks in Italy increased dramatically compared to the previous decades (Magri *et al.*, 2005). Increased competition from new entrants is also documented by the rate of growth in foreign banks' branches network.[3] Simultaneously, mergers and acquisitions (M&As) span the whole period until very recently.[4]

This increased market concentration through M&As may cast doubt to the extent that competition increased within the market.[5] However, studies for both Italian and Greek banking reach the conclusion that competition has increased since the 1990s due to the EU liberalisation programme (Hondroyiannis *et al.*, 1999; Magri *et al.*, 2005). This warrants the conclusion that competition intensified following the market deregulation. The banks were caught in the wave of rapidly falling interest rates in the run up to EMU, and 'price wars' burst out reducing the interest rates of loans and diversifying financial products.

Changes 'Inside the Firm': Employees Transformed from Tellers to Sellers

Banking sectors across advanced industrial nations were rapidly changing already in the 1980s. In a nutshell, banking has been a services-sector organised along Fordist lines, and was challenged by post-Fordist pressures for greater flexibility. The transition was anything but smooth, as it clashed with the tradition of banks having 'internal labour markets' based on job security, internal career ladders and seniority-based pay (Grimshaw *et al.*, 2001:25-27). The introduction of new technology reshaped the way banking transactions are carried out with a rapid expansion of ATMs and internet banking. These are classic examples of substitution of labour by capital: as the access to these services is spreading, fewer employees are necessary than before. In sum, the prospect of redundancies following automation did not only hit classic manufacturing, but also labour-intensive services sectors such as banking.

Additionally, work organisation patterns were deemed as necessary to change. Increased competition has pushed banks to try meeting customer demand by increasing opening hours (O'Reilly, 1992:46). This change clashed with standard working patterns outlined in collective agreements. Finally, banks adopted 'incentive pay' systems. The change itself followed from the change in the job content of the typical banking employee. Employees have been transformed 'from tellers to sellers', being much more 'customer-oriented' (Regini, 1999). This clashed with detailed wage specifications in collective agreements and the seniority-based pay structures of the earlier period.

Italian and Greek banks caught up with the above international developments. They, too, fell within the pattern of 'internal labour markets' with high job security, standardised working time patterns, and seniority-based pay and promotion rules (Regini *et al.*, 1999). These firms were not only the large corporations that offered 'jobs for life' but also state-owned enterprises with high profit margins, and therefore the chance of redundancy was minimal. These favourable conditions were destined to change. Starting with the technological modernisation of banks, the prospect of redundancies became all the more likely. This issue was very vivid in the agenda of Italian and Greek unions and intensified with the privatisation programmes of both centre-right and centre-left governments. Predictably, the

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[3] See Table 1 in Appendix.

[4] See Table 2 in Appendix.

[5] In the relevant economics literature, there is a debate as to whether concentration may co-exist with competition in a market, but entering into that debate goes well beyond the scope of this paper. The studies cited should suffice to warrant the conclusion of increased competition.

unions in the sector tried to resist privatisation with a series of strikes. However, the strike barricades could not block the high tide of privatisation.

The challenges stemming from the 'fading out' of Fordism are also reflected in the working time changes during this period. In line with international trends, firms in both countries sought to increase working time flexibility. However, the conflict over changes in work organisation was not sufficient to lead to the breakdown of bargaining. Compromises were eventually reached following government mediation. The responses across Italian and Greek banking are surprisingly similar in this respect: opening hours were extended in exchange for slight decreases in weekly working time. In other words, work reorganisation squeezed the time for 'back office' operations (clearance, settlements, etc.) extending the 'front office' time. Finally, the introduction of incentive pay systems was also part of banks re-structuring strategy. The agreement between Italian banking unions and the Italian banking association (ABI) involved deferring the details of introduction of incentive pay to the firm-level.[6] Similarly, in Greece performance-related bonuses were dealt within various firm-level agreements.

In sum, Italian and Greek banks in the 1990s caught up with international trends towards re-structuring and streamlining operations. Technological modernisation progressed in tandem with the adoption of modern management techniques. Banks' human resources were replenished, shedding out senior labour through early retirement. Job content became more customer-oriented, transforming bank employees 'from tellers to sellers'. Finally, working time was adjusted to meet customer demand, while pay systems were aligned to results. But neither the introduction of new technologies and incentive pay, nor the conflict over working time provided the necessary and sufficient conditions for the breakdown of wage bargaining. The next section examines trade unions cohesion in the sector.

