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# Franchising the Golden Arches in Italy A New Perspective on Americanization

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### **Abstract**

The article discusses whether "Americanization" is still a viable concept to historically investigate Euro-American relations, and how the related process has changed in an era of growing global integration, multipolarity and competition like the one opened by the rise of the "Neoliberal order" in the 1970s-1980s. It does so through the case study provided by the arrival of McDonald's in Italy and the debate on the country's Americanization during the 1980s. By framing McDonald's export of its franchising formula within the growth of Italy's franchising industry, the article casts light on new forms of American hegemony.

#### **K**EYWORDS

Americanization, McDonald's, Franchising, Italy

In a 2023 policy brief analyzing the effects of the war in Ukraine on US-Europe relations, foreign policy experts Jana Puglierin and Jeremy Shapiro argue that we are again witnessing "the Americanization of Europe," given

<sup>&</sup>lt;sup>1</sup> Unless otherwise specified, all translations from Italian to English are mine.

that "since the 2008 financial crisis, the US has become ever more powerful relative to its European allies" (n. pag.). By reviving a seemingly outmoded expression, their paper solicits a reflection on whether Americanization is still a viable concept to historically investigate Euro-American relations. In an era of growing global integration, multipolarity and competition like that opened by the rise of the neoliberal order in the 1970s-1980s (see Gerstle), does it still make sense to speak of the Americanization of Europe? And, if so, how has the Americanization process changed?

The article addresses such issues through the analysis of the arrival of the McDonald's restaurant franchise in Italy and the debate on the country's Americanization during the 1980s. The goal is to cast light on new forms of American influence, considering McDonald's export of its franchising formula within the growth of Italy's franchising industry. The underlying idea is that franchising provides a key to addressing unexplored aspects of the Americanization of Europe at a time of growing globalization. It follows my invitation to look at Americanization as pertaining more to American control over distribution systems than to its influence over production and consumption patterns.

## **Reinventing Americanization**

Historians have extensively spoken of Americanization to analyze the evolution of US influence over Europe in the twentieth century. They have mostly looked at the post-World War II decades, proposing different interpretations of the process, but agreeing on the fact that the Cold War provided the ideal context for the propagation of American ways. The intensification of the historiographical debate on the Americanization of Europe during the 1990s mirrored both developments endogenous to academia and changes in society. On the one hand, the growing interest in the influence of American culture in Europe was consistent with the "culturalist turn" undertaken in Cold War studies and, in general, in historiography since the 1980s (Berghahn 120; Johnston 290). On the other hand, the Americanization debate reflected the triumphalist rhetoric following the US victory in the Cold War, with its emphasis on soft

power. At the same time, the scholarly discussion on whether Europeans had been Americanized signaled renewed anxieties over forms of US cultural colonization. As De Grazia notes, "the momentum to define the EU as a repository of deeply held European beliefs and values grew over the 1990s" ("Soft Power United States" 33), bolstering Europe's ability to present itself as a peer competitor both at the geopolitical level and in terms of the appeal of the "European Dream" (Rifkin 3; see Reid).<sup>2</sup> It followed the historiographical tendency to deflate Americanization and to rather underscore, in Rob Kroes' popular expression, Europeans' "selective appropriations" and re-invention of American models.<sup>3</sup>

The appropriation thesis paralleled new scholarly attention to globalization as both a process and an analytical tool. Since Theodore Levitt popularized the term in 1983, globalization has progressively replaced Americanization in the public discussion on the effects of global market integration. The reasons for this are, in part, to be found in the strengths and limits of the Americanization process. As the Cold War facilitated the transnational diffusion of American models and products, it also contributed to speeding up a globalization process which would eventually make "the grounds for American hegemony less evident" (De Grazia, *Irresistible Empire* 460). Likewise, the military shield provided by the US during the Cold War favored the economic and political reemergence of the EU and Japan as macro-regional competitors, thereby undermining America's leadership even within the Western Bloc (see Garavini; Miller). Moreover, the economic crises of the 1970s produced a "shock of the global" order, opening the way to US-led financial globalization, but also producing greater global interdependence and competition than ever (see Ferguson et al. 351). As the US appeared on its way to win the Cold War, the global dominance of American products, firms and capital was crumbling and the global order was increasingly multipolar.

