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A COMMUNICATION METHODOLOGY FOR NEGOTIATING A WHEAT CONTRACT WITH CHINA

A Thesis

Presented to Members of

Thesis Committee

Director: Dr. Elton Carter

Committee Members: Dr. Andris Skreija

Dr. Bruce E. Johansen

In Partial Fulfillment

of the Requirements for the Degree

Master of Arts

University of Nebraska at Omaha

by

Mary Alice Speke Ferdig

December, 1985

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THESIS ACCEPTANCE

Accepted for the faculty of the Graduate College, University of Nebraska, in partial fulfillment of the requirements for the degree Master of Arts, University of Nebraska at Omaha.

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Chairman

22 November 1985
Date

If human beings are by nature civilization-builders, or "time-binders," and if all time-binders, or civilization-builders, are both inheritors from the toil of bygone generations and trustees for the generations to come, then we humans stand in the double relationship--debtors of the dead, trustees of the unborn--thus uniting past, present and future in one living, growing reality.

C. J. KEYSER

Dedicated

To

Dr. Elton S. Carter

ACKNOWLEDGMENTS

Thank you to my thesis director, Dr. Elton S. Carter, and committee members, Dr. Andris Skreija and Dr. Bruce Johansen. Thank you also, to my husband, children, parents, and others who offered love and encouragement when I needed it most.

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LIST OF ABBREVIATIONS

AP	-	Associated Press
China	-	People's Republic of China
C & F	-	Cost and Freight
CIF	-	Cost, Insurance, and Freight
CH.	-	Chinese
EEC	-	European Economic Community
FOB	-	Free on Board
GVAO	-	Gross Value of Agricultural Output
HQS	-	Higher Quality Specification
HRS	-	Hard Red Spring
HRW	-	Hard Red Winter
Immed.	-	Immediate
Incre.	-	Incremental
LQS	-	Lower Quality Specification
MFA	-	Multifiber Agreement
mt	-	metric ton
mmt	-	million metric ton
MWEC	-	Major Wheat Exporting Countries
NWB	-	Nebraska Wheat Board
Ship.	-	Shipments
SRW	-	Soft Red Winter
U.S.	-	United States
USDA	-	United States Department of Agriculture

Chapter I

INTRODUCTION AND DESIGN

Introduction

This study is not a study in cross-cultural communication; nor is it a study of Chinese cultural, socioeconomic, or political factors; nor is it a prescription of communication techniques for the would-be cross-cultural negotiator. Likewise it is not intended to provide advice regarding global economic affairs or international diplomacy. Instead, it is a study in human communication. The result of this study is a communication methodology designed for use by representatives of a United States (hereafter referred to as U.S.) wheat trading company while planning and negotiating any wheat deal with representatives of the People's Republic of China (hereafter referred to as China). This methodology provides a systematic means by which company selected negotiation personnel can generate any combination of communication strategies to meet the needs of the particular negotiation situation.

Genesis of the Study

My interest in managing conflict through the negotiation process began when I served as board member and principal negotiator for a local public school district. I learned to appreciate the "art" of creative negotiation as we faced the challenge of mutually discovering solutions that served to meet (1) the salary/benefit needs of the district educators, (2) the "limited budget" concerns of the local taxpayers, and (3) the educational needs of the children in District 59.

A 1983 visit to the People's Republic of China stimulated a lifelong desire to explore other cultures: to learn about others' customs, and to attempt to discover how others think, feel, and view themselves in relationship with the world.

A close association with a midwestern United States agricultural environment coupled with my interest in cross-cultural conflict management through negotiation has led me to focus on agricultural negotiations between representatives of United States and People's Republic of China. Perhaps a communication methodology with a central focus on managing conflict through negotiation could make a modest contribution to the stabilization of global agricultural trade.

My background as a communication student includes transactional communication with a general semantics orientation, rhetorical theory emphasizing argumentation, and general systems theory. The perspective of this study is a natural outgrowth of these theoretical influences.

Statement of Purpose

The purpose of this study is to design a communication methodology for use by representatives of a U.S. company negotiating a wheat contract with Chinese officials. A methodology is "a philosophical study of plurality of methods. . . . It always has to do with the activity of acquiring knowledge, not with a specific investigation in particular. It is, therefore, a metamethod" (emphasis added; Watzlawick, 1944, p. 8). The concept "managing conflict" refers to preventing or mediating conflict. "Negotiating" is defined by G. I. Nierenberg (1983) as

a process[1] whereby "people exchange ideas with the intention of changing relationships, whenever they confer for agreement. . . . Negotiation depends on communication" (p. 4).

Communication, in turn, depends upon making and sharing choices. A prime function of a communication methodology is to enable users to generate a repertoire of choices from which they may select strategies and tactics according to the particular negotiation situation.

The substance of this methodology is drawn from three bases of study: (1) creative negotiation process as described by G. I. Nierenberg (1971, 1973, 1983); (2) rhetorical argumentation theory grounded in Darnell and Brockriede's (1976) "shared-choice" model (hereafter called choice-sharing model); and (3) intelligence information processing (as associated with military or[2] diplomatic application) by use of heuristic problem-solving guidelines (Oneill, 1964).

The methodology is explained by way of comparative analysis of contrasting approaches--choice-sharing versus choice-restricting--in an extended example of negotiations between representatives of the U.S. and China.

It would be naive to assume that any single method of negotiation is appropriate or effective in every situation. Instead, a methodology (method of methods) is needed. The aim of this thesis is to meet that need by designing a communication methodology for negotiators in an agricultural-trade context.

---

[1]Berlo (1977) reviews the impact of the concept "process" within the context of communication research.

[2]"Or" is used throughout this study in the sense it is used in computer software; meaning A or B, or both.

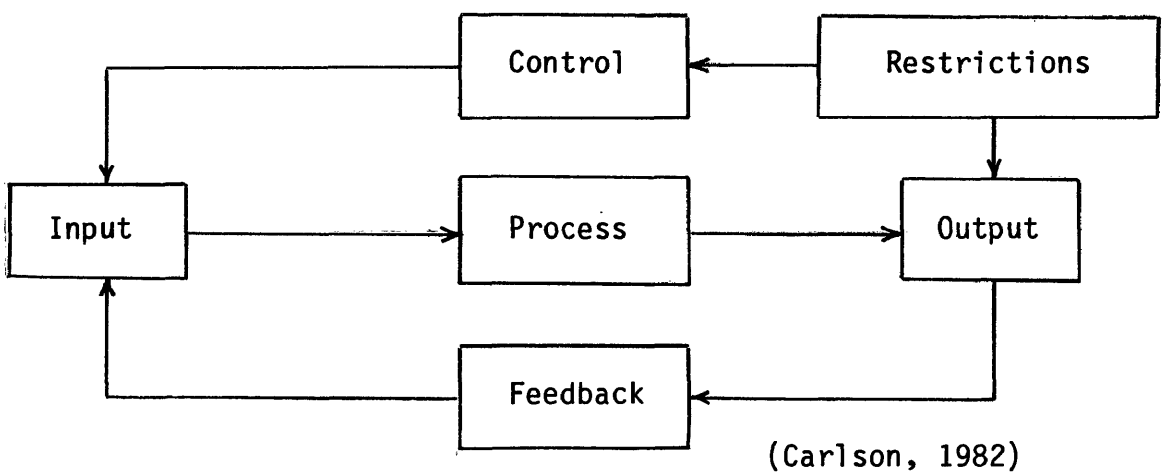
Underlying Communication Perspectives[3]

General Systems Theory

Von Bertalanffy, founder of general systems theory, recognized characteristics of dynamic interaction, organization, and wholeness in specialized fields of science including modern physics, biology, and cybernetics.

> We can conclude that there are models, principles, and laws that apply to generalized systems or their subclasses, irrespective of their particular kind, the nature of their component elements, or the relations of "forces" between them. It seems legitimate, therefore, to postulate a theory, not of systems of a more or less special kind, but of universal principles applying to systems in general. (Ruben & Kim, 1975, p. 7)

Characteristics of an open system include: ordered wholeness; dynamic interaction; organized complexity; directiveness; control; self-regulation; differentiation; and cyclical behavior among its components:



(Carlson, 1982)

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[3]The function of this section is to barely introduce three underlying communication perspectives. Additional explanations appear throughout the text where needed.

An open system interacts with the environment. How one identifies the boundaries of the system determines what constitutes the components of the system and of its environment. For example, if one were to view a negotiation process as an open system, then the input would include both factual and inferential data that the communicators brought into the communication act. Output, in this context, is defined as the results of the negotiation which may include: agreement, compromise, stagnation, or alienation. Feedback describes new input generated from within the system as influenced by the dynamic characteristics of various system components. Restrictions include anything that might restrict the negotiation process; for example, global influences, perceived incompatible goals, cultural specific views, time limitations. Process becomes the communication transaction. The environment includes everything that is not a part of the negotiation system as defined.

Subsystems or subunits of a system are interrelated. Any change within a subsystem affects all components of that subsystem, other subsystems, and the system as a whole. Within a negotiation system there are numerous interrelated factors that affect communication. For example, political factors influence economic factors which in turn affect potential trade factors. The United States' political relationship with Taiwan, or United States' textile import policies, might influence China's willingness to buy U.S. wheat.

The equifinality and multilinear causality qualities of general systems serve to explain the complexity of the relationship between antecedent and consequent conditions in human systems. "One set of initial conditions can give rise to different final states, and conversely,

differing initial conditions may result in a single outcome" (Ruben & Kim, 1975, p. 2). A negotiator who recognizes both equifinality and multilinear causality may actively search for novel choices to achieve agreement. Thus, equifinality and multilinear causality may facilitate adaptation as needed for mutual problem-solving in the negotiation context.

Another adaptive quality may be derived from the balancing apparatus of open systems. "Balancing apparatus" refers to both dynamic and homeostatic characteristics within the interdependent subsystems. The principle of homeostasis serves to explain how these subsystems may achieve and maintain equilibrium. Thus, for the purpose of dealing with negotiation, the notion of open systems includes implications for achieving and maintaining dynamic equilibrium throughout the negotiation process.

General Semantics in Relation to General Systems Theory

> Methods of thinking, feeling, planning, and deciding are not the same for persons who belong to different cultural groups. . . . (Bois, 1973, p. 4)

This statement implies a general semantics orientation. A misunderstanding of general semantics may be prevented by first noting what it is not. General semantics is not the study of a philosophical theory of signs and symbols and their function in languages; nor is it the study of meanings of symbols; nor is it a classification of changes in the signification of words or forms viewed as factors in linguistic development. Instead, general semantics deals with the relationships of symbolic meanings within and among human organisms. According to Alfred Korzybski, the founder of general semantics:

> General Semantics turned out to be an empirical natural science of nonelementalistic evaluation, which takes into account the living individual, not divorcing him from his reactions altogether, nor from his neuro-linguistic and neuro-semantic environment, but allocating him a plenum of some values, no matter what. (Science and Sanity, 1948, p. viii.)

The study of general semantics shares some similarities with general systems theory. The human organism works as a whole. "Its activities are integrated in a central pattern that reveals the general orientation, the style of living of the individual" (Bois, 1973, p. 236). Included in this general orientation is the principle of nonelementalism. "The attempt to separate verbally what cannot be separated except verbally" is a definition of elementalistic behavior. To treat a part of anything as if it were the whole changes the system dynamics and characteristics of the components actually integrated, and thereby distorts the perception of the whole. The nonelementalistic orientation serves to prevent this kind of distortion.

An accepted notion among social scientists is that stereotyping is a common phenomenon among human beings. Walter Lippmann (1965) reminds us that stereotyping is "a way of substituting order for the great blooming, buzzing confusion of reality" (p. 64). Although stereotyping may help one to organize and classify a complex world of stimuli, this stereotypical process of generalizing can lead one to mistakenly overlook individual differences. Korzybski introduced extensional devices by means of which one may achieve an extensional orientation and thereby determine and design adaptations to the unique structure of each negotiation situation. These devices include: (1) indexing--the device for distinguishing between persons and between

situations; for instance, negotiator$_1 \neq$ negotiator$_2$, or negotiation situation$_1 \neq$ negotiation situation$_2$; (2) dating--the name for the temporal indexing device; for example, negotiator$_1$ at time$_1 \neq$ negotiator$_1$ at time$_2$; or negotiation situation$_1$ at time$_1 \neq$ negotiation situation$_1$ at time$_2$; and (3) the etcetera--the device for developing and maintaining awareness that not all of the characteristics in any dynamic situation can be abstracted or included; hence, it is a device for reminding us of characteristics left out or omitted (Korzybski, 1941, p. xxxxiiii). For example, in a negotiation situation between representatives of the U.S. and China, there might be no apparent awareness of the defection of a Chinese tennis player to the United States--a fact which might have major impact on the negotiators' "neuro-semantic environments." In any case, an answer to the question "What will work, when, with whom and under what circumstances?" depends upon the influencing factors or conditions of a given situation.

In short, both general systems theory and general semantics are holistic perspectives. Each perspective recognizes the interdependent and dynamic characteristics of components of the whole. A nonelementalistic orientation, which serves to prevent distortion of the whole, is characteristic of both perspectives. While general systems theory helps one learn to identify components of a negotiation situation and discover how the components interact, general semantics provides an orientation with explicit extensional devices and guidelines for designing transactions.

Rhetorical Theory; Choice-Sharing Model

In Ancient Rhetoric and Poetic (1924), Charles Sears Baldwin

stated that:

> The definition of rhetoric implied (by Aristotle) may be summed up in the word persuasion, if we are careful to speak of persuasion not as achievement, but as method. Just as we ask of medicine, not that it shall infallibly heal--a degree of achievement impossible in human affairs--but that it shall discern and use all the means of healing available in the given case, so the true end of rhetoric is to induce such habitual skill as shall discern in any given case the available means of persuasion. (p. 10)

Darnell and Brockriede (1976) refer to "choosing to make choices on the basis of the best information and reasoning available . . ." (p. 13). Each description of communication implies that "people are choice makers" (p. 13). What one communicates depends on choices and inferences that respondents make. Individuals "make choices and inferences in the context of what they know and believe and that situation as they perceive it" (p. 15). According to Darnell and Brockriede, control of communication may be achieved indirectly by (1) paying attention to the process, (2) paying attention to the person(s), (3) expending effort to expose (or conceal) choices actually made, (4) increasing the latitude of choices available (thereby increasing the choice-making capacity), (5) being aware of yourself, your behavior, and other influences, and (6) admitting that total control of another is not an option (1976, pp. 15-16).

The negotiator needs to invent[4] data that are relevant and potentially

---

[4]In the classical taxonomy of rhetoric "the process of 'finding out' what could be said about a subject" was treated under the heading of "invention." Under that heading, Aristotle distinguished between "inartistic" and "artistic" data. Inartistic data refers to "what we call research--the collection of factual data like statistics, statements of authority, laws, etc." Artistic data encompasses "interpretive evidence, or arguments, which define the significance of the data in relation to the goals and values of those involved in the decision-making process" (Harper, 1979, pp. 32-33).

acceptable to both parties in the particular negotiation situation. The negotiator then arranges data into rhetorical arguments that provide reasons for choices by the other party to shift "from one set of problematic ideas to the choice of another" (1976, p. 101).

When negotiators choose to govern themselves by the choice-sharing model, they cooperatively share aims and seek to discover choices that are mutually advantageous as they search for agreement through argumentation.

Critical Survey of Pertinent Research

I was unable to find a communication methodology for managing conflict through negotiation between representatives of two cultures in general; nor specifically, representatives of the United States and China negotiating a wheat deal. In an effort to determine whether such a methodology existed, I searched literature related to communication, sociology, psychology, social psychology, and political science and business. I looked for titles which contained any one, or any combination of the following topics: negotiation, bargaining, conflict management, conflict resolution, conflict mediation, intercultural, cross-cultural, international, China-United States, agricultural trade.

Searching for titles which contained these topics within the prescribed disciplines required some preliminary evaluation. I sought to determine the extent to which a resource had a direct bearing upon my research topic by determining relevance. Some sources, as indicated by the title, seemed promising but proved to have little relevant information. Other sources, though not directly related, provided

helpful background information. And some resources offered pertinent data useful for this study.

Two studies that seemed initially promising were historical analyses of official negotiations between the U.S. and China (Lall, 1968; Young, 1968). Although both references provided information regarding the "Chinese presence" (Lall, 1968)--insight into circumstances, procedures, and substance during negotiations--I was disappointed to discover little relevant data.

I found political science and economic studies about the United States diplomatic and trade relations with China (USCHRL, U.S./China Relations; see Preface to Bibliography on p. 263). Among them were views of U.S./China foreign policy which included historical perspectives, assessment of political implications, and predictions; inquiries into cultural exchange; and descriptions and analyses of economic trade agreements. These studies provided necessary background information regarding the climate of government relations and trade activities between the two countries.

I discovered additional references which focused on negotiation behavior between U.S. and China (USCHNG, U.S./China Negotiations). Included are studies dealing with Chinese tactics, comparative analysis of Chinese/Soviet negotiation behavior, and negotiation vis-a-vis foreign policy. These political-science studies focused on strategic international policies with little note of related communication processes.

On the other hand, a group of studies focused specifically on communication between cultures though not necessarily in a negotiation

context (ICC, Intercultural Communication). A prevalent orientation is that the practice of intercultural communication is an art which requires an understanding of the audience's culture and adaptation to that culture. "What is a successful technique of communication in one culture could be a failure in another" (Sitaram, 1978, p. 346). While this point of view is compatible with the perspective of my study, it did not seem to be represented among the studies that related to international negotiation.

Among a number of international negotiation (INTLNG, International Negotiations) references were sociopsychological studies which integrated empirical observation and theory. One such source was Iklé's (1964) analysis of negotiations between governments which relates the process of negotiating to the negotiation outcome. His premise is that two elements must normally be present for negotiations to take place: common interests and issues of conflict. He distinguished between two kinds of common interests: substantive common interests in which parties want to share the same object or benefit from the same arrangement; and complementary interests in which parties are interested in an exchange. According to Iklé, most negotiators embrace a combination of substantive interests and complementary interests. This viewpoint may help in assessing the common interests between U.S. and Chinese as negotiators search for agreement in a wheat deal.

International negotiation studies within the political-science context provided little communication relevance; however, political scientist Robert C. North (1977) developed a framework for analyzing international conflict with a systemic orientation which provided

useful insight. In addition, professional negotiator Roger Fisher (1969) developed a prescriptive guide for international negotiators which (although it is not a methodological framework) suggests potentially useful tactics and strategies.

On a broader scale, I looked at social negotiation studies in general (SNG, Social Negotiation). These studies included: the development of theoretical models; an analysis, justification and integration of existing theories; interpretation of theories as related to process and outcome; a focus on labor negotiations and collective bargaining; and prescriptive guides which contained tactics, strategies, and methods for successful negotiation outcomes in a business context. These studies were relevant only insofar as they broadened my understanding of negotiation.

I did discover a methodology with a communication emphasis in Nierenberg's approach to negotiation (1972, 1973). Although he does not specifically address cross-cultural negotiation, China-U.S., or agricultural trade, his premise that "in a successful negotiation everyone wins" (1973, p. 1) proved pertinent. He emphasizes communication skills and strategies and "creative-alternative attitudes" employed in the "cooperative process" of negotiation (1973).

