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Framing the Crisis in Industrial Relations: Contrasting the “Fiat Case” and FCA-UAW Agreement

Francesco Nespoli

Abstract
Purpose - The purpose of this paper is to establish a new theoretical framework for analyzing communication in industrial relations, by describing framing theory from a new rhetorical perspective. To this end, the paper analyses and compares corporate and trade union communication in the Fiat Case, by also making reference to collective bargaining that took place in the US automotive industry in autumn 2015.
Design/methodology/approach - After putting forward a theoretical framework that combines framing theory with new rhetoric, the paper analyzes the communication strategies adopted by Fiat Chrysler and trade unions both in Italy and the USA.
Findings - The findings reveal that different national cultural contexts and industrial relations systems, and different public communication practices in collective negotiations has led to divergent dynamics, given way to different kinds of argumentation, even when the same company operating globally is involved. The findings also suggest that such a controversial strategy may fail to build both immediate and long-lasting consensus.
Research limitations/implications - This research proposes an analytical framework, which calls for future empirical investigation.
Originality/value - The paper adopts an unusual perspective for the analysis of industrial relations dynamics and draws scholarly attention to public communication practices, not just as a tool for gaining consensus but as a fundamental dimension in negotiations in the current social and industrial scenario.
Paper type - Case study paper.

Keywords: Communication, Rhetoric, Framing, Industrial Relations, Automotive, FCA, UAW, Fim, Fiom, Italy, USA.

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1. Theoretical Framework. The Notion of ‘Framing’

This article will repeatedly make reference to the notion of ‘framing’. While overly-used, this concept has gained relevance in academic research in the last fifty years. This terminology is widely employed across many disciplines. As for communication studies, it has been used to examine media representations. Only recently have scholars of communication studies made use of framing to investigate speakers’ statements, which come before media representations. Perhaps the very fact that no traditional links exist between political communication and the notion of a frame has led to literature promoting the application of framing theory to consider the latter as unrelated to rhetoric.

Yet the term ‘frame’, irrespective of the context in which it is employed, is always associated with words identifying concepts that form part of rhetoric. To some extent, ‘frames’ refer to the ability of a statement to affect audience interpretation, relying on some literary devices (metaphor, metonymy, and narration, among others) while establishing close links with concepts such as ‘emotions’ and ‘ethics’. In his 1993 article, *Framing: Toward Clarification of a Fractured Paradigm*, Entman, who at the time taught at Northwestern University, suggested treating framing as a paradigm to study communications, while arguing that “a literature review suggests that framing is often defined casually, with much left to an assumed tacit understanding of reader and researcher” (Entman 1993, 52). One might also note that the word ‘frame’ is also used loosely in English to refer to ‘a single complete picture in a series forming a film’ or to ‘the rigid structure surrounding something such as a picture’. The notion of a frame can thus be employed as a metaphor to denote a vague concept, which can be summarised as follows: the definition of a situation considering a number of relevant aspects.

Framing theory was construed in the field of sociology. In his 1974 book, *Frame Analysis. An Essay on the Organization of Experience*, Goffman suggested considering reality as a sort of representation, concluding that collective organisation is governed by framing. In other words, individuals would be able to constantly understand the world only thanks to interpretation schemes – that the author defines ‘primary frameworks’ (Goffman 1974, 24) – which are used to classify new information and give meaning to surrounding reality.

The notion of framing soon developed to gain a cognitive dimension, and it was with this meaning that the concept was also employed in other fields. Examples include Kahneman and Tversky’s 1979 seminal work in the disciplines of economics and psychology, which earned the former the Nobel Prize for Economics.
In their research, they examined how describing situations (framings) differently influenced people’s choices, leading them to make certain decisions. The most known examples to explain the so-called ‘framing effect’ have been made in the medical field. Yet in the context of this paper, reference should be made to Bazerman and their 1983 research. This Stanford professor presented participants with two different framings of a similar logical scenario.

In the first frame, a large car manufacturer has recently been hit with a number of economic difficulties, and it appears as if three plants need to be closed and 6,000 employees laid off. Management has been exploring alternatives to avoid this crisis:

- Plan A: This plan will save one of the three plants and 2000 jobs.
- Plan B: This plan has a one-third probability of saving all plants and 6000 jobs, and a two-thirds probability of saving no plants and no jobs.

In the second frame, the plans referred to above have been described as follows:

- Plan A: This plan will result in the loss of two of the three plants and 4000 jobs
- Plan B: This plan has a two-thirds probability of resulting in the loss of all three plants and all 6000 jobs but has a one-third probability of losing no plants and no jobs.

Evidently, both versions of plan A and plan B are equivalent. However, the participants who had been given the two frames provided inverted answers. In other words, 80% of those who had been presented with the first frame opted for plan A, while 80% of those who had been illustrated the second opted for plan B.²

Finally, framing has been employed in behavioural economics as an elementary, pre-linguistic tool, and defined as a ‘conceptual metaphor’ by Lakoff, who invented cognitive linguistics.

When integrated into embodied cognition-related theories, the model underlining framing theory sees cognition as consisting of a limited number of

² When examining the way framing is employed in political communication, reference should be made to linguistics. So far, this terminology has been introduced considering semiotics, by making reference to the work of Fillmore, Frame Semantics and the Nature of Language (1976). According to the author, making use of this terminology means referring to an interpretation context (Fillmore 1982, 116-117). This is the same approach adopted when framing theory is adopted by media representation, in that it is argued that the way the news is reported by communication means can influence the way the audience interprets it. This theory then moves away from some approaches, among others agenda setting and priming theory, in that frame analysis prioritises the way discourse is represented. In other words, the main question no longer is: “Which topics are we led to believe in?” but “How are we encouraged to interpret a given question” and “How should we think of a certain topic?”: This point was made by McQuail (1983 [2005]).
universal faculties and experiences. In a nutshell, human memory records perception and motorial experiences in a sketchy way, along with their emotional effects, to make it possible to compare them with similar experiences, establishing commonality and identifying chronological dimensions. Recent cognitive research – which has focused on how political language can be effective and produce positive outcomes – looks at the cerebral mechanisms developed by physical living which is perceptive, temporal, emotional and analogical. In terms of cognition, narration, framing as a metaphor, blending theory are all the result of analogical activities combining recorded experiences and feelings across space and time.

Some 25 years have passed by since Entman’s *Framing: Toward Clarification of a Fractured Paradigm*, yet referring to framing as a cognitive or a cerebral element is a difficult task. This is particularly the case when one wants to draw a line between framing and metaphor, metonymy, narration, which are all closely intertwined. These terms are all employed to denote realities in textual and cognitive terms.

Many of them (e.g. narration, metaphor, *pathos*) are part of rhetoric terminology, which was given fresh momentum in social and political settings following World War II. In the US, it was Kenneth Burke who favoured this revival, as it made use of rhetoric in a broader semiotic sense, considering the former as an element of human communication and describing signification and communication as interactive elements aimed at forming meaning, a sort of a persuasive continuum. As for Europe, new-rhetoric drew on Perelman’s and Olbrechts-Tyteca’s research, which aimed to develop argumentation theory, describing how human beings apply reasoning to all those knowledge domains where value judgments are involved.

Prospects, analogy and psychological conditions are all elements forming part of framing. If considered through the rhetoric lens, framing is less disrupting than it seems, at least when applied to political discourse. In rhetorical terms, framing has the same meaning as “topic”. Simply put, a frame can be regarded as a set of argumentative premises, hence the framing process is similar to classic *inventio*, that is the methodical search for commonplaces, premises, fundamental values and their hierarchies (Perelman, Olbrechts-Tyteca 1958 [2001, 90]).

