
GLOBAL CORRESPONDENT BANKING 1870–2000
WORKING PAPER SERIES



**BANKING GROUPS REDUX – *SOCIÉTÉ FINANCIÈRE*
EUROPÉENNE, BANKING COOPERATION AND THE
ORIGINS OF SWIFT 1967–1977**

Duncan M. Ross, Catherine R. Schenk

Series available at:

<https://glocobank.web.ox.ac.uk/working-papers>

Reference

Ross, Duncan M., Schenk, Catherine R. (2025) 'Banking Groups Redux – *Société Financière Européenne*, Banking Cooperation and the Origins of SWIFT 1967–1977', Global Correspondent Banking 1870–2000 Working Paper Series, Vol. 1, No. 6, University of Oxford.

Vol. 1, No. 6

September 2025



ISSN 2752-7859

Foreword

The *GloCoBank 1870–2000 Working Papers* series reflects the work in progress of the researchers associated with the ERC Horizon 2020 funded project Global Correspondent Banking 1870–2000 (GloCoBank) and of others whose papers directly address GloCoBank research themes. The papers are peer reviewed by GloCoBank and associated researchers and seek to identify and analyse the international network of correspondent banking relationships across the 20th century.

The views expressed in this working paper, and all errors and omissions, should be regarded as those solely of the authors and are not necessarily the views of the affiliated institutions.

For more information on the GloCoBank project visit: glocobank.web.ox.ac.uk

Authors

Duncan M. Ross is Professor in Economic and Social History at the University of Glasgow, and Dean of Learning and Teaching and Deputy Head of College (Social Sciences).

Contact email address: duncan.ross@glasgow.ac.uk

Catherine R. Schenk is Professor of Economic and Social History at the University of Oxford, and Principal Investigator of the GloCoBank project.

Contact email address: catherine.schenk@history.ox.ac.uk

Abstract

The forms of interbank cooperation that took place in the 1960s and 1970s have recently attracted renewed attention. During this period, banks responded to market changes that shifted their focus from commercial banking and payments to capital markets in a context of anticipated erosion of national regulatory borders. These banking groups and consortia banks faced challenges yet remain a fascinating example of cooperative strategies. One of the least well understood aspects is the relationship between cross-border payments and these forms of cooperation, which this paper uncovers in the example of a seldom discussed consortium bank, *Société Financière Européenne*. This paper presents new evidence on the impact of banking groups on the architecture of the global payments system at a time of technological innovation, deregulation and internationalisation.

Keywords

International banking, banking groups, cross-border payments, strategic cooperation

Introduction

The relationships between banks across borders is a well-researched area, but less attention has been paid to the multiple inter-related links or the mechanics of how these relationships were built and maintained. In banking, especially in international banking where physical and cultural distance can be great, relationships are built through trust accumulated across a range of transactions and forms of contact. In this paper we link the development of cross-border payments through correspondent banking relationships to the new form of cooperative agreements formed in the 1960s and 1970s. Both forms of cooperation (payments and capital market issues) responded to the incipient integration of banking and financial markets due both to technological and product innovation (computing and the Eurodollar market) and to the American challenge to relatively sheltered European banking as US banks entered their markets through branches and subsidiaries.

In the 1990s Ross (1998, 2002) was among the first to examine the banking group strategy and found that it failed in its aims because it was overtaken by alternative forms of internationalisation more suited to a competitive market structure. More recently, Drach (2024) has revived interest in these historic bank networks, with a more positive finding, showing how they engaged actively with the process of European integration. This chapter presents new evidence on the impact of banking groups on the architecture of the global payments system at a time of technological innovation, deregulation and internationalisation.

In the 1960s, banks across the world faced a radically changing market structure as exchange controls that had been in place since the 1930s fell away, trade was further liberalised and the prospect for integration of European markets for goods, services and labour seemed at the doorstep. European banks especially felt the hot breath of competition from American banks entering their markets as the Eurodollar market in London surged. This created a strong incentive to shift quickly toward internationalisation, including expanding branch networks and subsidiaries, but also adopting new organisational forms. To cope with these challenges, European banks organised themselves into formally structured groups, not all with the same purpose or constitution but with a similar goal of shoring up their competitive position in their home markets through cooperation in cross-border business. A new market structure with lower regulatory barriers between countries seemed to provide an opportunity for new

strategies, but of course cooperative arrangements (both anti-competitive or market enhancing) had a much longer history. This paper draws on archival evidence from banks to uncover the role of banking groups and a consortium bank in creating innovations in cross-border payments.

