# Cultural Aspects of International Negotiation

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Modern society with its technological development has considerably brought men closer to each others, suppressed distances and increased opportunities for communicating and interacting. With the collapse of multiplication of foreign investments, the huge growth of exchanges, the world economy has gone one step further in achieving a higher degree of integration. Even countries that were for so long out of the global trend are now strongly part of this movement. As a consequence, opportunities for negotiations dramatically increase. It also means that more and more individuals meet around the negotiation table and thus provide conditions for cultural encounters. Concerns for the common inheritage of our planet, such as scarce resource management and threats to the environment, danger of wars, also contribute to getting people of all countries to meet and negotiate on related issues.

The growing interdependence between nations has increased the visibility of national cultures. In turn, two contrasting trends could be considered: either this interdependence will lead to relationships transcending the bounds of culture or to people in being more sensitive towards the differentiating effects of culture. The enhanced global interdependence has also increased the likelihood of conflicts of all kinds and the instruments of diplomacy and negotiations could become more useful than ever. Entities where negotiations are a basic activity such as the European Union's Commission or the World Trade Organization secretariat have already developed a kind of negotiating culture appropriate to handling thorny problems and conflicts that may arise among; its members, paving the way for other cultural evolution. These among other reasons display why negotiation and culture are and will be more and more on the foreground of the international stage.

To understand a negotiation is to grasp the sense that actors attach to their moves and the meaning they give to their perceptions. Many events that take place in a negotiation cannot be explained by a monorational approach, for some negotiators may appear to act in a non–understandable way, to the extent that

they may do the opposite of what should be in their own interest. First of all, negotiators are human beings, they bring into the interaction all attributes linked to their human condition including culture with its ambiguities and its complexity. Culture does influence negotiations, no doubt, in a number of cases. Considering research on negotiation in general, Carnevale (1995) concludes that the traditional paradigm is "overly simplistic" because it does not come to grips with the social context. The current intellectual challenge is to grasp the quicksilver concept of culture and to analyze under which circumstances it becomes a key variable. Then, how and with what kind of consequences this is done. The encounter between two cultures adds to this questioning what may come out of this chemistry, of this "correlation of cultures"?

This search for the role of culture and its distinctive effects may bear another fruit than mere knowledge. It could help to build predictive instruments concerning negotiator's behaviors and provide means for a better control of the negotiation process and subsequently of its outcome.

#### CULTURE AND CULTURES

Edouard Herriot, a French writer and politician, has defined culture as what remains when one has forgotten everything. This paradoxical proposition captures one of the most salient properties of culture: the fact that it is not a matter of substance but a way of thinking or acting of which the individual is usually unaware. If one wants to be more specific on the topic, culture could be defined as "a set of shared and enduring meanings, values, and beliefs that characterize national, ethnic, or other groups and orient their behavior (Faure and Rubin, 1993). Culture may be understood as a system of widely accepted beliefs and assumptions that are transmitted from one generation to the next through a learning process. They pertain to people and their interaction, the relationship between them and their environment as well as the way people consider nature, space, time or major events of one's life. Clearly people are constrained both by reality and by their perception of reality. They tend to act according to beliefs and values provided by their culture. "The role of culture is to answer questions even before they are raised, observes a French sociologist (Akoun, 1989). However, culture cannot just be defined as a software in a computer, for it does not only provide orientations for action but meanings, and contributes to establish, to assert, to preserve identity. In a short-term perspective, culture can be viewed as a kind of stuctural component conditioning human behavior, operating in a deterministic way and leaving an enduring print on people. In a long-term perspective it is a dynamic social phenomenon that provides changes over time through integration of new values and eviction of former ones.

From a qualitative viewpoint, Demorgon (1994) suggests a way to capture the significant aspects of a culture by combining three different perspectives: a synchronic approach defining the fundamental questions that express the real or symbolic system in action; a strategic approach focusing on people's projects while confronted with contextual events; a diachronic approach aimed at explaining the production of sustainable cultural answers through history.

Hofstede (1980) distinguishes four basic dimensions of culture that may be used to classify the behavior of negotiators. One dimension concerns the power distance between actors. Another measures the tendency to avoid uncertainty which is narrowly related to stress, stability, and desire for rules enforcement. A third dimension, individualism, deals with the relationship between the individual and the collectivity. The last dimension, masculinity, relates to ambition defined as the desire to achieve something and to earn more. The behavior of social actors such as negotiators may be ranked in each of these categories. In a comparative mode, national cultural profiles may be characterized with the help of these indicators. For instance, Japanese have more respect for authority than Israeli (with a score of 54 to 13 for Israeli), are much more collective minded than Americans (46 against 91 on the scale of individualism), develop a much stronger tendency to avoid uncertainty than Americans (92 against 46), and emphasize much more masculine values than the Swedes (95 for 5).