Although without acknowledging a degree of continuity with new rhetoric, this is the trend that is ‘currently reported and that is nurturing a research field attempting to bring together rhetoric and cognitive sciences. As summarised by Venier, place-related discourse is important in that it “suggests how to

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3 A more detailed examination of the authors who contributed to defining the notion of a “frame”, see Nespoli 2018, 4-21.
speculate on the omnipresence nature of a modern topic (which is yet to be elaborated). This would give reflections on rhetoric new momentum” (Venier 2013, 654).

In consideration of the above, proper academic research entails employing framing to refer to an inferential structure inherent to language that is part of speakers’ culture and personal experience. A frame is thus a structure made available by language to a community of ‘message’ interpreters.

2. Justifying the comparison

Contrasting the system of industrial relations in place in Italy and the USA has become a widespread practice among experts in the field, especially since the merger between Fiat and Chrysler has led the two companies to share the same fate. While the theoretical perspective provided in the first paragraph of this article indeed allows one to contrast the communication aspects featuring the industrial relations systems under scrutiny, this theoretical background is not sufficient in itself to justify the usefulness of this comparison. This would also hold if the future of the US and the Italian automotive industry would depend on one industrial group. However, the following comparison is justified by the fact that the two contexts under examination feature a number of differences that might be worth pointing out.

2.1. Two Different Systems of Industrial Relations

The peculiarity of the industrial relations systems in place in Italy and the USA feature different rhetoric elements that emerge when looking at the external communication processes of trade unions and companies.

By way of example, US industrial relations are characterised by low membership rates. According to data provided by the OECD, trade union density in the US moved from an all-time high in 1999 (13.4%) to an all-time low in 2014 (10.7%). Conversely, Italy’s trade union density swung between 33% in 1999 and 37% in 2013.

The foregoing difference can also be explained by the distinct industrial relations models implemented in the two countries. One example of this is that, unlike Europe, trade union confederations and industry-based collective agreements are inexistent in the USA. Limiting the analysis to the automotive industry, there exist two levels of bargaining in the USA. Three different collective agreements apply at the national level, one for each automotive group. At the lower level of bargaining, plant-level collective agreements govern a number of specific aspects, among others work organisation, career advancement and labour grievances. According to the statute laid down by the
United Automobile Workers (henceforth: UAW), 740 local offices of the union – called locals – hold elections to decide upon industrial action and the particulars of the collective agreements concluded at the national and the plant level.

The UAW had already managed to clinch a collective agreement in all the facilities of the companies operating in the automotive sector as early as the end of the 1940s. Indeed, the years between 1950 and 1980 (Baldissera, Cerri 2012, 188) are universally considered the golden age of US unionism – especially in the sector under evaluation here – for a number of significant gains were obtained by the labour movement. Amongst others, the 1950 Treaty of Detroit set forth that the first collective agreement signed by one of the Big Three should be taken as a starting point in negotiations with the other two automotive companies based in Detroit, preparing the ground for so-called pattern bargaining.

In 1979, the UAW could pride itself on having 1,510,000 members. Yet the 1930s model of industrial relations would soon be challenged by overseas companies operating in southern states, owing to the fact that the latter implemented Japanese lean production. Significantly, the number of UAW members in 1990 was some 950,000, a 37% decline as compared to 1979. Nevertheless, the contractual power of trade unions was somehow affected by concession bargaining, which started to make inroads into union discourse. “Concession bargaining” did not mean that trade unions were willing to renegotiate past gains. Rather, they became aware of ongoing, industrial changes and opened up to the possibility of exchange-based negotiations, especially in relation to work organisation. The latter will bear significant relevance in US collective bargaining in the years to come (Ferigo 2012, 193).

“Jointness” is another concept that entered the scene in those years, although employers regarded that as employee “involvement”, whereas workers’ representatives preferred the word “participation”. At any rate, profit-sharing appeared for the first time in collective agreements in 1982. Furthermore, a number of joint bodies were established in the plants managed by the Big Three at the end of the 1980s. As pointed out in the 1993 collective agreement concluded by Chrysler, these bodies were tasked with amending agreements concluded at the national level, when this move was necessary to save jobs.

It is precisely these differences in the industrial relations dynamics in the two countries analysed that might arouse interest and prompt comparative analysis. In this connection, the collective agreements concluded at the Pomigliano plant in 2010 and 2011 have led many to talk of the “Americanisation” of Italy’s industrial relations, especially in relation to the advisability of setting up a single trade union. It is therefore interesting to look into this Americanisation process and its feasibility also in relation to the
communication strategies put forward by the unions. This would help us to understand the communicative implications resulting from labour movements operating in different cultural and economic contexts.

2.2 The Leading Role of the Automotive Industry

There are a number of aspects which are singular to the automotive industry which make the comparison between the Italian and the US cases deserving of further analysis. First and foremost, it might be fitting to point out that car manufacturing plays a significant role in both countries’ industry. In the USA, the automotive sector alone makes up between 3% and 3.5% of national GDP and until 2015 it employed more than 1,500,000 people (cf. Hill, Maranger Menk, Cregger, Schultz 2015). As for Italy, the data produced by the Association of National Automotive Industry Manufacturers (Anfia) tells us that there were 500,000 people employed in car manufacturing in 2015 (cf. Aa.Vv. 2015b). If one considers the full production chain – e.g. manufacturing and distribution – the automotive industry accounts for almost 5% of GDP.

As a result of this state of play, union-related issues in this sector have traditionally received significant media coverage in both countries (cf. Martin 2004, X e 72-101). It is precisely the interest of public opinion the aspect that is worth a discussion in examining the Pomigliano case and the negotiations entered into in 2015 by Fiat Chrysler Automobiles (from now on: Fca) and the UAW. The degree of media attention given to collective bargaining in the USA is somehow unusual if one considers that industrial relations are not a hot topic across the pond, especially on TV.

According to research carried out by Subervi from the School of Journalism of the Texas State University, only 0.3% of broadcast news in 2008, 2009 and 2011 concerned labour issues (organised labour, collective bargaining and strikes). However, the attention received by negotiations between Fca and the UAW can be explained by their controversial nature, especially considering that US history brims with violent demonstrations. In fact, it is this form of industrial action that was given wide media coverage in the past in the USA (cf. Pasadeos 1990) and this could also have been the case in 2015, as UAW’s declarations and the elections through which its members endorsed possible strikes seemed to confirm this approach. Significantly, the New York Times defined as “painful” the 5-month talks taking place in 2015, even though no protest took place in plants. Collective bargaining led to the conclusion of a new company-level collective agreement, which entered into force in November 2015, lasted 4 years and applied to all workers of the Big Three – Fiat Chrysler, General Motors and Ford. The new collective agreement contained significant gains for employees, among others pay raises and bonus
increases. Negotiations to reach agreement were marked by intense wrangling and were also affected by employee consent that was expressed through voting. The media were most interested in the relationship between trade unions and their members.

3. Framing the “Fiat Case”

Fiat’s saga began with talks about the revival of the Pomigliano D’arco plant, in the municipality of Naples (Italy). Restoring the company to its former glory has attracted wide media coverage and has become the most important IR topic ever discussed in Italy. Overall, this story lasted almost three years, if we only factor in the chain of events stretching from the presentation of the new Fiat plan, that took place on 30 March 2010, to the ruling of Italy’s Constitutional Court of 3 July 2013.

In 2010, Fiat reported a positive trend again, mainly the result of the profits made by US and Brazilian plants. Conversely, the plant based in Pomigliano D’Arco had halted production for more than one year. 4,600 employees were granted a wage guarantee fund and only half of them resumed work for three days a month. Not to mention that most of the area surrounding the plant was under the control of organised crime.