Existing state of the art on banking groups

Cooperative strategies have attracted considerable scholarly interest. Most prominently this pertains to agreements on output (for a recent survey see Shanahan and Fellman (2022)). Output cartels tend to be unstable since the longer they last and the higher prices rise as a result, the greater are the gains of betraying the common rule. In contrast, banking groups or consortia were more focused on non-competition agreements that created barriers to entry into national markets themselves rather than relying on state regulation to protect them from external competitors. But they also provided regular opportunities for high level managers and executives to meet formally and informally, to discuss common issues and gain business intelligence, one of the key features of inter-locking directorates.

Two fundamental challenges faced European banks in the 1960s and 1970s. First, American banks began to follow their multinational clients across the globe, including to Europe (Sylla 2002). Second, and closely associated with the American challenge, was the emergence of the Euromarkets. Faced with these new competitive conditions, as well as demands for financing on a hitherto unimagined scale, European financial institutions developed a largely defensive response of forming strategic alliances, sometimes including the largest American banks as members. Ross (2002) has shown how the various clubs and consortia that emerged from the 1960s were at the same time an attempt to meet new market conditions, a means of limiting exposure to excessive risk represented by new forms of financing, and a way to explore the opportunities of the developing Euromarkets. Altamura (2017, p. 186) identifies a ‘herd mentality’ of European banks in this period, as they chased new markets and developed new products, reaching its zenith in the mid-1970s, immediately after the oil crisis of 1973/74.

Banking groups were usually organised around negotiated letters of intent. They might manage a portfolio of joint ventures, but generally they promoted shared business interests and controlled competition in each other’s jurisdiction. The selection of partners was

complicated; groups aimed to include members from the main European markets, with comparable size and a similar range of business services. Except for geography, they tended to be similar rather than complementary.

It is important to make a distinction between the consortium banks – joint ventures which were owned by a collection of banks and which focused on raising substantial funds in the Euromarkets – and clubs, which were formal coalition agreements among groups of large commercial banks, designed to organise services to clients across Europe in a preferential way (Park and Zwick 1985, Drach 2024). Ul Haq and Howcroft (2007) apply a structural methodology that focuses on changes in the international markets to explain the emergence of these strategic alliances. But the borders of the groups were not clearly defined and members mixed their involvement in these groupings with other forms of cooperation with non-members outside Europe. Nor were they exclusively European since American, Canadian and Japanese banks also participated in many consortium banks.

In the end, the perceived benefits of going alone and breaking the banking club agreements were greater than the protection the clubs offered (Roberts 2001). Partly, this was because European financial integration did not advance as smoothly or as quickly as seemed possible in the 1960s (Mourlon-Druol 2016), so this threat to national jurisdictions disappeared. Instead, most banks turned to the traditional modes of internationalisation through branching, subsidiaries and acquisition during the 1970s and 1980s. The separate consortium banks formed by banking groups survived longer, but did not become the main structure for raising medium term capital, since they suffered from complex management and profit-sharing frameworks. Individual banks did, however, seek to leverage the networks that had been established over the previous decade, and Altamura (2017, p. 177) has characterised the market relationships as shifting ‘from exclusivity to preferentiality’. But alongside the formal outcomes of the consortium/group movement, we also need to examine the effect of the frequent meetings and identification of common interests among bankers that underpinned the philosophy of the groups. These meetings could expose differences in business cultures and they were not always harmonious, but one important initiative arising from a banking group remains with us today: SWIFT, the Society for Worldwide Inter-bank Financial Telecommunications (Scott and Zachariadis 2014). SWIFT is a cooperative

organisation owned by the banks themselves and headquartered in Brussels. It is still the world's primary means for sending cross-border payments instructions between banks, comprising over 53 million messages per day in 2024. Cross-border payments systems like SWIFT and CLS Bank (Continuous Linked Settlement) remain a formal form of cooperative organisation among groups of banks to exploit economies of scale and scope while also retaining control of the underlying plumbing of global transactions.