<sup>&</sup>lt;sup>2</sup> It was in this context that the EU first elaborated its own "normative power" (i.e. exercise of leadership through norms-making) as an alternative to US soft power.

<sup>&</sup>lt;sup>3</sup> Despite the considerable scholarly support for the "selective appropriation" thesis, historians have variously extended this argument. Emphasizing instances of creolization, Richard Pells has even argued that the Americanization of Europe is "a myth" (xiv).

Scholars of globalization have questioned the very idea of Americanization to rather embrace a new, "post-modern," emphasis on cultural hybridity (see Kraidy). Supporters of growing global heterogeneity have opposed the interpretation of either Americanization or globalization as top-down homogenizing processes, proposing instead new conceptualizations. Ulrich Beck spoke of "cosmopolitanization," arguing that "the concept of Americanization is based on a national understanding of globalization" (16-18). Robertson similarly claimed that "in so far as the notion of Americanization is used to mean American cultural homogenization, the argument is far from clear" as "the US is becoming ever more heterogeneous" ("Rethinking Americanization" 261). This point of view is in line with his popularization of the term "glocalization," which he understood "as the best interpretative category" to make "explicit the heterogenizing aspects of globalization" ("Globalisation or Glocalisation?" 191).<sup>4</sup>

The growing interest in globalization (or in its glocalization variant) seems therefore to have long overshadowed that in Americanization, acknowledging it, at most, as "the most recent chapter" of a longer globalizing process (Kuisel, "The End of Americanization" 603) or as the US way to cope with it (see Ninkovich). Since the beginning of the twenty-first century, several scholars have repeatedly argued for the end of the American century (see McCoy; Bacevich; Mason), while the 2008 economic crisis triggered an ongoing debate on the decline of the US-led neoliberal order (Stiglitz n. pag.; see Gerstle). The exhaustion of the cultural turn in the social sciences, by the early 2000s (see Bonnell and Hunt), similarly contributed to spreading the idea that "the concept of 'Americanization' may no longer be as useful as it has been when trying to understand American-European relations during the Cold War and in the decade after 1990" (Berghahn 130).

And yet, the fact that America appears as the recurrent subtext of the debate on globalization's impact is telling.<sup>5</sup> In this respect, Shapiro and

<sup>&</sup>lt;sup>4</sup> The term "glocalization" originated from the Japanese notion *dochakuka*, which means adapting farming techniques to local conditions. It first entered business jargon during the 1980s, but only became popular in the 1990s (see Roudometof).

See the way in which anti-globalization movements have recurrently targeted the US,

Puglierin's claim parallels David Ellwood's call not to underestimate the US' enduring ability to offer "soft power assets which the rest of the world must come to terms with" ("Taking Soft Power Seriously" 309). Likewise, Kuisel argues that excessive emphasis on hybridization risks overlooking the fact that everywhere people continue perceiving and consuming (or rejecting) products and imageries as American. He thus contends that Americanization represents "a research field that still has much to tell us if it is reinvented" ("The End of Americanization" 603).

But how can Americanization be reinvented? Kuisel's proposed definition of Americanization as "the historical transfer of American-style consumer society and mass culture to Europe" ("The End of Americanization" 605) seems in line with most of the literature on the field. This has foregrounded an understanding of Americanization as a US-led process of consumption expansion or as a metaphor for a larger modernization process (see De Grazia, *Irresistible Empire*; Ellwood, *The Shock of America*). Most scholars have tended to focus on Western Europeans' exposure to American consumerism and their diverse reception of American goods and lifestyles during the Cold War (see Stephan; Wagnleitner; Cavazza and Scarpellini). Some relevant exceptions include the works of Charles Maier, Mary Nolan, and Bruno Settis, who have examined the twentieth century exportation of American models of industrial production, from the US "politics of productivity" to the spread of Fordism in Europe.