The plan put forward by Marchionne called for the need to provide the plant with a new platform, to make it possible to produce the new Panda, which at the time was manufactured in Poland. Management made clear the following conditions were necessary in order not to “miss out on favourable opportunities: plant maximum utilisation; flexibility as regards shifts and work days; internal mobility; reduction of anomalous forms of absenteeism”.

Talks with the worker representatives followed – which lasted 80 days and included 14 bargaining sessions – in which all trade unions participated. Fim, Uilm and Fismic issued a joint press release in which they stated that they were open to negotiations.

In the morning of 21 April 2010, the plan to save the plant of Pomigliano D’Arco became even more relevant in Fiat’s strategies. In his Turin-based office, Marchionne presented a 5-year industrial plan, consisting of some 100

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4 A detailed description of the events related to the Fiat saga is provided in Francesco Nespoli 2018, Fondata sul lavoro. La Comunicazione politica e sindacale del lavoro che cambia. ADAPT University Press.
6 Press release Fim-Cid, Uilm-Uil, Fismic 9 aprile 2010, Segreterie nazionali Fim Uilm Fismic all’termine dell’incontro all’Unione industriale di Napoli sull’ipotesi di riduzio dello stabilimento Fiat di Pomigliano, in www.uilm.it.
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pages written in English to investors, the media and trade unions. It was a plan aimed at expanding and internationalising the company, and which therefore required trade unions to agree upon special conditions.

On the following days, the pressure exerted by Fiat on the unions become evident. On 22 April, Marchionne released a statement specifying that investing in Pomigliano was dependent upon the conclusion of the collective agreement, stressing how detrimental it was for unions to have divergent views.

We will make a €20-million investment in the Pomigliano plant, although five years will be necessary to allocate it. I think that trade unions can settle for that […] We need to close down that plant and if we don’t, we cannot proceed with the investment […] Without the agreement no investment can be made. €700 million are awaiting that someone reaches agreement.

It was soon clear that there was little room for negotiation. The then secretary of Fiom, Gianni Rinaldini (who was later on replaced by Maurizio Landini), had not signed the joint press release dated 9 April, commenting on the current state of affairs as follows, “negotiations, as such, do not require trade unions to sign an agreement which has been imposed on them”. Fiom refused to discuss some of the terms of the agreement, especially industrial peace, which would have hampered its ability to engage in industrial conflict. But there were other aspects of the agreement about which Fiom was reluctant. Among them were work organisation, break adjustments, the fact that lunch breaks should be scheduled at the end of the shift, and the ERGO-UAS system to jointly assess production needs, work-related ergonomic issues and work fatigue, which faced considerable resistance as a tool to tackle absenteeism.

On 10 June, Fim proposed to Landini that they hold a referendum to decide whether the agreement under discussion at the time should be made mandatory on trade unions. After negotiating separately with Fiom, Landini argued against the current version of the agreement, irrespective of the result of the referendum. Therefore, Fim Cisl, Ulm, Fismic, Ugl and AQCF informed Paolo Rebaudengo, a Fiat representative, that they would accept the agreement put forward, scheduling the referendum for 22 and 23 June.

From this moment on, Fiom launched a massive communication campaign, introducing the “anti-constitutional” frame once the agreement had been signed. Fiom’s intention to engage in a communication campaign was clear if one looks at the letter Landini sent to newspaper and radio directors on 17 June 2010, titled ‘Pomigliano’s Separate Agreement’. In the message, Landini argued that the press coverage given to the story, although wide, was not

7 Fiat, Marchionne: «Per Pomigliano non investiamo senza accordo», in Corriere della Sera, 22 aprile 2010.
sufficient and much needed to be done to raise awareness of the fact that some fundamental rights were at stake. As for management, Marchionne released a few statements, stating his disapproval about the timing and the content of the public debate. On 18 June, he made a number of comments that seemed to break no agreement:

In newspapers and on the TV […] discussions are held about ideological principles which are no longer relevant, as they could be topical 30, 40, or 50 years ago. We still talk of conflict between an employer and a worker, which no longer exists […] As an industrialist, I do not identify with the comments made by Fiom […] As it is in the USA, we only need one interlocutor to refer to, not twelve8.

As far as internal communication was concerned, Fiat sought direct contact with staff, at least on three occasions. On 9 June 2010, a letter was sent to Pomigliano employees written by the plant manager, Sebastiano Garofalo9. An attachment to the letter provided a sketchy description of the terms of the agreement submitted to trade unions on the previous day. On 19 June, that is three days prior to the referendum, a torchlight procession was held in support of the “yes” vote, which was also covered by national TV news (TG3)10. According to Landini, the regime was behind this: “we have been told by many workers that Fiat management is contacting each and every staff member to ‘invite’ them to take part in the demonstration”11. After the alleged pressures made on employees to join the torchlight procession, Fiat sought to make further contact with staff. On 22 June, that is the first day of the referendum, an explanatory DVD was circulated at the plant, and some employees had already received it via post12. At the beginning of each shift, workers were shown the footage, and subsequently some time was devoted to questions and to further extrapolation of the terms of the agreement. This incident led Landini to denounce the illegitimate nature of these meetings and the climate of intimidation in which they took place. As recounted by workers who were Fiom members, Cgil’s regional office too distributed some leaflets, surprisingly encouraging workers to vote ‘yes’ (D’Alessio 2011, 88). The Cgil general secretary, Guglielmo Epifani, followed suit, although in a more covert fashion. Yet the Fiom collective decided to act

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9 La lettera ai dipendenti del direttore dello stabilimento Fiat di Pomigliano d’Arco, in Il Sole 24 Ore, 9 giugno 2010.
10 In https://t.co/5Y09y2xm1B.
on its own. It created a Facebook group and called it ‘Pomigliano does not bend’ (Pomigliano non si piega in Italian). On the morning of 24 June, around 6 o’clock, Fiat workers were informed about the first results of the referendum, with many journalists and television crews that gathered at the Pomigliano plant. The agreement was approved by 2,888 people, that is 63% of votes validly cast, while those opting for NO were only 37%. As pointed out by the press, this was neither a plebiscite, as hoped by Marchionne, nor Fiom’s complete defeat.  
The final approval to the investment would only arrive on 9 July, concurrently with a letter of consent signed by trade unions endorsing the investment. Significantly, this letter also imposed a further condition, namely that of setting up a new company, which was not referred to in the agreement for which the referendum was held. The new company was called Fabbrica Italia Pomigliano, and was not a member of Confindustria. At some point, the media coverage given to Pomigliano started to dwindle. In the following months, discussions concerning the Turin-based Mirafiori plant resembled those taking place around Pomigliano D’Arco. The draft agreement negotiated for Mirafiori was finalised between October and December 2010, concurrently with the withdrawal from the national collective agreement in force at the time and with the launch of the ‘Fabbrica Italia Pomigliano’ project. On 23 December 2010, Rebaudengo informed union representatives that the company intended to set up a joint venture between Fiat and Chrysler. To this end, a referendum was scheduled for 14 and 15 January, in which 5,431 workers participated. As it was with Pomigliano, the media and those opposing the company’s move gathered around the plant on the days of the referendum. Coverage of the Fiat saga reached its peak in the 2009–2015 period.

13 See the article Referendum di Pomigliano, vincono i sì, ma non c’è il plebiscito: i contrari al 36%, in Corriere della Sera, 22 giugno 2010.
Figure 1. Fiat Coverage in the TV News, 2010-2012

The outcome of the referendum was uncertain, because never in the last fifteen years have “yes” voters won in the Mirafiori plant. Yet this time advocates of a joint venture won by a narrow margin. The vote of white-collar workers was decisive to ensure victory, especially in consideration of the fact that among blue-collar workers the “yes” vote prevailed only by 9 points. Overall, ‘yes’ voters were 2,735 out of 5,060 (54% of the electorate).