Banking groups and the global payments system

Before the Eurodollar market accelerated in the 1970s the main cross-border interbank connection was through the cross-border payments system. Since the 18th century, banks had entered into formal bilateral agreements to effect payments on behalf of their customers. This correspondent banking connection usually required the banks to open and manage reciprocal accounts with each other (vostro and nostro accounts). Since payments were often made to customers before funds were transferred to cover these payments, correspondent relationships also relied on a flow of ongoing transactions and personal connections to build trust between counterparty banks (Schenk 2023). Ross (2002) has shown that the banking clubs arose out of such correspondent banking relationships, and members often agreed to channel the bulk of their payments business to each other by selecting their club partners as their preferred correspondent in each jurisdiction. The clubs thereby enhanced the competitive position of members for this lucrative payments business in their home markets.

While several clubs and consortia have attracted academic interest (Drach 2024 on European clubs, Roberts 2001 on consortium banks) a less explored example was the case of *Société Financière Européenne* (SFE). It is particularly interesting as an early consortium bank that gave rise to one of the leading banking groups (Abecor) rather than a looser banking group giving rise to a consortium bank. SFE was founded in 1967 by a group of European banks with the expressed intention to provide medium term loans and to help European companies and multinationals restructure their operations for the anticipated expansion and deepening of European economic integration. At this point the UK was not yet a member of the EEC (it would join only in 1973) but the SFE included a member bank from the UK (Barclays) and the USA (Bank of America) so it was not merely an EEC project. In this sense, while it could be

characterised as a defensive organisation to try to achieve scale in what was expected to become a competitive market, the SFE was not exclusively European. It was also part of the promotion of Paris as a major European financial centre. Within Europe, the other original partners were Algemene Bank Nederland, Banco del Lavoro (of Italy), Banque Nationale de Paris (BNP) and Dresdner Bank (of Germany). The SFE itself was incorporated separately as a holding company in Luxembourg (for tax purposes) with its operational office in Paris.¹ It took 10–20% participations in European holding companies to assist in firms' restructuring and advised on M&A, but the main activity was taking part in medium-term syndicated lending, organised or led by other international banks, including the shareholding banks. SFE's loans to European businesses grew quickly from \$123 million in 1969 to \$215 million in 1970, mainly at medium to long term, and two thirds of the value was in Eurodollars rather than European currencies.²

While the loan portfolio of their common subsidiary, SFE, was the most obvious manifestation of the cooperation among the partners, the group also actively fostered other common interests amongst themselves. The regular meetings of the shareholding partners, and the ongoing discussions about the activities and organisation of the SFE brought these bankers into regular contact at both operational and senior management level. It is clear from the archives that this fostering of relationships to share information and expertise in a rapidly changing banking environment was a deliberate and conscious part of the original motivation to form the SFE. This familiarity was crucial in a quickly changing and unpredictable international economic climate.

Certainly, there were periodic tensions over ensuring that the SFE's business was complementary with those of the partners rather than competing; for example in the mid-1970s when the SFE management suggested that it wanted to embark more aggressively into fee-based merchant banking, several shareholding banks resisted expanding into this area, which would compete with their own business. By 1976 Banque Bruxelles Lambert went so far as to remark:

¹ SFE Luxembourg (total capital SwFr120m) had a 25% holding in SFE Paris (total capital FrFr 24 million). Barclays Bank share was FrFr3m.

² SFE Annual Report 1970.

Very much like many other similar organizations, the SFE with its present course no longer satisfies the ambitions of its promoters. It is no longer the holder of an original technique or a special know-how, which would make it a complementary vehicle to the parent banks. On the contrary, it is in direct competition with most of them. It is no longer an instrument of diversification or of sharing of risks.³

Barclays Bank and others agreed that the challenge for SFE was to remain complementary rather than competitive with its shareholding banks now that they were all directly involved in syndicated Euro-lending.⁴ In 1972 the members had agreed that while SFE should keep local partners informed of approaches to companies in their countries, they did not require prior permission to approach firms for business.⁵ Member banks also found it convenient to shift some assets off their own balance sheets and onto SFE when underwriting.