Trade Unions: 'Single Voice' despite Fragmentation

As mentioned above, when it comes to decline in unions' power the emphasis in the literature is either on the fall in membership, or the sharpening of divisions between blue-collar and white-collar workers. Given that banking is a white-collar services sector such divisions should be more subtle, for instance, between lower-skilled and higher-skilled executive employees. The individualisation of pay is expected to favour the latter, since they have higher stock of human capital, thereby able to gain higher (increases in) wages than those set in collective agreements. This begs the question: how far have these (or other) divisions hindered the conclusion of collective agreements in Greek or Italian banking?

Structures of trade unionism differ sharply between Italy and Greece. On the one hand, Italian bank employees are represented by multiple sectoral federations. On the other hand, Greek bank employees are represented by a unitary sectoral federation. Yet, behind this 'veil of unity' in the Greek case, there lies a multiple fragmentation, drawing parallels to the Italian union structure.

On the one hand, there are three unions dominating the Italian banking sector, accounting for almost 60% of union members (Regini et al., 1999:172). The *Federazione Italiana Sindicale Lavoratori Assicurazione e Credito* (FISAC) affiliated with the ex-Communist/Socialist CGIL; the *Federazione Italiana Bancari e Assicurativi* (FIBA) affiliated with the Catholic/Christian-Democratic CISL; and the *UIL Credito Essatorie e Assicurazioni* (UILCA) affiliated with the small-lay parties UIL. 'Autonomous' unions have also a strong presence in the sector. On the other hand, Greek banking union (OTOE) is unitary, but is fragmented along ideological lines between competing factions. DHSYE/PASKE is affiliated with the socialist party and is the dominant faction; DAKE is affiliated with the right-wing party; PAME is associated with the communist party; and AD is

[6] "Agreement signed on reducing labour costs and managing redundancies in banking" *EIROnline*, March 1998, (www.eurofound.europa.eu/eiro/1998/03/feature/it9803321f.htm); "New agreement signed in banking" *EIROnline*, July 1999, (www.eurofound.europa.eu/eiro/1999/07/ inbrief/it9907121n.htm).

associated with the pro-European left party. As a result, inter-union rivalry in Italian banking is a functional equivalent to intra-union rivalry in Greek banking.

The second line of fragmentation that cross-cuts Italian and Greek trade unions is occupational. In Greece affiliate members to the sectoral union include unions organising the lower echelons of 'clerical and technical personnel' as well as the higher-skilled 'scientific personnel'. These internal divisions have faded out since the 1980s, but still exist. Similarly, in Italy there is a separate union federation for credit, financial and banking management personnel (Dircredito Fd), and until the mid 1990s there was even a separate collective agreement for management personnel.

One would reasonably expect that the multiple fragmentation sketched out above, would pose a severe threat to organisational cohesion and unions' ability to speak with a 'single voice'. Surprisingly, this is not the case. Ideological and occupational divisions or organisational fragmentation have not been a hindrance to the conclusion of collective agreements. Instead, a broader consensus is achieved when it comes to signing the sectoral agreement in both countries. In Italy, the last 2007 collective agreement was signed by nine unions.[7] Similarly, in Greece the signing of collective agreements used to receive broad political consensus among factions.[8] The next section examines more closely the pertinent developments in wage bargaining.

Wage Bargaining Tensions and Divergent Trajectories of Change in Italian and Greek Banking

Organised Decentralisation in Italian Banking

The 1994/95 collective agreement in Italian banking is characterised as a turning point for the sector (Regini *et al.*, 1999:161). Importantly, the agreement was reached only after the mediation of the government (Regini *et al.*, 1999:174). The Minister of Labour at the time was Clemente Mastella under the first centre-right Berlusconi government. The reasons why this agreement constitutes a turning point is because it signifies the first step towards 'organised decentralisation'. While the industry-wide agreement set the minimum standards in wage increases across the sector, for the first time, many non-wage issues were delegated to firm-level bargaining[9]. The most important changes are related to incentive and performance related bonuses. The previous agreement that expired in 1992, provided for a 'productivity bonus' across the sector, which was abolished. Instead, it was replaced by 'company bonuses' to be negotiated at the level of individual banks and would be based on the attainment of targets.[10] At the same time, the number of 'seniority increments' was significantly reduced for new recruits signifying the decreasing importance of seniority-based pay.