After promoting the Mirafiori agreement, the discussion between Fiom and Fiat mostly concerned some legal aspects, which were frequently intertwined with communication ones. The collective agreement signed for Fabbrica Italia Pomigliano made reference to Article 19 of the Workers’ Statute, according to which only trade unions that signed the agreements related to each production unit have the right to set up company-level representative bodies. Against this backdrop, Fiom was not entitled to participate in the election of bodies representing workers at the company level. For this reason, they filed an appeal to the Tribunal of Turin to challenge this decision, which gave rise to the issue of the constitutionality of Article 19. On 3 July, a ruling of the Constitutional Court determined that the foregoing article was unconstitutional, as amended by the referendum of 1995. Namely, the disputed paragraph was the one establishing that company-level union representation should only include those unions that signed the collective agreement concerning each production unit, thus also excluding those that participated in relevant negotiations (Fiom’s
case). In spite of significant press speculation, Fiom did not take part in the election of the company-level representative bodies, nor did it participate in negotiations for the collective agreement, the terms of which did not distance themselves from those arrived at when the Pomigliano agreement was laid down. On 21 November, Fiat issued a number of letters through which – starting from 1 January 2012 – the company withdrew from the 19 agreements applied at the company-level and from the national collective agreement. On 13 December 2011, the final version of a new collective agreement was signed by Fim, Uilm and Fismic at the office of Unione Industriale Torino. No worker was dismissed and pay was increased by an average of €360 per year before taxes (some €30 per month). Starting from 1 January 2012, Fiat applied its own collective agreement in all its plants.

3.1 Critical Considerations on the Italian Case

By examining the news broadcast in the prime evening hours between 2009 and 2015, it emerged that in 2010 the Fiat saga was treated as a political issue, as the number of Fiat-related stories featuring political content was higher than those in which no reference was made to politics (Nespoli 2018: 186). Media coverage was relevant especially if one considers that at the time of the facts, trade unions made little use of social networks. Suffice it to say that in 2010, Fim-Cisl, Uilm, Fismic did not even have an official Twitter account, so they lacked a strategy for social communication. As seen, it was workers themselves that set up a Facebook page to encourage their peers to vote ‘no’. Leaders opposing rhetorical approaches were based on the traditional topics of new management and Marxism. On the one hand, the amendments to working conditions were pictured as a way to share responsibilities and involve employees, bringing together different skills under the same organisational culture. On the other hand, cultural differences were the result of certain employee status, and the changes made to work organisation were seen as a way to review the rights of workers represented by the national agreement, by legislation, the Constitution and the European treaties.

Prior to the Pomigliano referendum, the contrasting rhetorical views complemented one another, and it is company-level communication that provided the antagonistic approach with elements that could be challenged. In communication terms, Marchionne’s words somehow justified Landini’s re-

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14 In the press, the article by Maresca, *Ma tra il Lingotto e la Cgil i rapporti non cambieranno*, in *Il Sole 24 Ore*, 4 luglio 2013, which can be found in *Boll. ADAPT*, 2013, n. 26, seems to take a different approach. In the union, Di Maulo (Fismic) observes that “Fiom has never taken part in negotiations, so it falls outside the scope of application of the ruling” (cf. footnote 142).
framing, which was based on retaliation. Marchionne and Fiat created a link between the result of the referendum and the future of the plant. Marchionne's communication also involved business sustainability. Describing the Piano Fabbrica Italia, he did not refer to it as a plan to save the company, but as a tool to relaunch production and ensure corporate stability. Consequently, his view was that company needs and social interests are not opposed, and a balance should be stricken between them, with the support of institutions and the social partners.

Signatory trade unions struggled to communicate the terms of the agreement and how they contributed to negotiations. Because of the controversy resulting from company and union rhetoric, trade unions were often considered as seeing eye to eye with management. Indeed, they gradually accepted all the terms imposed by the company in order to have a say on work organisation and interact with company representatives from within.

It should be pointed out that Marchionne did not look favourably at the choices of the unions which, especially since the Pomigliano agreement, represented the majority of workers at Fiat and Chrysler plants. In this respect, it is worth touching upon the US case, where the relations between Marchionne and trade unions changed significantly earlier than they did in Italy, giving rise to some fascinating communication practices from both sides.

4. The Fca-UAW saga

4.1 “Tier 2” and the New Remuneration Scheme

In order to put the issues under examination into perspective, we need to go back to the 2007-to-2009 period, that is when the US financial crisis reared its head, bringing about serious implications in the car industry (one might note that GM and Chrysler warded off bankruptcy only thanks to the help of the federal government). In 2010, the UAW reported the lowest number of members since World War II (355,00), and unlike the past, trade unions were compelled to make a number of concessions, particularly concerning the cost of labour. Unlike other car manufacturing companies, Fiat agreed to support the US government in its bid to save Chrysler, though this would come at a stiff price: seven plants were shut down in the following two years, decreasing to 13 the number of operating factories. The UAW played a key role even after Fiat took a 20% share in Chrysler, as the union still held 68% of the membership interests in the company, thanks to a retirement fund (Veba). It was Chrysler’s shaky financial conditions that prompted trade unions and management to work in harness. In exchange for the company’s rescue plan, Marchionne
managed to obtain from union representatives the limitation of certain professional classifications and the promise not to engage in industrial action until 2015. Yet the most important concessions made by trade unions was the opportunity provided to management to hire new workers by making use of so-called Tier 2, a special, two-tier remuneration scheme in place since 2007. Because of this new remuneration system, newly-hired staff would be paid significantly less than senior workers (€15/19 against €28 per hour).

In 2010, Marchionne released a forthright interview to the Wall Street Journal¹⁵, arguing that “UAW’s leadership understands our situation fully […]. We’ll be fine as long as we agree on the need to be the most competitive company”.

Starting from 2011 – that is the last year the collective agreement signed prior to that concluded in October 2015 was in force – Tier-2 was applied. This means that those workers hired under this remuneration scheme had no possibility to reach the same remuneration levels as those recruited previously.

Five years later, data proved Marchionne right. In January 2015, orders at Fiat Chrysler Automobiles grew by 14% in January 2015 – an all-time high since 2007 – reporting increases in sales for the 58th consecutive month. Accordingly, Fca – as well as Ford and GM – managed to shore up their finances right before entering into negotiations.

However, an unexpected turn of events took place on 9 June 2015: Al Iacobelli, Fca’s HR manager and negotiator resigned, with Glenn Shagena who soon took his place. The appointment of Dennis Williams as UAW President did not bode well, either, as he was determined to win back the concessions given up in 2009. Such willingness on the part of trade unions to fight tooth and nail can be summarised by the motto “it’s our time”. This slogan was printed on all the T-shirts worn by union representatives during the annual convention, was forcefully reasserted on several occasions in public statements and even appeared at the foot of the document accompanying the collective agreement concluded in September.

In 2015, lower labour costs helped Fca fare better than its competitors. On average, the labour costs at Fca were reported at being at $48/hour, thus well below the $55/hour and the $58/hour applied at Ford and GM, respectively. In this sense, trade unions made an attempt at restoring the limitations to the Tier 2 remuneration scheme that were previously in place. Conversely, Marchionne aimed at favouring early retirements and introducing performance-based pay for newly-hired staff.