A number of social negotiation authors discussed contrasting negotiation characteristics. My initial interpretation determined all comparisons to be relevant inasmuch as the focus of this study examines contrasting negotiation approaches. Walton and McKersie's (1964) analysis of <u>integrative</u> versus <u>distributive</u> negotiation patterns and Nierenberg's (1983) distinction between <u>win/win</u> negotiation and

negotiation by negation were highly pertinent. A communication characteristic apparent in both Walton and McKersie's comparative contrast and Nierenberg's comparative contrast is the distinction between sharing choices and restricting choices. The comparative characteristics discussed in the other sources mentioned might help to explain specific phenomena within a particular negotiation, perhaps at the subset level in relationship with the two contrasting approaches of this study.

Two authors within the conflict analysis literature provided relevant viewpoints. Kenneth Boulding (1962) indicated a preference for the label "conflict management" as opposed to "conflict resolution." He notes that "frequently conflicts are not, and perhaps should not, be resolved, but should be managed, at least to maximize the total gain to both parties" (1962, p. 343). Rummel (1977) developed the "conflict helix" as a way of analyzing conflict and explained it as a "dynamic swirl of manifest activity and latent potentialities and dispositions, but with order and direction" (p. 23). He distinguishes between different kinds of societies and their patterns of conflict diffusion, which is helpful in determining potential differences between American and Chinese societies.

Nowhere in my search of literature did I find a communication methodology for negotiations between representatives of two cultures. I did, however, find a supply of data with varying degrees of relevance which provided background and substance for this study.

Research Design

The research design for this study requires a model for generating a methodology. Leonard C. Silvern developed such a model (Lippett, 1973). A modification of Silvern's model provides the structure for the design of this methodology.

Silvern's model is based upon the anasynthesis process which consists of four parts: analysis, synthesis, modeling, and simulation. According to Silvern "analysis is performed on existing information, synthesis is performed to create a new whole, models are constructed . . . and simulation is performed" (Lippett, 1973, p. 123). The model of this methodology includes the analysis, synthesis and modeling steps. Instead of simulation, however, this methodology will be illustrated by generating communication strategies appropriate for the constructed negotiation situation, and evaluating the strategies according to the standards set forth in the context of this study.

Analysis

The first step was to gather and analyze any pertinent research material dealing with agricultural negotiations between the U.S. and China. From these data, I constructed a realistic negotiation situation. The negotiation formulation includes: (1) a structure of the interrelationships among relevant negotiation factors; (2) a comparison structure representing choice-sharing and choice-restricting negotiation dialog between U.S. and Chinese negotiators; and (3) prospective negotiation outcomes.

Each aspect of the negotiation situation is analyzed from three integrated points of view, all grounded in the rhetorical perspective:

(1) argumentation theory based upon sharing choices versus restricting choices; (2) intelligence information processing based upon heuristic problem-solving guidelines; and (3) Nierenberg's distinction of contrasting approaches--win/win negotiation versus negotiation by negation.

Argumentation theory: Sharing choices versus restricting choices. According to Brockriede and Ehninger (1960), Toulmin describes argument as "movement by means of which accepted data are carried through a certifying warrant to a claim" (p. 47). Campbell (1982, p. 194) showed the structure of any argument:

Evidence or Data ——— (Therefore,) Claim or Conclusion
|
(Since) Warrant or Reason

These authors agree that claims are assertions beyond what can actually be proved. Warrants are the grounds or bases for drawing conclusions. They legitimatize the leap between data and claims. Warrants arise out of knowledge accumulated within a specific context.

A particular kind of argument found in rhetoric is the enthymeme. Enthymematic conclusions are plausible rather than certain.

> The enthymeme is normally deficient in terms of strict logical standards,[5] and its subject matter is concrete and specific rather than abstract. However, what distinguishes the enthymeme is that it is constructed from the beliefs, attitudes, and values of the audience. An enthymeme is an argument jointly created by author and audience. It is an argument that gains its force from the fact that the audience fills in the evidence or supplies the warrant or draws the conclusion. A rhetor can plan such an argument, but the argument cannot be made unless the audience supplies essential parts of it. (Campbell, 1982, pp. 204-205)

The enthymeme (rhetorical syllogism) can be likened to Polya's

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[5]Virtually all arguments that appear in ordinary discourse are formally deficient. (Anderson and Mortenson, 1967)

heuristic syllogism as distinguished from the demonstrative (deductive) syllogism. Both patterns have a similar logical nature; however, the heuristic syllogism is a pattern of reasoning that "exhibits a reasonable ground for a change in the level of confidence" (Polya, 1945, p. 186). It does not have the deductive certainty of a demonstrative syllogism, yet is useful in acquiring essentially new knowledge through the process of "plausible reasoning" (p. 188). A comparison shows the differences between the minor premises--hence between the conclusions--of the two kinds of syllogisms:

Demonstrative	Heuristic
If A then B	If A then B
B false	B true
A false	A more credible

(Polya, 1945, p. 188)

When constructing a demonstrative (deductive) syllogism--like a closed system--a negotiator provides evidence to support its premises within the scope of which the choices (of the other) are <u>limited</u>. When constructing an enthymeme, a negotiator provides evidence and suggests options to the other from which that individual may choose a plausible conclusion. The function of the enthymematic argument depends upon <u>sharing</u> choices. A series of shared choices and plausible conclusions may--or may not--establish a credibility trend.

Darnell and Brockriede (1976, p. 20) distinguish between extreme dimensions of choice a person has in communication with another person:

<u>Sharing Choices</u>	<u>versus</u>	<u>Restricting Choices</u>
Seeing other as person	←——→	Seeing other as object or victim
Win/win or lose/lose	←——→	win/lose

Cooperative aim ⟷ Competitive aim

Power parity ⟷ Maintain or gain power

Share the choice ⟷ Restrict choice

Risk change ⟷ Risk stagnation

Bilateral view of relation ⟷ Unilateral view of relation

These authors note that choices can be restricted by coercion or by providing another person with the illusion of choice. The choice of arguments in a negotiation situation is determined by that communication orientation which is characterized by the negotiator's willingness and ability to share choices or restrict choices.

Intelligence information processing: Heuristic problem-solving.

Invention refers to the "discovery of all available means of persuasion in any given case" (Harper, 1979, p. 32). Invention encompasses the collection of factual information, statistics, statements from authorities, and laws (inartistic data). However, these data are virtually impotent until combined with interpretive evidence or arguments that are significant from the perspective of those involved (Harper, 1972).

Invention also encompasses the systematic accumulation of collected data by way of intelligence gathering methods (in the diplomatic or military sense) enabling the "inventor" a means by which to make plausible inferences about a particular set of circumstances. Intelligence is based upon interpretation of facts within the framework of the problem (artistic data).

Purely deductive and analytical problem-solving methods are impractical for the collection of intelligence. Instead, methods

of "modern heuristic" which involves the use of inductive and inferential processes are needed (Oneill, 1964). "Heuristic reasoning is reasoning not regarded as final, but provisional . . . (Its) techniques are built upon human patterns and processes of learning, information processing, and problem-solving approaches" (Oneill, 1964, p. 7). A heuristic application of problem-solving serves to guide, discover, or reveal information that is incapable of proof.

Intelligence gathering includes an analysis of the "audience"--in this case Chinese negotiators--in relation to relevant factors within the particular negotiation situation. Negotiation factors might include: (1) culture-specific customs, and related beliefs, attitudes and values; (2) history of diplomatic and trade relations between U.S. and China (to include previous or pending agricultural agreements); (3) current agricultural situation in China relative to prospective wheat imports; (4) global economic climate encompassing the wheat market; (5) location, timing, language translation and other factors related to immediate negotiation contact. Accordingly, a professional negotiator might have a staff of experts available to provide the necessary information, including specialists such as a sociologist, linguist or translator, agricultural trade specialist, political scientist, economist, historian, cultural anthropologist, and accountant.

Win/Win negotiation versus negotiation by negation.

Basic ingredients of a win/win negotiation approach according to Nierenberg (1973) are knowledge of human behavior, careful preparation, assessment of assumptions of both parties, and conditional use of communication strategies and techniques. He emphasizes cooperation

in which "all parties in a negotiation should come out with some needs satisfied" (p. 27). This orientation stresses the need for creative-alternative attitudes which are characterized by the search for novel choices aimed toward agreement among negotiators--not total victory or one-sided advantages.

Nierenberg contrasts a win/win orientation with negotiation by negation (1983) in which "appearance is everything, substance is nothing; one side wins everything, the other side loses all" (p. 76). A negotiator using a negation orientation treats the negotiation process as a game, with a winner and a loser, and restricts choices in order to gain an advantage.

Synthesis and Modeling

The components of the methodology, represented by Figure 1. were derived from an analysis of the formulations exemplifying two contrasting negotiation approaches in the context of the realistic wheat negotiation between representatives of the U.S. and China. I compared the structure of each negotiation approach, then formulated a model methodology for planning communication strategies designed for a wheat negotiation between representatives of a U.S. wheat trading company and China.

To use this methodology, negotiators must first survey the negotiation system, and map the structure of relevant negotiation factors. From the structured data, negotiators then formulate a structure of unknown relevant data and thereby determine needed expertise for negotiation team membership. The next phase is to design a system of communication strategies. At this point negotiators interpret the situational factors, diagnose the potential rhetorical obstacles related to each factor,

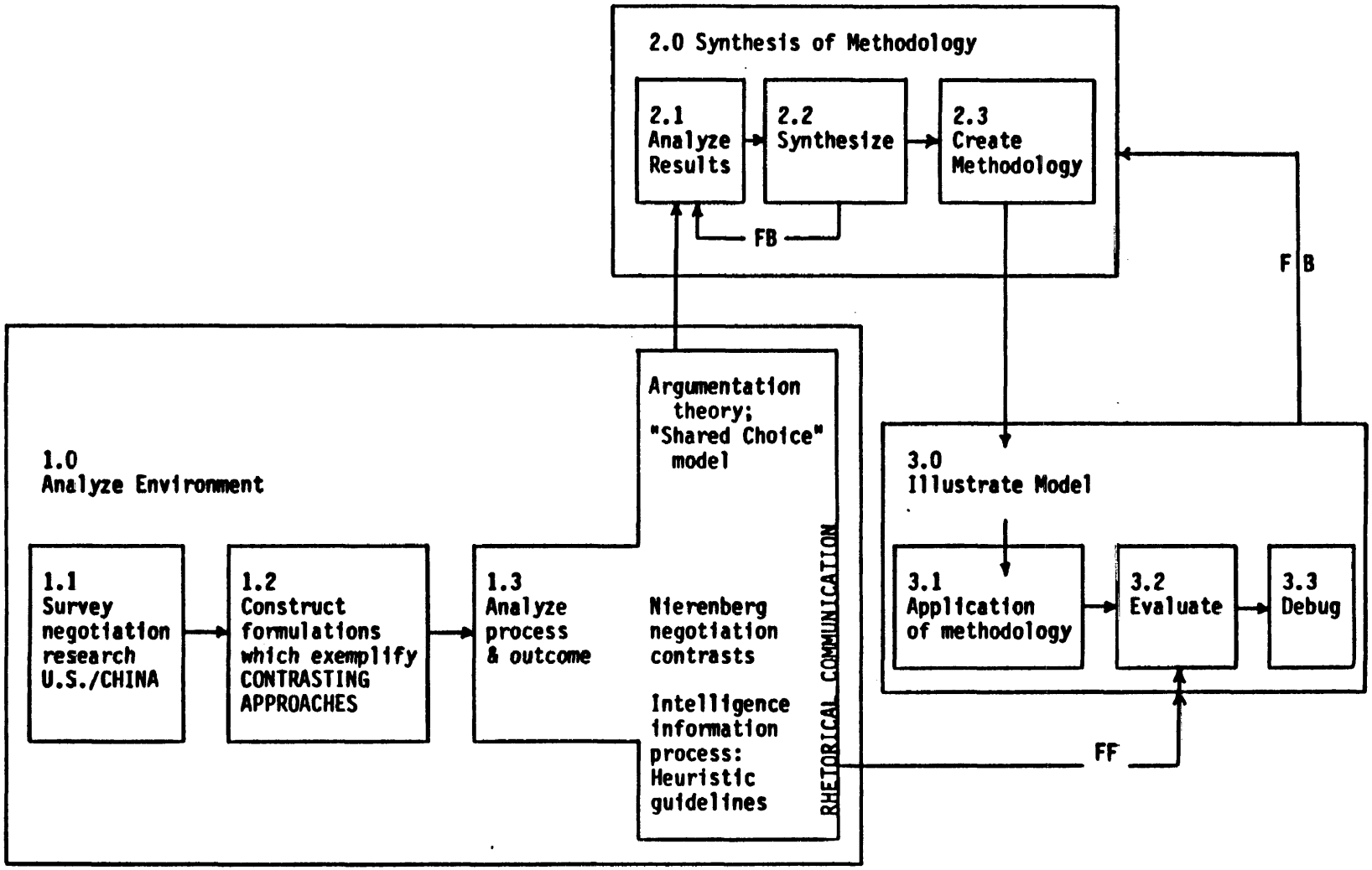

Figure 1. Model for Generating a Methodology.

and then generate appropriate communication strategies designed for the particular situation. During the final phase of negotiation planning, negotiators evaluate the selected negotiation strategies according to standards set forth in the methodology.

The bias of this methodology would lead a negotiator toward sharing choices instead of restricting choices. However, the choice of tactics and strategies to be applied during negotiation depends upon the particular situation and the extent to which the other party is willing to cooperate.

Illustration of the Methodology

The potential usefulness of the methodology is illustrated by (1) generating communication strategies as if I were a representative of a U.S. wheat trading company negotiating a wheat contract with representatives of China; and (2) evaluating the selected strategies according to rhetorical standards introduced into the methodology and according to U.S. and China's plausible wheat agreement criteria; thereby, (3) evaluating the functioning capability of the communication methodology.

Assumptions

(1) The two parties in a negotiation situation desire to reach an an agreement.

(2) The goals of each of the two negotiation parties are potentially conflicting.

(3) People are choice makers (Darnell & Brockriede, 1976); however, the choices available to negotiators of both nations may be limited

by the particular circumstances.[6]

(4) There are multiordinal levels of conflict: potential and manifest (Rummel, 1977).

(5) It is necessary to make inferences based upon existing pattern properties in order to make judgments about appropriate communication strategies.

Limitations

(1) In the context of this study "negotiation" implies seeking agreement by means of communication tactics and strategies. Negotiation is a subset of communication.

(2) While actual transcripts of communication dialog between representatives of the U.S. and China may not be available, the formulation designed to realistically exemplify contrasting negotiation approaches--constructed from researched information--serves to illustrate the usefulness of the methodology.

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[6]The Deputy Director of Economic Affairs, U.S. State Department, noted that Chinese negotiators have a wider range of discretion now than they have had in previous years (see p. 70); however, the general pattern (reported among authors who have researched U.S. and Chinese business negotiations) indicates that Chinese negotiators experience more constraints than do U.S. negotiators. Examples of sources of constraints on U.S. or Chinese negotiators or both include the following:

(1) U.S. negotiators would need authorization from the chief executive officer (or comparable authority) of the U.S. company if that individual was not present at the negotiation sessions (see p. 151).
(2) Chinese negotiators may need authorization from government officials not present at the negotiation sessions (see pp. 102, 169, 226).
(3) Chinese negotiators may need authorization from the Bank of China (see p. 73).
(4) Both the U.S. and Chinese negotiators would be limited by the terms of the Government Grain Exchange Agreement (see page 39).

(3) The data used to create the realistic negotiation situation were based upon the statistics available at the time that this thesis was designed; so, the numbers may be dated. However, there is no necessary connection between the recency of the data available and the communication strategies generated by means of the methodology.

(4) Whether, or the extent to which, the results of the present study can be generalized remains to be determined by replications with different commodities and cultures (Brinberg & McGrath, 1985). Meanwhile, there is no reason to assume that the relationships among the components of the present methodology cannot remain invariant across a variety of goods and services in different sets of circumstances. It seems plausible to hypothesize that this methodology would be useful for planning: (a) a wheat negotiation with Russia; (b) a center-pivot-irrigation negotiation with China; (c) a fertilizer negotiation with Argentina; or (d) any other negotiation for which the preparations require unique communicative designing--like architectural methodology.[7]

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[7]See Epilogue.

Chapter II

A FORMULATION OF TWO CONTRASTING COMMUNICATION APPROACHES GROUNDED IN ONE NEGOTIATION SITUATION

The first step in constructing a communication methodology for use by negotiators representing a U.S. wheat company while planning and negotiating communication strategies in the context of a wheat negotiation with representatives of China, was to create a realistic negotiation situation. I deliberately constructed one negotiation situation to remain constant while making a systematic comparison of two contrasting examples of dialog within that situation. The two versions of dialog were created by adopting two different models of human communication: one, dictated by a choice-sharing approach; the other, dictated by a choice-restricting approach.

The data for constructing the realistic negotiation situation (documented in the bibliography; dated from 1968 to 1985) were drawn from studies of commercial negotiations between the U.S. and China, wheat trade reports from agricultural journals, research analyses by China trade specialists, USDA government documents, and news publications reporting pertinent events.

With a systemic orientation, I combined and arranged the data in a structure designed to serve the subsequent purpose of analysis for this thesis. Figure 2 is intended to show that the immediate context of this negotiation situation is a function of relevant factors within a broader context. The overlapping circles represent the interrelationship among negotiation factors; however, no attempt was

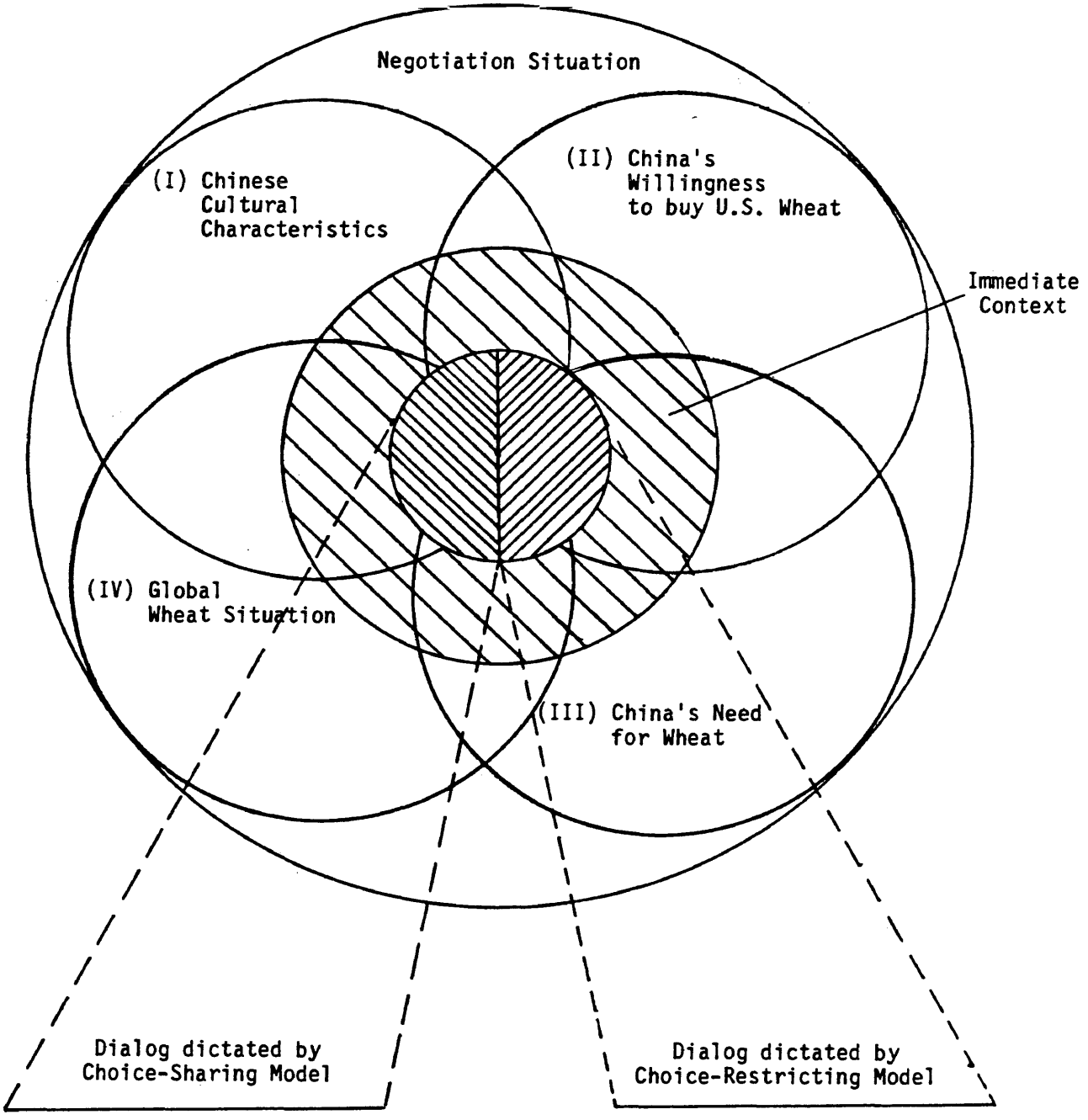


Figure 2. Formulation of Two Contrasting Communication Approaches Grounded in One Negotiation Situation.

made to represent the degree of interrelationship among factors. Nor does the size of any one circle represent a specific level of importance in relationship to any one of the other circles. For example, China's need for wheat may be a greater factor for consideration in a Chinese negotiator's mind than is his reluctance to buy U.S. wheat because of China's disenchantment with the U.S. textile-import policy. Notice that the dialog sectors could emerge from any two portions or segments of the diagram.