The agreement also reformed work organization in response to needs for flatter management hierarchies and flexibility. The previous job classification system had 12 grades, but was replaced by four 'professional areas' each containing between two and four pay levels.[11] Additionally, working time flexibility was increased by allowing the opening of branches inside department stores and

[7] The nine unions include: FISAC-CGIL, FIBA-CISL, UILCA, Ugl Credito, Silcea, Fabi, Falcri, Sinfub, and Dircredito Fd.

[8] Union factions approving collective agreements in the past usually included: DHSYE/ PASKE, DAKE, AD, Democratic Alliance, and Independents.

[9] The official recognition of firm-level bargaining was circumscribed in the tripartite agreement of 1993 that overhauled the Italian wage bargaining system. For the process that led to this institutional change see Culpepper (2008:18-26).

[10] "Agreement in banking" *European Industrial Relations Review 251*, December 1994, pp.7-8.

[11] *Ibid.*

exhibitions on Saturdays and also increasing opening times for branches residing in tourist areas. Finally, the agreement provided for a special procedure of information and consultation to deal with the prospect of redundancies. Unions and employers agreed that this procedure would have a limit of 40 days during which no strike action may take place (peace obligation).[12]

In the next bargaining round for the 1996/97 agreement, the sweeping structural changes in the sector surfaced again in negotiations. Italian banks wanted to shed out employees and 'downsize' considering themselves overstaffed compared to European standards. Unlike the manufacturing sector, the banks were not covered by a 'Wage Guarantee Fund' and the state was not willing to provide financial support for redundancies measures.[13]

The problems of low productivity and high labour costs were exacerbated by increased competition. This situation led the banks association (*Associazione Bancaria Italiana*) to announce plans for job cuts to the level of 12% of workforce. Additionally, it raised complaints that previous agreements' provisions on flexibility were not implemented.[14] These announcements spurred the conflict between unions and employers and blocked negotiations. Responding to this breakdown, high level representatives from the centre-left Prodi government sought to mediate the conflict. Not only the Minister of Labour, Tiziano Treu, but also the Treasury Minister, Carlo Ciampi, and the secretary to the Prime Minister, Enrico Micheli, were involved in the talks.

The desire to abandon industry-wide agreements and decentralise bargaining was for the first time voiced by firms' representatives in the talks with the government.[15] However, the reaction of the government signifies incongruence between government agenda and employers plans: they did not support the prospect of decentralisation, while the unions expressed their firm opposition.[16] Thus, employers were faced with a united labour-state coalition and the path towards disorganised decentralisation was blocked. The government was very willing to mediate the conflict and facilitate compromises to adopt the wage bargaining system to modern imperatives. However, it was not willing to support the breakdown of bargaining arrangements against trade unions will; unions were too important electorally to be provoked this way.[17]

Indeed, after the government's consultation with the two sides, it drafted a plan to resolve the situation. The plan included *inter alia*: negotiating of a single contract covering executive management staff and other employees, introducing performance-related pay at the firm-level, and increasing working time flexibility.[18] The government plan was taken up by unions and employers and on 4 June of 1997 an agreement was reached. Importantly, this agreement envisaged the reform of sectoral bargaining so that the industry-wide agreement deals with general terms and conditions, while flexibility issues would be determined at the firm-level.[19]

Negotiations over ways to tackle the reduction of labour costs continued in September of the same year, but they soon broke down. The unions accused the employers' side that it was overly focused on

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[12] *Ibid.*

[13] "Agreement reached in banking" *European Industrial Relations Review 269*, June 1996, p.9.

[14] "35,000 redundancies announced in the banking sector" *European Industrial Relations Review* 278, March 1997, p.10.

[15] "Labour cost reductions pose new challenges to industrial relations in banking", *EIROnline*, April 1997, (www.eurofound.europa.eu/eiro/1997/04/feature/it9704304f.htm).

[16] *Ibid.*

[17] Author's interviews, 25 and 26 May 2010.

[18] "35,000 redundancies announced in the banking sector".