Nevertheless, the management commitment to the SFE remained strong through the early 1970s and the meetings of the *Conseil* of SFE were attended by the chairs and senior executives of the shareholding banks.⁶ The monthly management meetings were attended by senior representatives from each partner, and the quarterly supervisory board meetings brought the CEOs together on a regular basis. Staff of SFE were partly made up of seconded staff from the member banks, which further encouraged learning connections. These attributes were explicitly acknowledged as an essential part of the operations of SFE, which encouraged cooperation on matters beyond the SFE itself.⁷

The question of widening membership offers an interesting insight to SFE's strategic operations. In 1970 the Banque de Bruxelles began to consider joining a banking group and had both Orion Bank and SFE in its sights. Barclays tried to persuade Banque de Bruxelles to join SFE rather than their rival consortium bank, Orion, although Banque de Bruxelles expressed some disdain for SFE partners Algemene Bank and Dresdner.⁸ In the end, SFE successfully lured the Banque de Bruxelles to join at the end of the year. This demonstrates

³ Banque Bruxelles Lambert, 'Considerations of the Future of the S.F.E.', undated but likely January 1976. BBA 80/4163. In June 1975 Banque de Bruxelles merged with Banque Lambert to form Banque Bruxelles Lambert.

⁴ Note of monthly meeting of the SFE Directoire, 13 February 1976. BBA 80/4163.

⁵ SFE President Hartmann to Frederic Seebom, Barclays, 15 February 1972. BBA 804676.

⁶ Note, S.F.E. Visits, 4 August 1976. BBA 80/4163.

⁷ AFJ Dijkgraaf, President ABN, Letter to Managing Directors of Sumitomo Bank, 13 March 1972. BBA 80/4676.

⁸ Note, 7 December 1970. BBA 03/4617.

that there was clearly competition to get members, or at least to prevent other groups getting them.

A more controversial example, which shows the importance of personal and institutional relationships happened the next year. At the end of 1971 the board began to consider inviting a Japanese bank to join SFE, since Japanese corporations were entering the European markets in larger numbers. It was expected that a Japanese bank could channel this business to SFE. The suggestion came initially from Constant M. Van Vlierden, Executive Vice President of Bank of America, who was aware that Mitsubishi Bank was about to join Orion as an equal partner, and he identified Sumitomo Bank as a likely prospect for SFE.⁹ On the other hand, Barclays Bank promoted Mitsui Bank which they referred to as Barclays Bank's 'oldest friend' in Japan (i.e. main correspondent). Moreover, Dai-Ichi Kangyo Bank was a good prospect since it was Japan's largest bank and 'has let it be known that they look upon Barclays as their number one correspondent'.¹⁰ The discussion within SFE was prolonged, and in March 1972 Dai-Ichi Kangyo Bank approached Barclays informally to get a sense of whether they could join SFE.¹¹ They expressed their willingness to switch their main correspondent business more firmly to Barclays in London and to Dresdner in Frankfurt and even to consider shifting from Mastercharge to the BankAmericaCard to bring them closer to Bank of America. But the negotiations quickly became tangled in communication gaps.

The process of finding an appropriate partner had reputational consequences. As Barclays considered Mitsui and Dai-Ichi Kangyo, Van Vlierden of Bank of America went ahead and approached Sumitomo Bank informally, which created considerable embarrassment for other SFE bankers. The rest of the SFE board was cautious about diluting the shareholding further so soon after admitting the Banque de Bruxelles and there were banks from other countries like Canada, Switzerland and Sweden who were known to be keen to join SFE. Moreover, the new SFE management was in the process of reorienting the business more to merchant banking and diversifying beyond medium term lending. Nevertheless, once a majority

⁹ Letter Helmut Hausgen, to members of the Conseil de Surveillance of SFE, 22 December 1971. BBA 8/4676.

¹⁰ Nippon Kangyo had been a close correspondent bank for Barclays and Dai-Ichi Bank was a close correspondent of Martins Bank, which was subsequently taken over by Barclays. Both sides of the merged Dai-Ichi Kangyo Bank therefore had close correspondent connections to Barclays Bank. Note for Mr Lee, Japan, 7 December 1971. BBA 8/4676.

¹¹ Note for TH Bevan, SFE Admission of New Partners, 22 March 1972. BBA 80/4676.

decision was made to add a Japanese bank, Sumitomo was invited to join in July 1972, mainly because it had been first in the running due to the support from Bank of America.¹² Van Vlierden had played the board successfully.