Language is a cultural product that may help to understand how cultural factors influence social action. A basic function of language is to structure reality and organize experience. Language provides categories to capture what is perceived and to turn it into thinking. Any particular language has its own set of categories to interpret reality. These categories may considerably differ from one society to another. For instance, the Eskimo have more than twenty words to differentiate among types of snow, while the Aztecs put snow, ice, and frost under the same broad denomination. European languages divide the spectrum into six basic colors, whereas the Jale of New Guinea recognize only two colors, warm and cold. Similarly, language also reflects society values and ways of behaving.

Culture leaves its print in the most unsuspected places. This is as true for the labeling of common objects as it is for the construction of very specific concepts. If we take, for instance, an object such as the octopus, its very name narrowly depends on the way it is perceived by each culture. In the Anglo—Saxon and the French cultures, the octopus is described by its shape: "eight feet" and "many feet". In the Chinese culture it is similarly called the "spider with long

legs". German and Swedes put the focus on one of its functions "ink fish", the fish that produces ink. In other cultures it is named according to a behavioral characteristic: in dialectical Arabic, the octopus is the "cunning", and in colloquial German, it is "the one that grasp". Names are based on perception. The cultural process behind labeling relies on the selection of significant traits and their interpretation, and the perception dramatically changes from one culture to another.

National ethnic cultures strongly contribute to shaping what is usually referred to as a national negotiating style by combining its own influence with that of history, of the political system and of the geographic and economic position of the country.

Subcultures such as corporate culture may also influence, negotiation behavior by providing their own norms of conduct, symbols and meanings. This subculture may complement or contradict the national ethnic culture, for it can favor values that may be very different. Hofstede (1991) isolates six dimensions of organizational culture: process or results orientation, employee or job orientation, parochial or professional dominance, open or closed system, loose or tight control, normative or pragmatic. Martin (1992) distinguishes among three cultural approaches of an organization: an integration view referring to equalitarianism, homogeneity, harmony, well-being of the employees, consistency and clarity; a differentiation perspective focusing on separation and conflict, contradiction and cultural clusters within the organization; a fragmentation view based on concepts such as multiplicity, flux of interpretations that do not coalesce complexity, absence of visible order and unpredictability. A corporate culture may also retain a transnational quality if, for instance, the company is a multinational enterprise operating in many countries at the same time.

Professional culture, a subculture narrowly linked with the activity of the negotiator in his own company where he can be for instance an engineer, a manager, a lawyer, an accountant, a salesperson, functions in a similar way. The task itself provides people with specific norms of behavior and values that may complement or oppose the other subcultures involved in the interaction. The knowledge shared by all the members of a profession through education and field experience link people together by producing a common frame of reference. This elicits specific ways to structure problems and to deal with them.

Each professional culture tends to promote a particular set of values while practicing its skills and interacting with other cultures. Negotiating styles are narrowly connected with the way professionals see themselves. Lang (1993, 42) provides on this topic some significant observations: engineers see themselves as builders and problem solvers; lawyers as defenders of justice; economists as

planners and policy advisers; politicians as defenders of the public interest.

In an organization, the extreme variety of professional cultures may turn it into a kind of Babel tower if there is no integrative dimension at work such as, for instance, the organizational culture. Other groupings like generation, religion, social class, region, gender express as well specific cultures and may add their own touch to the cultural concert. It is extremely difficult to assess the relative influence of each of those subcultures in the negotiating behavior of the participants. The uncertainty grows when the cultural subsystems embody competing or conflicting values. What takes place, then, is a highly complex interplay between these various subcultures.

A number of international organizations have produced an organizational culture powerful enough to counterbalance the influence of national cultures. The main activity of its members can also entail similar effects. Thus, the European Union Commission has throughout decades a genuine culture of its own, the product of a combination between the organizational system, the legal background of most of its members and their negotiation practice: a European negotiator culture.

The culture of a society evolves and changes over time. Its dynamics can be captured not by defining culture as a coherent and stable system of values but as a "bundle of cultural norms" that are subject to "dialectic tension" (Janosik, 1987). The outcome of the cultural management of these tensions may vary according to time and people. Thus, Blaker (1977, cited by Janosik) distinguishes between two very different domestic ideals of conflict resolution within the Japanese culture, the "harmonious cooperation" and the "warrior ethic." Both ideals are rather incompatible but at the same time they are strongly embedded in the Japanese tradition. According to circumstances one or the other can be legitimate. These tensions between values provide some internal dynamics for change and as a consequence the related behaviors become much less predictable than they are in the Hofstede model.