The circle representing the immediate context is deliberately placed within the set of overlapping exterior circles representing the generic context. Elements of the immediate context include: agenda, location, personnel, and procedural considerations. Each of the generic-context circles represent assumptions about what might affect this negotiation situation according to indications found in the literature. (The numbers of the following assumptions correspond to the numbers on the diagram.)

(I) Relevant Chinese cultural characteristics--including beliefs, attitudes, and values--are likely to influence the Chinese delegates while negotiating.

(II) China's willingness to conduct business with the United States is presumably influenced by U.S./China trade balance and by political and diplomatic relations.

(III) An assessment of China's need for wheat is a relevant factor when considering population growth, food productivity potential and quality of diet.

(IV) The global wheat situation is a significant factor as negotiators evaluate price, quantity, and quality of wheat available on the global market.

Given the foregoing structure of the negotiation situation, my next task was to construct two contrasting examples of dialog as realistically as possible from selected data derived from the literature. The dialog section of this chapter appears after (1) a detailed structure of relevant negotiation factors, and (2) an explication of the choice-sharing and choice-restricting communication model.

For the sake of flexibility, and for the convenience of the reader, I chose to present the structured negotiation situation to be analyzed on the left side of the page with corresponding explanations, and documentation as needed, on the right side of the page. The outline symbols which represent the data on any given page appear on the upper right-hand corner of that page.

Components of a U.S./China Wheat Negotiation

The examples of dialog in the last section of this chapter are a function of the immediate context which is viewed within the context of the global wheat situation, and, in turn, in the context of China's need for wheat, the relevance of which is determined by China's willingness to trade with the United States. All of these components are presumably grounded in Chinese cultural factors relevant to negotiation--the most nebulous among all factors to be considered.

(I) Relevant Chinese Cultural Factors

According to the literature, potentially relevant Chinese cultural characteristics may include: (A) indications of ambivalence toward Westerners, specifically the U.S.; and, (B) indications of a holistic orientation toward negotiation in general.

(A) Ambivalence Toward Westerners

Sources suggest that while the Chinese remain cautious in their attitudes toward the West, they are, at the same time, interested in learning about "Western ideas." In 1979, leaders of China launched

a massive program for the "comprehensive modernization of China's agriculture, industry, national defense, and science and technology."

(Buxbaum, Cossondra, & Reynolds, 1982, p. 16)

For a detailed explanation of China's Initial Four Modernization Goals see Nai-Ruenn Chen, "Economic Modernization in Post-Mao China: Policies, Problems and Prospects," in Chinese Economy Post-Mao, ed. Joint Economic Committed, vol. 1: Policy and Performance, 95th Cong., 2nd sess., November 9, 1979, pp. 202-3.

In an effort to expedite their "Four Modernizations" program, China seems to be looking toward the West for ideas and inspiration.

For example, "in 1982 alone, eighty Chinese delegations per month visited the U.S. . . . and 100,000 Americans were granted visas by the Chinese government to visit China" (Terrill, 1983, p. 20). An agricultural researcher from Shanghai University, member of a Chinese delegation visiting the U.S. in November, 1983, stated in conversation with

new U.S. friends: "We desire to combine the best ideas of your country and the best ideas of our country to help China achieve our Four Modernizations" (Spokesperson, Friendship Force International, November, 1983).

According to Lucian Pye, commercial negotiation specialist:

> Among the Chinese, particularly those called upon to negotiate with foreigners, there are widespread feelings of ambivalence about all that is foreign. Pulling in one direction is a mixture of distrust and distaste for the foreign and respect for Chinese traditions and commitment to Chinese nationalism. . . . At the same time, pulling in the other direction, particularly during periods when modernization has been legitimized, is the alluring attraction of the industrialized world, which seems to possess so much that the Chinese want."

Pye (1982, p. 60) claims: "American and Japanese accounts indicate that Chinese negotiators seem to be simultaneously extremely suspicious [of foreign business people] and also anxious for [their] friendship. . . . Considerations suggest that the extreme sensitivity of the Chinese reflects a fear of being cheated by dangerous foreigners and competes with an equal desire to be protected by the understanding of foreigners."

(B) Negotiation Orientation

Four ways in which cultural factors may affect the Chinese negotiation orientation in general include: (1) an unhurried manner focused upon developing friendships; (2) the tendency to seek general agreement before agreement on specific details; (3) a tendency toward ambiguity, for example, the "avoidance of an unambiguous 'no'"; and (4) the apparent high value placed upon on-going relationships. (Pye, 1982, p. 69)

(1) Friendship Value

Through the vehicle of friendship, the Chinese "shape the atmosphere surrounding negotiations." (Pye, 1982, p. 31)

Preliminaries to negotiation include leisurely sightseeing trips, banquets, and visits to factories and communes. (Pye, 1982, p. 31)

A U.S. commercial negotiator in China agrees. "They are ever gracious hosts [making it] pointless to try to speed up the preliminary process of becoming friends. As does the entire trade procedure with the Chinese, business proceeds according to their schedule." (Buxbaum, et al., 1982, p. 323)

(2) General to Specific

Once negotiations are underway, the pattern suggested throughout the literature is that "Chinese negotiators begin with a rather general set of principles--for example, the goal of equality and mutual benefit--and from that develop agreements that rely extensively on oral understanding."

(Statement by H. Lange, Deputy Director for Economic Affairs for State Department's Office of Chinese Affairs as reported by Quinlin, Omaha World-Herald Bureau, January 13, 1984)

According to Pye, "The Chinese seek agreement on generalities, dwelling on overall considerations . . . leaving concrete arrangements and specific details to later negotiations."

(Pye, 1982, p. 40)

Pye also noted that there can be an "unconscionably long wait between initial agreement to go ahead and actual negotiations on specific details" (p. 49).

(3) Ambiguity or Contradictions

Sources describing the Chinese negotiators suggest that they seem

to be masters of ambiguity and contradictions. Lall reports that "the Chinese appear to have accepted the fundamental role of contradictions in every sphere of life, policy and action." Pye offers this opinion: (Lall, 1968, p. 17)

(The) "Chinese consciously use a sweet and sour approach to remind the visitor that friendship is not the only thing they know and that they can be tough minded when necessary." He also noted, "the Chinese negotiator will often avoid an unambiguous 'no' . . ., but will 'take note of your position' and suggest going on to another point.'" (Pye, 1982, p. 31) (Pye, 1982, p. 69)

The implication is that one can know the "consciousness" of another.

Assuming that the Chinese negotiation representative may be typical of what is claimed generally among Chinese people, there is no reason to exclude nonverbal communication from the dimension of ambiguity. For example, Samovar and Porter (1976), intercultural communication scholars, note that "the Chinese do not readily show emotion. Chinese children are conditioned

to use the face to conceal rather than reveal emotion. Often they use laughing and smiling to mask anger, sorrow, or disgust" (p. 171).

(4) On-going Relationships

Another cultural characteristic that may hold potential significance during this negotiation situation is the apparent value the Chinese place upon on-going relationships. A Chinese negotiator "while concerned with the bottom line is not single-minded about it as many Westerners are. Rather, he proceeds with a dual awareness that there is a second ledger in which 'success' is debited or credited in terms of contribution to the quality of relationships that ensue . . ".

(Pascale, 1978, p. 162)

According to Pye (1982, pp. 78-79) "previous U.S. negotiators describe their surprise when the Chinese officials brought up proposals for revising what had been agreed upon, right on the heals of signing a contract." He noted that "although they

are reportedly scrupulous in adhering to agreements, they have no inhibitions in proposing changes" . . . which may suggest an attitude of "continuous negotiations. . . ."

(Transition: In addition to Chinese cultural characteristics related to negotiation, a potential U.S. negotiator may need to consider China's willingness to negotiate.)

(II) China's Willingness to Do Business with the U.S.

Among the considerations affecting China's willingness to deal with the U.S. in general are: (A) balance of trade issues; (B) political and diplomatic relations between the two countries; and (C) China's interest in U.S. technology.

(A) Financial and Trade Issues

The figures documented in the literature indicate that a trade inequity exists between the U.S. and China attributed to U.S. textile import restrictions.

(1) Trade Inequity

For example, "in 1980, of the $4.81 billion of goods and services that were exchanged bilaterally between U.S.

and China, $3.75 billion represented U.S. exports to China and only $1.6 billion consisted of Chinese exports to the U.S."

(Graham, 1981, p. 14)

A Chinese Ministry's spokesman, Peng Shen, noted that "of all U.S. imports, only .65% comes from China" (White, 1983, p. 48).

A farm analyst noted that "China must have foreign exchange. She must be able to sell her products in the world markets, including the U.S. if she is to buy our wheat, soybeans, corn. . . ."

(Jaenke, 1983, p. 4)

The December, 1983, World Agricultural Outlook and Situation Report states that "The strong U.S. dollar will probably continue to dampen overseas demand for U.S. exports. Given forecasts of high real U.S. interest rates continuing to attract foreign capital in 1984, it seems doubtful that the dollar will depreciate substantially" (p. 3).

(2) Textile Imports Relative to Grain Exports

A significant factor contributing to the imbalance of trade between the

U.S. and China is the U.S. restriction of Chinese textile imports relative to the U.S. grain (specifically wheat) exports to China.

(a) Import Restrictions

Under the present Multifiber Agreement (MFA) system, "the U.S. imposes quota limits on specific textile goods imported to the U.S. . . . ." (Jaenke, 1983, p. 3)

During the 1970s, as the U.S. economy slowed, the "U.S. government entered in an 'umbrella' MFA, . . . in an effort to protect domestic industry against what they viewed as unfair competition" (Graham, 1981, p. 15).

China was a "new entrant" in the world textile market, and therefore requested a larger share of U.S. textile import growth than the MFA allowed. (Jaenke, 1983, p. 3)

(b) Decreased Grain Trade

Although recent negotiations between U.S. and China produced a revised textile agreement

The new five-year agreement modified

(August, 1983) which "ended a yearlong trade dispute," earlier disagreements regarding import quotas had led the U.S. to suspend "all Chinese textile apparel imports at existing levels" (January, 1983). China responded to the January, 1983, textile suspension by "banning the purchase of soybeans and cotton, and limiting the purchase of grain from the U.S.."

China's participation in the MFA system by allowing a 3.5% annual growth of Chinese textile shipments to the American market. The agreement allowed considerably less than the 6%-7% and annual growth in the three year U.S./China agreement that expired December 31, 1982," but was "much more than the .5%-.7% allowed the big three textile sellers: Hong Kong, South Korea, and Taiwan" (Associated Press, Omaha World-Herald, August, 1983).

(Associated Press, Omaha World-Herald, July, 1983)

Three years before (October, 1980), the U.S. and China had signed a five-year grain exchange agreement providing for the purchase of between six and eight million metric tons (mmt) of U.S. grain each year.

A metric ton is equal to 2,204 pounds according to Kent Warneke, Farm Writer, (Omaha World-Herald, February, 1983).

According to the 1980 grain agreement, 15%-20% of the total amount of grain sold annually is to be corn; the remaining amount, wheat. Under this

agreement, Chinese purchasers may negotiate directly with U.S. trading companies. ("Agreement on Grain Trade between the Government of the United States and the Government of the People's Republic of China" dated October 22, 1980)

"However, according to USDA's latest accounting, sales totaled only 3.83 mmt in 1983. The shortfall was a result of a trade dispute over U.S. import restrictions on Chinese textiles."

(Washington Associated Press, Omaha World-Herald, April, 1984)

"So far in 1984, including the latest sales, a total of 2.26 mmt, all wheat, has been purchased. China, however, has indicated to U.S. officials that it would live up to the agreement by making up for last year's shortfall." (Washington Associated Press, Omaha World-Herald, April, 1984).

Although thc August, 1983, textile agreement lifted the U.S. freeze on Chinese textile

import growth, "both sides were hurt. China lost dollars needed to buy grain and modernize, and the U.S. wheat exporters suffered an estimated loss of $550 million . . . ."

(Associated Press, Omaha World-Herald, July, 1983; supported by Wheat Outlook and Situation Report, November, 1983)

(B) Political and Diplomatic Relations

The literature suggests that issues relating to U.S./Chinese political and diplomatic relations have an affect upon China's willingness to negotiate with the the U.S.

(1) U.S. Relationship with Taiwan

Among the most significant factors affecting U.S./Chinese association is the U.S.'s relationship with Taiwan.

(a) Chinese Condemnation

According to Associated Press news service, Beijing, "In December, 1983, China's official Xinhua News Agency reported that the standing committee of the

National People's Congress had passed a resolution condemning the U.S. Congress for recent measures reflecting a 'two Chinas policy.'"

(Associated Press, Beijing, Omaha World-Herald, December, 1983)

(b) Sino-American Communiqué

One year before, "warnings from China specialists of disastrous strategic consequences led to the signing of a Sino-American Communiqué" (August 17, 1982) in which the U.S. promised to "limit" arms sales to Taiwan. However, arms sales continued and "Beijing soon renewed complaints about U.S./Taiwan relations."

(Evans and Novak, Shanghai; Field Enterprises, Inc., Omaha World-Herald, June, 1983)

In 1979 the U.S. signed two agreements which reflect the "two Chinas policy" referred to by Chinese leaders: (1) The Taiwan Relations Act "guarantees the security and well being of the people of the Republic of China (Taiwan)" (Townsend and Bush, 1981, p. 15).

(2) The Joint Communique ended official relations with Taiwan by acknowledging that "the People's Republic of China is the sole legal government with representation in the United Nations . . ." (1981, p. 15).

Premier Zhao Ziyang was recently quoted in Beijing: "The U.S.'s ties with Taiwan continue to trouble Chinese-American relations." (Associated Press, Beijing; Sioux City Journal, December, 1983)

(2) Chinese Defection; U.S. Political Asylum

Another issue which may have an affect on a Chinese negotiator's willingness to trade with the U.S. is the U.S. role in the 1983 defection of a Chinese citizen. For example, according to a news report from Beijing, "Chinese Foreign Ministry condemned the United States for granting political asylum to tennis star Hu Na, 19, and said the action 'will further damage relations between the two nations.'" (Associated Press, Beijing; Omaha World-Herald, April, 1983)

(C) China's Interest in U.S. Technology

To balance the potentially negative factors influencing China's willingness to trade with the U.S. is China's increasing interest in U.S. technology. According to a recent news report, "During his January 1984 visit to Washington, China's Premier Zhao Ziyang highlighted what is expected to be an increasing interest in U.S. exports of high technology products to China."

(Quinlin; Omaha World-Herald Bureau, Washington; January, 1984)

According to bibliographic sources, China is seeking to acquire the following types of technology:

(1) computer technology and related products,

(Quinlin; Omaha World-Herald Bureau, Washington; January, 1984)

(2) military technology,

"According to reports from Washington, The U.S. soon will begin sales to China of anti-tank and anti-aircraft missiles . . ." (Associated Press, Washington; Omaha World-Herald, January, 1984).

(3) nuclear energy technology, and	A major topic discussed during Premier Zhao's 1984 visit to the U.S. was the proposed agreement on peaceful nuclear cooperation. According to U.S. officials, "China has edged significantly closer to accepting safeguards specified in the U.S. Atomic Energy Act, and insisted on by the U.S. as essential for congressional approval of a nuclear cooperation agreement" (Associated Press, Washington; Omaha World-Herald, January, 1984).
(4) agricultural technology.	China's plans to mechanize the agricultural sector include: (1) agriculture machinery, e.g., sprinkling irrigation systems, (2) seed processing machinery; drying, testing, and grading of seed, (3) agriculture chemicals; pesticides, herbicides, and fertilizers, (4) feedstuff industry; e.g., alfalfa dehydration plants, (5) food-processing industry; for example, automated bread production (Buxbaum, et al., 1982, p. 68).

(III) China's Need For Wheat

As a prospective negotiator views the factors influencing China's willingness to trade with the U.S., grounded in relevant Chinese cultural characteristics, another factor to be considered is China's need for wheat. China's wheat need is a function of potential supply and projected utilization factors.

(A) Supply

According to agricultural researcher, F. Surls, China's supply of wheat is determined by (1) domestic production, and (2) importation.

(China, Review of Agriculture in 1981 and Outlook for 1982; USDA, 1982, p. 4)

(1) Domestic Production

"China is a large food grain producer" ranking second among the world's wheat producing countries.

(Wong, 1980, p. 1)

Comparison Table of U.S./China Wheat Production (mmt)

	U.S.	China
1982	76.5	68.4
1981	76.0	59.6
1980	64.6	55.2

(Agriculture Statistics, 1982; USDA, 1982, p. 10)

(a) Modernization

Modernization of the agricultural sector has been a key focus of the Four Modernizations program implemented by Chinese leaders in 1979.

(Buxbaum, et al., 1982, p. 70)

China made public the major goals outlined in their Sixth Five-year Plan (1981-1985). Among major objectives is: to "increase agricultural production and gross value of agricultural output (GVAO)" (China: World Agricultural Regional Supplement; USDA, 1982, p. 8).

See "agriculture technology" and corresponding right-hand column for a sampling of agricultural modernization plans (preceding outline, section II/C/4).

(b) Incentive Plans

In addition to mechanization advancement, government officials have promoted production incentives plans which have "already produced impressive results."

(World Development Report, 1983; World Bank Publication, 1983, p. 54)

"In 1979, China embarked upon a 'rural production responsibility system' which includes: greater decentralization of production and investment decisions to enterprises and farms; and stronger incentives, with more direct links between material rewards and the work of households and individuals . . . [For example], beyond [government] obligations, which account on the average for one-third of a household's total production, farmers can keep whatever they produce" (World Development Report; 1983, p. 54).

For example, "the gross value of agricultural output (GVAO) rose 11 percent from 1981 to 1982."

"GVAO has grown at an average annual rate of 7% since 1978" (China World Agricultural Regional Supplement; USDA, 1982, p. 2).