Foregrounding consumption plays, nonetheless, into the hands of hybridization supporters. As a result of the growing integration of global markets, since (at least) the 1980s, globally circulating consumer products are no longer predominantly American given that US corporations have largely moved their production abroad, and American consumer culture is increasingly influenced by transnational imports. Reinventing Americanization requires looking elsewhere: as the US became more subjected to globalizing forces, it also became more able to act as a globalizer. In this respect, Freedman notes – relative to food globalization

or, as Barber notes, the fact that "the debate over whether America or Japan has seized global leadership is conducted in English" (128).

- that the export and diffusion of "diverse and mixed-up dining practices" is largely carried out "via American heterogeneity" (84).

Moving the focus from how products, capital, and ideas are received and consumed to how they are distributed might offer a useful framework to understand how Americanization changed in the transition from "the American century" to globalization. This includes looking at franchising as an American method of distribution whose international diffusion, from the 1970s, has been instrumental in globally spreading American products and practices – including McDonald's – while becoming a major American export and soft power asset in itself.

#### Franchised McDonaldization

In his famous Fast Food Nation, journalist and author Eric Schlosser underscores how fast food "has proven to be a revolutionary force in American life" contributing to "transform not only the American diet, but also the landscape, economy, workforce, and popular culture" (3). The history of the McDonald's Corporation is so deeply intertwined with the development of American modern society that scholars have recurrently employed it to make sense of US domestic politics and foreign relations, from Marcia Chatelain's analysis of the connection between the fast food industry and the evolution of US racial capitalism to considering the spread of McDonald's "as a proxy for the impact of America's pop culture" or evidence of the US cultural hegemony over the "McWorld" (Eckes and Zeiler 215; see Barber). Perhaps more famously, George Ritzer has spoken of the "McDonaldization" of the world as "the process by which the principles of the fast food restaurant are coming to dominate more and more sectors of American society, as well as the rest of the world" (1). While not equating McDonaldization to Americanization, Ritzer acknowledges their interconnection, envisioning the former as "chiefly a homogenizing process" (Ritzer and Stillman 37-40). As with Americanization and globalization, though, glocalization supporters have contested this view, emphasizing instances of hybridization.<sup>6</sup>

<sup>&</sup>lt;sup>6</sup> The most relevant work, in this respect, is the volume edited by James Watson on

Whereas framing McDonaldization in terms of cultural imperialism or glocalization, both parties have focused on McDonald's standardized food offers and production methods. Neither has considered McDonald's exportation of the business strategy that allows combining conformity to standardized procedures and the possibility for local adaptations, as franchising. This conversely represents — I argue — a core American constituent of the McDonald's System, one that has remained unaltered over time and space. It consequently provides a key to comprehending the chain's Americanizing impact and the reason why, despite its increasingly glocal character, McDonald's has continuously been associated with America.

Although McDonald's is among the companies that have profited the most from franchising, the fast food chain did not invent this business practice, nor was McDonald's the first American firm to export franchising. Variously defined as "a method of distributing goods or services," "a contractual method of organizing a large-scale enterprise," or "a business relationship," (Dicke 2; Birkeland 2), franchising is yet to be extensively examined by historians. Except for Dicke, the few scholars that have briefly considered its history have done so in connection to a franchise company, tracing the origin of the practice to the development of America's first large corporations, in the second half of the nineteenth century. However, franchising took hold only in the early twentieth century, when it became a key factor in the growth of major firms like Coca Cola, General Motors and Ford.

These early franchises represented a form of product franchising in which the parent companies marketed their outputs through licensed retailers. The emergence of a McDonald's-like "business format franchising" came only in the 1920s-1930s, when the Sun Oil Company extended franchising to the service industry in order to develop some brand recognition for its retailers. In this format, franchisors sell both "the opportunity for business

McDonald's in East Asia.

Despite the French origin of the term and the reference to the Middle Age practice of granting special rights in exchange for services, modern franchising is a nineteenth-century innovation with no direct relation to earlier uses of the term. Singer Sewing Machine Company and McCormick's Harvester Company are considered the first to have outsourced the distribution of their products through a nationwide network of retailers.