In the same fashion, French culture has always been articulated around conflicting values such as liberty and equality. According to the period, one or the other would dominate, eliciting a change in priorities. This variation on the scale of preferences can be viewed as an indicator of the cultural dynamics.

#### RESEARCH ON CULTURAL ISSUES

Systematic comparison between cultures are uneasier than it would appear a priori because behind similar words, there can be very different realities. For instance, the Chinese concept of negotiation does not strictly overlap with the Anglo-Saxon concept (Faure, 1995a). This observation also applies to exercises and simulations, for a cooperative game in one culture can be viewed as a competitive game in another culture. Cooperation and competition correspond to semantic sets that vary according to cultures. As a consequence, the implicit rules of the game will be understood differently by experimental subjects. It will, then, not be totally relevant in comparing performances.

Research on international negotiation is also influenced by the cultural conditions of its development. Ways to look at objects and ideas are culturalized, framed by given concepts and current problematiques. Are the scientific means we possess today adapted to identically study a negotiation carried out in Manhattan and in Timbuktu? Nothing is less certain.

The current bulk of research on cultural issues in negotiation is predominantly North American and demonstrates very little interest for non–US literature on the subject (Dupont, 1994). Again culture comes into the picture to influence researchers on negotiation behaviors as well as negotiators behaviors. As underlined by Weiss (1995), bodies of work on negotiation have developed outside the US, for example in France. Indigenous research on international negotiation has been even carried out in unexpected places, such as China (Faure, 1995d).

Research on international negotiation focusing on cultural variables or integrating cultural components in its models and paradigms is of a recent origin and still largely in the making. Four main streams linked to specific approaches can be distinguished: the structural-processual approach, the behavioral approach, the cognitive-strategic approach, and the stages approach. The works fitting into these categories have been developed by a number of researchers. Some names will be attached to each of these approaches as an indication for reference to specific publications.

Inherited from the Sawyer and Guetzkow social-psychological model (1965) defining five categories of variables intervening in a negotiation at various stages, the structural-processual approach offers several constructions refining and adapting the initial model. The resulting analytical framework combines the main factors, be they contextual or situational, processual or behavioral, strategic or related to the outcome. Culture is either integrated among contextual factors (Fayerweather & Kapoor, 1976; Tung, 1988), or assumed as operating directly within each of the analytical categories (Faure & Rubin, 1993; Weiss, 1993).

A second type of approach focuses on the negotiator's behavior as a fundamental component in producing negotiation dynamics. According to the analytical tools and methodology used, two different traditions have been established. The first one aims at testing the impact of cultural elements on a number of behavioral variables in order to assess the reality of their influence (Carnevale, 1995; Graham, 1983, 1984, 1994; Kirkbride, Tang and Westwood, 1991). The second tradition is based on surveys and aims at describing the impact of culture on negotiators behaviors and at analyzing its consequences (Campbell, 1988; De Paw, 1981; Frankenstein, 1986; Kimura, 1980). Most of the collected data comes from practitioners of intercultural negotiation bringing their personal experience through, for instance, a questionnaire.

The cognitive-strategic approach aims at capturing the main elements of negotiator's action and at linking them to the actor's cognition in order to explain the logics implemented during the negotiation. In comparing national cultural profiles of negotiators, Casse (1982), Weiss and Stripp (1985) describe negotiation conception, cultural dispositions and typical ways of acting for each negotiator. Bringing the focus on a single profile of negotiator, the Chinese, Faure (1995c), basing his work on interviews of actors and field observations, presents the major elements of the cognitive map of the Chinese negotiator and establishes a relation with the most typical strategic actions undertaken by this negotiator in terms of cultural causation. Thus, negotiation dynamics are captured, made explicit and explained.

The fourth mode of structuration for international negotiation is the stages approach. Borrowing from Zartman and Berman (1984), Salacuse (1991) divides the negotiation process in three phases having each of them a particular objective and a specific rationale. Satisfying the requirements of each stage will allow an effective adjustment of the different sequences and the reaching of an agreement.

## CRITICAL VIEWS

Zartman (1993, p. 17) considers the current state of research on international negotiation and draws four observations, all fed on an obvious skepticism over the importance of culture in the understanding of negotiation processes: "culture is cited primarily for its negative effects. Yet even the best understanding of any such effect is tautological, its measure vague, and its role in the process basically epiphenomenal".