As a result of new programs, China's wheat yields have increased steadily since 1978.

China's Wheat Yield
(mt per hectare)

(China World Agricultural Regional Supplement; USDA, 1982, p. 21)

"Good weather in China was an important factor in high yields and record crops in 1982. . . . Weather continues to be a major factor in yield until more water control mechanisms are implemented" (China World Agricultural Regional Supplement; USDA, 1982, p. 10).

(c) Production Output Relative to Input

According to China's agricultural researcher, F. Surls, China is now "faced with the task of trying to sustain growth in agricultural productivity." China agricultural economic analysts offered this opinion: "Given China's land resource constraints and the disparate topography and climate . . . the attainment of an overall growth rate of agricultural production . . . has been a remarkable achievement. Despite this favorable record, the efficiency of agricultural production measured by growth in output

(China, Review of Agriculture in 1981 and Outlook for 1982; USDA, 1982, p. 1)

<u>relative to</u> growth in input

has been declining."

(Barker, Sinha, and Rose, 1982, p. 9)

These authors go on to speculate that "Whether this (decline in output) has been due to the process of collectivization itself, the mismanagement of agricultural resources, or the limits imposed by diminishing returns on an already highly developed land base is a matter of open debate among scholars" (1982, p. 9).

According to a USDA report, "China farmers cannot meet the demand for greater output by expanding cultivated land area. They already are fully using available arable land, and the small, increasingly costly results of reclamation work are largely offset by the amount of cultivated land used up by new factories, roads and housing projects. . . . When there is an increase in the sown area of one crop, there will generally be a corresponding decrease in the area of some other crops" (<u>China World Agricultural Supplement</u>; USDA, 1982, p. 9).

(2) Importation

China supplements its wheat production by importing the balance of total need quantities. According to USDA analyst, F. Surls, "The key feature of China's agricultural imports is uncertainty." Although importation has been a source of wheat supply in China, the levels of wheat imports have declined perhaps because of recent increase in domestic wheat productivity.

(China; Review of Agriculture in 1981 and Outlook for 1982; USDA, 1982, p. 4)

Comparison of China's wheat production, importation, & utilization (mmt)

	80/81	81/82	82/83	83/84
Production	55.2	59.6	68.4	78.0
Importation	13.8	13.2	13.0	12.0
Utilization	69.0	72.8	81.4	90.0

(Wheat Outlook and Situation Report; USDA, 1983, p. 22)

F. Surls noted that "China's agricultural trade policy appears to be one of import substitution, a policy whose objective is to halt the growth of agricultural imports and perhaps ultimately reduce them."

(Associated Press, Washington; Omaha World-Herald, March, 1983)

(B) Utilization

Factors that may affect China's utilization of wheat include: (1) current population and projected rate of growth; and (2) variation or improvement of diet.

(1) Population

"At the time of China's first national census taken in July, 1982, the population figure was 1.008 billion" representing approximately 25% of the global population. According to authors of the population bulletin, "Interchange," "Chinese leaders face a basic challenge: how to feed a population which is over one billion and growing. It is a race between population growth and agricultural production." (Murphy and Candellier, Ed. "Interchange"; Population Reference Bureau, Inc., May, 1983, pp. 1-2)

"Among the ways Chinese leaders are facing the challenge of feeding its people is the implementation of incentive programs designed to curb the population growth rate. "Deterrents include stressing late marriages and one child families." (May, 1983, p. 3)

"Those couples who pledge to have no more than one child receive 'only child glory certificates.' These certificates entitle couples to various benefits such as free medical care and school tuition for their child, monthly cash bonuses or work points (for extra food and supplies). . . . Penalties for those who break the pledge by having a second child must return all benefits . . . a third child can mean their monthly wages are reduced by 10 percent or more" (May, 1983, p. 3).

As a result of these programs, the annual rate of population increase has gradually been pushed down from more than 2% to less than 1% with the goal of "zero population growth by the year 2000."

(A statement by the present Chinese leadership according to Barker, Sinha, and Rose, 1982, p. 7)

Upon consideration of factors which may influence China's population projections, Tien Yuan, population researcher, concludes that "What the future holds for China's population is unclear."

(Tien, H.Y., 1983, p. 21)

For additional information about China's population, factors affecting continued effectiveness of rate of growth incentives, and growth projections, see Tien, H.Y., China: Demographic Billionaire, 1983.

(2) Improved Nutrition or Diet Variety

In addition to the governmental policies affecting population growth, official efforts are aimed toward improving nutrition and diet variety.

According to F. Surls, China agricultural analyst, "ultimately a reduction in population growth coupled with rising incomes will lead to demands for a more varied diet" ("Foreign Trade and China's Agriculture," in The Agricultural Economy of China; ed. Barker, Sinha, and Rose; 1982, p. 93).

Mattern, wheat quality analyst, noted that "national policy promotes improved nutrition and more variety" ("Report on Milling Technology"; U.S. Wheat Association, 1983, p. 8).

Official objectives that may contribute to both improved

nutrition and diet variety are:

"an increase of manufactured production of baked bread, noodles, and other convenience foods."

(Buxbaum, et al., 1982, p. 72)

These products would supplement the traditional steamed breadings and dumplings available in China (Mattern, March, 1984).

The U.S. Wheat Association has organized a U.S./China demonstration bakery which "prepares bread from a shipment of hard red winter (HRW) wheat flour donated by Minnesota wheat growers" (Mattern, 1983, p. 2).

China wants to move toward more mechanized bakeries, including "fast-food type" bun factories, however, "the quality of available Chinese flour does not presently meet the requirements for a functioning plant."

(Mattern, 1983, p. 2)

According to Mattern, production of a fast-food type bun, by U.S. standards, requires a minimum of approximately 13.5%-14% protein

(11.5%-14% for baked loaf production), and a maximum of approximately .43% -.57% ash, per unit weight (approximately 12% "as is" moisture content).

Bread characteristics affected by protein content include: product uniformity, crumb properties, and dough consistency necessary for bakery machines to function properly.

Characteristics affected by ash content include: color and texture. Both ash and protein contribute to nutritional content.

According to Mattern, China has traditionally imported a lower quality soft red winter (SRW) "ordinary" protein which measures approximately 9%-11% protein, and up to 1.2% ash ("as is" moisture levels).

The table below illustrates the comparison of wheat specifications.

	Bun	Loaf	"ord" SRW
ash	.42-.57%	.42-.57%	.95-1.2%
protein	13.5-14%	11.5-14%	9-11%

(approximate figures)

(Mattern, March, 1984)

In addition to increased production of wheat products, "by 1990, China plans to produce 18 mmt of meat." Among the factors necessary to achieve that goal is "the substantial import of feed grain and protein meal."

(China World Agricultural Regional Supplement; USDA, 1982, p. 1)

(IV) Global Wheat Situation

An assessment of the global wheat situation as grounded in China's need for wheat, willingness to trade with the U.S. and relevant Chinese cultural characteristics, is assumed to be a necessary consideration of a wheat negotiation between representatives of the U.S. and China. Key factors relevant to the global wheat picture are: (A) estimates of quantities available; (B) quality comparisons; and, (C) price comparisons.

(A) Quantities Available

The USDA Wheat Outlook and Situation Report states that "global wheat production has expanded each of the last five years . . . 1983 was a record global wheat harvest year."

(November, 1983, p. 3)

The problem of production expansion contributing to the "world wheat glut" continues in 1984-85.

According to Stoddard, President of Nebraska-Wyoming Wheat Growers' Association, "Even with the Soviet Union's large purchase of grain in 1984-85, the world's wheat surplus is expected to remain at about 1.4 billion bushels" (104.1 mmt) (Warneke, Omaha World-Herald Bureau, Washington D.C.; October, 1984).

Major wheat producing countries that are contending for the Chinese market include Argentina, Australia, Canada, and the U.S. The following percentages illustrate the ratio of wheat imported by China in relation to the amount of wheat available for export within each of these countries in 1983:

Argentina	23%
Australia	10%
Canada	19%
U.S.	11%

(Wheat Outlook and Situation Report, November, 1983, p. 2; the following tables, pp. 23 and 28, respectively)

Wheat Export Quantity Available (mmt)

	1981	1982	1983
Argentina	4.3	7.4	9.0
Australia	11.0	8.1	11.5
Canada	17.6	21.2	21.5
U.S.	48.7	39.7	38.0

China's Wheat Imports (mmt)

	80/81	81/82	82/83
Argentina	.20	.19	2.1
Australia	1.44	1.38	1.15
Canada	2.92	2.99	4.1
U.S.	8.50	8.35	4.27
Total	13.17	13.04	13.0

The European Economic Community (EEC) is steadily increasing its participation in the world marketplace. "EEC officials have indicated that [as a result of national incentives designed to stimulate production] their 1985 wheat exports will be up 2-4 mmt from the previous year" (D. Olofson, Omaha World-Herald Bureau, Washington D.C., October, 1984).

(B) Quality Comparisons

Quality comparisons of wheat exports among the four noted wheat producing countries require educated guesswork. According to a crop bulletin issued by the Canadian Grain Commission "varying standards and techniques [for wheat quality measurement] are utilized among wheat exporting countries."

(Crop Bulletin No. 159; January, 1984, p. 2)

This bulletin notes that standards and measurement techniques are similar between the U.S. and Canada (1984, p. 2).

Generally, wheat is classified according to:

(1) variety, and

Examples include: durham, hard red

spring (HRS), hard red winter (HRW), soft red winter (SRW) (Agricultural Handbook; USDA, 1983, p. 3).

(2) primary end use.

Examples include: pasta, loaves, buns, noodles, cookies, and cakes (Agricultural Handbook; USDA, 1983, p. 3).

Within each classification category, depending upon the availability and degree of sophistication of technical equipment, specific characteristics of wheat samples can be measured.

(Mattern, 1983, p. 10)

Included among specifications of wheat are:

protein content	%
test weight	kg
vitreous kernals	%
vulgar kernals	%
ash	%
sedimentation	ml
moisture	%

(Crop Bulletin No. 159; Grain Research Lab., Canadian Grain Commission, January, 1984)

According to Mattern, "China mills two standards of flour: 'special', and 'standard.'" An estimated quality comparison of these two categories include the following characteristics:

(Mattern, 1983, p. 12)

Mattern noted that "less than 5% of total flour production in China is 'special,' and is presently available only to hotels catering to foreign currency" (1983, p. 1).

(C) Price Comparisons

Variables affecting wheat prices may include:

(1) quantities available,

According to R. Stoddard, President of Nebraska-Wyoming Wheat Growers' Association, "a sustained glut of wheat in 1984-85 continues to depress market prices" (Warneke, Omaha World-Herald Bureau; Washington D.C.; October, 1984).

(2) quality classifications,

The table below represents comparative estimated costs of a sampling of U.S. wheat per variety/quality classification system.

(U.S. dollars per mt)

Gulf: #1 HRW $157.

Gulf: #1 SRW $142.

Portland: #2
Western White $157.

(Source: Grain Market News, Agricultural Marketing Service, as reported in Wheat Outlook and Situation Report; November, 1983)

(3) shipping factors, and

Shipping options include:
cost and freight (C&F);
cost, insurance, and freight (CIF);
and free on board (FOB).
"Commodities imported by China are usually shipped FOB. The buying party is responsible for shipping the cargo and for paying the insurance premium, while the selling party is responsible for loading the cargo on board" (Zhao, 1984, p. 78).

(4) storage factors.

According to a merchandiser at Scoular Grain Company, standard wheat storage price is $.03 per bushel per month. At 36.73 bu per mt, the cost converts to $1.10 per mt per month.

The grain merchandiser noted that "large grain companies

have export houses on the ports--allowing them to buy large quantities of stock which may minimize storage costs" (James Grant, Merchandiser, Scoular Grain Company, March 29, 1984).

In addition, "the strength of the U.S. dollar is going to continue to affect 1984-85 wheat prices," according to Amstutz, Undersecretary of Agriculture for International Affairs and Commodity Programs, USDA.

(Skoloda, ed.; Farm Futures, October, 1984)

The USDA World Agricultural Outlook and Situation Report reports that "China is willing to buy from the lowest price suppliers as long as some diversity of supply is maintained."

(November, 1983, p. 21)

Mattern noted that "China is a 'price buyer,' and thus has traditionally purchased SRW (lesser quality) from the U.S. . . . China considers that it cannot afford the luxury of quality wheats . . ." (1983, p. 6).

"Low prices offered by other wheat suppliers have . . . contributed to a

lessening of China's imports of U.S. wheat this year (1983)."

(World Agricultural Outlook and Situation Report; USDA, 1983, p. 21)

For example, "Argentina is offering China price discounts in order to sell large wheat crops . . . replacing some U.S. sales . . ."
(World Agricultural Outlook and Situation Report; USDA, 1983, p. 10).

Canadian agricultural researcher, Kostecki, stated that "on the average . . . prices paid by China for Canadian grain tend to be lower than the price paid by other major buyers . . . due to quality of wheat and terms of transaction" (1982, p. 182).

The table below illustrates a cost comparison of global market prices (not specifically a China contract) in September, 1983, for comparable qualities of wheat available among the four noted countries.

Argentina:	$152.
Australia:	$150.
Canada:	$170.
U.S.:	$157.

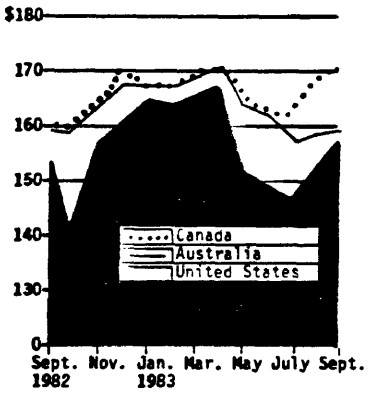
(World Agricultural Outlook and Situation Report; USDA, December, 1983)

However, director of the Nebraska Wheat Board (NWB) reports that generally "U.S. wheat is consistently priced below its competitors. . . . U.S. export wheat prices were from $1 to $17 per ton below its competitors during the last 12 month period."

(Warneke, Farm Writer, Omaha World-Herald; February, 1984)

Figures published by the USDA (Economic Research Branch) seem to support NWB Director's statement.

Export Wheat Prices
(All in U.S. dollars per metric ton)



Source: U.S. Department of Agriculture (Economic Research Branch)

(published by Omaha World-Herald; February, 1984)

(V) Immediate Context

The immediate context of a wheat negotiation between representatives of the U.S. and China is grounded in the foregoing generic factors relevant to the negotiation

situation. Components of the immediate context include: (A) preliminary correspondence, (B) initial contact, (C) negotiation personnel, and (D) agenda considerations.

(A) Preliminary Correspondence

According to Buxbaum, et al., China trade specialists, "negotiation meetings with the Chinese begin with a written proposal from the U.S. company." (1982, p. 38)

Buxbaum, et al., noted that the proposal should be sent to the Foreign Trade Corporation; should include background information and sample or description of the quality of the product; and should include at least 20 copies with all materials translated to Chinese.

Buxbaum, et al., also indicated that "the Chinese are typically slow to respond to a proposal . . . sometimes making it necessary to follow-up with a second contact" (1982, p. 318).

After receiving the proposal, if interested, Chinese officials "will usually respond with an invitation to Beijing." (Buxbaum, et al., 1982, p. 323)

According to Pye, the Chinese seem to expect that the "American businessman must follow the historical practice of being the foreigner who comes as a guest seeking . . . to do business in China" (1982, p. 7).

Pye also noted that "frequently foreign businessmen experience an uncertain wait between initial communication and the granting of a Chinese visa" (1982, p. 7).

(B) Initial Contact

According to Rae, author of "Talking Business in China," upon arrival in Beijing "the first meeting will take place in the hotel room . . . concerning arrangements for forthcoming talks." (China Quarterly, June, 1982, p. 227)

As noted in the preceding outline section I/B/1, "during the preliminary stages of negotiation . . . much stress is given to the idea of friendship" (Pye, 1982, p. 31).

"Thereafter," according to Rae, "contact with the Chinese negotiators may continue daily." (1982, p. 227)

Buxbaum, et al., noted that "negotiations will last several sessions . . . from a few days to a few weeks." (1982, p. 323)

(C) Negotiation Personnel

According to Tung, U.S. and China negotiation researcher, members of a U.S. company's negotiating group might include: a chief executive officer of the company, a technical specialist, a marketing representative, and a bilinguist. (1982, p. 30)

Tung's research focuses on trade negotiations in general. Membership of a wheat negotiation team may not necessarily fit this pattern.

Tung also notes, "Companies with individuals that had engaged in previous negotiations with Chinese showed a significantly higher incidence of success in obtaining trade agreements" (1982, p. 27).

Tung observed that members of the Chinese negotiating group are likely to include: "a member of the China Foreign Ministry, a member of the China Council for the Promotion of International Trade, a

high-ranking Chinese Communist Party official, Chinese Party members." (1982, p. 30)

According to Pye, "technical personnel or end-user representatives may be included." (1982, p. 53)

Pye noted that "the Chinese negotiation team is almost always larger than the American team of negotiators" (p. 53).

Lall took note of the background training of the average Chinese party member negotiator. "A party member's four part education includes emphasis on professional training, political training, cultural training, and theoretical training grounded in the Marxist-Lennist Doctrine" (1968, p. 5).

"It is often hard to tell the functions of the members of the Chinese team," Pye noted, "and even more difficult to determine exactly where the team leader belongs in the heirachy of the Chinese bureaucracy." (1982, p. 53)

Pye observed that "lines of authority can be diffused and vague. . . . Chinese negotiators often seem unsure not only of their mandates but also of the

probable decisions of their superiors; therefore, they may inaccurately signal the state of progress of the negotiations . . ." (1982, p. xi).

However, H. Lange, Deputy Director for Economic Affairs for the State Department's Office of China Affairs, stated that Chinese negotiators have "a much wider range of discretion than they used to in dealing with foreign businessmen" (Quinlin, Omaha World-Herald Bureau, January, 1984).

Rae, negotiation researcher, indicated that "most all U.S./Chinese negotiation exchanges are made through interpreters with very few exceptions. . . ."

Rae continued: "This . . . often causes problems as some of the Chinese interpreters provided do not fully understand colloquial English and . . . are loath to admit it" (1982, p. 276).

Authors Rae (1982), Pye (1982), Buxbaum, et al. (1982), Tung (1982), and Lange (1984) seem to share general agreement that interpreters serve a paramount function during negotiations.

For example, according to Buxbaum, et al., "an effective interpreter must be knowledgeable about the style and nuances of modern Chinese usage." (1982, p. 319)

Pye seemed to agree when he noted, "many nuances are missed. . . . Remarks will be taken into account, but clues about Chinese assumptions and misunderstandings are often lost."

Japanese trade analyst, Kawasakiya, has observed that "the Chinese often express their serious interest with a 'soft' [implied contextual meaning: "subtle"] expression" (1970, p. 15).

Rae's study discovered that, "U.S. firms that have Chinese speakers on the staff spend half as much time in negotiation" (1983, p. 276).

According to Pye, "An early signal of the intensity of Chinese interest in doing business, is the caliber of Chinese interpreter assigned to their sessions. Because the Chinese are short of qualified interpreters . . . assigning a superior person is a fairly reliable indication . . ." (1982, p. 53).

In addition, Pye noted that "It is a standard Chinese practice to seek out the language specialists during breaks in the formal meetings to clarify points . . ." (p. 61).

(D) Agenda Considerations

Factors surrounding agenda setting may be relevant considerations within the immediate context. According to Zhao, a Chinese author on Chinese export-import procedure, "the Chinese Foreign Ministry issues an annual Export-Import Management Plan which serves as a guide to Chinese negotiating officials." (1982, p. 66)

"The Export-Import Management Plan is a comprehensive arrangement for certain commodities during a given period of time. It is drawn up in light of the state's foreign policy and its overall export-import plan . . ." (1982, p. 66).