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ownership" (Dicke 4) and a whole system comprising trademarks, know-how, operating methods, managerial assistance, and advertising. The ensuing postwar expansion of the US franchising industry was inherently related to "the development of America's modern economy," since it applied the principles of standardized mass production to the service industry while maintaining a strong emphasis on entrepreneurship (154). In this context, firms like Howard Johnson's, KFC, Dairy Queen, and McDonald's brought franchising into the fast-food industry, contributing to making it "a ubiquitous feature of the American landscape" (1). As Chatelain notes, franchising rapidly became "big business in America, because it may be the most American idea in the world," as "it entails the promise that anyone can become a business owner" (18).

It was on this assumed promise that Ray Kroc built the McDonald's System. Looking for a way to balance entrepreneurship, individual autonomy, and corporate conformity to standards, Kroc considered franchising "the perfect example of capitalism in action," and "an updated version of the American Dream (172; also qtd. in Burck 121).8 Just as much as the McDonald's brothers' "Speedee System" (i.e. a new method of preparing food relying on assembly line techniques to streamline food service), franchising was essential to McDonald's formula - even more so as Kroc transformed the Golden Arches into a real estate empire, tying the franchise contract to the execution of a store lease. Franchising was thus Kroc's chosen strategy to expand first across the US, then also worldwide. In the words of former McDonald's Board member, Bob Thurston, it was the chain's solid network of local franchisees that sustained the "feeling that we can figure out how to do business in almost any country" (qtd. in Love 463). At the same time, McDonald's franchising formula served to present the chain's expansion in terms of Americanization. As John Love

<sup>&</sup>lt;sup>8</sup> The average cost of opening a franchised McDonald's restaurant has always been high, contradicting the promise on which its democratic capitalism rests. Today McDonald's Italia demands an initial investment of €250.000.

<sup>&</sup>lt;sup>9</sup> In 1980, the US Court for the Eastern District of Virginia ruled in favor of this provision (*Principe vs McDonald's Corporation*), giving legitimacy to McDonald's evolution into a real estate company.

notes, the opening of McDonald's restaurants overseas meant "exporting abroad something that was endemic to American life:" a new method of retailing that had become "the centerpiece of American industry" (415).

By the time of McDonald's first international ventures, at the turn of the 1970s, there were 1200 franchisers in the US, which were generating approximately \$100 billion in sales (Marling 164). 10 As franchising expert David Kaufman underscores, despite franchising's development in the 1950s, it was from the 1980s that the practice experienced an "explosive growth," with "the globalization of American franchise networks" (n. pag.). More and more American corporations – just like McDonald's – resorted to business-format franchising to expand their reach, addressing calls for greater flexibility and taking part in the post-industrial shift of the US economy (see Priore and Sabel). In this regard, it is worth highlighting how, among the reasons for franchising's international growth, is the way it fits some of the characteristics of the neoliberal order that emerged in the 1970s-1980s. These included the growing financialization of the US economy, greater emphasis on free market liberalism, the international expansion of multinational firms, the increase of foreign direct investments, market deregulation, and, as a result, greater than ever global interdependence (see Sargent; Stein). The ideological underpinnings of this new era combined entrepreneurialism and advocacy for minimal state intervention with neoconservative thinking and support for institutional mechanisms to impose market discipline (see Gerstle; Slobodian).<sup>11</sup>

In this context, business format franchising, with its combination of conformity to standards and space for individual initiative, was perfectly tuned in with both aspects of neoliberalism's driving ethos, namely conservatism and entrepreneurship. In 1988, a report commissioned by the

Lack of regulations favored franchising's quick expansion. It was only in 1978 that the first US federal legislation on franchising was approved.

As both Slobodian and Gerstle argue, despite neoliberalism's emphasis on privatization, the establishment of a neoliberal order relied on governments' regulatory power to enforce the rules of economic exchange. Relatively to franchising, this trend is exemplified by the fact that, while resistance to its regulation was grounded on securing free enterprise, franchises often resorted to government-backed loans via the Small Business Administration.

US Department of Commerce positively underscored the renewed growth of American franchising after the setback of the 1970s, noticing franchisees' "competitive edge over other small business entrepreneurs" (Kostecka 1). As Manuel Castells argues, during the 1980s large corporations managed to remain "at the center of the structure of economic power in the new global economy" by changing their organizational structures (168). This included the growing use of subcontracting arrangements. By allowing "fundamental changes to take place at a speed rare among large corporations" (Love 450), franchising represented "an intermediate form of arrangement" between large firms and small businesses (Castells 174), a formula adapted to the post-industrial transition toward more flexible production systems.

