



As We See It

*Bee Chen Goh, Habib Chamoun-Nicolas, Ellen E. Deason,
Jay Folberg & Sukhsimranjit Singh**

***Editors' Note:** Developing further the "adventure learning" experiments conducted by the project in Istanbul and reported on in *Venturing Beyond the Classroom*, the authors tried new negotiation experiments in the markets of Beijing. Comparing their experiences from their respectively Chinese-Malaysian, Mexican, North American and Indian cultural perspectives, they conclude that self-awareness must be a central requirement in cross-cultural negotiation training, and that up to now, it has been far too commonly taken for granted.*

"Know yourself, know the other, victory is guaranteed." (Sun Tzu)

Introduction

Cross-cultural negotiation, in the ethnological sense, is a fascinating engagement. Quite naturally, participants tend to think, when they begin to embark upon cross-cultural negotiation, that they are ex-

* **Bee Chen Goh** is professor and co-director, Centre for Peace and Social Justice, Southern Cross University School of Law and Justice in Australia. Her email address is bee.chen.goh@scu.edu.au. **Habib Chamoun-Nicolas** is an honorary professor at Catholic University of Santiago Guayaquil-Ecuador and an adjunct professor and member of the executive board at the Cameron School of Business at University of St. Thomas in Houston. His email address is hchamoun@keynegotiations.com. **Ellen E. Deason** is the Joanne Wharton Murphy/Classes of 1965 and 1973 Professor of law at The Ohio State University Moritz College of Law in Columbus, Ohio. Her email address is deason.2@osu.edu. **Jay Folberg** is a professor emeritus and former dean of the University of San Francisco School of Law and now a mediator with JAMS. His email address is jfolberg@jamsadr.com. **Sukhsimranjit Singh** is associate director and lecturer in law at the Center for Dispute Resolution, Willamette University College of Law in Salem, Oregon. His email address is singhs@willamette.edu.

ploring the other, and that they are getting to understand the other culture better, and that, at the end of the exercise, they will be a little more enlightened about the habitual know-how of the other. Yet, for those who have been involved in cross-cultural work, the reverse is true. The more one engages in cross-cultural experiences, the more one gets to understand oneself (Goh 1996). There is an apparent inherent irony, a paradox, which easily eludes one who is untrained in cross-cultural ways. As such, Sun Tzu's timeless wisdom, "know yourself, know the other, victory is guaranteed" applies equally well in the negotiation context as on the battlefield.

This collaborative chapter reflects five contributors' respective cultural backgrounds and how each uses his or her own cultural yardstick to define "the other" – in a common setting, Chinese markets in Beijing. As culture operates in the unconscious (Hall 1959), it is quite natural that one's expectations and assumptions are derived from what one is familiar with. This chapter examines how one tests such expectations and assumptions when transposed to the cultural setting of the other.

The lesson for negotiation teaching to be obtained from our collective experiences is to emphasize the importance of self-awareness as the ground rule in cross-cultural understanding. Self-awareness has been acknowledged as an important perceptual tool (Augsburger 1992). However, its usefulness in cross-cultural negotiation teaching has, thus far, perhaps been taken for granted, or assumed. A well-designed curriculum in cross-cultural negotiation teaching embedding and commencing with "Cross-Cultural Self-Awareness Skill" will add considerably to this field, a point raised again later.

Below is a summary of the relevant account of the respective contributors' experiences in a common setting, Chinese market in Beijing in May 2011, and how each of us, in our own ways, brought to bear our own cultural baggage to interpret the same cultural environment. It also demonstrates that a particular deal's "success" can be attributed to the individual contributor's cultural self-perception and self-inferential behaviour. "Beauty is in the eye of the beholder"; indeed, the same may be said of culture. Our perceptual world is largely shaped by our inner lens. If there is concord with what we see and what we perceive, there is great beauty before us, and the cross-cultural experience becomes rewarding. Conversely, if what we see runs counter to our perceptions, our world is turned upside-down or inside-out, and we face confusion and chaos. There is frustration as to why things do not work.

Negotiating in Beijing

Bee Chen Goh

My Chinese ancestry¹ and facility with Mandarin² made me feel like a “returnee”³ on this conference trip to Beijing. For our purpose here, my negotiation and shopping venue was the Hong Qiao Pearl Market, right across from the Temple of Heaven. Contrary to expectations of a normal market, this market is very modern, clean and well laid-out with merchandise neatly categorized by floor. It is also much more than just a pearl market, with a splash of sundry electronic goods, personal accessories, household ornaments, Chinese paintings and so on. What was interesting for me was how I would be perceived by the stall-holders as a potential buyer. Like everyone else, I walked in with the intention to purchase and leave with a “local” bargain. I was in an advantageous position, given my ethnic Chinese appearance and Mandarin fluency (Chen 2001). So, let us see where those self-perceived cultural advantages took me.

I was on an assignment to buy high quality leather belts for my husband. Using my intuition as my GPS, I found myself in front of a leather-belt specialty stall. My interested posture in examining the leather belts inside a glass counter drew the stall-owner to me in seconds. I observed him examining “me” – perhaps trying to make out if I was a local or only looked local (Goh 1996; Chen 2001).⁴ In China, as they say, there are Chinese prices and foreigners’ prices. Overseas Chinese are a little in between. Unless you are adept in negotiating, you deal at lower than foreigners’ prices but higher than local Chinese prices.

After the initial silent seconds, albeit with an exchange of friendly smiles between us, and before I decided to open my mouth to ask for a good price, the stall-owner voluntarily reduced the opening price displayed in writing as 460 yuan to 280 yuan. I knew at once that the voluntary reduction without any effort on my part to negotiate was an acknowledgment of my Chinese-ness and implicit in that, giving me face as a fellow Chinese, or at the very least, Chinese-looking person (Goh 1996; Chen 2001). I must add, at this juncture, that China being such a vast country, Mandarin as spoken would differ according to regional accents. Beijingers, being Northern Chinese, speak with a distinctive northern accent. The reason I decided to take my time to look at the belts rather than communicate verbally right in the beginning was to minimize my exposure as a non-local Chinese. The stall-owner was still second-guessing my origin when he took the price down but he was prepared for further bargaining as locals would. I examined the belts and recognized their high quality. Inasmuch as I

wanted to walk away with a very low price, I was more conscious of buying at a fair price, especially for a high-quality good. So, I started my pricing at 100 yuan, with room to move upwards. I reckoned that if I could buy the belt at 150 yuan, it would have been a good and fair purchase. The stall-owner, of course, said it was impossible to sell such a high-quality belt at 100 yuan. Besides, he said, he had given me a Chinese price with the original discount. By this time of verbal exchanges, he inquired whether I was from Hong Kong.