The above helps us to better appreciate the controversial statements made by Marchionne on several occasions (31 October 2011, 6 May 2014, 12 January, 2014).
14 July and 15 July) when he dismissed the two-tier remuneration scheme as “not viable over the long run”, “almost offensive” and “unsustainable”. Union members were flummoxed by Marchionne’s words, as they thought that Fca management and union representatives shared the same views in relation to this form of pay.

It was estimated that Fca would be more affected than its competitors by this new remuneration policy. This was true in consideration of the fact that the collective agreements concluded between the UAW, GM and Ford already established caps on the number of workers they could hire. According to the UAW, the share of new hires out of the total workforce at GM and Ford in 2015 was 29% and 20%, respectively. At Fca, this percentage would rise to 45%. On 6 August 2015, Marchionne held a press conference in a relaxed atmosphere announcing the beginning of negotiations and reasserting the willingness to continue collaboration with union representatives. Commenting on rumours of a possible merger with other car manufacturing companies, Marchionne was keen to point out that: “Whatever happens in terms of consolidation, it would never ever be done without the consent and the support of the UAW. It’s that simple”.

In a surprising move, on 13 September 2015 the UAW announced that Fca would be the main negotiation party in the auto industry in the new bargaining session. This aspect was anything but trivial, in that pattern bargaining provides that the terms agreed upon in the first collective agreement would also apply to the subsequent ones, i.e. those concluded with GM and Ford.

Significantly, Fca was the weakest of the three automotive companies financially. Moreover, the UAW granted it the most generous concessions between 2007 and 2009, when Fiat saved Chrysler. Ideally, these two aspects would make it easier for the union to make claims and obtain gains that both Ford and GM would be compelled to accept. Therefore – and just three days after Fca was designated as the main negotiation party in collective bargaining taking place at the industry level – a preliminary version of the new collective agreement was agreed upon. The news of the agreement was broken in a press

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17 See the video Q&A – Kick-off of UAW and FCA U.S. 2015 Negotiations, in https://www.youtube.com/watch?v=-4UPZdG1x70.
conference, with many commentators that stressed the singularity of this event. The first tentative agreement did not set aside the two-tier remuneration scheme in a strict sense, as it only set forth that wage disparities between workers with different seniority would be reduced. Specifically, staff hired after 2009 would be immediately entitled to a pay raise ranging from $17 and $24, depending on seniority. In addition, these workers would be granted a minimum wage of between $22 and $25 per hour by 2018. Nevertheless, veterans (e.g. senior workers) were entitled to a maximum hourly wage of $28 and a pay raise leading them to earn $30 per hour, at most.

As seen, the UAW’s statute determined that the collective agreements concluded by the union had to be approved by members through voting. On 15 September, trade unions announced that – pending members’ approval of the draft agreement – the collective agreement previously in force would be extended on an hour-by-hour basis, that is without setting a deadline and ruling out the possibility to engage in industrial action. Union members met this move with mixed reactions.

The post that was issued on Facebook with which the union broke the news was shared 920 times, received 581 likes and was commented by 360 viewers – an all-time high in terms of statistics. Many rounded on the union for this move – as it was interpreted as a sign of weakness – while others berated union representatives for providing little information («I want an hour by hour update then», «The local news will probably tell our contract before our union do something»…). On 1 October, the UAW reported that 65% of members voted against the terms of the contract. Only in 1982 did the elections produced a similar outcome. Dennis Williams argued that “We don’t consider this a setback; we consider the membership vote a part of the process we respect”, while the company issued a press release voicing its disapproval, although specifying that “The company will make decisions, as always, based on achieving our industrial objectives, and looks forward to continuing a dialogue with the UAW”.

At this point, the UAW was faced with three choices: interrupting negotiations with Fca and starting bargaining with the other two companies, holding a new round of elections in relation to the same tentative agreement, or discussing its

19 The Comments made on Facebook can be seen at https://www.facebook.com/uaw.union/posts/10153499236231413.
20 A message from UAW President Dennis Williams, in https://uaw.org, 5 October 2015.
terms again. The union chose this latter option, allowing that some shortcomings in the union communication strategies contributed to the rejection of the first version of the tentative agreement. This aspect was evident in the closing remarks of the statement issued by Dennis Williams on 5 October, where the UAW President promised to provide more regular information and asked members to be wary of news found on unofficial websites and social profiles: “Outside groups like to stir people up. You, our members need to make decisions based on what’s best for you and your families […]. We are going to continue to bargain on your behalf. We are also going to tell the whole story. This is a very serious situation. I ask that you get the facts as we continue to address your issues. Over the next several days we will be posting more facts and explanations, hoping to get these facts into your hands. Please keep checking Uaw.org and the Uaw International Union Facebook page for updates.”

Williams made reference to the World Socialist Web site which, during the first election round, disseminated unofficial information, promoted the establishment of groups opposing the agreement and organised demonstrations outside Fca plants “by using social media”.

Change was evident in the communication strategy put in place by the union. Thanks to some journalists of the Detroit Free Press, word got around that the UAW had concluded a contract with Berlin Rosen, a New York-based press agency specialised in political communication. An information campaign on social media followed through which the particulars of the negotiation process and the terms of the new agreement announced on 9 October were broken down.

The second agreement laid down pay raises for veterans, too, paving the way for the harmonisation of remuneration levels, which took place in the following eight years, that is to say during negotiations for a new fourth-year collective agreement. On 20 October, the UAW broke the news that the tentative agreement was approved by 77% of voters and was also used as a basis for negotiations with GM and Ford.

The bargaining process between GM and the unions was also fraught with difficulties. On 6 November, the production workers voted in favour of the tentative agreement, whereas the skilled workers rejected it, as had been the case twice in the past. Under the UAW’s statute, the agreement cannot be ratified without discussing it with skilled workers. This system has been

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22 A message from UAW President Dennis Williams, op. cit.
23 Something along these lines already took place in 2011, when a situation marked by difficult negotiations on certain concessions and low membership rates was worsened by the involvement no-union plants (cf. Baldissera, Cerruti 2012, 201).
24 This is similar to what the UAW negotiated for Canadian workers in 2012.
criticised by specialised journalists (many have even defined it as “the imbroglio of skilled workers”) and the union became an easy target for those who accused it of backwardness and reluctance. Nevertheless, after two weeks of uncertain and secret negotiations, the union demanded an amendment to the collective agreement concerning the employee grading system and the way seniority increases were calculated, which were also welcomed by GM workers.

The union was also engaged on another front, because another draft agreement was concluded with Ford, although member approval was pending. Also in this case, the possibility of having the agreement rejected was all but a remote one. The first results seemed to bode well, but things changed following the vote cast by workers from larger plants. All those concerned were on tenterhooks, because they were aware that approving or rejecting the terms of the collective agreement would depend on a handful of votes. Indeed, only 52% of union members endorsed the new collective agreement concluded between the UAW and Ford. On the same day, an accord with GM was also clinched following a second round of elections.

It was as though union members’ feelings of uncertainty leading to the disapproval of the agreement put forward by Fca had given way to growing confidence, which resulted into the few amendments made to the accord entered into with GM and the conclusion of the early version of the one concluded with Ford. The new arrangements were met with mixed reactions by experts, too. However, there was agreement on the fact that the three agreements laid down better terms for employees. Overall, two frames were used by the media to break the news. Alisa Priddle and Brent Snavely of the Detroit Free Press spoke of “years of labor peace and prosperity as the industry heads to record U.S. sales”. The New York Times Editorial Board also praised the agreements, stressing that this is an example of “what a union can do for the US middle class”, with implications that would be seen in the US automotive industry at large. The assumption that the recent gains obtained by the union with the Big Three would increase union presence in non-unionised companies was not a far-fetched one. A nice example of this was the unionisation process taking place at the Volkswagen plant in Chattanooga, which came after many and unsuccessful attempts to establish a union presence in southern companies. The New York Times went on to say that the

25 This is the comment made in a tweet by Larry P. Vellequette from Automotive News (https://twitter.com/LarryVelleque/status/66770407762743296) concerning the article by M. WAYLAND, UAW skilled trades workers lack veto power, in The Detroit News, 19 November 2015.
27 Auto workers point the way to higher pay, in The New York Times, 26 October 2015.
agreement concluded by Fca would also reaffirm “the power of unions to use the threat of a strike to demand a fairer share”.