The first argument aims at opposing culturalists who claim that ignoring culture is a major cause of failure in negotiations. For Zartman, culturalists do not seriously substantiate their assertions and in no case set out a culturally distinct process that could shed light on the matter. In addition, they are no more able to prove the reverse that the successful end of a negotiation is due to

the influence of the cultural aspects. Such a comment does make sense but far from rendering the hypothesis void, calls for more work in this area. Rubin and Brown (1975) already underlined the relative scarcity of scholar works, assuming that the cause could be the methodological problems inherent in such studies. For instance, laboratory experiments concerning culture tend to have one negotiator for each side and one variable to test. In a real world negotiation between a Western company and its Chinese counterpart for the setting up of a joint–venture, two to three westerners face fifteen to thirty Chinese and discuss during several years over a hundred issues, putting on the stage dozens of variables. It becomes difficult to transfer findings extracted from the former situation to the latter. A number of researchers have recently carried out some field works and analysis to provide more insights on this topic, showing how shared norms, specific cultural combinations may facilitate negotiation or how the creation of a professional negotiator's culture may strengthen the dynamic of the process (Elgström, 1990; Dupont, Lang, Kremenyuk, 1993).

Culture tends to be defined tautologically. When culture is related to independent variables, these variables end up being cultural too. If, for instance, social structure is claimed to determine culture, at the same time, it is a cultural product. In fact, as shown by Faure and Rubin (1993), culture relates to problems of different kinds: communication, perception, identity, that enable the researcher to formulate hypothesis on its relative importance as compared to other types of causation. What is at stake is not really how weak can culture be as an influencing factor but rather the complexity of the interaction process and its consequences.

Culture is a vague concept and if it is viewed as the sum of the behavioral traits of a collectivity, the significance of the "cultural basket" is never clearly defined. This observation is obviously quite accurate and relevant but does not lead to the conclusion that the influence of culture should be smaller than formerly hypothesized. The essential lesson to draw from this criticism is that research should be more narrowly focused on specific and well defined objects in order to avoid this problem in the future. Works such as those of Hofstede (1980, 1991), distinguishing four dimensions of culture or those of Carnevale and Radhakrishnan (1994), using attitude scales to characterize a cultural trait demonstrate possibilities and potentialities.

Zartman's last critique is that culture is epiphenomenal and, as a consequence, does not substantially help in understanding the negotiation process itself. The epiphenomenal character assigned to culture is a judgment which is not backed by a demonstration. It bears the same weakness that was underlined in the first criticism stating that culturalists have never been able to prove what

they assume. In fact, as underlined by Elgström (1994) while raising the issue of the "internal validity" of culture as the relevant determinant, it is extremely difficult to precisely assess the relative influence of each major variable operating in the negotiation process. Outcomes can also be determined by other variables such as structural or process variables and it would not make sense to turn culture into the unique explanatory variable of a whole and often complex process. As shown by Druckman et al. (1976) in a study of bargaining behavior of Indians, Argentineans and Americans, culture does matter in determining behavior but other factors such as age, gender, environment also play an important role, paving the way to multicausal models. In addition, what is often observed is that culture's effect on negotiation is subtle and this subtlety, however, does not reduce the importance of culture but only makes it less visible. Again, it only calls for more attention, more research.

Another strong objection to the importance of culture in negotiation is raised by a number of psychologists who tend to consider that individual variables are by far the most important, and that personality is the leading force in the interaction process. The answers to this can only be found in real cases studies and might even provide a different answer each time. In addition, and this restriction cannot be easily lifted, it is sometimes very difficult to draw a line between cultural variables and personality variables. If we consider, for instance, risk-taking behavior, it may belong to both sets and only a specific investigation within a case study, will enable the researcher to draw an accurate conclusion.

## HOW CULTURE IMPACTS ON NEGOTIATIONS

"What is it that cannot quite be seen but follows us around constantly? (...) the answer (...) is culture" (Faure and Rubin, 1993, p. XI). The subtle influence of culture has to be grasped in an organized way to disclose some of its content. Its distinctive effects can be related to the key components of a negotiation: actors, structure, strategies, process and outcome.