Although I can speak Cantonese, I politely said I was not. From my perspective, I knew that I wanted to buy from this shop. I had surveyed other shops and their belt quality was inferior. With this in mind, I needed to handle the negotiation in this stall strategically and successfully. I also felt that I could approach this negotiation confidently without the walk-away exercise, relying on our largely familiar and common cultural backdrop. The usual tactic is to create a “bulk” purchase, which stall-owners are used to. They are accustomed to lowering their price with the promise of volume, based on present or the likelihood of future repeat transactions. As it turned out, I was keen on buying two belts – though not quite the bulk he was looking for, the fact that it was more than one was giving him some “face.”

The stall-owner eventually agreed at 300 yuan for both (which matched my expectation of 150 yuan each). Interestingly, at this deal-closing time, there was an unsolicited interjection from a Peking University student who was with my group. She further bargained the price to 280 yuan for both. The stall-owner first rejected this interference by saying that the deal was already struck. She then said that her mother ran a business in a Chinese province and she would recommend bulk purchases. The stall-owner finally agreed to my buying at 280 yuan for two belts, happily slipping a couple of business cards into the shopping bag in the hope of repeat business.

In this case, although prices had been lowered, and there was a clear process of bargaining, what I perceived as a notably good outcome was that there was no appearance of being upset on the stall-owner’s part (unlike most of what my fellow delegates had experienced in markets). As for myself, I paid what I considered to be a fair rather than a low price. I attribute this outcome to our Chinese cultural congruency. That is, we operated on the same cultural platform, and intuitively sensed and matched each other’s expectations by being on the same cultural wavelength.

I had another interesting encounter at the accessories section. On that shopping day, I happened to wear a Peking University T-shirt, which I had bought from a campus store just the day before. While I was browsing, the lady stall-owner spotted me with the university

T-shirt and spoke to me right away in Mandarin, translated to mean: “Wow, you’re an academic from Peking University! You must be very highly-educated. It is a reputable university. We are very honored to serve you. You will get local prices from us. We call these ‘friendship’ prices.” As I did not intend to buy anything from her stall, I smiled and said that I was visiting the university. I thanked her politely for her face-giving remarks and gestures. Later, I commented to a fellow delegate that even my T-shirt did some bargaining for me!

What were the lessons learned from shopping and negotiating at the Pearl Market? Overall, I experienced near-complete ease negotiating in Beijing. I attribute this comfort to my cultural parity. Negotiating with the Chinese in successful and rewarding ways must mean one thing: Chinese cultural competency (Goh 1996; Chen 2001). In my case, looking ethnically Chinese was an apparent asset. It was also advantageous for me to be able to converse in Mandarin. I thought and acted like a local Chinese person. I upheld the fundamentally Chinese cultural values in my conduct with the stall-holders – being polite and friendly, smiling a great deal, always gentle in demeanour, using culturally-nuanced language in negotiating, confident with estimates of local Chinese pricing and being patient and unfussed at all times.

Habib Chamoun-Nicolas

My first experience negotiating in a Beijing market was very frustrating. Almost every store at the Beijing Night Market displayed a sign in Chinese and English that read, “No Bargaining.” One store even had a sign that read, “I refuse to bargain.” English was generally spoken as a second language by many of the young store owners and employees. Very few spoke other foreign languages. At least on the night we went out, we noticed the public at the Night Market was mostly foreigners and well-to-do young Chinese. The prevailing attitude at the thirty or so stores attended by young Chinese vendors was “if you don’t buy, that is your problem.” There was no eagerness to sell.

When we tried to bargain, some of the store owners got mad at us. In fact, there was a store in which, after attempting to bargain, we noticed the store owners and others making fun of us. Bargaining in the Beijing Night Market was forbidden as a form of bad manners. We associated this behavior with the fact that some young Chinese boys were buying gifts in this market for young Chinese girls. They had an evident sense of pride in purchasing expensive items in the market. They had the money and appeared to be looking to buy prestige. Someone receiving a gift purchased at this market would, it seemed, know it to be a good, expensive, prestigious gift. Knowing this, the young boys did not dare bargain for something in this market. From

the owner's perspective, the boys were buying quality items in a prestigious place. They were expected not to try to bargain, just like in any other prestigious marketplace (such as at Tiffany's in New York). Also, it seemed as if the Chinese store owners had adopted a collective strategy of not allowing the prices to be lowered under any circumstances. As a buyer, you could lose face by bargaining in such a store, whereas, of course, in Chinese society, "giving and keeping face" is important (Wibbeke 2009: 25).

Our experiences at the Silk and Pearl Market in Beijing were completely opposite to those at the Night Market. The moment we entered the Night Market, store employees tried to persuade us to enter their stores. They anchored with very high first offers, and asked how much we would pay for the merchandise. They tried to speak several languages: French, Spanish, and English; however, it was obvious that they knew only a few words, not enough to make a conversation. They relied heavily on calculators to deliver prices to customers, perhaps to avoid confusion.

If we compare the Istanbul Grand Bazaar sellers (see Chamoun-Nicolas, Folberg, and Hazlett 2010; Docherty 2010; Cohen, Honeyman, and Press 2010) with the Beijing Silk and Pearl Market, we can see that the Istanbul sellers were more prepared to interact with foreigners, with some speaking as many as twelve different languages. The Chinese sellers we encountered could use just a few select words in different languages as conversation starters. In contrast, the Istanbul sellers greeted potential customers with tea, and even if you did not purchase anything from their store, they politely ushered you out of the store, hoping that perhaps you would come back. At the Beijing Silk and Pearl Markets, forceful shopkeepers gave us a price, but then started unilaterally reducing the price when we failed to make a counter-offer. Failure to make a sale made them conspicuously angry. When we made ridiculous counter-offers, they acted offended. But we did not know if the offense was feigned or real. In some cases, we noticed they would rather not sell and let the buyer go. Others expressed annoyance, giving buyers the opportunity to change their mind to mitigate the situation.