Moreover, the kind of controlled flexibility guaranteed by franchise contracts matched the need to address the progressive segmentation of American and international consumer markets. Outsourcing the costs for the parent company's expansion meant greater resources for marketing and advertising. Franchising sets standards defining a uniform brand identity while enabling adaptations to different transnational targetgroups. The establishment, through franchising, of a network-based form of organization is also consistent with what sociologists Luc Boltanski and Eve Chiapello have called "the new spirit of capitalism" (35). In this regard, Ciafone has shown - relatively to Coca Cola - how franchising has become a fundamental feature of global capitalism because it combines the externalization of material production with centralized control over immaterial resources (2-11). This cultural logic inherent to franchising has enabled global franchises to depict themselves as responsive to localizing pressures and, thus, as "glocal" entities. To the extent to which glocalization implies "the distribution of products or services intended for a global market but customized to confirm to local laws" (Chander 169), franchising is also an American practice that perfectly fits in with glocalization.

At least from the 1970s-1980s, then, franchising effectively answered the need, vis  $\hat{a}$  vis growing localizing pressures and globally integrating markets, to combine strategic adaptations to different transnational contexts with the continuous exportation of American cultural and economic practices – which included the "internationalization of U.S. franchise

systems" (Walker and Etzel 39). The analysis of the Italian case will cast light on some of the effects of this development in a country that, while proving hard to win over to McDonald's fast food offer, enthusiastically embraced franchising.

## The Case of Italy

McDonald's arrival in Italy, in the mid-1980s, took place rather late compared to the rest of Western Europe and amid Italy's "second economic miracle," when the country experienced a new phase of economic expansion and consumer goods became available to the entire population. The chain's commercial penetration both rested on and encouraged developments that were significantly altering the country's social and economic fabric. These included the growth of Italy's service sector, the introduction of legislation on part-time labor, as well as greater youth and gender emancipation, with an increasing number of women working outside the home and the emergence of new youth cultures. McDonald's impact in Italy must hence be framed within the broader expansion of the country's fast food industry. The first Italian fast food chain was Burghy, created in 1982 by the public group GS and bought by Luigi Cremonini (Italy's largest meat producer) in 1985. In the first half of the 1980s, Italian newspapers continuously reported the opening of fast food outlets, especially in Northern Italy and Milan, which Il Corriere della Sera dubbed "Burger City" in 1984 (Purisiol 28). Significantly, several public commentators interpreted the phenomenon as both a sign of the changing times and "emulating the US" (Salvadori 9). The franchisees who opened McDonald's famous Piazza di Spagna restaurant, in Rome, could consequently argue that the chain met the growing demand for outdoor eating outlets created by Italy's expanding service industry (Bartolini 19). At the same time, McDonald's followed the path traced by other fast food chains, like the American Wendy's or the Italian Burghy, to seize on the "sandwichmania" (Salvadori 9) of the Italian youth. Young Italians' enthusiasm for fast food was exemplified by the emergence of the so-called *paninari* movement. These were upper-middle class teenagers, notably hanging out in fast food outlets, whose fascination

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with American consumer culture became iconic through movies and TV shows like *Italian Fast Food* or *Drive In* (see Morando).

Despite the seemingly favorable context, McDonald's conquest of Italians' stomachs proved problematic and slow. The chain struggled with Italians' resistance to changes in their foodways and in the urban layout of their historical city-centers, which were quickly transformed into cultural strongholds against the invasion of Americana (see Crisanti). Whereas many opponents of the Golden Arches broadly contested the "fast food invasion," they often distinguished between the "more enjoyable and cozy" Italian fast food outlets and – in the words of Italian director Carlo Vanzina – McDonald's "Americanizing" effect (Lampugnani 19). In 1988, McDonald's Italia's president, Ernest Mathia, enthusiastically anticipated the opening of 45 outlets within three years. Failing to meet that goal, in 1994 the chain had opened 23 restaurants (Resca and Gianola 51; Corradino 7). If anything, the large public controversy generated by the arrival of McDonald's triggered a wide range of Italian responses, from the launch of the Slow Food movement to crafting several Italian alternatives to the Golden Arches. These included chains like "Italy & Italy" and Burghy, both owned by Cremonini's Inalca group, which was by far the leader of the Italian fast food market.