#### Actors

First, culture is brought into the negotiation by the actors, be they individuals, groups or organizations. It conditions how they view the negotiation, the kind of game they perceive to be going on. Is it, for instance, a power confrontation, a cooperative exercise, a debate, a ritual, a human venture, etc.? For Americans negotiation is mainly a give and take exercise, but for Japanese it is far from being so (Kimura, 1980, 65). This also concerns the way other

people are perceived including stereotypes, their intentions and the values that guide their conduct. How issues themselves are understood, framed by negotiators, is influenced by their own culture. For instance, will a set of issues be viewed as a list of items to be discussed sequentially as Americans would do, or will it be seen as a system of interconnected elements to be approached in a holistic way as Japanese would do (Graham & Sane, 1984, 29)?

Issues may also carry a symbolic value that take them away from simple, rational understanding. Underlying symbolic meanings, memories from past experiences, occasionally historical memory may strongly influence behaviors and become true explanatory variables.

Ethics are also brought into the interaction by the negotiators themselves. The cultural line drawn between what should not be done, or tolerated, varies from one culture to another. In some cultures, people easily resort to means of action such as lies, deception or bribes that are considered as absolutely unacceptable by other cultures.

Culture does not need to have a visible impact, or to be consciously perceived to be influential. Moreover, to belong to a highly dominant culture may amplify this phenomenon of cultural insensitivity. Often negotiators who belong to non-dominant cultures show higher sensitivity to this dimension and see it as a major component of the relation.

#### Structure

Structural components of a negotiation are not culture free. External constraints, such as the legal framework, the organizational setting of a negotiation, are social products. Other typical structural factors include the number of parties involved, the number of issues at stake, the distribution of power between the parties and the degree of transparency of the process for external observers such as the media.

Again, culture may influence some of the structural aspects. For instance, the number of negotiators representing one party in the negotiation is largely related to cultural habits. In business negotiations in China, a foreign team does not only negotiate with its Chinese counterpart but indirectly with other parties such as the local authorities and government. This displays how Chinese culture and society in–print on the negotiation structure.

Concerning power distribution, culture tends to legitimize some types of situational power and to disavow others. In China, it is quite legitimate for the strongest to impose his own views. In former USSR, the Party could not be wrong. In traditional African villages, in a discussion, the eldest always has the final word. Such a priori judgments will influence the whole process by weight-

ing on negotiators' behaviors.

The organizational culture of an international institution provides another example of culture becoming a structural component, for instance, in the way the institution deals with decision—making or conflict handling.

## Strategy

Negotiating is a global action and the overall orientation given by an actor to achieve his goal is a strategy. Strategic choices are led by values which, in turn, relate to culture. In some cultures action will be direct, conflict widely accepted and problems met head on; in others, action will be indirect, conflict not openly acknowledged and problems only dealt with through allusions. Russians, for instance, tend to negotiate from a position of strength and do not mind resorting to aggressive tactics such as threats, whereas the Japanese are highly reluctant about direct confrontation (Kimura, 1980).

Goal setting is also, to some extent, influenced by culture. For instance, westerners are strongly driven by the idea of fairness and respect to basic principles, rules, etc. The Chinese are much more concerned by preserving harmony among the participants of a negotiation or by saving face than by abiding by rules and abstract principles, and sometimes even act at the expenses of these rules.

Culture may also influence the way negotiators operate so as to reach an agreement. Some cultures, such as the French or the German, favor a deductive approach, looking first for acceptable principles, then applying them to concrete issues. Other cultures, such as the American, would rather adopt an inductive approach, dealing pragmatically with encountered difficulties and underlying principles will only become discernible in the end.

In multilateral negotiations, culture may have its word to say when building coalitions. Some actors will accept to join forces with people who have common interests regardless to who they are, other actors will only cooperate with people who share the same values. In the first case, one could speak about a Machiavellian culture and in the second case, a principled culture.

#### **Process**

The core of the negotiation, that is the interaction between the actors, is made up of moves or tactics of all kinds designed to divide a resource, to exchange information and concessions or to create new options.

These behaviors are value related and what can be seen as legitimate in one culture can be totally rejected in another culture. For instance, not sticking to one's word or deceiving the other party about a deadline can be viewed from

very different angles, for being polite is in some cultures more important than telling the truth. Bluffing, issuing threats can be seen in some societies as some of the very many means available to the negotiator. In other societies it is a sufficient reason for breaking off the relationship.

The way behaviors are perceived and understood is also highly cultural. A significant example is given in the letter sent, at the beginning of the century, by a Chinese traveling in the West to one of his friends. "I have seen two white men meeting on the deck of a ship. Each one offers his right hand and holds the other's. I thought they were trying to throw each other into the water, for I believe they were engaging themselves in a fight. In fact, it was their way to greet each other: they were friends!" (Chih, 1962, p. 203). Thus, it was just inconceivable for a Chinese to see shaking hands as an expression of politeness or friendship. It is culture which provides the meaning of the gestures.