Developing empathy in such an environment is difficult. The aggressive opening tactics created distance, and the store owners appeared to follow a sales strategy of offering a big price "reduction" rather than focusing on product quality. To counter this, there were signs at the market entrance to vendors, reading "Protect intellectual property rights. Be law-abiding vendors" and to customers, reading "Shop with Confidence" with a telephone number for quality control. It is not known if this is a negotiated, enforced pact or simply a tactic to try to entice consumers to lower their guard.

My preconceived notion of Chinese as poker-faced negotiators of few words was shattered. Instead, I experienced Chinese people showing their emotions, yelling, and getting angry at “hard bargainers.” Even our plan to assemble a caravan of taxis in order to get to the market as a group of twenty created problems. Refusing to wait for other taxis, our driver got out and started yelling at our group of five to get out. Only when we decided not to wait did he agree to transport us.

The stereotype of Chinese as “good hagglers” from previous negotiation experiences, such as negotiating in Chinese communities in Mexico or in the United States, was called sharply into question in this Beijing market environment. Instead, my impression was that the Chinese really did not like to haggle unless it was essential. In the Night Market, a rule against haggling was explicitly stated, yet the market appeared successful. In the Silk and Pearl Markets, haggling appeared to be just a pricing tactic, initiated by the seller rather than the buyer. It seemed as if the Chinese sellers looked for uniformity in deal making: the shopkeepers took few risks and followed apparently set procedures. This forestalled any real communication from developing – or perhaps this is a natural result of language difficulties (Goh 1994).

As a specific example, at the Pearl Market, I negotiated for a pearl bracelet for my wife. I spoke French to my friend and English to the Chinese jewelry store manager. A Chinese lady showed us a beautiful pearl bracelet for 850 yuan; I offered 85 yuan. She was, or at least appeared, offended. My friend told her in English that it was a fake pearl. She started yelling at both of us and (apparently) got so mad that she put things away. We returned to the store to find out if the pearls were genuine. This time, the same sales person got a small knife and started scratching the surface of a pearl. (If it is real, some powder will be emitted. Also, a real pearl will not be affected by heat.) After being shown that the pearls were real, we started haggling. I got an agreement at 200 yuan. Was the seller really angry? Was this a tactic? Was 200 yuan a fair price? I believed that a truly good price would have been 100 yuan. However, 200 was good enough for me, for a real pearl bracelet.

The Chinese jewelry store manager getting mad and yelling could have been either a negotiation tactic, or a sign that we had offended her. If this was a negotiation tactic used on foreigners who are hard bargainers, it could be because Chinese negotiators fully understand that foreigners are culturally different (Goh 1994). However, if this was not the case, then it may be explained by the five dimensions of Hofstede: with a low assertiveness orientation, Chinese value

face-saving and have a negative view of aggression (Wibbeke 2009). Respect and tolerance are two Phoenician principles of doing business cross-culturally (Chamoun and Hazlett 2007). Perhaps the same principles apply in China, such that if the owner was really angry, it was because we had crossed a line of respect and tolerance that we should not have.

Ellen E. Deason

I came to Beijing uncomfortable with bargaining; I am probably typical of many Americans in that regard.⁵ When there is haggling to be done – in buying a house or car or at a flea market – my husband does the bargaining. As a negotiation teacher, I am familiar with some of the tactics of the haggling style, but I am a reluctant participant and certainly do not seek out the process. In addition, unlike many Americans, I am not a “shopper.” I avoid most shopping, including window shopping, as much as possible.

I went with a group to the Night Market described by Habib Chamoun-Nicolas. The “no bargaining” signs surprised us, and several experienced bargainers in the group tested the waters, but to no avail. Even for goods with no marked price, the sellers seemed unwilling to play the game.

I wanted to buy some tea. In one shop a small block of pressed tea was labelled thirty yuan, but I was interested in an attractively wrapped round disc with no price indicated. I inquired and was told the price was 100 yuan. When I expressed surprise at the difference, the young saleswoman indicated that the disc was not only larger, but it was aged tea – five years old. Part of me wanted to make an offer, but I felt I needed to “psych up” to do it. I decided to compare the prices in other shops and think about the purchase. After walking the entire street I discovered that this was the only tea shop and decided to take the plunge. The salesperson, this time an older man, again quoted a price of 100 yuan, but he said the disc was four years old. I politely refrained from pointing out the discrepancy and offered eighty yuan, thinking I should try lower, but somehow was unable to do so. He accepted immediately, and I just as immediately concluded that I should have offered a lesser amount. But it felt like a triumph to have bargained at all. I have no idea if I got a reasonable price. In a later tea shop visit I bought loose tea, but did not ask the price of a similar pressed disc. Perhaps I did not want to dampen my good feelings about the first transaction with an unfavorable comparison.

Later, I visited the Pearl Market described by Bee Chen Goh, but with another group. This time I was determined to stretch my comfort zone and bargain *hard*. And, after an unsatisfactory experience

with a taxi driver in Beijing, it was important to me to feel I was not being “taken advantage of” as a foreigner. The atmosphere was very different from the Night Market. From my perspective, it was chaotic, with (mostly) women calling out from stalls, “Lady, look at this . . .” On some level I realized that, as discussed by Chamoun-Nicolas and colleagues (2010), this was merely an eager attempt to attract my attention as the first step in building a relationship, however limited and short-term. But I felt somewhat assaulted.