[19] "Agreement in banking sector dispute" *European Industrial Relations Review 282*, July 1997, p.9.

redundancies and labour costs reduction, ignoring the overall framework agreed in June.[20] In the face of deadlock of negotiations the Minister of Labour, Tiziano Treu intervened to mediate the conflict, and an agreement was finally reached.[21] Again the government intervention saved the institution from collapsing.

In 1998 employers agreed to extend the 1996/97 agreement for another year, because trade unions needed more time to agree on a common platform for bargaining. Negotiations among the six unions (Fisac, Fiba, Uib, Fabi, Falcri and Sinfub) were lengthy, but they managed to agree on a common position for the next bargaining round.[22] Their platform was responsive to employers' requests for labour cost containment and increasing flexibility, but entailed a very clear *quid pro quo*. Unions were willing to accept extension of opening hours and reduction in labour costs, in exchange for reduced weekly working time and cushioning redundancies through Wage Guarantee Funds. Crucially the financing of these Funds would burden mainly employers (2/3) and to a lesser extent employees (1/3). At the same time, unions were willing to reduce the importance of seniority-based pay for new recruits, but not for older employees. Labour costs containment was envisaged to be gradual and smooth: including a pay freeze for two years and an overhaul of the job classification system, significantly reducing the overstaffed 'management' grade to a maximum of 2.5% of total workforce.

Despite the concessions made from unions, employers joined the bargaining table at the start of 1999 dismissing unions' platform as 'inappropriate and unsuitable for pursuing the commonly agreed goals on reducing costs and increasing flexibility'.[23] Additionally, the employers association (ABI) decided to unilaterally suspend seniority premia and bonuses. Their rationale was that *premia* represent little in terms of overall pay, but would provide great flexibility for firms. As a result negotiations over a new collective agreement broke down. Trade unions were ferocious accusing the employers for 'flexing their muscles' and a preordained decision to leave the bargaining table.[24] In the face of this, they followed a two-pronged strategy: engaging in concerted strike action and calling the Minister of Labour of the centre-left D' Alema government to intervene.[25]

Indeed, by the end of the same month, a tripartite meeting took place with government representatives, employers, and the major sectoral unions. The Minister of Labour, Antonio Bassolino, mediated the conflict over labour cost reduction.[26] The agreement entailed a compromise between unions' demands for security and firms' needs for flexibility. Crucially the government sided with the unions on the hot topic of Wage Guarantee Funds for the planned redundancies[27], while the issue of seniority premia reduction was deferred to the next bargaining round, only reducing the frequency of payment from biennial to triennial[28].

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[20] "Il sindacato: non parlate solo di esuberi. I banchieri: cosi' i costi vanno alle stelle Bancari, e' subito rottura Trattativa bloccata, interviene Treu" *La Stampa,* 19 September 1997.

[21] "Riparte la trattativa sugli esuberi. Treu pronto a mediare A picco gli utili delle banche L'Abi minimizza: "Risultati stabili" Pesa il forte passivo di Bancaroma" *La Stampa,* 4 December 1997.

[22] "Bargaining platform in banking" *European Industrial Relations Review 298,* November 1998, p.9.

[23] "Industrial action in banking" *European Industrial Relations Review 302,* March 1999, p.9.

[24] "Bancari fermi il 5 marzo Per il nuovo accordo nazionale 8 ore e blocco degli straordinari" *La Stampa,* 4 February 1999.

[25] *Ibid.*

[26] "Tra sindacati e Abi protocollo d'intesa a Palazzo Chigi. Il governo ha chiesto di pagare scatti e automatismi. Scioperi per ora sospesi Schiarita per i bancari, si torna a trattare Metalmeccanici: la Uilm propone l'intervento di Palazzo Chigi" *La Stampa,* 24 March 1999; "Government intervention reopens banking talks" *EIROnline,* March 1999, (http://www.eurofound.europa.eu/eiro/1999/03/ inbrief/it9903102n.htm).

[27] "Erano previste fermate per domani, venerdi' e il 9 E' stato raggiunto l'accordo stop agli scioperi in banca" *La Stampa,* 31 March 1999.

[28] "New Deal in Banking" *European Industrial Relations Review 307,* August 1999, pp.8-9.