The SFE is a particularly interesting consortium bank because it was the forum for the creation of one of the main banking groups, Abecor. The links between the two are helpful to understand the distinction between these forms and the tensions they tried to overcome. In February 1971 an 'inner club' of SFE banks (Algemene, Banque de Bruxelles, Dresdner and Bayerische Hypotheken-und Wechsel) signed a Letter of Intent to work more closely together with a secretariat in Brussels. The resulting 'outer group' (Barclays, BNP, Banca Nazionale del Lavoro) were invited to join but initially declined; the SFE cooperation was sufficient for them, although they later changed their minds and joined Abecor in 1974. The scheme deliberately excluded Bank of America, ostensibly on the basis that this was meant to be a way for European banks to confront the challenge of large US banks on their doorstep, although in practice Barclays bank officers believed that excluding Bank of America made it more palatable for the European banks who had partnerships with other American banks (e.g. Dresdner worked with Chase Manhattan in South America, Banque de Bruxelles had a joint venture with Chase Manhattan Bank in the form of the Banque de Commerce in Brussels).¹³ For Barclays, this raised diplomatic problems as they felt closer to Bank of America than to some of their continental partners, but at the same time they did not want to offend the European bankers. When they told the Executive Vice-President of the Bank of America in September 1971, Van Vlierden 'was clearly rather offended...and said continually that the Bank of America did not want to be in a Club if they were not welcome'.¹⁴ But both bankers wanted SFE to be successful and to continue to cooperate in that forum – although Barclays' CEO said that if Bank of America left SFE then Barclays would also resign. The value of Bank of America's participation was clear in the number and value of loans that they introduced to

¹² Letter AFJ Dijkgraaf, ABN to S. Nagamatsu, Managing Director Dai-Ichi Kangyo Bank Ltd. 26 July 1972. BBA 80/4676. Barclays Bank expressed its 'sorrow at this turn of events and stressed the close friendship which we felt for the Dai-Ichi Kangyo and that we hoped this would not affect our relations in the future'. Note for Lord Seebohm, 30 June 1972. BBA 80/4676.

¹³ Note for Sir Frederic Seebohm, SFE, 6 December 1971. BBA 80/4676. The Inner Club was led in part by Alexandre Lamfalussy, then the President du Comité de Direction at the Banque de Bruxelles.

¹⁴ Timothy Bevan note of Meeting of the Conseil de Surveillance of SFE, Frankfurt, 14 September 1971. BBA 80/4676.

SFE; at the end of 1971 they were responsible for introducing more than a third of the value of SFE's outstanding loans, the next largest contributor was BNP with 25%.¹⁵ This episode demonstrates the importance of American banks in the banking club/consortia movement. They were not exclusively European and opinions within the groupings diverged over their purpose.¹⁶

In the late 1960s, the increase in the volume of cross-border transactions coincided with innovation in computing technology to prompt a reconsideration of how payments could be made more cost-efficient. As noted above, cross-border payments were mainly settled through correspondent banking arrangements; banks had contractual bilateral agreements to effect payments on behalf of their customers. This required a message to be sent between banks to instruct payment, mainly through telex. But telex operated on a bilateral basis making it difficult to net transactions, and it required a large staff to insert instructions (often in complex code specific to each bank), which required further processing to decode at the other end. The back offices of banks swelled as the volume of payments increased. New computing technology promised to overcome the limitations of this tangled system of bilateral balances between banks. Several banks developed in-house systems, but clearly the largest gains were to be found in making inter-bank payments across firm boundaries more efficient. Managing the notification of instructions to make adjustments between banks' customers' accounts had become an unwieldy tangle of telex and paper. Standardising and automating the communications between banks would streamline the process and reduce costs for participants. The network externalities that could be achieved by including a large number of banks in any scheme meant that the banking groups were an ideal forum in which to design a common system to reap the benefits of cooperation.

At the end of 1969 SFE's members set up a Steering Group on cross-border payments with banks representing all the countries in the consortium (UK, Germany, Italy, USA, France) *plus* Switzerland, Sweden and Belgium. Officers from Barclays Bank and BNP wrote the feasibility report for an International Inter-Bank Message Switching System as an SFE document but

¹⁵ Note for Mr Bevan, SFE, 6 December 1971. BBA 80/4676.