Communication is another major component of the negotiation process. Its effectiveness may be considerably affected by cross-cultural dissimilarities. When communication is indirect, content ambiguous, feedback scarce, negotiation has to become mainly a decoding exercise in which culture and context provide the two main keys to an accurate perception of signals sent by the other party. Differences do not only lie in what is said but in how it is said and also in the social context of the discussions. Drawing conclusions from a field study on US/Japanese negotiations, Graham (1993, 139) observes that "Americans are unable to read Japanese expressions and wrongly describe Japanese as expressionless".

The meaning of the Japanese smile is an interesting case with which to illustrate the complexity of the task, and at the same time its necessity because from an objective fact one can derive opposite conclusions. A Japanese smile can be perceived as a mask of politeness, an opaque wall behind which one observes the other. It can express cooperation or denial, joy or anger, certainty or total ignorance, trust or distrust, pleasure or embarrassment. Only some knowledge of the Japanese culture and the reference to the current context of the smile may enable to get access to its real meaning. It is a necessary information in a negotiation where signals are often scarce.

Cross cultural differences in the description of time may also affect the negotiation process. In the West, time is conceived as a commodity that has a cost and should be used with parsimony. In contrast, in the Orient, time is viewed as an unlimited resource like the air we breathe. As a consequence, time pressure will have very little effect on oriental negotiation behavior. As it has been said by a Chinese negotiator to his western counterpart who was pushing him to quickly come to an agreement: "China has been able to do without your

technology for 5,000 years. We can wait for a few more years".

Humor may be used as a facilitation device but what is funny in a culture may be merely viewed as nonsense or as a quite unpleasant remark in another culture. Differences existing between Voltairian irony and the distanciation conventionally called "English humor" are more than a matter of shade, but reveal intellectual constructs of a very distinct nature.

### Outcome

The outcome is the function of the other key elements of negotiation and, as a consequence, the influence of culture on these elements will indirectly bear upon it. As it happens with power, culture may under certain circumstances impact on the outcome. Culture operates a selection among the various types of possible agreements, modifies the zone of potential agreements by restructuring it according to compatible combinations and by doing so changes the global value of the game. There are also more direct linkages between cultures and outcome. For instance, some cultures prefer an agreement in which each word has been carefully assessed, others may do with more loosely formulated agreements. Thus, a joint venture contract in Japan conceived by the Western side can be several hundred pages long, whereas the Japanese would easily do with a ten page length. What is included in the outcome is far from always being put in a written form and varies according to cultures. Besides the usual provisions, numbers and figures that are mentioned in a business contract, westerners would consider that the time spent (or saved), reaching the agreement is part of the outcome. Japanese would systematically put trust and quality of the relationship as major components of the outcome.

Culture may also influence how the parties interpret the outcome that has been attained. In some societies, an agreement is a final decision carved in marble that has to be strictly implemented. In others, an agreement is a written paper that was valid on the day, when it was signed, and which may be modified if the external conditions prevailing at the time of the signing have changed. For a Chinese, for instance, signing a contract is not closing a deal but substantiating a relationship.

To be concluded, agreements normally have to meet some norm of fairness. Perceived fairness can be narrowly linked with cultural differences (Both et al., 1991). Behind such a concept one can find different, sometimes conflicting principles of justice narrowly connected with social values. Some cultures would favor equality of concessions or gains as a basic norm of fairness; others would, for instance, prefer imbalance gains distributed according to the specific needs of each party.

Once an agreement has been reached, the point becomes to make sure both parties will respect its provisions. In the Western mind, this is done through institutional mechanisms such as courts, international arbitration. In some cultures this attitude is simply viewed as a signal of distrust and would rather resort to additional negotiation or mediation in case of litigation.

Concerning the substance of the agreement, the Westerner would consider abiding by the mentioned principles as an absolute necessity whereas the Chinese would pay more attention to the consequences of not respecting what has been decided and consider the related cost as the first criteria in making a decision. If he is himself victim of someone who does not implement all the terms of the contract, he would first assess the losses and if these are relatively small, he would not protest in order not to look mean and expose himself to losing face.

## CULTURE'S EFFECTS ON NEGOTIATION

During world war II, a small group of American officers had been made prisoners by the Japanese army. They were kept in wooden barracks, on a small island in the middle of the Pacific Ocean. One evening, conscious about the humiliation that these American officers had to stand, their jailers discreetly left some razors at their reach. The next morning, to the surprise of the Japanese, the officers had restored their dignity in a very unexpected way, by carefully shaving themselves. Whether true or fictitious, such a story sharply illustrates the influence of culture on how to behave appropriately within a certain set of constraints and the various possible outcomes.