An anti-union sentiment characterised the second communication strategy and prevailed in many comments released at the time. Joan Muller of Forbes talked of a “union which is not a union”\(^{28}\), while Detroit News’ editorialist, Daniel Howes argued that these agreements were the result of a “powerful union” and “weak companies”\(^{29}\), envisaging a step backwards in the industrial relations system of the automotive industry. The best possible balance between remuneration levels and number of jobs had been the one reported in the pre-crisis years, while the gains obtained by the UAW would hint to a return to some union privileges in place in the past, among others the Jobs Bank\(^{30}\) and the Cost-of-Living Allowance (COLA), the latter defined by Howes as “a wage escalator masquerading as a cost-of-living adjustment”. This latter frame points to a sort of trade-off between work quality and number of jobs provided.

4.2 Events and Critical Considerations

Looking at the negotiations entered into in the US between Fca and the UAW, one cannot fail to note that the way events are recounted followed a different path from the account of the bargaining session taking place at the Pomigliano plant. The peculiarity of the Italian case – especially when compared to the US one – can be seen when considering the letter sent to Chrysler workers by Marchionne soon after the merger with Fiat\(^{31}\). The new company structure was defined by the CEO as a breakthrough which “marks a new beginning for Chrysler and the North American automotive industry”. In this sense, the role of workers was also acknowledged: “You have been through a great deal of hardship and uncertainty over the recent past and I want to start by recognizing your commitment to Chrysler and acknowledge the many sacrifices you have made to help get an American icon back on its feet”. Marchionne thus recognised the sacrifices made by employees in the name of a company epitomising American culture, relying on their willingness to prosper again “For those reasons, today is a day for optimism”. It was only after praising the qualities of employees that Marchionne invoked their sense of

\(^{28}\) J. MULLER, When a union isn’t a union: A weakened and divided UAW struggles to get workers to march in step, in Forbes, 19 November 2015.


\(^{30}\) This programme enabled unionised workers who were dismissed to be paid 95% of their remuneration. This scheme was set aside by the UAW in 2009.

\(^{31}\) The article is available on Boll. ADAPT, 2009, n. 17, New CEO Marchionne outlines Chrysler Group’s future.
responsibility, which is prompted by their pride for being American and linked to the role of the CEO. It seems as though little to no barriers existed between workers and management: “I ask each one of you to take on a leadership role and work with me to restore Chrysler to being a fully competitive and profitable company once again”. At this point in the letter, Marchionne attempted to increase his credibility by referring to his 5-year experience as Fiat CEO, during which staff was given high levels of accountability: “[…] most of the people capable of remaking Fiat had been there all the time. Through hard work and tough choices, we have remade Fiat into a profitable company that produces some of the most popular, reliable and environmentally friendly cars in the world […]. […] we created a culture where everyone is expected to lead”. It is therefore the Italian case that has been used as an example in the American context. This was notwithstanding the different challenges unions in the two countries were dealing with. Indeed, the concessions made by US unions were far more generous than those made by their Italian counterparts (among other things, workers in Italy were not asked to reduce their pay32). This is the reason why in his interview with Paul Ingrassia for the *Wall Street Journal* in 2010, Marchionne was keen to thank to both US workers and trade unions33. During that conversation, Marchionne seemed to forebode the negotiations that took place at the industry levels in the autumn of the same year. Questioned about the possibility of union to share the fruits of a Chrysler recovery, he says, “well, that’s a conversation I’d like to have”34. If we restrict our analysis to the statements issued by Marchionne between the summer and the autumn of 2015, “sustainability” and “reaction” were the two frames, which were both the result of the Tier-2 remuneration scheme.

The “reaction” frame was picked by the union on several occasions when referring to the opportunity of winning back the concessions made in 2009 and

32 The agreement concluded at the Pomigliano Plant did not provide for wage cuts, and even the reduction of the time allowed for rest periods was compensated with pay increases. In April 2015, management and trade unions discussed about variable pay. On several occasions, FIOM has reported that an Fca worker can earn less that what established by the national collective agreement. Instead, FIM has pointed out that the first-level specific contract concluded by Fca, the average remuneration is higher than that specified in the collective agreement concluded at the national level and that a share of profits is distributed among all workers. Equally in this case, the two arguments made are correct but are intended to support different conclusions. A comparison can be done by looking at the FIOM flyer *CCNL vs CCSL*, in *iMeC*, 2017, n. 1, and at the press release issued by Fim Cisl on 25 January 2017, *FCA, Ulivano ai lavoratori 307 euro mensili e 1.230 euro di premio annuo, più investimenti e lavoro. E la Fiom?*

33 P. INGRASSIA, op. cit.

34 Ibid.
was summarised by the motto “now it’s our time”, which was chosen by Dennis Williams. This would translate into the setting aside of two-tier remuneration system, which means granting newly-hired staff the same pay as those hired before 2009. In this sense, UAW members’ disappointment with the first draft of the tentative agreement could be ascribed to the ambiguous terminology employed to explain to them that the two-tier remuneration system would be shelved. In January 2015 – and although making reference to the arrangements made with Ford and not to those in force with Fca – Dennis Williams made use of the expression “close the gap” when speaking of the contractual terms that the union would gradually obtain: “Our workers have sacrificed and this is just a milestone within our contract to begin to close the gap in rewarding all of our members” [emphasis added]. This wording is misleading in that it had been used by car manufacturers since 2008 to refer to the need to reduce labour costs to keep up with non-unionised foreign companies based in the US southern states.

This is the same goal pursued by Marchionne during the press conference held prior to enter into negotiations with the UAW. Within the frame of increased sustainability, he pointed out that the two-tier remuneration scheme was “unsustainable” and referred to “a path” to shelve it. Indeed, he stressed that “there is as much as a 50% chance that the UAW and Fca US will effectively eliminate the two-tier structure in this round of negotiations.” It is significant that the process outlined by Marchionne should be considered against employee performance, as he also hinted at other measures, such as performance-based pay and profit-sharing schemes: “We are going to try our darnedest to close it up […]. We need to design a career path for people who come into this business that tells them that if they work hard they can get there.” The gradual implementation of the initiatives agreed upon was also evident on the day Fiat CEO announced the tentative agreement: “The team has crafted together a very thoughtful process, where the issue will go away over time.” However, a difference can be seen in the language used by the union to outline the agreement with Fca. Specifically, in the Contract Summary, the words “to close” and “bridge” were reformulated as follows: “narrowing the gap in wages and benefits.” From a strictly linguistic point of view, “to close” implies actual wage equalisation, whereas “to bridge the gap” only entails filling a vacuum, so it did

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35 UAW President Dennis Williams and UAW-Ford Vice President Jimmy Settles announced today that the union is delivering on its promise to convert workers, in www.prnewswire.com, 30 January 2015.
36 B. SNAVELY, FCA CEO Marchionne aims to eliminate 2-tier UAW wages, cit.
37 Ibid.
not necessarily refer to harmonising remuneration levels. The latter option was indeed the one laid down in the first version of the tentative agreement that was subsequently rejected. The agreement provided for benefits and insurance arrangements that placed newly-hired staff and veterans on the same footing, although not in terms of remuneration. The new contractual conditions were indeed well summarised by the expression “to bridge the gap”, which was dear to Dennis Williams.