Throughout the 2000s negotiations over collective agreements have been difficult amidst strikes and conflict, but were eventually successful. The latest agreement that was concluded has 3-year duration, being in the forefront of the 'new model' of wage bargaining pursued in Italy. Even if the national union CGIL is very sceptic over the 'new model', sectoral federations signed agreements with elements of the 'new model'. FISAC, the banking affiliate of CGIL, signed the agreement, because the most contested elements of the new model were not part of the deal[29]. The signing of agreements which shift the relative importance from industry-wide to firm-level bargaining solidifies the trajectory of change towards 'organised decentralisation'.

In the process of this institutional change, employer associability was crucial in bending individual firms' preferences towards decentralised bargaining. Instead, the employer association managed to strike a compromise between minimum standards with industry-wide agreements and deferring much flexibility-related issues to the firm level. The motivation behind this choice rested on an appreciation of long-run interests of their members stemming from fair inter-firm competition. Given EU liberalisation of the product market, the association shared the conviction of unions and the state that it was necessary to maintain fair competition in the terms of employment through industry-wide agreements.[30] Thus, employer associability and a labour-state coalition mediated the impact of economic integration on wage-setting. The institution rested firmly on a labour-state coalition irrespective of political party in government, and not even the Berlusconi government proposed its decentralization according to the Anglo-Saxon model (Herrmann, 2005:304).[31] Notably, the unions were also able to speak with a 'single voice' despite organisational fragmentation. Their strategy entailed hinging to government intervention to facilitate compromises and overcome deadlocks in the process. With the aid of government the trajectory of institutional change was towards 'organised decentralisation', rather than wholesale abandonment of bargaining arrangements.

Disorganised Decentralisation in Greek Banking

Greek banking until mid-2000s: the labour-state coalition weakens

Greek banking was characterised by a stable and smooth functioning of multi-employer industry bargaining throughout the 1990s with agreements signed uninterruptedly. However, this pattern was bound to break in the early 2000s. In 2002 the sectoral union (OTOE) invited the banks to start negotiations over the new collective agreement. Employers came reluctantly to the bargaining table, and soon after negotiations collapsed over working time changes. In the face of this, the trade unions followed a two-pronged strategy very similar to the Italian: they called a strike and asked from the Minister of Labour to intervene. Indeed, only after the mediation by the Minister of the socialist Simitis government was it possible to resume negotiations and finally conclude an agreement.[32]

The same pattern is also observed in the next bargaining round of 2004. The union invited the employers to start bargaining, employers joined, but negotiations reached a stalemate. The major point of contention was again working time changes. Employers wanted an increase in banks opening hours, whereas unionists demanded the shortening of working week. The trade union announced sector-wide strikes and asked the government to intervene. Interestingly, government intervention did not stop with the change of government to the centre-right. The Minister of Labour, Panos Panagiotopoulos, had only taken up his post a couple of months earlier. He invited OTOE and the bankers in the

[29] Author's interviews, 25 and 26 May 2010.

[30] Author's interview, 25 May 2010.

[31] Also: author's interview, 26 May 2010.

[32] "New agreement signed for banking sector", *EIROnline,* June 2002, (www.eurofound.europa.eu/eiro/2002/06/inbrief/gr0206102n.htm).

Ministry so that they resume negotiations. As mentioned above, the compromise entailed the increase of opening hours with a slight reduction of weekly working time, squeezing the slot of time for 'back office' functions.

While voices in favour of decentralised bargaining were raised by bankers in previous years, the employers' resolve to abandon industry-wide agreements is revealed in 2006. The initiative is attributed to the CEO of the leading National Bank and resulted in the mailing of identical letters from the heads of the 'Big 6' banks to the sectoral union (OTOE).[33] In those letters it was clearly stated that the firms would no longer be willing to bargain an industry-wide agreement. Instead, they would only sign separate agreements with company unions in each bank. The rationale was based on the structural changes in the sector: state ownership in the sector was minimised, while banks have diversified their operations beyond national borders.[34] The letters emphasised that industry-wide bargaining was no longer feasible, because competition was increased, customer needs differentiated and individual banks business plans diversified.[35]

The reaction from OTOE's leadership was swift and ferocious. On the one hand, it called for strike action and, on the other hand, it pursued meetings with opposition parties' leaders to gain their support. Forging wider 'political coalitions' was a very conscious strategy to stem the employers' offensive.[36] The peak labour confederation (GSEE) issued statements of sympathy with its OTOE affiliate and condemned the bankers' refusal, perceiving it as a 'Thatcherite union-busting strategy'.[37] The initial reactions from the centre-right Karamanlis government signify the congruence between employers' plans and government agenda. The official party line was that the government would not intervene in wage bargaining to mediate the conflict.