Suggested commodity negotiation agenda items include consideration of: "quality, quantity, price, packaging, insurance, shipment, and credit." (Zhao, 1982, p. 68)

According to Zhao, "the Chinese negotiator

should first seek answers to these questions:

Have we grasped the situation of the foreign market?

What are our business relations with the foreign company?

Did we confirm with the departments the quality specifications and delivery date of commodities to be imported" (1982, p. 67)?

According to Pye, "the Chinese negotiator tends to concentrate on two variables: unit price and base interest. They seem less impressed with tradeoffs among speed of delivery, extent of service arrangements, volume discounts, or cost/effectiveness of capital outlay considerations." (1982, p. 58)

Generally, scholars of Chinese negotiations agree that "the Bank of China remains the final arbiter of all Chinese buying abroad." (Rae, 1982, p. 274)

According to Pye, "overall, the Bank of China continues to exercise the allocating of exchange, monitoring resources, receiving payment, guaranteeing transaction, etc." (1982, p. 15).

Explication of the Choice-Sharing and Choice-Restricting Communication Model

Before constructing a realistic dialog representing the two contrasting approaches of the Darnell and Brockriede model introduced in Chapter I, it was necessary to determine the relevance of each of the seven dimensions of that model:

(1) Seeing other as person-----Seeing other as object or victim

(2) Win/win or lose/lose----------Win/lose

(3) Cooperative aim----------Competitive aim

(4) Power parity----------Maintain or gain power

(5) Share the choice----------Restrict the choice

(6) Risk change----------Risk stagnation

(7) Bilateral view of relation------Unilateral view of relation

Two of these seven dimensions are inapplicable for a realistic negotiation. If the Chinese put a high priority on the preliminary time spent building friendship with negotiators (Pye, 1982; I/B/1), then it would be incompatible with that perspective for a U.S. negotiator to attribute to the Chinese the extreme of dimension #1--"seeing other as object or victim." Likewise, the extreme of dimension #7--a "unilateral view of relation"--is a contradiction of "negotiation" as defined in the context of this research. All of the remaining dimensions, numbered to correspond with the model above, are more or less applicable. The key terms and quotations in these numbered items were provided by Darnell and Brockriede (1976, pp. 21-22).

(2) Win/Win or Lose/Lose versus Win/Lose

Goals of the negotiation relationship are pertinent. "Persons

have equivalent goals when the only way a person can win is if any other person in the relationship also wins, and the only way person A can lose is if person B also loses. The contradictory goal relationship implies that the only way one person can win is if the other person loses."

(3) Cooperative Aim versus Competitive Aim

If negotiators have equivalent goals, they are more likely to have cooperative aims instead of competitive aims. "When two persons have an equivalent goal relationship (win/win or lose/lose), such persons will probably cooperate with each other. Persons who have contradictory goals (win/lose) will have a strong motivation to compete."

(4) Power Parity versus Maintain or Gain Power

This dimension "distinguishes persons who want to try to achieve relative power parity from those who don't. . . . When commonalties are many and significant and when each person wants to grant peerhood to the other, two persons can relate in complementary ways, they can give each other an opportunity to shine, they can recognize that although person A is better, stronger, more experienced, or wiser in one way, B is superior to A in others, and they can above all grant parity to the other person as person. When goals are contradictory and motivations are based on competition, the more likely outcome is for both persons to seek to maintain whatever power advantage they may fancy they have, . . . to try to capitalize on one's strengths and exploit the weaknesses of the other."

(5) Share the Choice versus Restrict the Choice

"Human beings have degrees of freedom of choices within the constraints of physical and social environmental forces. . . . We can choose to make choices on the basis of the best information and reasoning available. . . . Choices can be shared equitably . . . or choices can be restricted by coercion or by providing another person only with the illusion of choice." The negotiator who is sharing choices may jointly seek mutually satisfying options for agreement. The negotiator who is restricting choices may have a predetermined objective which may lead to restricting any options except those aimed toward achieving that objective.

(6) Risk Change versus Risk Stagnation

"A person cannot not risk something when relating with other persons." The choice-sharing negotiator may be willing to take risks that involve significant changes of ideas, self-conception, or relationship with the other; a choice-restricting negotiator takes the risk "someone takes when trying desperately to avoid taking risks, the risk of stagnation of ideas, of self-conception, and of interpersonal relations."

A negotiator operating with a choice-restricting approach may attempt to maximize a position by asking closed questions, or by making statements based upon (well-founded) assumptions, rather than risking some control by making inquiries that may elicit unanticipated answers.

A negotiator operating with a choice-sharing approach may be willing to risk a position of power or control by making inquiries that allow for less predictable answers to open questions.

Transition: Such is the relevance of five (out of seven) dimensions. The content of the subsequent dialog section is intended to illustrate the differences between sharing choices and restricting choices as negotiation strategies in a U.S. and China wheat negotiation. While the dialog illustrations are intended to represent realistic negotiation dialog, there is no reason to assume that the choices suggested in these illustrations represent actual choices.

Note: In order to facilitate cross referencing between the dialog section and the preceding pages of Chapter II, corresponding outline symbols are used.

The Chinese (CH.) dialog is presented in my words as if from the point of view of the Chinese negotiators.[8]

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[8]This method of presentation is analagous to what Wendell Johnson (1946) referred to as "ventriloquizing;" speaking as if with the voice of another.

Immediate Negotiation Situation

The first dialog illustration occurs in the initial stages of negotiation. A five-member team of U.S. negotiators arrived in Beijing six days ago. U.S. team members include: a company executive, company accountant, wheat quality expert, marketing analyst, and translator (Tung, 1982: V/C). During the six days they have been attending banquets, seeing the sights, and becoming acquainted with their Chinese hosts (Pye, 1982; I/B/1).

This U.S. grain company has negotiated previous wheat agreements with the Chinese; so the team is familiar with the necessary procedure. The U.S. negotiators' visit to Beijing has been preceded by (1) correspondence introducing a 1984 wheat offer, (2) a response of interest from Chinese government officials, and (3) finalization of approximate meeting dates, hotel accommodations, visas, etc. (Buxbaum, et al., 1982; V/A).

There are eight members of the Chinese negotiating group representing various positions within the Chinese government including: a Foreign Ministry official, a member of the China Council for Promotion of International Trade, and additional Party members (one of whom is a translator) (Tung, 1982; V/C). These individuals have hosted the American visitors with genuine warmth and hospitality. Now it is time to get down to business. . . .

Choice-Sharing Dialog versus Choice-Restricting Dialog

	Choice-Sharing	Explanation and Documentation			Choice-Restricting
CH.:	We welcome you back to these negotiation discussions in our country . . . and invite you to present your proposal at this time.			CH.:	(Same as left column)
U.S.:	We, like you, begin 1984 wheat negotiations searching for ways that we can arrive at some mutually beneficial terms of agreement. Before we discuss future proposals, we are interested in knowing if you were satisfied with last year's	Negotiator takes some risk by encouraging the Chinese to share an "unknown" regarding past satisfaction.	vs.	Negotiator avoids risk, thereby maintaining some degree of control by discouraging a discussion of "last year's problems."	U.S.: We are glad to be back in Beijing and are eager to share with you new ideas regarding a mutually beneficial wheat deal. Last year we were pleased that we were able to sell you the amount and kind of wheat that seemed to fill your needs at

	Choice-Sharing	Explanation and Documentation		Choice-Restricting
	sale . . . quantity, quality, shipping arrangements . . . etc.			that time. We trust there were no problems with last year's wheat sale.
CH.:	Overall, yes we were satisfied. There was some spoilage in one shipment which was determined to be the responsibility of the shipping company--having no direct relationship to your company. Losses were adequately covered by insurance	Most wheat agreements between U.S. and China are shipped FOB (Zhao, 1984; IV/C/3).	CH.:	There were no problems directly related to your company. . . . Overall we were quite satisfied.
U.S.:	Since last year's negotiations we have studied some options		U.S.:	As we have been learning about China's goals for improving nutrition and

Choice-Sharing	Explanation and Documentation		Choice-Restricting
related to China's recently published dietary goals that may be of interest to you. For example, we have been examining specific wheat characteristics in relationship to end product use. We're wondering if you are needing some higher quality wheat than we were able to provide by the terms of last year's agreement.	--(Buxbaum, et al., 1982; III/B/2)--		increasing diet variety, we recognize that we may have done you a long-range disservice during last year's negotiations by not discussing options associated with the purchase of a higher quality wheat. Our information indicates that you may well need a higher quality wheat for some of your plans. . . .
	Negotiator asks questions and shares considerations.	vs. Negotiator does not allow an "opening" for inquiry or discussion, etc., indicating an unwillingness to take risks.	

CH.:	The quality of our previous purchase from your company has been adequate for our needs.	CH.:	(same as left column)

	Choice-Sharing	Explanation and Documentation			Choice-Restricting
U.S.:	Would you care to explain China's dietary goals as they relate to qualities of wheat?	An open question of inquiry . . . suggesting cooperative searching.	vs.	A closed question . . . suggesting an attempt to maintain control of choice options. (Mattern, 1983; III/B/2)	U.S.: Is our information correct that China wishes to begin some automated production of a fast-food type bun?
CH.:	Yes, of course, China's plans include efforts to improve nutrition, and increase diet variety. For example, we are examining plans associated with the "manufactured production of baked bread . . ." including bun production.	(Buxbaum, et al., 1982, p. 72; III/B/2) (Mattern, 1983; III/B/2)			CH.: We have been researching that option along with other plans for mechanized baking. . . .

Choice-Sharing	Explanation and Documentation	Choice-Restricting
U.S.: We have discovered that there may be some technical reasons for using particular quality specifications for mechanized bread production. For example, a minimum level of protein may be necessary in order to maintain dough consistency that will allow the machinery to function at optimal level . . . . Have you given any thought to importing a portion of wheat with quality specifications necessary	Negotiator *vs.* Negotiator making an inquiry--searching for information that may lead to cooperative making assumption, implying an attempt to control the number of	U.S.: (Same as left column) . . . . With that information in mind, we recognize that the quality of wheat sold

	Choice-Sharing	Explanation and Documentation			Choice-Restricting
	for automated bakery production?	goals.	options.		to you in years past may be inadequate to to meet some of your future needs.
Ch.:	Although we recognize the importance of quality, we fear we cannot afford the luxury of a higher quality wheat at additional cost.	--(Mattern, 1983; IV/C/4)--		CH.:	(Same as left column)
U.S.:	If it were economically feasible, would you be interested in discussing an agreement calling for a negotiable portion of bun or loaf quality wheat, with the remaining portion being of quality	Inquiry implying power	vs. An assumption implying an attempt to	U.S.:	The offer we have in mind can provide a combination of both quality specifications necessary for bun or loaf production and economy.

Choice-Sharing	Explanation and Documentation		Choice-Restricting
similar to last year's purchase?	parity . . .	maintain control of the number of options to be considered.	
CH.: What ratio of bun or loaf quality wheat in relationship to the total purchase do you have in mind?			CH.: What kind of offer do you have in mind?
U.S.: At this time, we can make available to you any amount up to 2 mmt of wheat. We have access to a large supply of minimum bun or loaf quality which allows us to make it available to you at a highly competitive price. The	This offer vs. suggests flexibility; total quantity, proportion of bun quality, therefore amount of discount, are to be determined by China's need. The statement suggests equivalent goals (win/win, lose/lose) requiring cooperation.	This offer, as stated, leaves little flexibility for choices to be considered. The offer suggests a more competitive orientation which may represent contradictory goals . . . U.S. negotiators may have advantage of greater control	U.S.: Because we have access to a large quantity of bun or loaf quality wheat, we can make it available to you at a highly competitive price. If you are willing to purchase 2 mmt of wheat, one-half of which is higher bun or loaf quality, the other half,

Choice-Sharing	Explanation and Dcumentation	Choice-Restricting
specific amount of higher quality wheat in proportion to the total purchase would be determined by your needs. The remaining amount could be SRW "ordinary," similar to last year's purchase. Depending on the ratio of higher quality wheat that you specify, in relationship to total quantity, we are prepared to offer up to $1.50 per mt off the current market price per mt.	of number of choices to be considered--less risk.	similar to the "ordinary" quality of last year's purchase; we will guarantee $1.50 per mt off the current market price per mt.
CH.: We appreciate your interest in China's potential wheat needs. Although we welcome hearing your suggestions--		CH.: (Same as left column)

Choice-Sharing	Explanation and Documentation	Choice-Restricting
and terms--for a wheat agreement, we must acknowledge to you our misgivings about trading with a country that is unwilling to demonstrate adequate consideration for a mutually equitable trade balance. We "must be able to sell (our) products in the world markets, including the U.S., if (we) are to buy U.S. wheat."	--(Grahm, 1981; II/A/1)-- --(Jaenke, 1983, p. 4; (II/A/1)--	
U.S.: We share your concern about the inequitable trade between our countries. Although we are encouraged by the		U.S.: We share your concern about the imbalance of trade between our countries. It is a problem needing continued attention.

Choice-Sharing	Explanation and Documentation		Choice-Restricting
August, 1983, settlement of the textile trade dispute, we recognize the need for continued efforts to bridge the trade gap. . . . It is a slow process; however, our company is working toward creating more awareness in the U.S. which may eventually affect U.S. law-makers' decisions regarding textile restrictions. In the meantime, with respect to considerations affecting this wheat negotiation, could the	(Associated Press, Omaha World-Herald, August, 1983; II/A/2b)		Our negotiation efforts are aimed toward a way that can help with that problem. . . . We're willing to negotiate an arrangement whereby we could ship the purchased amount--at previously mentioned quality/quantity ratio and price--over a one year period of time, which would not only save you interest and storage costs on the unshipped balance, but would give you time to accumulate foreign exchange capital. Although
	Negotiator vs. makes inquiries and suggestions implying a cooperative	Negotiator gives reasons aimed toward "selling" this offer--which	

Choice-Sharing	Explanation and Documentation		Choice-Restricting
problem of China's foreign exchange shortage be eased by the shipment of wheat at regular intervals over a one year time period, with payment due upon receipt of each shipment? This option may offer storage facility advantages . . . with probable costs comparable to storage costs in Chinese ports.	search for equivalent goals.	may represent contradictory goals . . . competitive orientation.	the purchase price for this kind of arrangement would include additional storage costs, the costs would probably be comparable to storage costs in Chinese ports. Furthermore, our company is working toward creating more awareness in the U.S. which may eventually affect U.S. law-makers' decisions about textile restrictions.
	According to Whalen, Canada's agricultural minister, "China loses half of the food it raises" because of inadequate storage facilities (Global Outlook, Farm Journal; February, 1984). The storage aspect of this offer may be more significant from the Chinese point of view than is acknowledged at this point.		

General discussions continue in both examples of dialog. The Chinese negotiators do not reveal their degree of interest in the proposals being discussed in either of the dialog examples (Pye, 1982; Samovar & Porter, 1976; I/B/3). Within each of the dialog segments, The U.S. negotiation spokesperson inquires about whether the Chinese negotiators would be interested in an informative presentation to be

given by the U.S. wheat quality expert. The U.S. spokesperson explains that the presentation would focus on wheat specifications desirable for (1) mechanized bun or loaf production, and (2) maximum nutritional benefits. The Chinese negotiators respond favorably to the suggestion. The U.S. wheat specialist proceeds to explain, by way of visual comparisons, the similarities and differences between (1) higher quality wheat and corresponding end products, and (2) lower quality wheat and corresponding end products. Previously prepared charts, diagrams, etc., written in both English and Chinese, are used to illustrate the contrasting wheat content specifications. Ample time is allowed for clarification of questions and subsequent discussions. . . .

The Chinese negotiators seem to be more impressed with the end products made from the higher quality wheat than the products made from wheat of lesser quality. For example, the high quality bun sample is characterized by (1) lighter color, (2) more uniform texture, (3) preferable crumb properties, and (4) higher nutritional content specifications than is the bun made from lower quality wheat.[9] The expert explains that included among other specifications necessary for such quality is a designated percentage range of protein and ash relative to moisture content (Mattern, 1984; III/B/2).

Although China has previously been unwilling to purchase any notable quantity of HQS wheat because they "can't afford the luxury of quality wheat" (Mattern, 1983, p. 6; IV/C/4), they continue to express

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[9]In the context of this study, the higher quality wheat will hereafter be referred to as HQS (higher quality specification) wheat. Lower quality wheat will hereafter be referred to as LQS (lower quality specification) wheat.

an interest in both mechanized bread production and nutritional improvements that require a higher quality grade of wheat (Mattern, 1983; III/B/2).

With those perceptions in mind, in each example, the U.S. negotiator proceeds accordingly:

Choice-Sharing	Explanation and Documentation	Choice-Restricting
U.S.: Our company is interested in helping China achieve the goal of increased bun or loaf (automated) bread production. We have considered some terms of mutual benefit that may expedite your efforts toward reaching that goal.		U.S.: (Same as left column)

Discussions, which serve to clarify understanding of U.S. proposals in relationship to China's needs, continue in each dialog example. In each case, negotiators from the U.S. company are attempting to persuade the Chinese to purchase a portion of HQS wheat in relationship to the total wheat purchase. The Chinese negotiators methodically examine what they seemingly perceive to be all relevant information.

In both the choice-sharing and choice-restricting dialog examples, specific items for agreement have been introduced by the U.S. negotiators during the foregoing discussions.

Choice-Sharing	Explanation and Documentation	Choice-Restricting
Choice-sharing suggestions offered by U.S. negotiators at this stage of negotiations include:		Choice-restricitng suggestions offered by U.S. negotiators at this stage of negotiations include:
(I) quantity: up to 2 mmt;		(I) quantity: 2 mmt;
(II) price: "competitive" (minimum $1.50 per mt off prevailing market price for desired quality ratio of full 2 mmt); to be negotiated in detail later;	See Table 1: "U.S. offer" for visual comparison of negotiation variables.	(II) price: "competitive" minimum $1.50 per mt off prevailing market price for full 2 mmt at 50% HQS/50% LQS ratio only;
(III) quality ratio: combination of HQS/LQS best suited to China's needs;		(III) quality ratio: 50% HQS/50% LQS;
(IV) shipping: long-term incremental (additional storage costs to be negotiated); or immediate FOB;		(IV) shipping: (same as choice-sharing);
(V) future: high-tech investment and/or advice tailored to China's needs in exchange for long-term HQS wheat agreement.		(V) future: 2%-3% annual increase of HQS wheat for the next three years in exchange for either wheat quality testing equipment or mechanized bakery assistance.

The Chinese negotiators may respond to either the choice-sharing or choice-restricting offers in numerous ways depending upon which combination of options they choose to accept, reject, or attempt to modify at this stage of negotiations.