I tried hard bargaining for some wallets – a purchase I was not committed to make, so I felt some detachment from the process. I offered one-tenth the asking price, as recommended in the guidebook and by some of my colleagues, purposely taking on the mindset of a game to test myself. I kept my moves (indicated on a calculator) small and tried for a quantity discount. The bargaining eventually stalled at her demand of 100 yuan and my offer of fifty for three wallets. The atmosphere shifted. The seller protested that she could not make money at the price I wanted and the message of her tone and body language (as I understood it) was that I was being unreasonable, even abusing her. Eventually we settled at eighty yuan. I’m sure she would not have made the sale without earning some profit. I felt, however, that the interaction had soured and that she was glad to be done with me. My “success” brought me the satisfaction of accomplishing what I had set out to do, but very little pleasure with the purchase. I later concluded that I had forfeited a pleasant relationship for a few dollars.

In contrast, a third bargaining transaction was characterized by a congenial relationship throughout the interaction. When the group went into a jewelry stall, the proprietress did not call us in and did not initially say anything other than welcome. We admired the strands of semi-precious stones and beads and she answered questions. It felt less hard-sell than many small stores in the United States. I found a necklace I really wanted, so I was not as disengaged as with my previous purchase. I asked the price and was told 100 yuan. I almost offered eighty but, remembering the tea transaction, I decided to try a little lower and offered seventy yuan. The seller accepted immediately, but I did not feel (as I had with the tea) that I should have opened lower. Everyone in the group made purchases, mostly with very little bargaining because the asking prices seemed so reasonable. We parted as satisfied customers with smiles and thanks. She gave us each her card, and mentioned that the shop sells online. We all agreed that we were much more comfortable with this more relaxed, low-key style of interaction and that the value of our purchases – in comparison to prices in dollars at home – was very good.

As I reflected on my different reactions to these experiences I thought about the role of trust in my perception of the fairness of the price and the way in which that trust operated in each situation, based on my own cultural perspective. In my experience, the epitome of a trusting, satisfying relationship in a market setting is found at my local farmers' market, where I typically bring repeat business to particular stands, stimulated by reliable quality and value from the seller. The interactions at the tourist markets in Beijing were, in contrast, one-shot deals with no expectation of a lasting relationship (although the possibility of additional purchases was introduced in the jewelry store by the mention of online sales). In that way, the setting was similar to visits to small retail stores in the United States. There, however, unlike in Beijing, my trust in the fairness of the price is linked to the impersonal convention that everyone will pay the same posted price, and on my ability to easily compare those posted prices among vendors.

The convention of posting fixed prices can be seen as a framework that provides a form of "institutional trust." Such trust is "present when one has confidence in predicting behavior because external safeguards are in place" (Deason 2006: 1403). It can encourage a transaction or activity to proceed even in the absence of a personal relationship between partners of the type that Roberge and Lewicki (2010) theorize is built on calculus-based or identity-based trust. (See also Lewicki 2006.) Institutional mechanisms that can substitute for relationship-based trust include both formal safeguards, such as contracts or guarantees, and informal shared understandings, such as procedures that the participants expect each other to follow.⁶ Within the context of a market, the convention of fixed and posted prices fills this institutional role. They mean that one can be confident that everyone will pay the same price, at least until an item goes on sale. And they make it easy for shoppers to compare prices of goods offered at other stores, especially given online information.⁷

With prices that are not fixed and often not posted, the markets in China did not offer this comfortable mechanism to ensure that the seller would not take advantage of my lack of preparation and knowledge. The challenge for me was that, based on all reports, I had every expectation that prices quoted to a foreign tourist would be highly inflated. This meant that I could not "trust" the quoted price. Yet I would not feel good about my purchases if I thought I had been "taken advantage of" and paid an excessive amount, so I felt vulnerable.

I dealt with the challenge of that vulnerability differently in each case. With the tea, I applied a different standard and did not worry about whether the price was "fair." Although I did not engage fully

in a bargaining interaction with the seller, I was content with merely having made an offer, especially in a context where many merchants were refusing to bargain at all.

With the wallets, my trust in the vendor was low and my distrust of the situation was high (see Lewicki 2006). Despite the fact that bargaining was for me an experiment in the nature of a role-play, I was struck by the intensity of the personal interaction and by the sense that I was dealing with an adversary. Yet the haggling process acted as an institutional mechanism that provided me with confidence in the outcome, and allowed me to go forward with the purchase despite the absence of any trust based on a personal relationship with the seller. Because I played the bargaining game I do not feel that I was “taken” or exploited. If anything, I regret that I was not more generous with the seller (see Love and Singh, *Following the Golden Rule*, in this volume; Chamoun and Hazlett 2009).

With the necklace, I was content with very soft bargaining. Perhaps I was pulling back from my hard-bargaining experience. Certainly I did not feel the need to prove to myself that I could do it. And after my sense of being an adversary, I think I was willing to pay a premium for the pleasant shopping experience. But more than that, in the time we spent in her shop, we formed a comfortable relationship with the proprietress. I felt a level of trust and goodwill based on this relationship which, coupled with some sense of prices for comparable items in the United States, lessened the need to use bargaining as a way to give me confidence that the price was reasonable.

Jay Folberg

Markets or bazaars and the bargaining associated with them have always intrigued me. Maybe it is because I grew up in our family’s pawnshop, and associated shopping with bargaining. As I discovered during our adventure learning, which was part of the Rethinking Negotiation Teaching conferences in Istanbul and Beijing, market bargaining behavior is not the same in all cultures, even though there are similarities (see generally Chamoun-Nicolas, Folberg, and Hazlett 2010). I will share here some of the differences observed from an addicted bargainer’s perspective, along with some lessons learned.

My quest for silk scarves as gifts will serve as a base of comparison between my bargaining experience in a Turkish bazaar and several Chinese markets. In each setting I first walked about to survey the merchandise and narrow my selection. In both countries market stalls do not display prices (see Deason 2006), except for occasional “bargain bins,” so I approached vendors to inquire about prices for a few selected scarves. With this market research, I collected “intelligence”

on quality, price and availability in order to formulate a best alternative to a negotiated agreement (BATNA) for bargaining.