In the following weeks, OTOE mustered the valuable allies among opposition parties. The issue attracted considerable publicity amidst strikes and protests and climbed high up in the political agenda. The unions accused the government for not disciplining the government appointed CEOs in the three 'banks of state interest'. The government responded that banks operate under 'private sector management' criteria and the state is only a minority shareholder. Soon, the first cracks appeared in the government's united front behind the 'non-intervention' policy. Voices were raised from the party's backbenchers and party-affiliated unionists in favour of government intervention. Two years ago, the government managed to avoid waging a war with the unions, but was now trapped in the middle of a battle. It was not only suffering casualties from opposition parties, but was also receiving 'friendly fire' from within the party. A tactical manoeuvre would become an absolute necessity.

The change in government stance coincided with a cabinet reshuffling. The new Minister of Labour, Savas Tsitouridis, was given directions to end the conflict over the agreement, taking initiatives for tripartite meetings between the Ministry, the bankers, and unions representatives. The path towards the signing of a new collective agreement turned out to be rocky. In total it took more than eight months and several meetings between OTOE and banks' representatives. The final agreement was a flimsy compromise facilitated by an even more reluctant support by the government.

What can possibly account for the government line change? Two major events seem to have influenced the reversal in government's stance. First, an opinion poll was published showing that for

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[33] "Bankers' bomb for collective agreements", *Kathimerini*, 1 February 2006; The six banks were: National Bank of Greece, Agricultural Bank, Commercial Bank, Eurobank, Alpha Bank, and Pireaus Bank.

[34] "We are not discussing industry-agreements because… state-owned banks have been reduced" *Eleftherotypia*, 1 February 2006.

[35] *Ibid.*

[36] Author's interview, 3 February 2010.

[37] "Support of mobilization from George Papandreou" *Kathimerini*, 18 February 2006.

the first time after about six years the socialist party was ahead of the centre-right party.[38] Second, two 'hot potatoes' were high up in the government agenda: pension reform and privatisation. Interestingly, part of these reforms would need to pass through the banking unions with respect to banking pension fund and completion of banks privatisation. These schemes were already under way when the conflict over the collective agreement broke out. Apart from electoral pressures, the government was faced with a strategic trade-off in its agenda. Privatisation and pension reform assumed priority and social peace in the sector was deemed as necessary to proceed with the rest of the agenda. Continuing the 'non-intervention' policy would be equivalent to waging a three-front war with the unions, while also receiving 'friendly fire'. It turned out that the priorities in government agenda did not quite correspond with employers' plans. A Thatcher-style 'attack on all fronts' was simply not in the range of options, due to political-union factionalism and electoral concerns.

Greek banking in late 2000s: the breakup of the labour-state coalition

The flimsiness of the 2006/07 collective agreement, and the fragility of the 'labour-state coalition' on which it rested, would be proven in the next bargaining round. In May 2008 OTOE invited the employers to start negotiations over a new collective agreement. The heads of the biggest banks refused to bargain with the unions and their rationale was unaltered from the arguments used two years earlier. Only difference, perhaps, was that the global financial crisis bursting out in 2007 made their desire to 'loosen the straightjacket' of industry-wide agreements even stronger.[39] To back up their resolve to go all the way towards decentralisation of bargaining, the two leading banks (National Bank and Alpha Bank) announced unilateral wage increases, bypassing sectoral *and* firm-level bargaining.

This development only outraged the unions, which announced 'rolling strikes' targeted in the banks which did not provide authorisations for bargaining. Along the familiar pattern, the unions asked from the new Minister of Labour of the centre-right Karamanlis government to intervene in the conflict. This time the government was resolved not to intervene. While the Minister met with OTOE representatives and made some 'window dressing' statements of support to wage bargaining, there was not a single initiative to meet with employers or mediate the conflict.