¹⁶ Tim Bevan to Alexandre Lamfalussy, 23 November 1971. BBA 80/4676. Lamfalussy was later Managing Director of the Bank for International Settlements.

circulated it to other banks both within and beyond the SFE for comment (Schenk 2024). The basic designs were based on a hub and spoke structure of computer terminals in banks linked to central national message ‘consolidators’ through which messages would be distributed across borders. Although inspired within a banking group, it was not designed to be exclusive. Nevertheless, during the planning period in the early 1970s the banking groups architecture was still a key means of engagement.

The SFE plan was considered at a meeting of banks from EBIC as well as SFE in Frankfurt in December 1970.¹⁷ The European Advisory Committee (EAC) was a banking group formed in December 1963 by Midland Bank, Société Générale de Banque s.a. (Belgium), Deutsche Bank A.G., Amsterdam-Rotterdam Bank N.V. In 1968 EAC launched consortium banks European-American Banking Corporation and European-American Bank and Trust Co. in New York. The following year EAC partners reviewed the club structure and in 1970 formed a holding company, European Banks’ International Company s.a. (EBIC) headquartered in Brussels. Société Générale and Creditanstalt Bankverein Austria were invited to join. Banca Commerciale Italiana joined in 1973. EBIC also owned banks in Melbourne, Brussels, Hamburg and London in the 1970s. Once the SFE proposal was agreed as the plan around which other banks should build, EBIC became closely involved in the design and organisation of the Message Switching Project. EBIC had a computer committee that regularly discussed developments and agreed common group positions on key aspects, reporting back to EBIC members collectively about the steering group meetings.¹⁸ Five members of the EBIC Automation Group also sat on the SWIFT Board and, additionally, the Midland Bank representative and Group chair, P.J.V. Ashurst, joined the SWIFT Advisory Committee ‘which is responsible for advising directly the SWIFT General Manager on policy and related matters’¹⁹ Ashurst claimed that the EBIC Group managed to change the SWIFT constitution to

¹⁷ Report of the meeting of the Automation Group held on 20 February 1971. Verhagen (EBIC) Behrendt (Deutsche Bank), Mecklenburg and Ashurst (Midland Bank), Streckstra and Jones (Amsterdamse-Rotterdamse Bank), Dawans and Franken (Societe Generale de Banque).

¹⁸ European Advisory Committee (EAC), Memo by P.J.V. Ashurst 28 October 1974. MBA UK 0200/0749b. The EBIC Organisation/Automation Group met about four times per year.

¹⁹ European Advisory Committee (EAC), Memo by P.J.V. Ashurst 28 October 1974. MBA UK 0200/0749b. The Automation Group members that were also Directors of SWIFT were the representatives from Amsterdam-Rotterdam Bank, Creditanstalt-Bankverein, Deutsche Bank, Societe Generale de Banque and Midland Bank. Four other members were not on the SWIFT Board.

improve the representation of large banks as well as ‘exert[ing] considerable influence in the important technical development areas’.²⁰ He concluded in 1974 that ‘EBIC influence within the SWIFT Board is considerable and the interests of the Group and its constituent banks have not only been safeguarded but advanced’.²¹ The SFE consortium and EBIC banking club were thus instrumental to this initiative to standardise and network instructions for cross-border payments, which was soon re-named the Society for Worldwide Interbank Financial Transfers (SWIFT).

Conclusions

This paper has explored one of the most obscure but important areas of cooperation for the banking groups of the 1960s and 1970s: reform of the cross-border payments system, culminating in the creation of SWIFT, which remains the predominant payments messaging service.²² We have seen that the exponential growth of the Eurodollar financial markets and the continued expansion of international trade in the context of European integration were core motivations for cooperation among commercial banks in Europe, the USA and beyond. The shift in European banking business from the post-war focus on traditional commerce and payments toward the booming capital markets prompted banks to believe that new structural forms were needed. Since these forms of cooperation built on (and enhanced) established correspondent banking connections, it is no surprise that the reform of the cross-border payments system in the 1970s was born within these structures.

In the end, the banking groups and most of the consortium banks proved unsustainable as market conditions changed; the consortium banks competed with their owners in European capital markets, while the European clubs gradually drifted apart once the market motivation for them receded.²³ In line with these general trends, after providing disappointing results and increasing managerial difficulties, SFE was gradually wound up between 1988 and 1992. Nevertheless, this paper has emphasised how the founders of these cooperative organisations used them to invest in relationship-building not only between their institutions,

²⁰ European Advisory Committee (EAC), Memo by P.J.V. Ashurst 28 October 1974. MBA UK 0200/0749b.