As seen, the meaning attributed by workers to the motto “this is our time” was that they would be entitled to the same remuneration as their senior peers, especially considering the union’s pledge to tackle disparities. However, reference has already been made to the fact that, beginning from 2018, a $5-per-hour difference would have existed between new and senior staff members, had the first version of the agreement been approved. Furthermore, Williams’ words referred to workers as a sort of uniform category, thus failing to consider that there were significant differences among them in terms of remuneration, even after wages were adjusted upwards. The motto chosen by Williams hinted at employee subordination to management. Consequently, after being compelled to make a number of concessions for the sake of survival, workers were then ready to voice their claims again all together. Dennis Williams employed the terminology “to bridge the gap” as early as 5 June 2014 to point out the disparity between “rich and poor people in the USA”\(^40\). But the UAW referred to workers as a continuum on many occasions. On the sidelines of a meeting with other trade union representatives that took place at the Wayne State University on 22 April 2015, Williams posited that “What I’ve said all along is bridging the gap is not just about wages at the Big Three or wages with UAW members, it’s about society as a whole”\(^41\). The same happened on 30 January 2015, when the UAW Vice-President, Jimmy Settles, described the setting aside of the two-tier system as a first move towards the establishment of the minimum wage: “It is our time to show America that the road to the living wage begins now”\(^42\). It was precisely the pay disparities among workers the disvalue highlighted by the World Socialist Web Site\(^43\) in its conspiracy theory: “In the name of “closing the gap” between senior (tier one) and newer (tier two) workers, the wage ceiling for tier two workers will

\(^{40}\) The President employed the word “to eliminate” when referring to the two-tier system: “We are all committed to eliminating the two-tier system”: cf. B. WOODALL, *UAW’s Williams to U.S. automakers: no more concessions*, in Reuters United States, 5 June 2014.

\(^{41}\) M. WAYLAND, *UAW, automakers look to bridge the gap*, in The Detroit News, 22 April 2015.

\(^{42}\) *Ford on verge of promoting newer UAW hires to top-tier pay for first time*, in Automotive News, 30 January 2015.

\(^{43}\) *Cf. The UAW-Fiat Chrysler deal: A conspiracy against autoworkers*, in World Socialist Web Site, 17 September 2015.
reportedly be gradually raised over eight years from $19.28 an hour to approximately $25 an hour. This is significantly less than the $28 currently received by tier one workers, who have endured a decade-long wage freeze that has sharply cut their real wages (adjusted for inflation). They will be driven out of the plants by means of grueling work schedules and other measures. The result will be a work force uniformly paid substantially less than what Big Three workers received a decade ago”. They went on so far as to argue that the imbroglio was also evident in linguistic terms “By means of “profit sharing” arrangements, nominal wage increases will increasingly be tied to increased levels of exploitation”.

The lack of statistics or interviews makes it difficult to assess the effects of the conspiracy theory put forward by the UAW opponents on union members. Yet it is interesting to note that this theory is based on the wording “closing the gap”, which might hide higher levels of exploitation. At any rate, the “tremendous gains” mentioned by Williams in his letter to workers were rejected by a large majority of workers. On close inspection, socialists’ conspiracy theory was not aimed at pointing out a form of blackmail, but at highlighting that the agreement would undermine workers’ rights. The lack of communication and necessary information on the part of the union – which formed the basis of the conspirers’ allegations – makes the theory fairly plausible. The fact that both the union and management failed to disclose enough information was evident during the press conference where the tentative agreement was announced. As the socialists pointed out, on that occasion the accord was only announced, not presented: at the press conference, both Williams and Fca Chief Executive Officer Sergio Marchionne refused to reveal any details of the agreement. This aspect was stressed again in a tweet with which the article referred to was made public: “The #FiatChrysler deal: A conspiracy against autoworkers: Nothing the #Uaw says can be believed”.

While the author of this paper does not agree with the conspiracy theory, one cannot fail to note that the reasoning underlying their allegations might not seem completely far-fetched when considering the UAW’s response to them, especially if an employee perspective is taken. We have already seen that the post published on Facebook on 15 September 2015 announcing the renewal of the previous collective agreement pending the referendum – which recorded the largest number of “shares” – received many negative comments from members, who accused the union of providing little information (see par.

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45 The UAW-Fiat Chrysler deal: A conspiracy against autoworkers, cit.
46 World Socialist Web Site, in https://twitter.com/WSWS_Updates/status/644647435319570433.
2.4.3). This shortcoming was fully acknowledged by the UAW, up to the point that a contract was signed with Berlin Rosen – a communication consulting firm – and some positive effects could soon be seen in the information provided via social media and the production of informative materials. Significant differences emerged in terms of communication quality and quantity if one looks at the information disseminated by the UAW during the 2015 bargaining session, viz. Facebook posts, tweets, videos uploaded on YouTube and the news appearing on the UAW official website). Information related to the negotiations entered into by the union with other car manufacturers – Detroit, Ford and GM – was also considered.

Since 13 July 2015, which marked the beginning of negotiations with GM, the UAW has published 96 messages (one might note that the agreement with Ford was ratified by workers on 20 November 2015, that is 130 days later). Of the 61 messages concerning collective bargaining with Fca, 29 were published before 1 October 2015, that is the day workers rejected the first version of the agreement. This amounts to 29 messages in some 80 days. The remaining 32 messages outlining negotiations with Fca were issued at a later stage (the last one – a Facebook posting – was dated 22 October 2015, that is the collective agreement was finally approved).

The quantitative analysis referred to above indicates that the complexity of negotiations with Fca is the most-discussed topic in the messages issued by the union, making up two-thirds of the corpus scrutinised. For the sake of clarity, one should say that this state of affairs was the result of the rejection of the first version of the collective agreement and the willingness on behalf of the UAW to intensify interaction with members. The graph below shows the average daily number of messages produced in the two periods mentioned above and helps to picture this increase.

**Figure 2.**

![Average daily number of messages (by time-period)](source)

Source: author's own elaboration on data collected manually
The decision to provide more information represents a communication model in itself and marks a distinctive trait in Williams’ statements. This is true if one looks at the message sent out on 5 October, where members were reassured that sound information would be given from that moment onwards and that they should be wary of the news gathered by alternative sources. Clearly, he was making reference to the World Socialist Web Site: “Outside groups like to stir people up […]. We are […] going to tell the whole story […]. Over the next several days we will be posting more facts and explanations […]. Please keep checking Uaw.org and the Uaw International Union Facebook page for updates”.

The increase in the number of messages posted by the UAW through different channels was therefore part of an overall strategy which also relied upon the richness of the documents disseminated. By way of example, the Contract Summary of the second version of the tentative agreement contained details about contractual terms and the Fca industrial plan. Information concerned the number of jobs created and manufacturing changes in each plant, along with a pledge to invest $5.3 million over a 4-year period.

In Williams’ views, this should be sufficient to dispel doubts about workers’ future. The first collective agreement. The first contractual arrangements put forward by the UAW and Fca provided that so-called “in progression workers” would be entitled to up to $25.32 per hour over a three-year period. While this move would not have eliminated wage inequalities between veterans and those hired after 2009, this provision would halve the $10-dollar-per-hour existing gap.

The second draft of the collective agreement, which was later on accepted by 77% of voters taking part to the referendum, succeeded in placing the two categories of workers on an equal footing in terms of remuneration, by setting the maximum hourly rate of pay at $29. This wage equalisation would be implemented in the span of eight years, so there was a risk that further negotiations taking place in this period could change the terms agreed upon in 2015. Further amendments concerned a $3,000 bonus for entry-level workers and a $4,000 bonus for employees with higher seniority.