To face difficulties head on, McDonald's was compelled to progressively Italianize itself, extending the implications of its franchising formula. It partially did so in the 1980s by adapting the interiors and offer of its Italian outlets to better suit local tastes, which meant including caprese salad in its menu or paving with sanpietrini the entrance of its Roman restaurants. The full Italianization of the chain would however start in the 1990s, when McDonald's established several partnerships with other Italian franchises like Upim, and when it entrusted an Italian businessman, Mario Resca, with the management of its franchising network. McDonald's Italianization was not simply the result of a top-down corporate strategy, but also a response to local pressures. The widespread opposition to the Golden Arches in the mid-1980s, alongside the more rapid growth of its Italian imitators signaled the need to resort to local franchisees to better address local demands. Resca did so by more extensively relying on Italian managers. McDonald's eventual breakthrough in Italy occurred in 1996,

when it took over Burghy: for the first time ever, the chain expanded through the acquisition of a competitor (Taino 1).

On the one hand, then, McDonald's trajectory in Italy confirms how its success depended on the ability to combine conformity to corporate standards with significant adaptations (e.g. including Italian foods or adapting its outlets to its Italian locations) - an ability that rested on its franchise structure. On the other hand, even among McDonald's early enthusiasts, like the *paninari*, the chain's appeal seemed to originate not as much from the Americanness of its food or origin, as from the Americanness of its system, that is from the overall franchised experience that the chain offered (i.e. its self-service formula, affordable offers, modern atmosphere). In this respect, Italian journalist Claudio Bernieri significantly noticed that the paninari went looking for an American experience just as much in "Italy & Italy" as in McDonald's (38). 12 To examine McDonald's participation in the growth of Italy's franchising industry, it might therefore be more useful to evaluate its Americanizing influence than to look at the number of its restaurants or how many Italian chains started selling hamburgers and French fries. It is telling that, as public commentators discussed McDonald's effects on Italian society, they also reflected on its franchising formula, envisioning it as an American recipe to update "slow and conservative types of Italian business initiatives" (Tornabuoni 1).

To be fair, the history of Italian franchising anticipated McDonald's arrival. According to Assofranchising (i.e. Italy's largest franchise association), a few Italian companies pioneered franchise contracts as early as 1970, identifying Gamma d.i. – a retail corporation – as the Italian forerunner of the practice. <sup>13</sup> In the course of the 1970s, a few references to franchising appeared in Italy's major newspapers, mostly about clothing and food retailers (Sollazzo 7; "La catena del fresco" 14). By the end of the decade, the list of franchised chains in Italy included a diverse group of Italian, American, and European firms, from Standa and Upim department

<sup>&</sup>lt;sup>12</sup> The Burghy in Piazza San Babila, in Milan, was the most famous gathering spot of the *paninari*.

 $<sup>^{13}</sup>$  To be fair, the Italian Buffetti and Coca Cola's Italian branch had already built their franchised networks in the early 1950s.

stores to Benetton, Avis car rental, and Bata footwear company ("Il Franchising" n. pag.).

The mid-1980s marked a turning point in the history of Italian franchising. By 1985, major companies like the Grimaldi real estate group, Stefanel fashion stores, and Coin and Rinascente department stores all joined the franchising club (Passerini, "Un matrimonio d'interesse" 3). The rapid "boom" of "Benetton's empire" was likewise ascribed to franchising as "the commercial backbone of the company" (Bullo 19; Panara 44); while the opening of Italy's first fast food chains, Burghy and Kenny Fast Food, sanctioned the extension of franchising to the food service industry, with Howard Johnson's and McDonald's as explicit models. In this regard, we have seen how McDonald's franchising set an example that proved, at times, more influential than the chain's food offer. Between 1985 and 1986, several trade fairs, experts and business conferences – from the first "Salone del franchising" at the Milan Trade Fair in 1986 to the "guide to franchising" compiled by Walter Passerini – gave growing space to franchising as a fundamental strategy to renovate Italian industry. In this context, the persistent lack of legislation both favored the expansion of the practice and engendered calls for caution (Passerini, "I patti chiari" 3).<sup>14</sup> Driven by the food, fashion, and retailing sectors, franchising definitively exploded in the second half of the decade, to the point that 1988 was labeled "the year of franchising" (Zellolli 2; Passerini, "Un'idea" 17). By then, there were over 200 franchisors and 10.000 franchisees in Italy ("Speciale Franchising" 24).

