

growth of the state banks' financial performance. On the other hand, during and after the crisis the market share of the joint-stock company "Raiffeisen Bank Aval" shrank almost 2 times. Therefore, among the leaders there is only one bank with foreign capital, which is gradually losing its market position.

The market of banking services in Ukraine is characterized by fairly high levels of competition. A small reduction of the competition level in the post-crisis period was conditioned mainly by significant increases of the state participation in banks' capital and temporary redistribution of the customer base. In the future the levels of competition on the market will be determined by the strategy of regulatory measures of the National Bank of Ukraine, the dynamics of macroeconomic processes and the activity of foreign investors.

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THE EURO CRISIS: WHO IS THE WORSE GUY – GERMANY OR GREECE?

The crisis that started in Greece culminated into a crisis of the Eurozone as a whole. How did we get into this mess?

Generally, there are three types of macroeconomic stabilisation policies facilitating instruments to react against economic crises, which are the fiscal policy exerted by (national) governments, the monetary policy under the responsibility of central banks and the wage policy, normally negotiated between trade unions and employer associations.

In the past, by many economists has been stressed that one mayor error in the construction of the Eurozone is the striking imbalance between a fully centralised monetary policy and a nearly complete perpetuation of the other two mayor macroeconomic policies (fiscal policy and wage policy) at national levels.

With this in mind, one can additionally stress the point that a monetary union (like the Eurozone) is basically an agreement of all member states on a target inflation rate. This has several implications. With the waiving of national monetary policies the member states implicitly accept a common inflation target. This is inconsistent with different wage and price developments between the member states. As wages are the most important factor for unit labour costs and the latter the decisive factor for prices, there is a need of more or less uniform wage policies within the member states of a monetary union.

Looking into the empirical data one can observe easily a huge gap in unit labour costs and price developments between the Eurozone member

states. Of course, this gap had a significant effect on the trade flows which over the years accumulated more and more and caused a large positive competitiveness-effect for Germany and increasing disadvantages for the Southern European countries.

Based on this empirical analysis three statements are pointed out:

- Greece is a problem;
- Germany is a major problem;
- Main problem however is: The European project lost its compass.

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PRUDENTIAL CHALLENGES IN FINANCIAL INFRASTRUCTURE DEVELOPMENT IN HUNGARY

Financial infrastructure development needs are determined by information technology development and changes in financial and business needs. Accordingly, a need for completely new systems and regulatory frameworks emerges every ten to fifteen years. The payments and settlements framework is provided by BIS recommendations, including the relevant CPSS publications and the Principles for Financial Market Infrastructures report published in 2011. Efficiency is the ultimate driving force for development and this holds true for the project for intraday settlements in Hungary. The most tangible change in this respect is standardisation, now a basic requirement both nationally and internationally. Adoption of the BIS recommendations will result in efficiency improvement in payment services also in countries outside the eurozone, thereby promoting economic development and international relations.

In relation to the renewal of the financial infrastructure, here we will focus on the development of Automated Clearing Houses.

In the United States and in Western Europe, the extension of bank account services to households en masse took place in the 1950s and 1960s. In Hungary, this happened in the late 1980s and the 1990s. Salary payments in cash were abolished at most workplaces. The transfer of salaries to bank accounts en masse posed new challenges for banks. This happened at a time when information technology had already started to be commonly used by businesses, while there were no telecommunications services or any commonly accepted message standards to support data transmission and processing. In the United States as well as in several countries in Western Europe, the interbank clearing of salary transfers was performed by Automated Clearing Houses (ACHs) already in the 1970s. Automated Clear-