Faced with a vacuum in government support, the unions altered their strategy, turning to the Organisation of Mediation and Arbitration (OMED). This time they sent an invitation, not only to individual banks, but also to the Hellenic Banks Association. The bankers again refused to join the bargaining table with the independent mediator. Importantly, the Hellenic Banks Association denied its role as an employers association, claiming it is only a 'trade association'. The failure of the OMED mediation process triggered the arbitration process and led to the issuing of an arbitration decision. The most striking development, backing up bankers' resolve to go ahead with decentralisation, was challenging the validity of the arbitrator's decision to the courts (Ioannou, 2010). A storm of lawsuits burst out, creating a bitter climate and making the political settlement of the dispute even more unlikely.[40] As a result, the battle over institutional change was no longer fought in the political arena, but was passed over to the courts.

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[38] *Ibid*.

[39] Author's interview, 11 February 2010.

40 Author's Interview, 2 February 2010.

Conclusion: Employer Associability and Labour-State Coalitions

Liberalisation and privatisation altered the landscape of Italian and Greek banking. Banks in both countries caught up with international developments towards restructuring and streamlining of operations. Markets protection was reduced and competition was increased. Technological modernisation accompanied the transformation of bank employees from 'tellers to sellers'. This led to work organisation changes, towards more flexibility in working time and pay. Individual firms seemed to shift their preferences towards firm-level bargaining to better suit their needs. But these developments did not translate automatically into decentralised bargaining as earlier literature would expect. These factors seem to be triggers of a preference change for individual firms, but insufficient to bring a breakdown in the institution.

Certainly, tensions over the institution appeared in both countries' banking sectors. The timing followed the differential speeds of privatisation and liberalisation. In Italian banking the tensions intensified in the second half of the 1990s, whereas in Greek banking tensions appeared stronger in the mid-2000s. But the process of institutional change took divergent trajectories. How to explain the divergent trajectories of change, despite similar pressures?

The paper put forward the argument that part of the variation is explained by the presence (or absence) of employer associability and labour-state coalitions. In Italy there was a strong employers association both willing and able to strike compromises with the unions: retaining industry-wide bargaining to set a level playing field across the sector and negotiate the increase in flexibility at the firm-level. It did not try to dismantle wage bargaining altogether, but reform it, so as to preserve the long run interests of its membership. Still, the process of organised decentralisation cannot only be attributed to an 'enlightened' employer leadership.

The state intervened in the negotiations several times to overcome deadlocks in the process. Crucially, the state intervened after invitation by the unions and siding with crucial unions' demands. Thereby a 'labour-state coalition' was forged. The government informally mediated the conflict and facilitated compromises in an 'enabling manner'. The motivation behind this intervention dwells on both electoral pressures and concerns; the unions members votes were too important to ignore. But there were also public interest considerations such as ensuring peace and fair competition in the sector. The government thus facilitated associational re-regulation in the labour part of the market following from EU liberalisation (cf.Menz, 2003). Thereby, cut-throat competition was avoided, shifting competition on quality of services. Finally, Italian trade unions were able to speak with a 'single voice' despite organisational fragmentation. If any of those conditions was missing, it is uncertain whether the process of 'organised decentralisation' would be successful.

In contrast, Greek banking historically lacked a strong employers association and sectoral bargaining took place along the multi-employer bargaining pattern. Therefore, a trajectory of change towards 'organised decentralisation' *come l' italiano* was simply not within the range of options. The Hellenic Banks Association was not willing to become anything more than a 'trade association', while the peak employers association (SEV) was rather weak, unable to discipline banks, its most powerful firm-members. In sum, the lack of 'employer associability' precluded the path towards organised decentralisation. Yet, within-case analysis showed that a 'labour-state coalition' was sufficient to put a break to decentralisation drives in early 2000s and facilitate compromises, even if flimsy. In 2008 the conditions for such a coalition to be forged were missing. Government agenda priorities shifted for good, corresponding to employers plans to 'loosen the straightjacket' of sectoral agreements.