In turn, the U.S. negotiators' follow-up response, for either the choice-sharing or choice-restricting examples, will depend upon the Chinese negotiators' acknowledged choices at this time. For example:

If the Chinese negotiators agree to consider:

Choice-Sharing	Explanation and Documentation	Choice-Restricting
(I) quantity: an unspecified quantity of wheat up to 2 mmt;	See Table 1: "Chinese Response".	(I) quantity: full 2 mmt;
(II) price: minimum $1.50 per mt off prevailing market price;		(II) price: (same as choice-sharing);
(III)		(III)
(IV) shipping: long-term incremental shipping (additional storage costs to be negotiated);		(IV) shipping: (same as choice-sharing);
(V)		(V)

but were not willing to commit to:

(I) quantity: any portion of HQS wheat;		(I) quantity: (same as choice-sharing);

Choice-Sharing	Explanation and Documentation		Choice-Restricting
(II)			(II)
(III)			(III)
(IV)			(IV)
(V) future: any future HQS wheat purchase;			(V) future: (same as choice-sharing);
then U.S. negotiators might respond by:			
(I) quantity: suggesting a total amount less than 2 mmt to include up to 25% HQS wheat (allowing for additional potential discount on HQS portion only, to be negotiated);	See Table 1: "U.S. Follow-up."		(I) quantity: offering the potential for maximum discounts (both price per mt and storage) for a 50% ratio of HQS wheat on a total quantity of at least 1.5 mmt (instead of 2 mmt);
(II) price: re-establishing that there is potential for significant additional price discount for HQS wheat because of plentiful supply;	Searching for new solutions . . . combinations that may be mutually advantageous.	vs.	Restating original positions with concessions . . . (25% HQS instead of 50%), (1.5 mmt instead of 2 mmt).	(II) price: re-establishing that there is potential for significant additional price discounts for a minimum 25% HQS purchase (due to a plentiful supply);
(III) quality: see (I) and (II);			(III) quality: see (I) and (II);
(IV) shipping: indicating that some storage discounts,			(IV) shipping: indicating that the maximum storage discount

Choice-Sharing	Explanation and Documentation	Choice-Restricting
associated with long-term shipping, may be arranged for a purchase containing some portion of HQS wheat;		(on unshipped balance) is not justifiable for any purchase less than 50% HQS wheat;
(V) future: continuing (as appropriate) to explain/ clarify issues concerning wheat quality in relation to end product use.		(V) future: continuing (as appropriate) to remind Chinese negotiators of China's need for HQS wheat as it related to their projected national goals.

Introduction to Table 1

A chart follows each designated episode throughout the remaining dialog segment. Corresponding outline symbols allow for cross referencing of dialog items and chart entries within each episode. Under both choice-sharing and choice-restricting orientations the chart illustrates two exchanges: (1) U.S. offer--Chinese response, and (2) Chinese response (to U.S. offer)--U.S. follow-up.

Table 1

EPISODE I: Dialog of Contrasting Communication Approaches

VARIABLES	CHOICE-SHARING			CHOICE-RESTRICTING		
	U.S. Offer	CH. Response	U.S. Follow-up	U.S. Offer	CH. Response	U.S. Follow-up
(I) Total Quantity	(1) up to 2 mmt	(2) unspecified (up to 2 mmt)	(3) amount less than 2 mmt	(4) full 2 mmt	(5) unspecified (up to 2 mmt)	(6) 1.5 mmt
(II) Price						
(A) HQS wheat	(1)	(2)	(3)	(4)	(5)	(6)
(1) discount	(1) min. $1.50	(2) +	(3) potential for more discount	(4) min. $1.50	(5) +	(6) potential for more discount
(B) LQS wheat	(1)	(2)	(3)	(4)	(5)	(6)
(2) discount	(1) min. $1.50	(2) +	(3)	(4) min. $1.50	(5) +	(6)
(III) Quality Ratio						
(A) HQS	(1) ?	(2) 0	(3) up to 25%	(4) 50%	(5) 0	(6) min. 25% min. 50%
(B) LQS	(1) ?	(2) +	(3)	(4) 50%	(5) +	(6)
(IV) Shipment						
(A) Immediate	(1) ?	(2) 0	(3)	(4) ?	(5) 0	(6)
(B) Long-term	(1) ?	(2) +	(3)	(4) ?	(5) +	(6)
(1) storage cost	(1) to be negotiated	(2) to be negotiated	(3)	(4) to be negotiated	(5) to be negotiated	(6)
(2) storage discount	(1)	(2)	(3) ?	(4)	(5)	(6) maximum potential
(V) Future Arrangements						
(A) Long-term HPLA Commitment	(1) ?	(2) 0	(3)	(4) 2%-3% annual increase of HPLA for 3 years	(5) 0	(5)
(B) U.S. Technical Investment	(1) ?	(2)	(3)	(4) testing equip. or bakery assist.	(5)	(6)

contingent upon

to include

contingent upon

$ amount contingent upon

allowing for maximum discounts

contingent upon

Key:
? offer made (specific details to be negotiated)
0 not interested
+ potentially interested
/ uncertain

If the Chinese negotiators agree to consider:

Choice-Sharing	Explanation and Documentation	Choice-Restricting
(I) quantity: a tentative amount of wheat--approximately .75 mmt;	See Table 2: "Chinese Response."	(I) see (I) below;
(II)		(II)
(III) quality: approximately 50% HQS/50% LQS wheat;		(III) quality: (same as choice-sharing);
(IV) shipping: long-term shipping offer;		(IV) shipping: (same as choice-sharing);
(V)		(V)

but were unwilling to commit to:

(I)		(I) the full specified 2 mmt as stated in the choice-restricting offer), but will consider approximately .75 mmt;
(II) price: anything less than $2.00 per mt discount of prevailing market price;		(II) price: (same as choice-sharing);
(III)		(III)
(IV) shipping: cost of storage associated with long-term shipping arrangements;		(IV) shipping: (same as choice-sharing);

. . . because the Chinese negotiators may be limited by such things as financial capabilities, need for specific wheat, or willingness to buy from the U.S. company;

then the responses of the Chinese negotiators in either the choice-sharing or choice-restricting dialogs might proceed accordingly:

CH.: As we review your offer in light of our wheat needs and financial limitations at this time, we recognize that the maximum amount of wheat we are willing to consider for this purchase is .75 mmt (750,000 mt). We are, however, interested in a portion of bun or loaf quality wheat and are considering a 50% ratio of HQS wheat depending upon the discount you are prepared to make available for such a purchase. We have determined that we cannot accept any less than $2.00 per mt discount off the established market price for either HQS or LQS quality ranges.

Although we appreciate your interest in our technical development related to wheat processing, we cannot, at this time, consider any commitment regarding future purchases of HQS wheat. . . .

While final authorization of this purchase may ultimately depend upon the suggested long-term shipping arrangements, we are not prepared to pay the cost of storage on the unshipped balance of wheat at this time. . . .

Choice-Sharing	Explanation and Documentation	Choice-Restricting
U.S.: As you know, our ability to offer maximum discount rates decreases as the volume of the total purchase decreases. In order to maximize the discount potential, you	See Table 2: "U.S. Response."	U.S.: We are anxious to offer you a maximum discount potential on this wheat deal. A purchase of .75 mmt is just not a sufficient amount to make an optimal offer.

Choice-Sharing	Explanation and Documentation		Choice-Restricting
may wish to consider an amount up to 1.5 mmt total purchase. . . . However, we will certainly pass on to you the best price possible for both qualities of wheat, whichever quantity you select.	Leaving the specified amount to be jointly determined.	vs. Continuing to attempt to maintain control of number of options.	The minimum quantity that we can justify a significant volume discount is 1.5 mt total. If you purchase 1.5 mt with 50% ratio HQS wheat, we have some specific options in mind for sharing the cost of storage for the unshipped balance. . . .
We are prepared to share a portion of the unshipped storage costs depending upon the portion of HQS you choose to purchase . . . and can discuss details at a later time. We can appreciate your	Cooperative aim.		We are disappointed that you are not interested in our offer for technical assistance related to wheat processing.

Choice-Sharing	Explanation and Documentation	Choice-Restricting
reluctance to commit to future HQS wheat sales at this time. Although we cannot consider any technical investments such as assistance for a mechanized bun factory, without a future purchase commitment for HQS quality, we remain interested in China's dietary goals and are available for discussion or clarification regarding wheat processing related to end products.	Cooperative aim.	

If discussions continue in each dialog example, and if no new information is introduced, then at the end of this series of negotiation meetings, the U.S. and Chinese negotiators might reach a general--but provisional--agreement:

Choice-Sharing General Provisional Agreement			Choice-Restricting General Provisional Agreement
China tentatively agreed to purchase 1 mmt of wheat. An unspecified portion up to 50% of the total purchase, would be HQS wheat; the remaining portion, LQS wheat. The minimum price discount per mt (because of smaller total quantity) will be $1.25 - $1.50 off the prevailing market price per mt . . . additional discount considerations to be negotiated in subsequent meetings. Each party agrees to continue negotiating options which may allow for the mutually	This offer vs. leaves room for flexibility . . . less specific.	This offer seems to be more "aggressive", "competitive" . . . more specific.	China tentatively agreed to purchase a maximum 1 mmt of wheat instead of 1.5 mmt previously stated. They agree to purchase up to 50% HQS wheat only if subsequent price discussions meet adequate discount expectations; to be no less than $1.75 less per mt of the existing market price for either quality. According to the Chinese negotiators, the financial feasibility of this wheat deal may depend upon the long-range shipping arrangements. Both parties agree to continue

Choice-Sharing General Provisional Agreement		Choice-Restricting General Provisional Agreement
advantageous long-term shipping arrangement. Chinese negotiators state that at this time they are unable to consider U.S. technology offers which would require an exchange agreement of future HQS wheat purchases. However, they remain interested in the U.S. offer--particularly the prototype bakery.	Ignores "future agreement" trade-off which may imply a greater U.S. interest in immediate gain.	negotiating options regarding shared storage costs. . . .

See Table 2: "Provisional General Agreement."

In each dialog example, the Chinese spokesperson indicates the need for an unspecified amount of time during which the Chinese negotiators will seek necessary authorization (from government officials not present at these meetings) for specific issues of agreement (Pye, 1982). U.S. negotiators realize from previous experience that negotiations in China may take an unpredictable amount of time. They are not surprised that eight days pass before they receive notification for meetings to resume (Buxbaum, et al., 1982; I/B/1).

When the next session begins, social amenities are exchanged followed by a lengthy recapitulation

Table 2

EPISODE II: Dialog of Contrasting Communication Approaches

VARIABLES	CHOICE-SHARING				CHOICE-RESTRICTING			
	U.S. Offer	CH. Response	U.S. Follow-up	Provisional General Agreement[10]	U.S. Offer	CH. Response	U.S. Follow-up	Provisional General Agreement
(I) Total Quantity	(1) up to 2 mmt	(2) up to .75 mmt	(3) up to 1.5 mmt	up to 1 mmt	(4) full 2 mmt	(5) up to .75 mmt	(6) full 1.5 mmt	1 mmt
(II) Price								
(A) HQS	(1)	(2)	(3)		(4)	(5)	(6)	
(1) discount	(1) min. $1.50	(2) min. $2.00	(3) ($1.25-1.75)	$1.25-1.75	(4) min. $1.50	(5) min. $2.00	(6) ($1.75)	min. $1.75
(B) LQS	(1)	(2)	(3)		(4)	(5)	(6)	
(2) ciscount	(1) min. $1.50	(2) min. $2.00	(3) ($1.25-1.75)	$1.25-1.75	(4) min. $1.50	(5) min. $2.00	(6) ($1.75)	min. $1.75
(III) Quality Ratio								
(A) HQS	(1) ?	(2) approx. 50%	(3) ?	up to 50%	(4) 50%	(5) approx. 50%	(6) 50%	50%
(B) LQS	(1) ?	(2) approx. 50%	(3) ?	remaining %	(4) 50%	(5) approx. 50%	(6) 50%	50%
(IV) Shipment								
(A) Immediate	(1)	(2)	(3)		(4)	(5)	(6)	
(B) Long-term	(1) ?	(2) +	(3)		(4)	(5) +	(6)	
(1) storage cost	(1) to be included	(2) 0	(3) to be included		(4) to be included	(5) 0	(6) to be included	
(2) storage discount	(1)	(2)	(3) ?		(4)	(5)	(6) ?	
(V) Future Arrangements								
(A) Long-term HQS Commitment	(1) ?	(2) 0	(3)	/*	(4) 2%-3% annual increase of HQS for 3 yrs.	(5) 0	(6)	
(B) U.S. Technical Investment	(1) ?	(2)	(3)	+	(4) testing equip. or bakery assist.	(5)	(6)	

CONTINUED EXCHANGES (NO NEW INFORMATION)

contingent upon

Key:
? offer made (specific details to be negotiated)
0 not interested
+ potentially interested
/ uncertain

[10]This table includes a fourth column in order to denote the details of the Provisional General Agreement.

of the foregoing discussions. Each of the sample dialog segments begins with more specific inquiries by the Chinese spokesperson.

Choice-Sharing	Explanation and Documentation	Choice-Restricting
CH.: Although many of the options discussed during these sessions may be of interest to our country, any decision for agreement must, of course, be contingent upon the cost of the total purchase. . . .You have said that the best deal, at the most competitive price, is a purchase containing a 50% minimum HQS wheat. Does the "competitive" price apply to the total purchase, or to the HQS portion		CH.: (Same as left column)

Choice-Sharing	Explanation and Documentation	Choice-Restricting
only? Are you prepared to make a proposal that considers additional discount options for a LQS portion of the purchase? If so, at what price per mt?		
U.S.: Because of current availability of a large quantity of HQS wheat, we are able to offer a substantial quantity to you at a highly competitive price. Although the price is subject to daily fluctuations beyond our control, we are looking	Approximate prices, derived from the data, were arbitrarily chosen	U.S.: (Same as left column)

Choice-Sharing	Explanation and Documentation	Choice-Restricting
at about $150.5 per mt which is approximately 5% under the current market price. . . . The LQS protein is running about 9.25 - 10% protein (1.10 - 1.2% ash, "as is" moisture). That price presently stands at about $143.5--which is a solid competitive price for the lowest priced wheat available on the market. It is, however, important to note that storage costs become a significant factor to be considered	for the sake of illustration (Wheat Outlook and Situation Report, 1983; IV/C/2).	

Choice-Sharing	Explanation and Documentation	Choice-Restricting
in the total cost. . . . Current storage in the U.S. is $.03 per bushel per month--about $1.10 per mt per month.	(Grant, 1984; IV/C/4)	
In view of the mutual advantages associated with the delayed shipment plan--for example, the opportunity for additional time needed for China to accumulate foreign capital making it possible to consider a higher quality wheat purchase--we're willing to pay from 15% up to 30% of the total storage costs . . .	Allows for some flexibility of choice making. *vs.* Limited options.	In view of the mutual advantages associated with the delayed shipment plan--for example, the opportunity for additional time needed for China to accumulate foreign capital--we will offer to share the storage costs. If China agrees to buy at least 50% HQS, assuming you choose to have it shipped in four

Choice-Sharing	Explanation and Documentation	Choice-Restricting
depending on total quantity purchased, rate and size of shipments, and proportion of HQS in relation to the total purchase. . . .		increments over one year, then we will agree to share 30% of the storage costs for the unshipped balance. If the purchase results in a portion less than 50% but more than 20% of HQS wheat, then we will share 15% of the storage costs.
CH.: We acknowledge your offer and will take it under consideration. . . . With regard to the price per mt that you have just stated: Do we understand correctly that the approximate 5% discount		CH.: (Same as left column)

Choice-Sharing	Explanation and Documentation	Choice-Restricting
mentioned applies only to the HQS wheat, and that you are suggesting no additional discount for the LQS wheat?		
U.S.: As we noted earlier, the prices quoted for both grades have substantial discounts built into them leaving us any number of combinations of options to consider:		U.S.: As we noted earlier, the prices quoted for both grades have substantial discounts built into them leaving us with several options to consider:
(1) quantity: 1 mmt	Flexible options. vs. Specific options.	(1) (Same as left column)
(2) price: HQS; up to $150.5 mt LQS; no more than $143.5 mt		(2) (Same as left column)
(3) quality ratio: We can make available to you		(3) quality ratio: (a) 100% HQS (million) (1) immed. FOB ship. $150.5

Choice-Sharing	Explanation and Documentation	Choice-Restricting	
either of the designated qualities singularly or in any combination (not mixed) of proportions for a total purchase that most effectively meets China's needs. Ratio prices can be computed according to designated price per mt.		(2) 4 incre. ship. 30% discount (1.10 per mt per month)	(million) $153.97
		(b) 75% HQS/25% LQS	
		(1) immed. FOB ship.	$148.75
		(2) 4 incre. ship 30% discount (1.10 per mt per month)	$152.22
		(c) 100% LQS	
		(1) immed. FOB ship.	$143.5
		(2) 4 incre. ship. (1.10 per mt month)	$148.45
		(d) 75% LQS/25% HQS	
		(1) immed. FOB ship.	$145.25
		(2) 4 incre. ship. 15% discount (1.10 per mt per month)	$149.46
		(e) 50% LQS/50%HQS	
		(1) immed. FOB ship.	$147.0
		(2) 4 incre. ship. 30% discount (1.10 per mt per month)	$150.47

Choice-Sharing	Explanation and Documentation	Choice-Restricting
(4) shipping: Shipping options include immediate FOB shipment of full purchase order <u>or</u> periodic shipments at whatever intervals are best suited to China's needs. Storage discount options (unshipped balance) up to 30% are available depending upon (a) the ratio of HQS you choose to purchase, and (b) tonnage to be stored.		(4) shipping: (a) immed. FOB (b) 4 incre. ship (1) 30% discount for 50% HQS or more (2) 15% discount for 25% HQS (3) 0% discount for any amount less than 25% HQS.
(5) future: high-tech investment/advice tailored to China's needs in exchange for long-term HQS wheat purchase		(5) future: 2.5% annual increase of HQS wheat purchases for the next three years in exchange for specified technical

Choice-Sharing	Explanation and Documentation	Choice-Restricting
agreement.		testing equipment or mechanized bakery assistance.
We are willing to work with you in selecting options which will be mutually advantageous allowing for optimal degree of quality, economy, and convenience.		With regard to the quality ratios, you may feel that options a and b represent a greater expense than China wishes to commit to at a time when extensive, diversified modernization efforts are underway throughout your country. We can understand your caution regarding the purchase of HQS wheat. However, if you choose option c or d there will certainly be limitations in both

Choice-Sharing	Explanation and Documentation	Choice-Restricting
		the nutritional considerations, and wheat processing options which are concurrent with China's national goals according to discussions during these negotiation sessions. Option e, however, may provide the necessary balance for China's needs concerning both wheat quality, quantity, and maximum shipping advantages.

Again, the Chinese negotiators in both the choice-sharing and choice-restricting examples may choose to accept or reject any one or combination of options. Depending upon the Chinese response, the U.S. negotiators may choose to alter strategy in light of new developments in order to proceed most effectively.

If Chinese negotiators indicate a willingness to agree to:

Choice-Sharing	Explanation and Documentation	Choice-Restricting
(I) quantity: 1 mmt;	See Table 3: "Chinese Response."	(I) quantity: (Same as choice-sharing);
(II) price: the range of approximate prices offered;		(II) price: (Same as choice-sharing);
(III)		(III)
(IV) shipping: incremental shipment with maximum (30%) discount;		(IV) shipping: (Same as choice-sharing);
(V)		(V)

but are not willing to agree to:

(I)		(I)
(II)		(II)
(III) quality: the 50% HQS wheat that allows for the maximum 30% storage discount (unshipped balance, incremental shipments);		(III) quality: (Same as choice-sharing);
(IV) shipping: (See #III)		(IV) shipping: (Same as choice-sharing);
(V) future: a future commitment to the purchase of HQS wheat;		(V) future: (Same as choice-sharing);

<u>however</u>, assuming the Chinese negotiators remain interested in technical assistance with wheat processing; <u>then</u> the U.S. negotiators might respond as follows:

Choice-Sharing	Explanation and Documentation	Choice-Restricting
U.S.: We recognize that your first large volume purchase of HQS wheat may need to be less than 50% in order to allow for most efficient utilization of such quality. It may be advantageous for both the U.S. and China to look more closely at long-range considerations which would allow for a gradual increase in HQS over the next several years and assistance to	See Table 3: "U.S. Follow-up."	U.S.: We must stress that the reason for the economy discount on HQS was due to availability of large volume. Any amount less than .5 mmt HQS <u>immediately</u> decreases the volume advantages and therefore, increases our cost. We could sell you a 30% portion of HQS but at the previously specified price per mt, we could justify nothing more than a 20% storage discount. Any considerations of
	Equitable goals.	