Overall, the growth of the Italian franchising industry – like in the US – mirrored broader transformations in the country's socio-economic structure. Rather than being a mere American import, franchising was actively embraced and adapted by numerous Italian companies. It must be noted, however, that as it spread across Italy, franchising was recurrently perceived as a practice "traditional to the US:" to be selectively appropriated, but originally American nonetheless (Valabrega 13). A

<sup>&</sup>lt;sup>14</sup> During the 1980s, the Italian Franchising Association introduced a standard contract and a code of regulation, but compliance with either was not mandatory. The first law to regulate franchising in Italy came in 2004.

quick dive into the press of the time reveals the US as the main point of reference in the public discussion on franchising and its impact on the Italian economy. Even the competitiveness of Italian franchises like Benetton and Stefanel was tested in the US on the grounds that "right there the future of the franchising formula is at stake" (Ottaviani 8). It is likewise notable that, in one of the earliest studies on Italian franchising, in 1990, scholar and entrepreneur Pierfranco Devasini saw US franchising as the cause of the rapid development of European franchising in the 1970s and 1980s. These considerations must be addressed critically, as they largely refer to perceptions. They nonetheless point to unexplored forms of Americanization.

Perhaps more importantly, franchising was often functional to the growing popularity of American products and lifestyles. Not only did an increasing number of American companies – just like McDonald's – rely on franchising to enter the Italian market, but even several Italian franchising firms appropriated American symbols to leverage Italians' enthusiasm for Americana. The way in which Italian brands like Naj Oleari and Mandarina Duck became essential features of the paninari's iconic American style is indicative of this. Moreover, the recurrent tendency to tie the chain's expansion to a celebration of its franchising formula speaks to how McDonald's presence, the spread of franchising, and Americanization often went hand-in-hand in the collective imagination. Considering franchising as Kroc's "most phenomenal idea," Italian journalist Enrico Franceschini depicted the chain's managers as "truly American Midwesterners," tuning in on the mythical lure of America's West as a metaphor for the US entrepreneurial spirit (24). Likewise, the public description of Italian franchising pioneers like Luciano Benetton, Luigi Cremonini, or Carlo Stefanel mirrored that of Ray Kroc, praising them as ingenious self-made men (Ottaviani 8; Binachin 22; Della Rovere 11). Alongside the new business concept, came therefore a whole narrative centered on American notions of individual entrepreneurship and free initiative. Although Italian franchising predated McDonald's, it is telling that Assofranchising envisions the chain's arrival as "a milestone for the introduction of franchising in the food service sector" ("I brand storici" n. pag.).

At the peak of Italy's franchising-mania, in 1988, Italian intellectual Giorgio Bocca explicitly referred to McDonald's to argue that franchising was a "kind of rampant cloning of America, an Italian duplication of the American way of life" (7). According to him, the development of Italy's franchising industry was indicative of broader social and cultural changes, including the emergence of an "integrated Italian service sector" and the transformation of the country's "commercial middle class." He thereby intertwined franchising, Americanization, and larger modifications to the country's social and "industrial structure" (7). As early as 1985, Italian sociologist Giuseppe De Rita had similarly highlighted Italy's progressive transition toward a sort of "distribution capitalism," signaling the growing "importance of post-productive factors" and urging the creation of larger "distribution networks through franchising" (qtd. in "Chi controlla la distribuzione" 36). The growth of franchising also pointed to the increased "possibility to start one's own business" and thus to the enlargement of Italy's entrepreneurial class (Zelloli 2). Or, to quote Thomas Friedman, it is only when a country "has a middle class big enough to support McDonald's" that "it becomes a McDonald's country" (n. pag.). It can thus be argued that McDonald's participated in changes not only to Italians' habits, but also to the make-up of Italian society.