The paper challenges 'conventional wisdom' in the literature around the factors associated with wage bargaining change. While the easily visible structural changes inside and outside the firm may act as triggers that shift individual firms' preferences, these factors are unable to fully account for divergent trajectories of change. Similar changes in firms' needs do not translate to a single institutional arrangement, and the analysis attempted to move beyond the simple chain of causality, including contextual factors –ignored by earlier literature– that are likely to shape employers strategies (cf.O'Reilly, 1992:54). To qualify the argument made here, the applicability of theoretical insights is likely constrained to South European countries with politicised unions. In those institutional contexts, the above factors are more likely to mediate the pressures for convergence to the Anglo-Saxon model of decentralised bargaining. Nevertheless, further research can still examine whether the factors identified here are more widely applicable.

Appendix

Table 1 Penetration of Foreign-owned Banks 1996-2005 in Italy and Greece.

		Firms				Bank Branches				Employees			
		1996	2002	2005	Δ% 96-05	1996	2002	2005	Δ% 96-05	1996	2002	2005	Δ% 96-05
IT	All Banks	296	313	309	4.39%	20067	23030	24153	20.36%	270675	277096	271240	0.21%
	Foreign-owned	57	60	66	15.79%	89	106	108	21.35%	3055	3943	4450	45.66%
GR	All Banks	39	43	43	10.26%	2676	3107	3358	25.49%	56407	58237	59131	4.83%
	Foreign-owned	22	21	22	0.00%	130	188	242	86.15%	4144	4795	5381	29.85%

Source: OECD (2008:238,268).

Table 2 Merger & Acquisitions 1996-2007 in Italian and Greek Banking.

Italy			Greece		
Year	*Target*	*Acquired by/Merged with*	*Year*	*Target*	*Acquired by/Merged with*
2007	Capitalia	UniCredit	2007	Egnatia Bank	Marfin Popular Bank
	Banca Antonveneta	Banco Santander		Popular Bank	Marfin Popular Bank
	Banco Popolare di Verona	Banco Popolare		Marfin Bank	Marfin Popular Bank
	Banca Popolare Italiana	Banco Popolare	2005	10% of Egnatia Bank	Marfin Bank
2006	Sanpaolo IMI	Intesa Sanpaolo	2004	Investment Bank	Commercial Bank
	Banca Intesa	Intesa Sanpaolo		Geniki Bank	Societe General
	Banca Nazionale del Lavoro	BNP Paribas	2002	ETEBA	National Bank of Greece
2005	Banca Antonveneta	ABN AMRO Bank		Unit Bank	EFG Eurobank
2002	Banca di Roma	Capitalia		ETBA	Piraeus Bank
	Bipop-Carire	Capitalia	2001	Telesis Investment Bank	EFG Eurobank
	Banco di Sicilia	Capitalia	2000	Commercial Bank	Credit Agricole
2001	Banca Commerciale italiana	Banca Intesa		Novabank	BC Portugues
1999	Banca Nazionale dell'Agricoltura	Banca Antonveneta	1999	Ionian Bank	Alpha Bank
	Banca Commerciale Italiana	Banca Intesa		Ergobank	EFG Eurobank
1998	CRPL	Banca Intesa		10% EFG Eurobank	Deutsche Bank
	Banco Ambroveneto	Banca Intesa		NatWest (GR)	Piraeus Bank
	Unicredito	Unicredito Italiano		Dorian Bank	Telesis Investment Bank
	Credito Italiano	Unicredito Italiano	1998	Mortgage Bank of Greece	National Bank of Greece
	Cassa di Risparmio di Torino	Unicredito Italiano		Creta Bank	EFG Eurobank
	Rolo Banca 1473	Unicredito Italiano		Bank of Athens	EFG Eurobank
	Istituto San Paolo di Torino	Sanpaolo IMI		Macedonia-Thrace Bank	Piraeus Bank
	IMI	Sanpaolo IMI		Xiosbank	Piraeus Bank
1997	Interbanca	Banca Antonveneta		Credit Lyonnais (GR)	Piraeus Bank
	CRPL	Banca Intesa		Bank of Central Greece	Egnatia Bank
	Banco Ambrosiano Veneto	Banca Intesa	1997	National Housing Bank	Mortgage Bank of Greece
1996	Banca Antoniana	Banca Antonveneta		Chase Manhattan (GR)	Piraeus Bank
	Banca Popolare Veneta	Banca Antonveneta	1996	Interbank	EFG Eurobank
Source: Compilation from Giani (2008) & Wikipedia.			Source: Compilation from Pagoulatos (2003) & HBA site.		

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