In both Istanbul and Beijing, my look at their merchandise usually resulted in a vendor approaching me to pursue a sale. In Beijing, the vendors, mostly women, seemed more aggressive in approaching me as I came close to their stalls. No “small talk” or inquiries were made before commencing bargaining, other than occasional comments about the high quality of the scarves and other goods for sale. This may have been a function of language differences, as much as custom, compared to the Turkish merchants, most of whom had a better command of English to help this monolingual American. The Chinese merchants carried hand-held digital calculators to display prices and facilitate bargaining in numbers rather than words. They began with initial prices as much as ten times higher than the final bargained sale price. If the initial price was rejected with a laugh or a firm “no,” a lower price would be offered and when rejected often followed up with a still lower price. Not all Chinese merchants in market stalls started with outrageously high prices and then bargained against themselves, but a surprising number did. Although some of the Chinese merchants did return smiles and attempted to engage in “selling” their scarves, most stuck to an exchange of numbers, handing the calculator to me to enter counter offers. Perhaps because language was more of a barrier and it was more difficult to engage, beyond the numbers, I had to walk away from several merchants before finding the price that I had reason to think was at the lowest end of the bargaining range or zone of possible agreement (ZOPA) for the type of scarf I had chosen.

I came upon this price when walking away from one merchant. A neighboring vendor offered to sell an identical scarf at my walk-away price, which she had overheard. (Either the two vendors were in cahoots, or not on very good terms with one another.) Those I walked away from sometimes grumbled something in Chinese that I thought I understood, even though I do not speak the language. After discovering what appeared to be close to a bottom line seller’s price, I could display to other merchants what I purchased at that price and get a begrudging match for a similar scarf.

Upon reflection, I have a positive memory of bargaining in the bazaars of Istanbul and a less positive feeling about bargaining in Beijing. The engagement I experienced with the Istanbul merchants provided satisfaction in filling my interests in obtaining scarves I could give to friends at home, knowing that I obtained them at a reasonable price, and with a good story to boot. In Beijing I focused on obtaining scarves at the lowest possible price, while losing sight of the

value of my time, the relatively insignificant difference a dollar or two might mean for me in the way I felt about my experience, and the impression I created. I was so focused on testing my bargaining theories and skills to get the lowest possible price, I probably came across as a hard-bargaining, rude American tourist (to put it nicely). This has weighed upon me. The principal lesson learned from this experience is the importance of prioritizing my own interests in negotiation, including how I might feel about the interaction afterwards and distinguishing short-term from long-term benefits.

There are other lessons that might be learned or confirmed from my comparative experiences in Turkey and China:

- The value of personal engagement, whether it be showing interest or curiosity about a bargaining partner, or just demonstrating your humanity, in order to build even a minimal level of rapport and trust before bargaining;
- Anchoring through self-serving first offers can be a powerful factor, but first offers should not be so extreme that the receiving party walks away;
- Bargaining against yourself is usually counterproductive;
- Bargaining with a smile is usually effective and feels better than sternness;
- Sensitivity to cultural differences and traditions can be important;
- Language can be a barrier, and can create false impressions.

As a result of my experience bargaining in Chinese market stalls and with the benefit of reading the insights of my co-authors, my teaching will now include more on the need for self-awareness, particularly in cross-cultural settings. There might also be something to this concept of considering the role of generosity as an interest in negotiation (see Love and Singh, *Following the Golden Rule*, in this volume).

Sukhsimranjit Singh

Negotiating at the Rethinking Negotiation Teaching Conference in Beijing was a great and humbling experience. Overall, I became more self-aware of the importance of being humble after negotiating with different salesmen and service providers in Beijing. From my departing negotiation – with the taxi driver at Beijing International Airport – to one of my initial ones, with a street vendor at the Great Wall, I could not help but notice the cultural differences between the bargaining behaviors of the Chinese and Americans, as well as cultural similarities between the bargaining behaviors of the Chinese and the Indians. In this section, I present my observations of the bargaining culture, with a few take-away points on self-awareness.

Allow me to focus on cultural similarities. Many scholars have put India close to China in terms of national culture (Douglas 1973; Hofstede 2001). They both are collectivists; they pursue harmony despite being heavily populated; both possess thousands of years of history; and both value saving face (see Singh 2009; Goh 1996). Recalling my life in India, I cherish the days I went to do street shopping in New Delhi, where my father taught me the tough skills of bargaining. "First, you should look disinterested in goods, second you must do market research, and third, if needed, walk away from a shop" were some of his suggestions. Personally, I could never measure up to my father's bargaining ability, perhaps due to my accommodating nature, yet as part of the Rethinking Negotiation Teaching series in Beijing, when we were told to go out and "try" bargaining, in the spirit of the game, I tried.

Awareness about quick judgments

As a new father, I was keen to shop for my daughter. As soon as I got the opportunity to do so at the Great Wall, I bargained. After a few initial offers, "we" settled for about 1/10th of the asking price. I walked away from the shop with a feeling that I had "won." However, my next purchase was at a government-owned shop (inside a museum). The seller proudly announced, "this is a fixed-price shop so please select (goods) accordingly." I bought an item at full price. It reminded me of the Himachal emporium shops located in Shimla, India, which are also government-owned with fixed-prices. My family used to shop at the Himachal emporium to buy authentic yet reasonably priced gifts because the shops are known for their quality products.

Interestingly, if we look through a different lens, the above-mentioned negotiations (at the Great Wall and the museum) represent a distinct culture in themselves: the culture of "fixed-price shops" versus that of "shops that ask for heavy bargaining." This piece will focus on the latter. In developing and emerging economies, the practice of hard bargaining is attached to a sub-culture of a market, mostly to an informal and un-regulated market (Henderson 2002). I too, experienced the shouting, displays of instant emotion, from pleasure to dismay, when I accepted a vendor's offer, or convinced her to accept mine. From my own cultural background, I expected that style of negotiation. I sought shops and chose markets that allowed for such bargaining to take place. For example, when I tried my luck in an authorized Nikon DSLR Camera shop for a high-end DSLR camera in the digital market at Beijing, there was no discount or bargaining. Small vendors, green and gray markets that allow for bargaining, are more prevalent in India and China than in the U.S. Perhaps then, the

bigger question to ask is: How does the “national culture” of China or India allow for such a “bargaining culture” to prevail?