Choice-Sharing	Explanation and Documentation		Choice-Restricting
China from our company which could most effectively and economically maximize China's utilization of such wheat now and in the near future. We may be able to economize some on the storage discount options by considering an increased rate of shipment leaving less total storage time for a smaller remaining quantity of wheat. However, storage costs, whether in the U.S. or China, remain a significant item that cannot be overlooked.	Searching for novel options implying cooperative aims.	vs.	Limiting options implying competitive aims.	costly tech-investments for wheat processing in China must be justified in terms of future sales or there would be few advantages for either China or our company.
	Implied awareness of storage problems in China (Global Outlook, Farm Journal; February, 1984).		

Table 3

EPISODE III: Dialog of Contrasting Communictaion Approaches

VARIABLES	CHOICE-SHARING			CHOICE-RESTRICTING		
	U.S. Offer	CH. Response	U.S. Follow-up	U.S. Offer	CH. Response	U.S. Follow-up
(I) Total Quantity	(1) 1 mmt	(2) +	(3) +	(4) 1 mmt	(5) +	(6) +
(II) Price						
(A) HQS	(1) $150.5 mt	(2) +	(3) +	(4) $150.5 mt	(5) +	(6) +
(1) discount	(1) (incl. disc.)	(2)	(3)	(4) (incl. disc.)	(5)	(6)
(B) LQS	(1) $143.5 mt	(2) +	(3) +	(4) $143.5 mt	(5) +	(6) +
(2) discount	(1) (incl. disc.)	(2)	(3)	(4) (incl. disc.)	(5)	(6)
(III) Quality Ratio						
(A) HQS	(min. 50%) (1) ?	(0 50%) (2) ?	(3) ?	50%/75%/100% 25% (4)	0 50%/75%/100% (5) ?	(6) 30%
(B) LQS	(1) ?	(2) ?	(3) ?	75% (4) 50%/25% 100%	(5) ?	(6) 70%
(IV) Shipment						
(A) Immediate	(1) ?	(2) 0	(3) ?	(4) ?	(5) 0	(6)
(B) Long-term	(1) ?	(2) +	(3) ?	(4) ?	(5) +	(6) ?
(1) storage cost	(1) $1.10 per mt/mo	(2)	(3) $1.10 per mt/mo	(4) $1.10 per mt/mo	(5)	(6) $1.10 per mt/mo
(2) storage discount	(1) up to 30%	(2) + 30% only	(3) less storage time?	30% (4) 15% 0%	(5) + 30% only	(6) No more than 20%
(V) Future Arrangements						
(A) Long-term HQS Commitment	(1) ?	(2) 0	(3) gradual increase?	(4) 2.5% ann. increase of HQS-3 yr.	(5) 0	(6) (?)
(B) U.S. Technical Investment	(1) ?	(2) +	(3) ?	(4) Test equip. or bakery aid	(5) +	(6) 0

contingent upon

contingent upon

contingent upon

Key:
? offer made (specific details to be negotiated)
0 not interested
+ potentially interested
/ uncertain

<u>If</u> Chinese negotiators are reasonably interested in:

Choice-Sharing	Explanation and Documentation	Choice-Restricting
(I) quantity: 1 mmt of wheat;	See Table 4: "Chinese Response."	(I) quantity: (Same as choice-sharing);
(II)		(II)
(III) quality: 50% HQS/50% LQS;		(III) quality: (Same as choice-sharing);
(IV) shipping: incremental shipment with 30% storage discount on unshipped balance;		(IV) shipping: (Same as choice-sharing);
(V) future: continuing to discuss options associated with future technical assistance (with no purchase commitments at this time);		(V) future: (Same as choice-sharing);

<u>but</u> . . .

(I)		(I)
(II) price: feel that the overall price is just too high;		(II) price: (Same as choice-sharing);
(III)		(III)
(IV)		(IV)
(V)		(V)

<u>then</u> the negotiation dialog might continue in this manner:

CH.: Regardless of the generous storage discounts associated with the incremental shipping offer, we could not consider a purchase of 50% HQS wheat without an additional 1.5 overall (storage not included) discount. Any final price higher than that simply makes the HQS wheat a luxury we can't afford. . . .

Choice-Sharing	Explanation and Documentation	Choice-Restricting
U.S.: As we've noted, the previously stated prices per mt include major discount considerations. If those mt prices remain unsatisfactory from your point of view, then perhaps we can consider an additional overall discount . . . perhaps .5 to 1% . . . and adjust the storage discount to an amount up to 20%. This would give China the advantages of (1) additional	See Table 4: "U.S. Follow-up."	U.S.: An additional 1.5% discount <u>with</u> 30% storage discount is unthinkable. . . . We would be selling wheat to you at a loss! If you choose to have the 1.5% overall discount then we would have no choice but to adjust the storage discount to 15%, which would give you an overall cost advantage of approximately $1.5 million. That is as low a price concession
	Still searching for mutually advantageous trade-offs implying win/win goals. <u>vs.</u>	Limiting options implying win/lose goals.

Table 4

EPIOSODE IV: Dialog of Contrasting Communication Approaches

VARIABLES	CHOICE-SHARING			CHOICE-RESTRICTING		
	U.S. Offer	CH. Response	U.S. Follow-up	U.S. Offer	CH. Response	U.S. Follow-up
(I) Total Quantity	(1) 1 mmt	(2) +	(3)	(4) 1 mmt	(5) +	(6)
(II) Price						
(A) HQS	(1) $150.5 mt	(2)	(3)	(4) $150.5 mt	(5)	(6)
(1) discount	(1) (incl. disc.)	(2) 1.5% more	(3) .5%-1%	(4) (incl. disc.)	(5) 1.5% more	(6) +
(B) LQS	(1) $143.5 mt	(2)	(3)	(4) $143.5 mt	(5)	(6)
(2) discount	(1) (incl. disc.) (min. 50%)	(2) 1.5% more	(3) .5%-1%	(4) (incl. disc.) 50%/75%/100% 25%	(5) 1.5% more	(6) +
(III) Quality Ratio						
(A) HQS	(1) ?	(2) 50%	(3)	(4)	(5) 50%	(6)
(B) LQS	(1) ?	(2) 50%	(3)	(4) 75% 50%/25% 100%	(5) 50%	(6)
(IV) Shipment						
(A) Immediate	(1) ?	(2)	(3)	(4) ?	(5)	(6)
(B) Long-term	(1) ?	(2) +	(3)	(4) ?	(5) +	(6)
(1) storage cost	(1) $1.10 per mt/mo	(2)	(3)	(4) $1.10 per mt/mo	(5)	(6)
(2) storage discount	(1) up to 30%	(2) 30%	(3) 20%	(4) 30% 15% 0%	(5) 30%	(6) 15%
(V) Future Arrangements						
(A) Long-term HQS Commitment	(1) ?	(2) /	(3)	(4) 2.5% ann. increase of HPLA-3yr.	(5) /	(6)
(B) U.S. Technical Investment	(1) ?	(2) +	(3)	(4) Test equip. or bakery aid	(5) +	(6)

contingent upon

Key:
? offer made (specific details to be negotiated)
0 not interested
+ potentially interested
/ uncertain

Choice-Sharing	Explanation and Documentation	Choice-Restricting
price discount, and (2) available storage facilities for your unshipped wheat at an economical price.		as we can possibly consider.

Given the number of options that the Chinese negotiators might consider for agreement, there is no feasible way to determine how this negotiation might end. At this stage of progress, even those negotiating cannot be certain of the outcome. It is possible, however, to speculate about any number of outcomes that might evolve from these discussions. For example:

(1) If U.S. and Chinese negotiators reach an agreement for the sale of 50% HQS and 50% LQS whereby choices were restricted by U.S. negotiators to the degree that the Chinese negotiators preceive that the immediate gains for the U.S. company supersede their long-range mutual considerations for China's efficient utilization of the higher quality wheat purchased from the company, then it is plausible that the long-term relationship between China and the U.S. company may be threatened.

(2) If the U.S. negotiation representatives limit the most desirable options for agreement to a purchase containing a minimum 50% HQS, then it is plausible that the Chinese may decide to purchase 100% LQS from another source at a better price (World Agricultural Outlook and Situation Report, 1983; IV/C/4).

(3) If the U.S. negotiation representatives are unable to persuade the Chinese that in order to progress

toward their goals of improving nutrition and food variety, it is necessary to import a portion of HQS at a moderately higher price, yet are willing to offer options which allow a sufficiently competitive price for LQS quality wheat, then the U.S. company and China may arrive at a mutually beneficial agreement similar to last year's sale of 100% LQS quality wheat. Although no HQS sale is made in these circumstances, negotiation discussions regarding utilization of higher quality wheat serve to heighten Chinese awareness which may lead to future HQS sales.

(4) If the U.S. and Chinese negotiators jointly work toward equitable goals while searching for a mutually beneficial combination of options among a repertoire of options, then the U.S. and Chinese negotiators may reach an agreement whereby: (a) a portion of the total sale is HQS wheat, (b) the U.S. company agrees to assist and advise in the construction of a mechanized bakery in Beijing, and (c) China agrees to purchase some (minimum specified amount) HQS quality wheat over the next three-year period. The U.S. company may have sacrificed a large immediate profit on HQS wheat <u>but</u> gained long-range market advantages. (See Table 5)

Table 5

SPECULATIVE OUTCOMES: Dialog of Contrasting Communication Approaches

Variables	#1	#2	#3	#4
(I) Quantity:	1 mmt	0	1 mmt	1 mmt
(II) Price:	Substantial immediate gain for U.S. Company.	U.S. company offers sufficient discount (as perceived by Chinese negotiators) for minimum 50% HQS only.	Competitive prices offered by U.S. company for both HQS and LQS.	Substantial discount offered for an HQS/LQS "combination" purchase (minimum U.S. profit).
(III) Quality Ratio:	50% HQS/50% LQS; Limited price/quality ratio options presented to the Chinese.	0% HQS/100% LQS.	0% HQS/100% LQS; However, informative discussions regarding wheat quality during negotiation sessions serve to heighten CH. awareness.	30% HQS/70% LQS; Discussions produce quality ratio suited to China's present needs.
(IV) Shipment:	Long-term incremental --30% storage discount.	0	Long-term incremental --minimum discount.	Long-term incremental --25% storage discount.
(V) Future Arrangements:	Little U.S. concern for future investment in China. . . .	0	Discussions of interest.	China agrees to purchase a minimum 300,000 mt HQS annually for 3 years in exchange for bakery construction assistance--a specified value amount--in Beijing.
Comments:	Although the U.S. company was successful with immediate gains, the long-term relationship between China and the U.S. company may be threatened.	China buys 1 mmt LQS wheat from Argentina at a highly competitive price.	Although U.S. company sells China 1 mmt LQS wheat, as in the previous year, discussions regarding quality wheat uses may lead to future HQS purchases.	The U.S. company may have sacrificed a large immediate gain for long-range market advantages.

Chapter III

AN OUTLINE OF CONSIDERATIONS FOR COLLECTING POTENTIALLY USEFUL NEGOTIATION DATA; CAPABILITIES NEEDED TO SUPPLY DATA

The next step in the research design is to analyze--from a communication perspective--the contrasting negotiation dialogs in Chapter II. What information might competent U.S. negotiators need in order to generate effective communication strategies in this negotiation context?

A way negotiators can determine potentially useful information is to construct an outline of considerations relative to the particular situation. An outline of considerations may be more usefully understood if viewed as matrices--or forms ready to receive data. The matrices are constructed by generating relevant questions grounded in three integrated points of view: (1) argumentation theory; (2) intelligence gathering processes; and (3) win/win orientation. The following outline of matrices is patterned after the outline in Chapter II.

As I generated the questions within each matrix, complexes of capabilities for answering the questions emerged. I grouped each set of capabilities into corresponding categories of expertise. Each set of questions is labeled in the left-hand column according to the expertise needed to supply answers. Expertise required to supply data within one matrix may overlap with expertise needed in another. Sublabels (typed lower case letters and sometimes in parentheses) serve to indicate a potential need for more than one category of expertise within any given set of questions.

The section of Chapter III which describes the capabilities needed to supply data begins on page 151.

Outline of Matrices

•CHINESE CULTURE
•INTELLIGENCE

(I) Relevant Chinese Cultural Factors

What are Chinese cultural factors that may be relevant for this wheat negotiation?

(A) Ambivalence Toward Westerners

How might the characteristic of the Chinese disposition toward Westerners affect this negotiation situation?

What Chinese attitudes might exist toward America? Toward American representatives at a wheat negotiation? Toward America in relation to Chinese attitudes toward other MWEC?

•Communication

(B) Negotiation Orientation

What might be the general Chinese negotiation orientation?

How can we adapt our strategy to be compatible with the potential Chinese negotiation orientation?

(•U.S./Chinese Translation)

(1) Friendship Value

How, for instance, can we most effectively respond to the apparent Chinese value on friendship in a way that will

·CHINESE CULTURE
·INTELLIGENCE
  ·Communication
    (·U.S./Chinese
      Translation)

demonstrate our sincerity and trustworthiness to the Chinese negotiators?

(2) General to Specific

How can we most effectively arrange the items for discussion during negotiation meetings in order to achieve maximum efficiency from our point of view, yet remain compatible with the apparent Chinese orientation of negotiating general items first, leaving specific details until later? At what stage of negotiations can we begin to initiate "getting specific" without offending Chinese negotiators?

(3) Ambiguity and Contradiction

What steps can we take to minimize misunderstanding, ambiguity and contradiction?

What choices of words, phrases, examples, illustrations, or other methods of communication might be effective from the Chinese point of view as we attempt to recreate meanings? To search for mutually acceptable solutions? To provide good reasons for our arguments?

·CHINESE CULTURE
·INTELLIGENCE
·Communication
(·U.S./Chinese Translation)

(4) On-going Relationships

How might we encourage an on-going relationship with the Chinese that would be mutually beneficial as perceived by the Chinese negotiators? What choices might be available? Feasible? Practicable?

·CHINESE INTERNATIONAL RELATIONS
·INTELLIGENCE
·International Economy

(II) China's Willingness to Trade with U.S.

What factors might affect China's willingness to trade with the U.S.?

(A) Financial and Trade Issues

How might financial and trade issues affect China's willingness to buy U.S. wheat?

·CHINESE INTERNATIONAL RELATIONS
·INTELLIGENCE
·International Economy
(·Chinese Culture)

(1) Trade Inequity: Imports Relative to Exports

What are current and historical factors surrounding U.S./China trade relations compared to trade relations between China and other MWEC?

Factors might include:

(a) Balance of trade figures?

(b) Products and amounts imported by China from each MWEC?

(c) Products and amounts exported by China to each of MWEC?

(d) Apparent degree of Chinese satisfaction in each case?

- CHINESE INTERNATIONAL RELATIONS
- INTELLIGENCE
- International Economy
(- Chinese Culture)

What steps, if any, may be advisable for our company to take within the U.S.'s legal, political, or social systems toward resolving problems related to U.S. textile import-restriction laws?

How might such steps be perceived by the Chinese?

(2) Economic Status

What is the current economic status of the U.S. compared to each of the MWEC? In each ease, how might the economic status of each MWEC affect that country's:

(a) Available wheat?

(b) Wheat prices?

(c) Stability of a wheat contract?

(d) Potential long-term relationship with China?

How might the economic status of each MWEC affect China's willingness to negotiate with that country as compared with negotiating with the U.S.?

(3) Currency Value

What is the value of the Chinese monetary unit in relation to the

·CHINESE INTERNATIONAL RELATIONS
·INTELLIGENCE
·International Economy
(·Chinese Culture)

value of the monetary unit of each MWEC? What is the trend of U.S. dollar values? How is that trend likely to affect not only China's buying power, but also their willingness to buy from the U.S. versus the other MWEC?

(·Communication)

(4) Trade Impact

What impact are U.S./China trade relations likely to have on China's willingness to buy U.S. wheat at this time? Ditto for the other factors that may affect China's willingness to buy U.S. wheat?

How will an assessment of financial and trade issues affect our overall negotiation strategy? Affect the formulations of arguments that might "make sense" to the Chinese negotiators?

Aspects of formulations such as:

(a) What to address?

(b) What to avoid?

(c) Timing?

(B) Political and Diplomatic Relations

How might political and diplomatic relations affect China's willingness to buy U.S. wheat?

·CHINESE INTERNATIONAL RELATIONS ·INTELLIGENCE ·International Economy (·Communication)	(1) <u>Current and Historical Relations</u> What are the current and historical factors surrounding U.S./China diplomatic relations as compared to relations between China and other MWEC?
(·Chinese Culture)	(2) <u>Priority Issues</u> What are priority issues from the Chinese point of review related to U.S./China diplomatic relations? What steps, if any, may be advisable for our company to take within the U.S.'s legal, political, or social systems toward resolving potential problems? How might such steps be perceived by the Chinese?
(·Communication)	(3) <u>Relationship Impact</u> How might the Chinese perceptions of U.S./China diplomatic status in relations to China's diplomatic status with other MWEC affect these Chinese negotiators' willingness to buy U.S. wheat at this time? Ditto in relation to other factors that may affect China's willingness to buy U.S. wheat? How might an assessment of political

•CHINESE INTERNATIONAL RELATIONS •INTELLIGENCE •Intelligence Economy (•Communication)	and diplomatic issues affect our overall negotiation strategy? Affect formulations of arguments that might "make sense" to the Chinese negotiators? Aspects of formulations such as: (a) What to address? (b) What to avoid? (c) Timing?
•Chinese Culture	(C) <u>China's Interest in U.S. Technology</u> How might China's interest in U.S. technology affect her willingness to buy U.S. wheat?
(•Chinese Economy)	(1) <u>Modernization Goals</u> How serious is China about achieving modernization goals? What portion of China's annual budget for each of the last ten years was spent on technology acquisition? Considerations to include: (a) Types of technology? (b) Technological priorities? (c) Quantities? (d) Sources of acquisition? Domestic research? Importation? If so, from whom? When? Under what circumstances? What did China budget for general technology acquisition? How might

·CHINESE INTERNATIONAL RELATIONS
·INTELLIGENCE
·Chinese Culture

we key into China's actual and potential technology interests as we formulate offers acceptable from the Chinese point of view?

(·Chinese Economy)
(·Wheat Technology)

(2) Wheat-Related Technology

What portion of China's total annual budget for each of the last ten years was spent on wheat-related technology acquisition?

Considerations to include:

(a) Specific types of technology?

(b) Priorities?

(c) Quantities?

(d) Sources of acquisition?

Domestic research?

Importation? If so, from whom? When? Under what circumstances?

What did China budget for wheat-related technology acquisition? Does China's interest in wheat-related technology warrant considerations of a wheat-related technological offer to be included in the wheat negotiation? What are plausible Chinese priorities? How feasible are such considerations from our point of view? From the

·CHINESE INTERNATIONAL RELATIONS ·INTELLIGENCE ·Chinese Culture (·Wheat Technology)	Chinese point of view? Feasibility considerations include: (a) Construction costs? (b) Operational costs? (c) Technical training? (d) Long-range practicability? What range of choices regarding wheat-related technology might be <u>feasible</u> during this negotiation?
(·Communication)	(3) <u>Technological Impact</u> How might China's interest in U.S. technology in general, or wheat-related technology in particular, affect its willingness to buy U.S. wheat? Wheat from our company? Ditto in relation to other factors that may influence willingness to buy U.S. wheat? How might an assessment of China's interest in U.S. technology affect our overall negotiation strategy? At what stage during negotiations might it be most effective to <u>introduce a range</u> of plausible technology options versus what stage it would be most effective to <u>limit</u> technological options? Under what circumstances?

