

## INTRODUCTION

❖ The wave of regulatory reforms in western countries during the 1980s, which was characterized mainly by privatization of government-owned companies and de-regulation, significantly impacted both the organization of the state and the organization of corporations and their strategies in the regulatory and parliamentary arenas.

❖ Corporations have always paid attention to the political environment within which they operate, however, in the so-called neoliberal and deregulation area, they seem to invest more in their political capacities as *political actors* and develop proactive political strategies in both the regulatory and parliamentary arenas.

❖ A *political actor* in the context of this research refers to the political activity of a corporation attempting to shape public policy in ways favorable to it as well as the aggregation of strategies directed towards a specific arena at the *non-market* environment. Corporate strategy in *non-market* arenas includes, for instance: activist groups, legislators, administrative agencies, government bureaucracies, courts and the media.

❖ This research will examine the banks' political activities at the *non-market* environment, both the regulatory and parliamentary arenas. How the banks seek to influence the policy makers as critical element of corporate strategy or as an adjunct in the process of implementing the strategy. **Meaning, the ways in which banks, as Political Actors, have re-structured their political organization and re-defined their strategies to maximize their political options in a constantly evolving public policy system in light of the liberalization process and the adaption of the regulation-for-competition paradigm.**

## MOTIVATION

❖ The main motivation for studying banks is that banks are considered as critical agents of change in the literature of financial governance and they have a critical role in the modern economy. Banking is categorized in many countries as a sector with relatively low competition despite attempts to enhance competition.

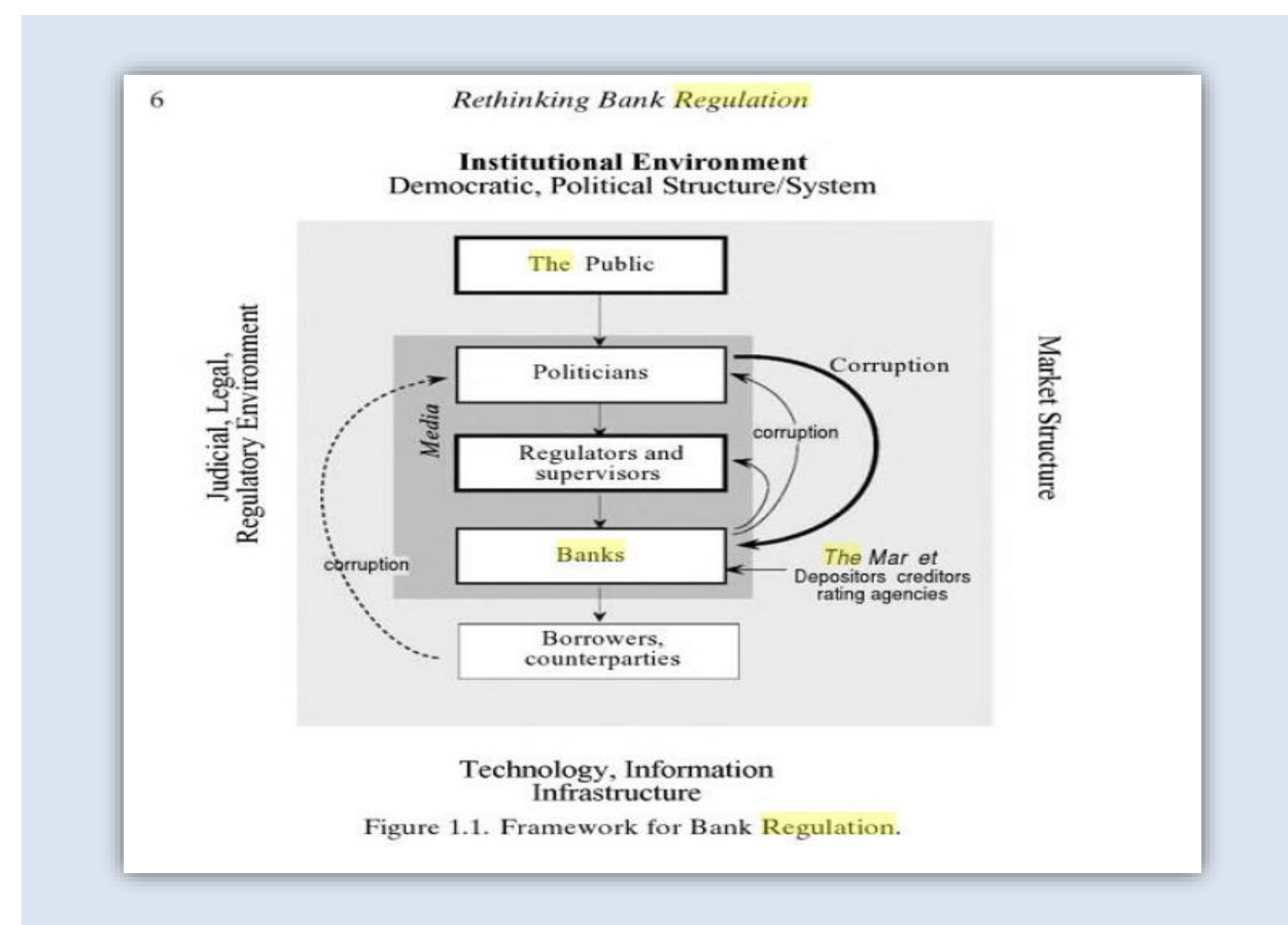
❖ The global financial crisis of 2008 drew attention to the importance of the banking sector to markets and societies in general. Despite the importance of this sector, few studies discussed the evolution of banks as political actors.