Culture impacts on negotiation in a number of ways and this leads to various types of consequences at four different levels: cognition, beliefs, behaviors, and identity. As underlined by Rubin and Sander (1991), some of the most important effects of culture are felt even before the negotiation starts. This is typically the case with these four levels where, silently and unconsciously for the actors, culture leaves its invisible trail. Cognition relates to ways of perceiving, understanding what is at stake in a negotiation: money, power, technology, status, goods, face concerns, etc. Cognition also relates to how the negotiation is perceived in itself, the nature of the game that the actors are playing: a strength test, a relationship, a search for justice, a palabra, a game of seduction, a construction exercise, etc. Cognition also concerns what one party knows about the other party. What are the driving perceptions operating: stereotypes, historical memory, past personal experiences, etc. Stereotyping by bringing together various traits reduces cognitive complexity to simple terms,

easier to handle during the preparation of the action.

Cognitive aspects are essential for framing the problems and subsequently to make choices in terms of strategy and behaviors. When Magellan, in the year 1521, made the first circumnavigation around the world, reaching an island in the Pacific ocean, he met the king and offered him presents. He wanted to establish relationships on an equal basis and explained that he looked at him as a brother. Sharply objecting the idea, however, the king told that he could only be considered as a father. In this early cultural encounter, what was at stake was precisely the framing of the relationship to be developed. Concerning a more actual type of encounter such as those elicited in doing business in Japan, what is viewed as a conflictual negotiation by Japanese may not be seen as such by Americans, and similar types of behavior are subsequently highly contrasting. Similarly, what is often seen by American negotiators as a delaying device can simply be for a Japanese the time needed to know better the other party.

The general approach of the underlying problem to the negotiation is typically conditioned by actors' culture. To the cartesian—analytical approach implemented in the West can be opposed the holistic approach shared by Japanese and Chinese. The first approach aims to segmenting the problem and solving the difficulties as and when required; the second tends to assess the entire situation and to learn how to accommodate the relative influence of the many forces involved (Redding, 1990).

Language, a classical cultural product, is a major instrument in cognitive activities. Problems can only be defined within existing categories as has already been emphasized. If your only tool is a hammer, then every problem is a nail (Faure, 1995a). Labeling is, thus, a major cultural activity which conditions and, to some extent, structures social action.

The second level, that of beliefs, puts forth a set of values coming from the cultural background of the negotiator. These values, stating what is desirable and what is not, operate as instrumental goals and directly orient the behavior of the actors. If only national cultures were at play, as a set of shared values, culture would generate a highly predictable pattern of negotiating behavior. With the corporate culture and the professional culture, the assumption of an homogeneity looses its relevance and common values become more difficult to discern. In turn, combined with personality variables within strategic behaviors, the final attitude would become much less predictable, if ever.

If cognition deals with the type of game to be played and beliefs deal with what should be achieved in this game, behaviors concern the way to play. This is done in selecting a range of acceptable behaviors and defensible arguments. Tactics such as "take it or leave it" or issuing direct threats are part of the

American culture. The Asian-Pacific cultures would better be illustrated by the use, for instance, of "salami tactic" (nibbling) or just keeping silent and not answering. Each culture has some sense of what level of risk should be taken and this level can be extremely diverse (Faure, 1995b). The uncertainty avoidance scale, on which Hofstede (1980) ranks 53 cultures, goes for instance from 8 to 112. Behaviors as part of the experience gained in the course of the negotiation may, in turn, influence back cognition. Cultural learning is an ongoing process throughout the interaction.

A number of publications address the behavioral aspects of negotiation emphasizing cultural differences under the heading of "negotiating styles". They tend to describe the typical ways in which negotiators behave when they are, for instance, Japanese (Van Zandt, 1970), Chinese (Pye, 1982), Arabs (Alghanim, 1976). Conclusions are sometimes drawn in terms of advises for the practitioner such as "do not call your Chinese counterpart by his first name", "while sitting in a tent do not show the sole of your shoes to your Arab counterpart", "do not give a slap on the shoulder of a Japanese to show him sympathy", "when you meet a Latin–American negotiator, do not suggest getting to work before getting well acquainted". These rather anecdotal observations may sometimes be useful to the practitioner but bear limitations as they do not really help to understand the culture of the negotiator across the table, if ever there is a table.