The enlargement of Italy's franchising industry also created the conditions – as it did elsewhere in Western Europe – for the international export of many Italian brands, and thus for a response to Americanization. Several Italian firms resorted to franchising to penetrate the US market and to compete with American brands both nationally and internationally. The symbol of this greater Italian competitiveness was, predictably, Benetton, which by 1988 had opened 371 licensed stores in the US and whose franchising formula was defined by an uncommon degree of flexibility. The rapid expansion of Benetton's franchising network made it both an object of interest for American scholars and a target for some of its US franchisees (Lenti 15). In 1988, fifteen of these undertook legal actions against the Italian group, contesting "the lack of territorial rights for Benetton retailers" (Brown n. pag.). The lawsuits were unsuccessful, but they managed to have the US Federal Trade Commission investigate Benetton's infringement of the norms of US franchising (Saulino 55).

Overall, Benetton's success was considered exemplary of the growing potential of European firms to selectively appropriate American strategies to "challenge superannuated American chains on their own turf" (De Grazia, Irresistible Empire 460). As early as 1986, economic experts like Joanne Legomsky were speaking of the "Europeanization of American retailing" (61). A few Italian commentators similarly believed that Italian companies could compete and even outpace US corporations by combining the recipe of American franchising with their own "design and creativity" (Gianola 12). And yet, as Kuisel notes, "adaptation, in the form of imitation, runs the risk of advancing rather than resisting Americanization" ("Debating Americanization" 102). If, on the one hand, the expansion of franchising in Italy matched the selective appropriation theory, on the other hand, it testified to persistent forms of Americanization. Despite, in fact, the increasing ability of European firms like Benetton to challenge American products' dominance over their shared transatlantic marketplace, the invoked Europeanization of American retailing ultimately rested on the application of an American method of distribution.

#### Conclusion

During the 1990s, the McDonald's Corporation embraced a more radically glocal approach, showing greater willingness to adapt its offer and layout to the various contexts in which it operated. There consequently seemed to be increasing grounds to claim that the chain was no longer a force of Americanization. McDonald's glocal turn revived the warning expressed in the 1980s by the firm's International President, Steve Barnes, according to whom "if we go into a new country and incorporate their food products into our menu, we lose our identity" (qtd. in Love 435). And yet, the chain's continued reliance on franchising to expand its reach – which meant allowing for adaptations – was part of preserving the McDonald's System intact. The Italian case shows that McDonald's franchising can have an even greater impact and more rapid diffusion than its fast food offer while being similarly associated with America. Franchising was fundamental to the spread of American products and itself an American export which

significantly altered how commodities and services were distributed in the marketplace. As such, it contributed to shifting the US influence over global markets from the realm of consumption to that of distribution. Rather than a new kind of Americanization, this marked a new phase in the history of the process. Resorting to franchising implied some conversion to American ways, but also their adaptation to local cultures, and hence the coexistence of Americanizing and localizing processes. As Kroes argues, Americanization "is not a zero-sum game," but "a matter of cultural syncretism" (348).

In the 1990s, support for franchising became part of American foreign policy: the Department of State's sponsorship of studies informing American companies about overseas franchise opportunities granted official recognition for franchising as an instrument of US soft power. Today, US firms top global and European franchising rankings, with American fast food chains leading the way. And even though "the shelves of Walmart are now stocked by China" (Sargent 61), it is still via Walmart that many Chinese products globally circulate, since the American retailer holds on to "its title as the biggest retailing operation on the planet" (Debter n. pag.). In this regard, Marco D'Eramo has argued that, while many American companies have outsourced their production, "this has not meant that they have lost control over that part of the economy" (14). They rather exercise "a new model of dominion," which rests on America's control over the mechanisms regulating global flows of products and services.

To conclude, the analysis of McDonald's impact in Italy has purposely been framed within the expansion of the country's franchising industry during the 1980s. Foregrounding franchising as a key American component of the McDonald's System has served to cast light on the evolution of the Americanization process vis à vis growing globalization, while maintaining its relevance as a research field to investigate Euro-American relations. It also represents an invitation to address more extensively the relation between Americanization and globalization through the examination of America's influence over global distribution networks.

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