## REASERCH AIMS

❖ The first aim of my research is to deepen the understanding of the evolution of banks as political actors in the context of the liberalization process and the adaption of the regulation-for-competition paradigm.

❖ The second aim is to develop strong theoretical and empirical insights in the field of Business and Politics.

## NON-MARKET ARENAS



## REASERCH CONTRIBUTION

❖ This research will contribute to the relatively limited literature that relates to the evolution of corporate business as political actors and deepen the understanding of the evolution of Israeli banks as political actors.

❖ This research will serve as a platform for building a new body of theoretical and empirical knowledge relating to the evolution of businesses as political actors in response to the liberalization process. Further research could be based on those insights for analyzing business development as political actors in other sectors, including food, energy etc.

❖ This research will provide a comprehensive analysis concerning the banking sector and its importance among scholars in the wake of the global financial crisis of 2008-2009.

## REASERCH QUESTIONS

❖ Q1 - What strategies did the Israeli banks adopt in the parliamentary arena and regulatory arenas in the case of Banks Service Fees from the early 1990s to 2013?

❖ Q2 – How can we explain the strategic and tactical choices of the banks in the parliamentary and regulatory arenas?

## HYPOTHESIS

❖ H2 (1) – The strategic and tactical choices of the banks in the parliamentary and regulatory arenas suggests a shift in the system of interest intermediation from neo-corporatism towards neo-pluralism.

❖ H2 (2) - The strategic and tactical choices of the banks in the parliamentary and regulatory arenas reflects basically a reactive approach to the change in the preferences of the state elites towards a more competitive environment in the banking sector.

❖ H2 (3) - The strategic and tactical choices of the banks in the parliamentary and regulatory arenas reflects a corporate capacity to learn to play politics in new ways and with more sophisticated and a resource-based approach then in the past.

## METHODS

❖ This research will deploy a multi-method analysis.

❖ The process tracing is carried out by using a within-case analysis of both qualitative data (interviews) and Quantitative data (survey) including a systematic content analysis selected and analyzed in light of the research questions.

❖ A comparative methodology and case-oriented analysis (supported by surveys and interviews) will focus on refining the analysis through a cross-national and cross banks study.