Personally, the first element of awareness while visiting China was to avoid judging this practice of bargaining. Secondly, I was determined not to over-generalize the experiences. For example, if one were to surmise that the Chinese bargain very hard based on just a few bargaining experiences, I would respectfully disagree (and so would a number of scholars on the subject). The assessment of a national culture should constitute a more rigorous exercise, with study of bargaining tendencies of Chinese citizens in a wide variety of settings within and outside of China (Goh 1996; Henderson 2002; Hofstede 2006).

I have noticed casually, however, that Chinese and Indian salespeople are comfortable with the notion of bargaining. It is not a big deal for them; however, even this is changing. As culture evolves and changes over a period of time, so does national culture (Hall 1984). Comparing my living in India in 2005 to my visit in the summer of 2011, I noticed the dominance of fixed-price shops and the fact that people did not bargain much, if at all. I was disappointed since I was looking for the old bargaining experience; the establishment of new shops like the new Wal-Mart (in collaboration with a local corporation) in my parents’ village did not allow this.

Awareness of our roles in the negotiations

Another question is: What does a tourist from the West bring to the table? A currency that is highly valued over a local currency, a willingness to spend money, and perhaps a naivety about the local market. The bargaining tactics that my father tried to teach me were bargaining for necessity, since we (in India) were living as a common middle-class family without the luxuries of shopping at the more expensive, fixed-price shops. In Beijing, just like New Delhi, some of the sellers were trying to make money off us, visitors – out of necessity – and perhaps, others tried to rip us off, out of our naivety. However, as long as the goods I bought from Beijing were of a certain value to me, there could not be any rip-off. For my family and friends, they carried a symbolic value, which was more important than monetary value.

So does national culture play a role in local bargaining? National cultures like those of China or India allow for bargaining practices to prevail. They prevail in gray markets and un-regulated markets as they have for hundreds of years. Such practices might be a necessity for a large nation with a large population, but they could also be product of a society that is governed by societal norms and not by legal norms as in the West (Nisbett 2003).

Awareness of differing roles in the negotiation process is important. For example, in our case the role of an American tourist is, let us say, to bargain for the sake of bargaining. The role of a Chinese (or Indian) salesperson could easily be to sell one product to make the minimum wage for the day. There is no cause for concern for the purchaser (I would not get fired from my job just because I did not buy a gift for my wife); but theoretically, a young salesperson at a local market could lose her job if she did not make enough money for the day, as she practices in a market where competition is huge, margins are minimal, and visitors are a rare commodity.

Awareness of our own limitations

Language can lead to misunderstandings, especially when communication takes place between a high-context and a low-context culture (Hall 1982).

When I took a taxi back to the Beijing International Airport, I negotiated my last deal in Beijing for the Rethinking Negotiation Teaching trip. Perhaps the best lesson I learned from the trip was in this taxi. Before my wife and I entered the taxi, we agreed to pay 225 yuan for the taxi services, excluding the tip. This was arranged with the help of a hotel guide, who could speak both Mandarin and English. About halfway through our ride, the taxi driver asked me something in Mandarin. I replied in English, saying, "I don't understand you." After a couple of failed attempts at communication, he hand-gestured what looked like a three to me. He is trying to re-negotiate his taxi price, I thought to myself. I said "NO!" He looked helpless; so no doubt did I. Then my wife guessed that perhaps he was trying to ask us about something else. Did he know which terminal we were supposed to arrive at? I knew it was terminal 3 and as soon as I showed him the number 3 written on a piece of scrap paper, we settled our "dispute." All he wished to know was "at which terminal, 2 or 3, should I drop you off?"

Looking back, I realize that I was not self-aware of my limitations, and hence was making assumptions based upon my limited knowledge at the time of communication (Hall 1984; 1989). I learned that communication across cultures, especially when language is a barrier to communication, is difficult (Hall 1989). In my case, the driver was thinking of saving us time by driving my family to the proper terminal, and I was thinking that he was trying to exploit my situation by re-negotiating his price.

The importance of self-awareness

In summary, through my negotiation experiences in Beijing, in addition to my awareness about not making quick judgments, about our

roles in negotiation, and about our limitations, I learned about the importance of preparation. This includes having a working knowledge of the local language and the importance of knowing that even after tremendous preparation, one should always stay open to new learning by remaining humble before, during, and after the negotiations. I close by quoting Ting-Toomey and Chang (2005: 131):

There should be zeal to learn about new culture. There should be an honest non-judgmental approach to learning the new culture. Take it this way. A new culture will only adopt you if you are willing to accept that culture without inhibitions.

Self-awareness as a Negotiation Teaching Tool

As alluded to above, the field of negotiation teaching can benefit greatly from designing a curriculum that embeds “cultural self-awareness,” particularly in cross-cultural situations. The five respective experiences in a common setting (Beijing market) with a common theme (bargaining) invariably reveal hidden expectations and assumptions, typical of human behavior, yet are quite telling in cross-cultural settings. Quite noticeably, we brought our respective self-inferential cultural behavior to the idea of bargaining, with interesting results on analysis. For instance, Goh attempted to negotiate like a Chinese; Chamoun-Nicolas felt frustrated at not being able to negotiate at the Beijing Night Market; Deason came to Beijing uncomfortable with haggling; Folberg associated shopping with bargaining; and Singh likened the Chinese way of bargaining to that of the Indians.

Indeed, when one thinks of cross-cultural negotiation, one both expects to unearth differences about the other culture and hopes to gain cultural competency in the ways of the other. Our experiences validate the point that, in fact, understanding the other is an inverse exercise: in the end, it is understanding *oneself* that enables any meaningful cross-cultural experience to occur.

As Jayne Docherty (2010) emphasizes, in order to prepare students for complex, adaptive problems, teaching self-awareness needs to extend beyond a focus on abilities in using skills to an “awareness of self in relation to a socially negotiated context” (Docherty 2010: 502). She suggests that teachers help students consider questions such as “Who am I in society, and how does that shape the way I negotiate with others? . . . How can I use my negotiation skills or other conflict transformation skills to change social systems that I do not like or that I consider unfair or unjust?” (Docherty 2010: 502) These questions not only help prepare a student to engage in “symmetrical anthropology,” which includes discovering their own culture of ne-

gotiation, but also underline ways in which that self-discovery can show that “the very domain of our work – social conflict – is culturally constructed” (Docherty 2004: 716).