Identity is the last level of intervention, the deepest and the most difficult to deal with. It can be critical in some negotiations such as between Israelis and Palestinians over Jordan waters (Lowi and Rothman, 1993), or between Northern–Arab Sudanese and Southern African Sudanese over the Jonglei canal (Deng, 1993). When identity is not built by differentiation but mainly through opposition to the other party, any change likely to improve the conditions for a settlement may appear as a betrayal. Modifying the elements that comprise one's identity is a denial of oneself and can be viewed, at the symbolic level, as a destructive attempt. Difficult to grasp, highly complex to manipulate, identity aspects remain the untouchable core of culture.

## IMPLICATIONS FOR PRACTITIONERS

Culture may operate in many ways on the negotiation process, but mainly as an obstacle or as a facilitator. Salacuse (1993) describes the practical effects of culture as being those of either a weapon, a fortress or a bridge. If both parties' cultures are seen as incompatible, each negotiator may perceive the other's culture as a weapon aimed against his own values and beliefs and become

extremely defensive. One common way to resist this threat is to build a cultural fortress by, for instance, demonizing the other side on the basis of alleged cultural traits. The culturally assertive weapon of one party as it is perceived, elicits the cultural fortress of the other party. The more assertive the former appears, the more defensive the latter becomes. This weapon-and-fortress phenomenon is often triggered by an attitude interpreted as a sign of cultural arrogance. For instance, the suggestion from an American to structure a negotiation in a very specific way because it is "the way it is done in America" may not be taken as a constructive proposal. Far from being convinced, the other party may become highly defensive and start building up his fortress.

Culture has too often been described as a barrier and used as an explanatory variable for failures. Besides its scapegoat function, it definitely can serve as a bridge between the two negotiating sides. One party can rely on certain elements of the other's culture to start building that bridge. From this common basis, these shared values, the overall relationship can benefit from this kind of synergy. For instance, when parties spend a long time negotiating together in international organizations such as the European Union, they develop a common negotiation culture made of well–understood symbols and shared habits that could be assimilated to a mixing between professional and organizational cultures (Lang, 1993; Hofstede, 1989; Sjöstedt in Zartman, 1994). This new culture can be quite effective for handling divergence due to the way they are framed.

Building a bridge is, to some extent, a risky venture and one has to feel secure when beginning with this task, a condition not always easily fulfilled. To this regard, learning about the other party's culture is paying respect: to this party and subsequently avoiding him taking a defensive stance. Thus, it paves the road to establishing complementarities and, eventually, enriches the joint potential.

From a very different angle, addressing the prescriptive issues, Weiss (1994) designs a range of eight cultural strategies among which the negotiator may choose according to the parties' level of familiarity with each other's culture. Among them to employ an agent, to adapt to the counterpart's script, to induce counterpart to follow one's own script or to transcend either home culture by improvising a new script ("effect symphony").

Both approaches show that culture is not just some external constraint negotiators have to bear, but an active element that can take a conclusive part in the reaching of an agreement if actors can make a proper use of it.

#### CONCLUSION

International negotiation is a cross-cultural exploration, but, as underlined by Hall, all cross-cultural exploration begins with the experience of being lost. Fortunately, it is a long lasting process and one has opportunities to find his or her way again. This ambivalent activity leads to the grasping of more knowledge but at the same time, may naturally elicit doubts, an unavoidable psychological consequence of cultural investigation. International negotiation gets people around the same table and, thus, does more than confront cultural differences by producing a combination that should be made as effective as possible. On each side of the table national culture and organizational culture unite while professional cultures divide. Across the table national and organizational cultures divide whereas professional cultures establish bridges. The overall outcome is more than a minimum sound, a kind of smallest common denominator, it is a global cultural orchestration with richness and variety in the sounds that are produced. In this process, to lift barriers means to clear up misunderstandings, misperceptions, to reduce discrepancies in the ways of framing a common problem. Eventually a major task is to avoid the "Babel effect" (Gauthey, 1995) which, as it was described in the Bible (Genesis, 10), a total confusion of languages leading to paralysis, sharply illustrates the fact that generalized incomprehension can only produce failures.

The constructive orientation can, on the contrary, generate a communicational phenomenon, a kind of highly productive multicultural interaction. In the day—to—day negotiations, building bridges is already developing the embryo of a common culture but without giving up one's own identity. Instead of looking first for what is different and probably wrong with the other, the point is rather to look for complementarities, synergies and turn the cultural encounter into a source of creativity to feed negotiation dynamics and, as a consequence, to raise the level of efficiency of the overall system.

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