²¹ European Advisory Committee (EAC), Memo by P.J.V. Ashurst 28 October 1974. MBA UK 0200/0749b.

²² www.Swift.com. S. Scott and Zachariadis (2014).

²³ Roberts (2021) records that of 55 consortium banks he identifies, only 5 survived to 1999.

but also among individual bankers in a dynamic and challenging market environment. Born within the banking groups movement, SWIFT was finally launched in 1977 as a cooperative organisation headquartered in Brussels that included American as well as European banks amongst its founding members. Although ignored in the historical accounts of banking groups, it is the most lasting and significant legacy of this era of cooperation.

References

- Altamura, C.E. (2017) *European Banks and the Rise of International Finance. The Post-Bretton Woods Era*, Routledge.
- Drach, A. (2024) 'An early form of European champions? Banking clubs between European integration and global banking (1960s–1990s)', *Business History*, 66(1), pp. 287–310.
- Levine, R. (1997) 'Financial Development and Economic Growth: Views and an Agenda', *Journal of Economic Literature*, 35(2), pp. 688–726.
- Mourlon-Druol, E. (2016) 'Banking Union in Historical perspective: the initiative of the European Commission in the 1960s-1970s', *Journal of Common Market Studies*, 54(4), pp. 913–927.
- Park, Y., and Zwick, J. (1985) *International Banking in Theory and Practice*, Addison-Wesley.
- Roberts, R., and Arnander, C. (2001) *Take Your Partners. Orion, The Consortium Banks and the Transformation of the Euromarkets*, Palgrave.
- Ross, D.M. (2002) 'Clubs and Consortia: European banking groups as strategic alliances', in Battilossi, S. , and Cassis, Y. (eds.) *European banks and the American challenge: Competition and cooperation in international banking under Bretton Woods*, Oxford University Press, pp. 135–160.
- Ross, D.M. (1998) 'European banking clubs in the 1960s: A flawed strategy', *Business and Economic History*, 27(2), pp. 353–366.
- Schenk, C.R. (2023) 'Telegraph to Tether: Challenges in the Global Payments System and the Struggle between Private and Public Interests', in Aliber, R.Z., Gudmundsson, M., and Zoega, G. (eds.) *Fault Lines After COVID-19*, Palgrave Macmillan.
- Schenk, C.R. (2024) 'Moving Money: redesigning the global payments system 1969-99', *Global Correspondent Banking 1870-2000 Working Paper Series*, 1(3).
- Scott, S.V., and Zachariadis, M. (2014) *The Society of Worldwide Interbank Financial Telecommunication (SWIFT); cooperative governance for network innovation, standards, and community*, Routledge.

Shanahan, M., and Fellman, S. (eds.) (2022) *A History of Business Cartels: International Politics, National Policies and Anti-Competitive Behaviour*, Routledge.

Sylla, R. (2002) 'United States Banks and Europe: Strategy and Attitudes', in Battilossi, S., and Cassis, Y. (eds.) *European banks and the American challenge: Competition and cooperation in international banking under Bretton Woods*, Oxford University Press.

Ul-Haq, R., and Howcroft, B. (2007) 'An Examination of Strategic Alliances and the Origins of International Banking in Europe', *International Journal of Service Industry Management*, 18 (2), pp. 120–139

Acknowledgements

This research was conducted as part of the ‘Global Correspondent Banking 1870–2000’ project which has received funding from the European Research Council (ERC) under the European Union’s Horizon 2020 research and innovation programme (Grant Agreement No 883758).

Published by the GloCoBank project

Address University of Oxford, Faculty of History, George Street, Oxford, OX1 2RL, UK

Contact GloCoBank@history.ox.ac.uk

Website www.glocobank.web.ox.ac.uk

ISSN 2752-7859

Any reproduction, publication and reprint in the form of a different publication, whether printed or produced electronically, in whole or in part, is permitted only with the explicit written authorisation of the GloCoBank project or the authors.

The *GloCoBank 1870–2000 Working Papers* series is part of a project that has received funding from the European Research Council (ERC) under the European Union’s Horizon 2020 research and innovation programme (Grant Agreement No 883758).