As one example of a teaching technique, in a mediation course that Goh teaches in Australia, the first student assessment item deals with a “Cultural Awareness Case Study.” Not surprisingly, the majority of her Australian students of Anglo-Saxon background are at a loss, and confused initially at what is expected of them. It is mind-boggling for these students: “It is *their* culture I am interested in, not *mine!*” or, “You mean, I have a ‘culture’? What culture?” On the other hand, the extremely positive feedback received once the assessment task is done is testament to their deep learning experience and cross-cultural engagement, with a realization that the so-called other enables one to learn about oneself first, which is needed for any cross-cultural difference of the other to be interpreted intelligently. Our respective cross-cultural experiences recounted in the common ground of the Beijing market highlight this point about self-awareness as a requisite step towards acquiring competence in cross-cultural negotiation.

Students often have difficulty articulating their own cultural predilections, because they take them for granted and because these behaviors are controlled by parts of the brain that are not concerned with speech (Hall 1989:153). One way to start a conversation is to assign Rubin’s and Sander’s (1991) work on stereotypes in negotiation, and then use stereotypes as a starting point to help students consider their own, more authentic, cultural traits. Deason has tried a modified version of Rubin’s and Sander’s exercise on stereotypes, in which they grouped participants by national origin and asked them to characterize their national negotiating style as seen by others. In small group discussions, U.S. students can readily identify stereotypes about how Americans interact and negotiate. These stereotypes can then provoke reactions about students’ cultural and personal approaches that contrast with (or perhaps confirm to some degree) the stereotypical expectations.

Because we are generally oblivious to our own culture, self-awareness must be organized, and teachers must facilitate a process of self-discovery. As an authentic process that allows this discovery, adventure learning is a powerful tool for fostering cultural self-awareness in negotiation. For example, this was apparent in some of the students’ adventure learning reflections in Sandra Cheldelin’s course (Manwaring, McAdoo, and Cheldelin 2010), which included observations about cultural constraints on their negotiation, associated with students’ own attitudes. This theme could be developed further in an adventure learning experience by making self-awareness of attitudes

toward negotiation an explicit goal of the exercise, and devoting some of the debriefing to the topic. (On the importance of debriefing adventure learning, see Deason and colleagues, *Debriefing Adventure Learning*, in this volume.) The opportunities for reflection on one's own culture are sharpened in a setting such as Istanbul or Beijing, or in a class with a diverse group of nationalities, because of the potential for contrasts. But many metropolitan areas offer cross-cultural negotiation possibilities, and perhaps even an experience that does not involve participants from different backgrounds could be designed to serve as a vehicle to increase cultural self-awareness.

Conclusion

Cross-cultural experiences can be life-enhancing. Hopefully, they add value to our personal growth as human beings. Our defining moments as human beings are when we show we have the ability to exhibit tolerance, mutual respect and empathy to our fellow human beings, when we can be non-judgmental, and when we can promote mutual understanding. This is not a tall order. However, it requires that we recognize "where we are coming from" culturally as well as physically. We need to be honest with ourselves in self-reflection, and generate positive self-awareness, as steps along the way to cross-cultural enlightenment. It is in this light that we offer our experiences for an emergent pedagogy in cross-cultural negotiation teaching and learning.

Notes

We would like to thank Dr. Eileen Wibbeke for her helpful feedback on the draft.

¹ My paternal grandparents emigrated to Malaysia (then known as Malaya) in the late nineteenth century from the Southern Chinese province of Fujian.

² I was raised in a typical Chinese village in Malaysia with a strong Confucian ethic and traditional Chinese values. My father was the local Chinese school principal and my mother taught in the same school. Naturally, my parents had all us children educated in Mandarin in our primary school years. We then switched to English-medium or Malay-medium schools when it came to secondary schooling.

³ A term commonly referring to one being able to identify with mother-country on account of ethnicity or nationality.

⁴ It is important to note that, in Chinese-style negotiation, often the "person" matters more than the deal.

⁵ As described by Panga and Grecia-de Vera (2010: 178), my sense that many Americans are hesitant to bargain is supported by the expert observations of a seller at the Istanbul bazaar.

⁶ For conceptual convenience, I refer to institutional trust as a substitute for trust, although scholars debate whether institutional trust is a "real" form of trust or a functional substitute (Rousseau et al. 1998). It is not necessary to

resolve that debate to accept an important role for this form of trust. Another debate that is particularly relevant in the cross-cultural setting of this chapter concerns the interaction between institutional trust and interpersonal trust built on relationships. One line of research suggests that external controls that substitute for trust are likely to undermine the development of interpersonal trust and generate a need for even more legalistic rules to govern the interaction (Sitkin 1995). Another view is that institutional substitutes for trust can create an environment that supports the development of interpersonal trust (Sitkin 1995; Rousseau et al. 1998).

⁷ That potential for comparison makes me confident that economic incentives exert some control; if prices are too far out of line the establishment will not stay in business.

References

- Augsburger, D. 1992. *Conflict mediation across cultures*. Westminster: John Knox Press.
- Chamoun, H. and R. Hazlett. 2007. *Negotiate like a Phoenician*. Houston, TX: KeyNegotiations.
- Chamoun, H. and R. Hazlett. 2009. The psychology of giving and its effect on negotiation. In *Rethinking negotiation teaching: Innovations for context and culture*, edited by C. Honeyman, J. Coben, and G. De Palo. St. Paul, MN: DRI Press.
- Chamoun, H. and P. Linzoain. 2005. *Deal-guidelines for a flawless negotiation*. Houston, TX: Key Negotiations.
- Chamoun-Nicolas, H., J. Folberg, and R. Hazlett. 2010. Bazaar dynamics: Teaching integrative negotiation within a distributive environment. In *Venturing beyond the classroom: Volume 2 in the rethinking negotiation teaching series*, edited by C. Honeyman, J. Coben, and G. De Palo. St. Paul, MN: DRI Press.
- Chen, M. J. 2001. *Inside Chinese business*. Boston, MA: Harvard Business Press.
- Coben, J., C. Honeyman, and S. Press. 2010. Straight off the deep end in adventure learning. In *Venturing beyond the classroom: Volume 2 in the rethinking negotiation teaching series*, edited by C. Honeyman, J. Coben, and G. De Palo. St. Paul, MN: DRI Press.
- Deason, E. E. 2006. The need for trust as a justification for confidentiality in mediation: A cross-disciplinary approach. *The University of Kansas Law Review* 54(5): 1387-1418.
- Docherty, J. S. 2004. Culture and negotiation: Symmetrical anthropology for negotiators. *Marquette Law Review* 87(4): 711-722.
- Docherty, J. S. 2010. "Adaptive" negotiation: Practice and teaching. In *Venturing beyond the classroom: Volume 2 in the rethinking negotiation teaching series*, edited by C. Honeyman, J. Coben, and G. De Palo. St Paul, MN: DRI Press.
- Douglas, M. 1973. *Rules and meanings: The anthropology of everyday knowledge*. Selected readings. Harmondsworth, Middlesex: Penguin.
- Goh, B. C. 1994. Cross-cultural perspectives on Sino-Western negotiation. *Australian Dispute Resolution Journal* 5: 268-284.

