

Collective bargaining tensions in Greek and Italian banking: the role of employer associability and labour-state coalitions

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Abstract

Collective bargaining systems have always been an integral part of national employment models. In the light of pressures stemming from intensification of international competition and globalisation of management practices a large literature predicted the erosion of institutionalised arrangements for pay setting. More specifically, the forces of competitive deregulation; introduction of new technologies; altering of work organization patterns; and widespread adoption of performance-related pay systems, were all put forward as factors pushing national collective bargaining systems towards decentralisation. The paper looks at two 'critical' cases for theoretical conjectures expecting bargaining decentralisation: Italian and Greek Banking sectors. The 'process tracing' of collective bargaining change since the late 1990s is revealing.

Although centrifugal tensions appeared in both countries' banking sectors, the responses and strategies of domestic actors varied. In Italy the trade unions managed to negotiate with the employers association a reform of the pay determination system, towards what has been dubbed as 'organized decentralization'. In Greece the decentralization drive was more intense; however, trade unions' strategy entailed forging coalitions with political parties and government to stem the employers' offensive. On the whole, the two cases highlight the pertinence of two factors ignored by earlier literature: employer associability and labour-state coalitions. It is argued that these are likely to mediate the pressures for convergence to the Anglo-Saxon model of decentralised bargaining, especially in the context of the Southern European employment model.

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