Maybe the case study outlined here would have also benefitted from an investigation from an economic psychology perspective, taking account of Kahneman e Tversky’s theories. In this sense, Kristin Dziczek, the director of

47 A message from UAW President Dennis Williams, cit.
the labor and industry group for the Center for Automotive Research in Ann Arbor, argued that “this contract was presented much more clearly […] It included larger raises for the people who were considered tier two before and are now called 'in progression workers […] they packaged it in a way that was much more appealing even though it likely doesn’t cost Chrysler more money than the first agreement”[49]. The elements we have do not make it possible to assess the impact of the model used for the second tentative agreement on workers’ perception of it. But there is no doubt that communication played a key role that was seriously considered by the union to gain consent, up to the point that measures were taken to make up for little information provided to union members, by resorting to digital information means.

For this reason, the 2015 negotiations between the UAW and FCA is an interesting case for scholars of communication studies and deserves further consideration. The author of this paper interviewed Brian Rothenberg, who in January 2015 was appointed as the UAW’s new spokesperson. Questions concerned observations appearing on the local and specialised press according to which the first draft agreement was rejected because of the disappointment with the union, which had pledged to set aside the two-tier remuneration system, but it only managed to close the wage gap between new and senior staff.

Rothenberg questioned this assumption, arguing that the reason for the rejection was that meeting employees’ demands in times of prosperity is more difficult than doing so in times of economic crisis. Workers’ expectations would be the result of the positive trend and the concessions made until then and not of Williams’ motto “it’s our time”, which only described workers’ perceived company climate. In other words, the slogan did not produce an increase in employee demands. Rothenberg also spoke in favour of the expression “bridging the gap”, the latter being part of a negotiation strategy aimed at upping the ante in negotiations. He also admitted that the rejection of the first tentative agreement taught UAW leaders a great deal and stressed the importance of communication in union discourse. Rothenberg focused on three aspects. The first one was that only 20%-30% of union members had access to the Internet at work. This means that, while the UAW struggled to provide their affiliates with relevant information about the agreement via traditional channels, the conspiracy theory was already known among workers. In other words, a copy of the collective agreements concluded had already circulated among workers in plants and can also be used by those opposing it, while the union delegates — who were those in charge of explaining the

Rothenberg’s insights were interesting, but the author of this paper is under the impression that there is more than meets the eyes. Besides harmonising operations and ensuring more investments on digital channels, the changes in the union’s communication strategy also affected the way the contractual terms were formulated. The union did so to put the money where its mouth was, i.e. to show workers that wage equalisation was actually implemented, although gradually.

Conclusions

It is interesting to note that both in the US and Italian industrial relations system, the search for a win-win solution and the assumption that negotiations are not a zero-sum game are faced with controversial views originating from the ways work is traditionally classified. As pointed out by Rothenberg, an antagonist vision has prevailed in US industrial relations prompting a desire to designate victors and vanquished. He was of the opinion that the fate of the company and that of workers are closely intertwined, irrespective of the parties being aware of this. Of course this does not rule out the possibility that the union can step in if the company does not work properly.

In sum, the approach based on the frame of “sacrifices” made by both workers and the union – which in the US case has also been used by the company – as well as that focused on “unaccommodating accountability” adopted by the only union operating in the US automotive industry, did not escape allegations or conspiracy theories. Although these elements were not as decisive as they were in FIOM accusations towards FIAT in Italy, they played a part in US union discourse all the same. Nevertheless, one might also argue that the Americanisation of Fiat in the process leading to the creation of Fca has not been evaluated yet, at least as far as industrial relations are concerned. And this also relates to the communication strategy put in place by the actors involved, which has to take account of evident cultural differences.

For instance, remuneration was not a hot topic in negotiations taking place in Italy and was barely referred to in the agreement concluded at the Pomigliano plant. Collective bargaining here focused on working conditions – which many thought it could limit some rights workers had obtained in the past – and trade union latitude – which could be hampered by the proposals laid down by management. Conversely, talks between the union and management in the USA concerned wages, especially hourly pay rates and seniority increases. Workers’ rights were never discussed across the pond. It was the monetary frame (pay and insurance benefits) that bore relevance in the tentative agreements. The way the UAW described the concessions made by workers to
Fca never referred to work organisation, their alleged exploitation and internal pressures to be more competitive, as they were always defined in terms of economic sacrifices. The fact that priority was given to the economic frame factor was evident if one considers the “ratification bonus” unionised workers would have been entitled to, had they approved the second tentative agreement concluded between the UAW and Fca. This monetary benefit, although implemented in other countries, would have been regarded as an anti-union practice in Italy and would have been seen as a form of commodification.

It might be safe to argue that the rights frame and the economic-based model overlap in the US context, as they both refer to “employee rights to consumption” which is also acknowledged by the trade union. This explains why the union employed certain slogans (e.g. “proudly union made”) to bring together the promotion of work and its output (production). This strategy was also suggested by Christopher Martin, an overt progressive who in his book – *Framed!* – calls unions to always acknowledge product makers\(^{50}\). Yet it would be difficult to implement a similar strategy without considering the “American pride”, which is such a unifying factor that has led the Afl-cio to promptly support Donald Trump’s set of measures falling under the motto “Buy America” and “Buy American”\(^{51}\).

Marchionne too relied on the American pride when in 2009 wrote the letter with which he thanked workers for their sacrifices, which helped Chrysler, an American icon, to get back on its feet again.

There is also a further difference between the Italian and the US case, which deals with the strategy pursued by the two companies. As seen, in the run-up to the Pomigliano referendum, Fiat attempted to make direct contact with workers on several occasions, with questionable, if not counterproductive, effects. This was not the case in the USA, although the move to hold a joint conference press to present the first tentative agreement appeared controversial. But the conference was the result the criticisms levelled at the company for providing little information on the company’s future. By way of email correspondence with the author, Jodi Tinson and Gualberto Ranieri, who were in charge of communication at Fca North America, argued that the choice not to seek direct contact with employees was also due to legal provisions in place in the US. They specified that “US labour law provides that employers cannot be involved in the contract approval process, which

\(^{50}\) *News for the Consumer Class*, in *Working-Class Perspectives*, 1 April 2013. Martin suggests that this should be done in the event of industrial action. Martin’s quantitative research highlights that strikes are always portrayed by the media from the point of view of consumers and their disruption. Reference to union-made products would tackle the effect of the image provided by the media.

referendum-based. It is for the trade union to promote the terms of the tentative agreement among its members. If a stalemate situation is reached, which was not the case here, the company might provide details about the benefits laid down in the contract. There is no doubt that the press conference represented a novelty, but it was only intended to communicate the willingness on the part of the company and the union to cooperate to deal with some contractual issues that the Fca CEO deemed to be unsustainable”.
Overall, while the two case studies can be contrasted from a communication perspective, providing a comparison in terms of media coverage is a difficult task. The long lasting Italy’s case epitomises a vicious circle in that industrial relations were given both mainstream media and political relevance, by making use of the general press. In 2010, Italian trade union barely used social networks strategically. This approach was different from Fiom workers who autonomously decided to organised also because the use of Facebook. Although, political interference was not observed in the quick UAW-Fca negotiation story, the US one, but also the Italian one, will be remembered because social media was barely used by the union, while the antagonist group used Twitter massively. Which leads us to reflect upon the trend and the sentiment of specific groups of the public opinion. In 2015, the late smartphone-era, UAW was then compelled to revise its strategy and use communication substantially as a tool to negotiate the agreement.

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