- Goh, B. C. 1996. *Negotiating with the Chinese*. Aldershot, UK: Dartmouth Publishing Company.
- Goh, B. C. 2006. Typical errors of Westerners. In *The negotiator's fieldbook: The desk reference for the experienced negotiator*, edited by A. K. Schneider and C. Honeyman. Washington, DC: American Bar Association.
- Hall, E. T. 1959. *The silent language*. Westport: Greenwood Press.
- Hall, E. T. 1982. *The hidden dimension*. New York: Anchor Books.
- Hall, E. T. 1984. *The dance of life: The other dimension of time*. New York: Anchor Books.
- Hall, E. T. 1989. *Beyond culture*. Garden City, NY: Anchor Press.
- Harper, D. 2001. *Online etymology dictionary*. Available at <http://www.etymonline.com/> (last accessed April 4, 2012).
- Henderson, C. 2002. *Cultures and customs of India*. Westport, CT: Greenport Press.
- Hewstone, M. and R. Brown. 1986. Contact is not enough: An intergroup perspective on the "contact hypothesis." In *Contact and conflict in intergroup encounters*, edited by M. Hewstone and R. J. Brown. London: Blackwell.
- Hofstede, G. 1994. *Cultures and organizations: Software of the mind: Intercultural cooperation and its importance of survival*. London: HarperCollins.
- Hofstede, G. 2001. *Culture consequences*. London: Sage Publications.
- Hofstede, G. 2006. What did GLOBE really measure? Researchers' minds versus respondents' minds. *Journal of International Business Studies* 37(7): 882-896.
- Hofstede, G. 2011. Geert Hofstede website. Available at <http://www.geert-hofstede.com/> (last accessed April 4, 2012).
- Johnston, L. and C. N. Macrae. 1994. Changing social stereotypes: The case of the information seeker. *European Journal of Social Psychology* 24(5): 581-592.
- Lewicki, R. J. 2006. Trust and distrust. In *The negotiator's fieldbook: The desk reference for the experienced negotiator*, edited by A. K. Schneider and C. Honeyman. Washington, DC: American Bar Association.
- Lewicki, P. 1985. Nonconscious biasing effects of single instances on subsequent judgments. *Journal of Personality and Social Psychology* 48(3): 563-574.
- Manwaring, M., B. McAdoo, and S. Cheldelin. 2010. Orientation and disorientation: Two approaches to designing "authentic" negotiation learning activities. In *Venturing beyond the classroom: Volume 2 in the rethinking negotiation teaching series*, edited by C. Honeyman, J. Coben, and G. De Palo. St. Paul, MN: DRI Press.
- McDougall, W. 1920. *The group mind*. Cambridge, UK: Cambridge University Press.
- Nisbett, R. 2003. *The geography of thought*. New York: The Free Press.
- Panga, Jr., S. S. and G. B. Grecia-de Vera, 2010. A look at a negotiation 2.0 classroom: Using adventure learning modules to supplement negotiation simulations. In *Venturing beyond the classroom: Volume 2 in the rethinking negotiation teaching series*, edited by C. Honeyman, J. Coben, and G. De Palo. St. Paul, MN: DRI Press.

- Roberge, J. and R. J. Lewicki. 2010. Should we trust grand bazaar carpet sellers (and vice versa)? In *Venturing beyond the classroom: Volume 2 in the re-thinking negotiation teaching series*, edited by C. Honeyman, J. Coben, and G. De Palo. St. Paul, MN: DRI Press.
- Rousseau, D., S. Stikin, R. Burt, and C. Camerer. 1998. Not so different after all: A cross-discipline view of trust. *The Academy of Management Review* 23(4): 393-404.
- Rubin, J. and F. E. A. Sander. 1991. Culture, negotiation, and the eye of the beholder. *Negotiation Journal* 7(3): 249.
- Salacuse, J. 1991. *Making global deals: What every executive should know about negotiating abroad*. New York: Times Business.
- Singh, S. 2009. *Sikhs, India and The Indian Constitution in the UNITED SIKHS Annual Sikh Civil Rights Report*, New York.
- Sitkin, S. B. 1995. On the positive effect of legalization on trust. In *Research on Negotiation in Organizations*, edited by R. J. Bies, R. J. Lewicki, and B. H. Sheppard. Greenwich, CT: JAI Press.
- Snyder, M. 1981. On the self-perpetuating nature of social stereotypes. In *Cognitive processes in stereotyping and intergroup behavior*, edited by D. L. Hamilton. Hillsdale, NJ: Erlbaum.
- Steele, C. M. 1988. The psychology of self-affirmation: Sustaining the integrity of the self. *Advances in Experimental Social Psychology* 21: 261-302.
- Storti, C. 2007. *Speaking of India: Bridging the communication gap when working with Indians*. Boston, MA: Intercultural Press.
- Ting-Toomey, S. and Chung, L. 2005. *Understanding intercultural communication*. New York: Oxford University Press.
- Wibbeke, E. S. 2009. *Global business leadership*. Oxford, UK: Elsevier.