·CHINESE AGRICULTURE
·INTELLIGENCE
  ·Chinese Economy

(III) China's Need for Wheat

How much wheat does China need to import?

(A) Supply

What factors are affecting China's wheat supply?

(1) Crop Yield

What is China's current wheat yield in relation to each of the ten preceding years?

Anticipated wheat yields?

Considerations to include:

(a) Quantity?

(b) Quality?

(2) Influencing Factors

What factors influence China's wheat yield for each of the assessed years?

Factors such as:

(a) Weather?

(b) Land base?

Amount of tillable land?

Quality of tillable land?

(c) Modernization programs?

What are current and proposed modernization efforts related to wheat production?

·CHINESE AGRICULTURE
·INTELLIGENCE
·Chinese Economy

What present and anticipated proportion of China's national budget is designated for "modernization" of wheat production?

Which aspects of "modernization" are targeted?

Mechanization?

Fertilization?

Pest control?

Work incentive plans?

Other aspects targeted?

What is the current and projected effectiveness of the wheat production modernization programs as measured by production of output (both quantity and quality) relative to input?

(3) Wheat Importation

What is China's current level of wheat importation relative to past levels? Relative to anticipated levels?

(a) Quantity levels?

(b) Quality levels?

What factors affect these importation levels?

·CHINESE AGRICULTURE
·INTELLIGENCE
·Chinese Economy

(B) Utilization

What is the status of wheat utilization in China?

(1) Consumption

What is the current wheat consumption in China in relation to both the preceding ten years and the next five to ten years?

Considerations to include:

(a) Quantities?

(b) Quality of wheat ratios?

(2) Influencing Factors

What factors influence China's wheat consumption patterns? Factors such as:

(a) Living Standards?

What are present and anticipated standards of living in relation to previous years? What factors may contribute to changes in living standards?

(·Population)

(b) Population Growth?

What is the current population of China relative to both past and projected growth rates? What combination(s) of factors

·CHINESE AGRICULTURE
·INTELLIGENCE
·Chinese Economy
(·Population)

provide the most plausible explanation of China's population growth rate? How effective are China's population-control programs?

(·Nutrition)

(c) Nutrition and Diet-Variety?

How might China's nutrition and diet-variety policies affect wheat consumption patterns in China? What are the present end-uses of wheat relative to both past and potential uses of wheat?

Considerations include:

Amounts?

Nutritional content?

Wheat quantities required to reach China's production goals?

Sources of wheat?

Availability of end-products to Chinese consumers?

How are comparisons between units of HQS wheat and other known sources of nutrition in China perceived by the Chinese?

Comparisons on factors such as:

·CHINESE
AGRICULTURE
·INTELLIGENCE
·Chinese Economy
(·Population)
(·Nutrition)

Nutritional values?

Approximate costs:

Of production?

Of processing?

Of distributing?

Of spoilage?

Number of jobs that exist as a result of producing, processing, and distributing each source of nutrition in China?

(d) Modernization Programs?

How might the current modernization efforts affect China's wheat consumption patterns? What is the degree of mechanized wheat processing (in China) in relation to both preceding and subsequent years? Aspects include:

Types of end-products?

Amounts?

Nutritional contents?

Approximate wheat quantities required?

Approximate wheat qualities required?

·CHINESE AGRICULTURE
·INTELLIGENCE
·Chinese Economy
(·Population)

Sources of wheat?

Availability to Chinese consumer?

(C) Relationships Between Supply and Utilization

What are the relationships between factors contributing to China's utilization of wheat and China's ability to produce wheat?

(1) Wheat Needs

What is China's level of need for imported wheat this year? In subsequent years? Factors include:

(a) Quantities?

(b) Quality ratios?

Do the Chinese see a need for a portion of higher quality wheat in relation to the "ordinary" quality purchased in previous years? If so, what present and forecasted ratio of quality?

(·Communication)

(2) Need Impact

How might an assessment of China's wheat needs affect negotiation strategies? Formulations of mutually advantageous arguments designed to persuade the Chinese negotiators? What combinations and ranges of

·CHINESE AGRICULTURE
·INTELLIGENCE
·Chinese Economy
(·Communication)

choices might we share or restrict?

When to share or restrict which choices?

How to present choices for effective persuasion?

·GLOBAL WHEAT MARKET
·INTELLIGENCE

(IV) Global Wheat Situation

What is the present global wheat situation?

(A) Available Wheat

What is the present wheat situation for each of the MWEC in relation to both the preceding ten years and the next five to ten years?

(1) Yield Comparisons?

What are approximate wheat yield comparisons? Aspects include:

Total amount produced?

Amounts available for export?

(2) Quality Comparisons?

What are approximate quality comparisons? Aspects include:

Content specifications?

Variety?

(3) Price Comparisons?

What are approximate export price comparisons among MWEC for comparable content specifications and variety?

- GLOBAL WHEAT MARKET
- INTELLIGENCE

(4) Influencing Factors?

What factors might affect the quantity, quality, and price variables for each MWEC in relation to the global wheat market picture?

(B) Transportation Options

What wheat transportation options are both available and advisable for our company to use in relation to options used by other wheat exporters?

Aspects to consider include:

(1) Combinations of transportation methods?

(2) Costs?

(3) Size of shipments?

(4) Insurance?

What transportation options have been used in the past for wheat shipments to China from the U.S. and other MWEC?

What was the degree of Chinese satisfaction?

(C) Storage Options

What U.S. wheat storage options are both available and advisable for our company to use in relation to options used by other wheat exporters?

Aspects to consider include:

(1) Storage availability?
Home-port facilities?
Chinese-port facilities?

•GLOBAL WHEAT MARKET •INTELLIGENCE	(2) Storage capacity? (3) Storage adequacy (spoilage)? What storage options have been used for previous Chinese wheat purchases from MWEC? What are plausible terms of negotiation contracts?
	(D) <u>Previous or Pending Wheat Contracts</u> What wheat deals have been made or are pending between China and other U.S. companies and MWEC? What are plausible terms of negotiation contracts? Aspects to include: (1) Quantities? (2) Quality ratios? (3) Approximate prices? (4) Shipping options? (5) Storage factors? Are the Chinese apparently satisfied? What is the potential for long-term contract relationships?
•Wheat	(E) <u>China's Wheat Standards</u> What are China's (1) wheat quality standards, and (2) quality measurement techniques, relative to standards and measurement techniques used by MWEC? What are the

·GLOBAL WHEAT MARKET
·INTELLIGENCE
·Wheat

potential problems related to variations in standards or measurement techniques? Are new varieties of wheat available that may be well suited to China's needs?

·Communication

(F) Global Wheat Impact

How might an assessment of the global wheat situation affect overall negotiation strategies? Formulations of mutually advantageous arguments designed to persuade Chinese negotiators? What combinations and ranges of choices might we share or restrict?

Among factors to consider:

(1) Quantity?

(2) Quality?

(3) Price?

(4) Storage?

(5) Shipping?

When to share or restrict which choices?

How to present choices for effective persuasion?

·CHINESE CULTURE
·INTELLIGENCE

(V) Immediate Context

What are factors to consider within the immediate context?

(A) Preliminary Contact

How do we most effectively introduce a

•CHINESE CULTURE
•INTELLIGENCE

wheat proposal by way of initial correspondence?

Considerations include:

(1) To whom?

(2) How detailed?

(3) Number of copies?

(4) Chinese translation?

(5) Amount of time to allow for response?

What factors are likely to influence the location, frequency, and duration of negotiation meetings?

Factors may include:

(1) Chinese tradition?

(2) Chinese hospitality?

(3) Practicability?

(B) Initial Contact

What do we know about these particular Chinese negotiators?

Considerations might include:

(1) Background?

(2) Experience negotiating in general, or with Americans?

(3) Level of autonomy within government hierachy?

(4) Ability to speak and understand English?

•Company

(C) Negotiation Personnel

What are the qualifications needed for

•CHINESE CULTURE •INTELLIGENCE •Company	U.S. team negotiators? Considerations might include: (1) Experience negotiating in general, or specifically with Chinese? (2) Background in designated area of expertise? (3) Decision-making authority? (4) Ability to speak and understand Chinese? What, if any, previous negotiation experiences has our company had with China? Factors to consider may include: (1) Terms of previous agreements? (2) Apparent degree of Chinese satisfaction? (3) Long-term relationship potential? How does this negotiation situation compare with previous negotiation situations? (1) Similarities? (2) Differences? How can we effectively <u>use</u> what we have learned?
	(D) <u>Agenda</u>
•Chinese Economy	What is a plausible Chinese agenda for this negotiation? Aspects might include: (1) Priority of items? (2) Current Chinese policies (e.g., China's Import/Export Plan) that may have an effect on the administration of a wheat contract?

•CHINESE CULTURE •INTELLIGENCE •Chinese Economy	What are current financial transactions between the Bank of China and: (1) U.S. traders? (2) Other MWEC? How large a wheat deal is the Bank of China likely to authorize with our company at this time? What factors might affect the Bank of China's authorization?
•Company •Communication	(E) Preparation Assessments What are our assumptions related to this negotiation? What are our perceptions of the Chinese assumptions related to this negotiation? Do we want to seek win/win solutions? Have we done our homework enabling us to both create win/win solutions and avoid surprises at the negotiation table?
•Company •Accounting	(F) Cost Assessments What are the initial calculations of cost variables as we create and rearrange combinations of negotiation options? What are the immediate and long-term financial implications for our company related to plausible negotiation options?
•U.S./Chinese Translation	(G) Translation Considerations What is the most effective way to translate Chinese verbal and nonverbal symbols to

·CHINESE CULTURE
·INTELLIGENCE
·U.S./Chinese Translation

American symbols, and vice versa, for maximum understanding; with minimum distortions, deletions, or generalizations? Are we checking (1) our understanding of the Chinese negotiators and, (2) their understanding of us by way of questioning and paraphrasing?

(VI) Dialog

The remaining questions are generated from the dialog section of Chapter II. They reflect considerations necessary for designing choice-sharing or choice-restricting strategies as needed within a win/win negotiation orientation.

·COMPANY
·COMMUNICATION

(A) Choice-Sharing or Choice-Restricting Strategies

How might our goals and China's goals affect negotiation strategies?

·Chinese Culture

(1) Goals

Are the U.S. and Chinese negotiation goals equivalent? Contradictory? Degrees of both? Is, for instance, a plausible Chinese goal of "buying the cheapest wheat available on the world market" likely to be compatable with a plausible U.S. goal of "selling China some portion of HQS wheat if it serves to meet China's needs?"

Is it advantageous to search for equivalent goals? If so, how? When? Under what circumstances?

- COMPANY
- COMMUNICATION
  - Chinese Culture

(2) Cooperation

How can we best encourage a cooperative negotiation environment? How can we gain Chinese trust so they recognize our genuine cooperative intentions?

(3) Power Choices

When is it more or less advantageous to

(1) Seek power parity?

(2) Seek ways to gain and maintain power?

- Chinese Economy

(4) Share Choices or Restrict Choices

(a) Share Choices

Is it advantageous to search with the Chinese negotiators for a broad range of acceptable, creative choices, by asking open questions and inviting open discussions?

If so, when? Under what circumstances? What range of choices are we prepared to make available? At what stages of negotiation? Which choices are preferable from our point of view? Which choices may be preferable from the Chinese point of view?

(b) Restrict Choices

Is it advantageous to restrict potential choices except those aimed toward defined objectives of this wheat

negotiation? If so, when? Under what circumstances?

(5) Risk-taking

Is it advantageous to take some risks in order to discover plausible solutions for agreement? If so, when? Under what circumstances?

(B) Adaptation Choices

Have we adapted negotiation choices to fit the Chinese point of view?

What arguments are likely to be meaningful from the Chinese point of view?

(1) Argumentation Evidence

What evidence, and patterns for arranging evidence, may serve as sufficient substantiation from the Chinese point of view?

Considerations might include:

(a) Statistics translated to meaningful context?

(b) Expert Chinese testimony?

(c) Examples and analogies grounded in the Chinese experience?

(d) Comparative data on charts?

(2) Timing

When is it most adaptive to present which arguments?

·COMMUNICATION
·CHINESE CULTURE

(3) Lasting Relationship

How can we most effectively build a lasting relationship with the Chinese?

Aspects might include:

(a) Attempts to meet short-term needs?

(b) Attempts to meet long-term needs?

Complexes of Capabilities Required to Supply Unknown Data

The preceding questions--generated from a communication perspective--formed a structure of matrices for potentially useful negotiation data. As sets of questions were generated, the categories of expertise needed to answer the questions emerged. If adaptive communication strategies are to be designed and implemented, then data within each matrix must be supplied as needed by the resource capabilities among individuals selected as (1) on-the-scene negotiators, (2) negotiation planners, or (3) both.[11] Data relevant to a wheat negotiation with the Chinese can be supplied by selected negotiation personnel who jointly provide the following complexes of capabilities:[12] (Expertise categories appear in the order of emergence throughout the foregoing structure of matrices.)

Chinese Culture

Needed capabilities include:

(1) Advising teammates of relevant Chinese cultural characteristics as viewed from a historical perspective. Aspects may include not only customs, but plausible beliefs, attitudes, and values.

(2) Noting similarities and differences between U.S. and Chinese cultural and political patterns thereby enabling U.S. negotiators to better adapt.

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[11]A broad-gauged negotiation team member might serve as a liaison between (1) "on-the-scene negotiation experts, and (2) "at home" negotiation experts (by acquiring up-to-the-minute information as needed through electronic communication systems).

[12]If selected team experts are to achieve an optimal level of effectiveness, they must be able to coordinate individual expertise to form team expertise. Authors Crable (1981) and Cushman and Cahn (1984) provided information relative to "team building"--maintaining effective working relationships among team members.

(3) "Seeing" relevant circumstances from a plausible Chinese point of view and sharing that insight with teammates.

(4) Advising U.S. negotiators of Chinese patterns of negotiating. In addition to cultural-related customs, aspects to consider might include: (a) plausible Chinese strategies; (b) plausible agenda; and (c) plausible contract requirements.

(5) Assessing the present and forecasted affects of China's modernization programs on the Chinese lifestyle as may be related to this wheat negotiation.

(6) Inferring a "Chinese" view of our company. Aspects might include: (a) the company's reputation in the international marketplace, (b) Chinese attitudes toward our company's efforts to change U.S. policies related to "textiles" and "Taiwan."

(7) Generating content for argument substantiation (e.g., examples and expert testimony) that will tie into a plausible Chinese experience.

Intelligence

Needed capabilities include:

(1) "Integrat(ing) scientific knowledge and research efforts within the larger framework of the 'system' for study . . ." (Oneill, 1964, p. 2).

(2) Interpreting interrelationships of known data as needed to make plausible inferences about data that are missing.

(3) Analyzing and synthesizing pertinent data in order to detect credibility trends for use in forecasting.

Communication

Needed capabilities include:

(1) Coordinating capabilities among negotiation personnel by facilitating creative group interaction needed to jointly plan negotiation strategies.

(2) Facilitating a group effort to gain and maintain perspective of the negotiation whole.

(3) Generating persuasive communication strategies adapted to the situational context.

U.S./Chinese Translation

Needed capabilities include:

(1) Interpreting verbal and nonverbal symbols of both Chinese and English languages.[13]

(2) Restating what was said in Chinese or English without making technical mistakes or mistakes related to culture-specific interpretations.

Chinese International Relations

Needed capabilities include:

(1) Analyzing and interpreting historical patterns of diplomatic relations between China and MWEC relative to this wheat negotiation.

(2) Analyzing and interpreting present and forecasted diplomatic relations between China and MWEC (and other countries with potential involvement) relative to this wheat negotiation.

International Economy

Needed capabilities include:

(1) Analyzing and interpreting the economic status of China and each of the MWEC in relation to the global economic picture relative to this wheat negotiation.

(2) "Translating" currency variations among each of the MWEC and China as needed.

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[13]Thomas S. Kuhn draws a crucial distinction between the ability to learn another language and the ability to translate from one language to another. "Though one must know two languages in order to translate at all, and although translation can then always be managed up to a point, it can present grave difficulties to even the most adept bilingual. He must find the best available compromises between incompatible objectives. Nuances must be preserved but not at the price of sentences so long that communication breaks down. Literalness is desirable but not if it demands introducing too many foreign words. . . . People deeply committed to both accuracy and to felicity of expression find translation painful, and some cannot do it at all." Kuhn further states a reason why languages are "untranslatable": they "cut up the world in different ways" (1970, p. 267).

Ruprecht Pague, student of history, philosophy, and languages seems to agree. He notes that "'reality' is not an 'objective' sum of facts independent from language--but that language structures reality" (1982, p. 55).

Wheat Technology

Needed capabilities include:

(1) Determining various types and costs of wheat-related technology that might have practical application in China.

(2) Analyzing various stages of U.S. wheat-related technological development as it might relate to comparable stages of Chinese technological development.

Chinese Agriculture

Needed capabilities include:

(1) Assessing current and projected agricultural production in China. Aspects might include: (a) commodities; (b) quantities; (c) qualities; (d) production costs; (e) yield factors; and (f) consumer benefits (nutrition).

(2) Assessing current and forecasted food consumption patterns in China. Aspects to include: (1) impact of nutrition and diet-variety policies on food consumption, and (2) consumption comparisons of primary food sources.

(3) Analyzing China's agricultural exports relative to imports.

(4) Assessing the overall Chinese wheat picture. Aspects should include: (a) production; (b) exportation; (c) importation; (d) processing; and (e) consumption.

Population

Needed capabilities include:

(1) Analyzing population growth in relation to food production and consumption patterns in China.

Nutrition

Needed capabilities include:

(1) Analyzing nutritional content levels of primary food sources in China.

(2) Assessing cost per unit of each food source.

(3) Assessing perishability factors related to each food source.

Global Wheat Market

Needed capabilities include:

(1) Analyzing and interpreting the present and forecasted global wheat situation. Aspects to consider include factors influencing supply and demand.

(2) Analyzing global transportation and storage options.

(3) Making inferences about existing and anticipated wheat contracts among any of the MWEC. Aspects to include terms of agreement such as: price, shipping, storage, quantity, and quality.

Wheat

Needed capabilities include:

(1) Identifying varieties and grades of wheat related to quality specifications.

(2) Identify wheat-quality specifications required for designated end-products.

(3) "Translating" a given country's wheat-quality measurement system to another country's system as needed for comparability assessments of available wheat quality.

Company

Needed capabilities include:

(1) Acquiring pertinent legal information relative to a wheat contract with the Chinese.

(2) Identifying this company's technological know-how relative to plausible negotiation proposals.

(3) Assessing long-term and short-term profit considerations relative to plausible negotiation proposals.

(4) Knowing details of previous company negotiation experiences (from which to learn) including procedural items related to: (a) shipping; (b) storage; and (c) financing considerations.

(5) Selecting competent negotiation personnel with capabilities needed in this particular negotiation situation.

Accounting

Capabilities should include:

(1) Analyzing cost feasibility factors related to plausible negotiation proposals.

(2) Forecasting costs associated with future-related proposals.

(3) Acquiring necessary financing information relative to this wheat contract.

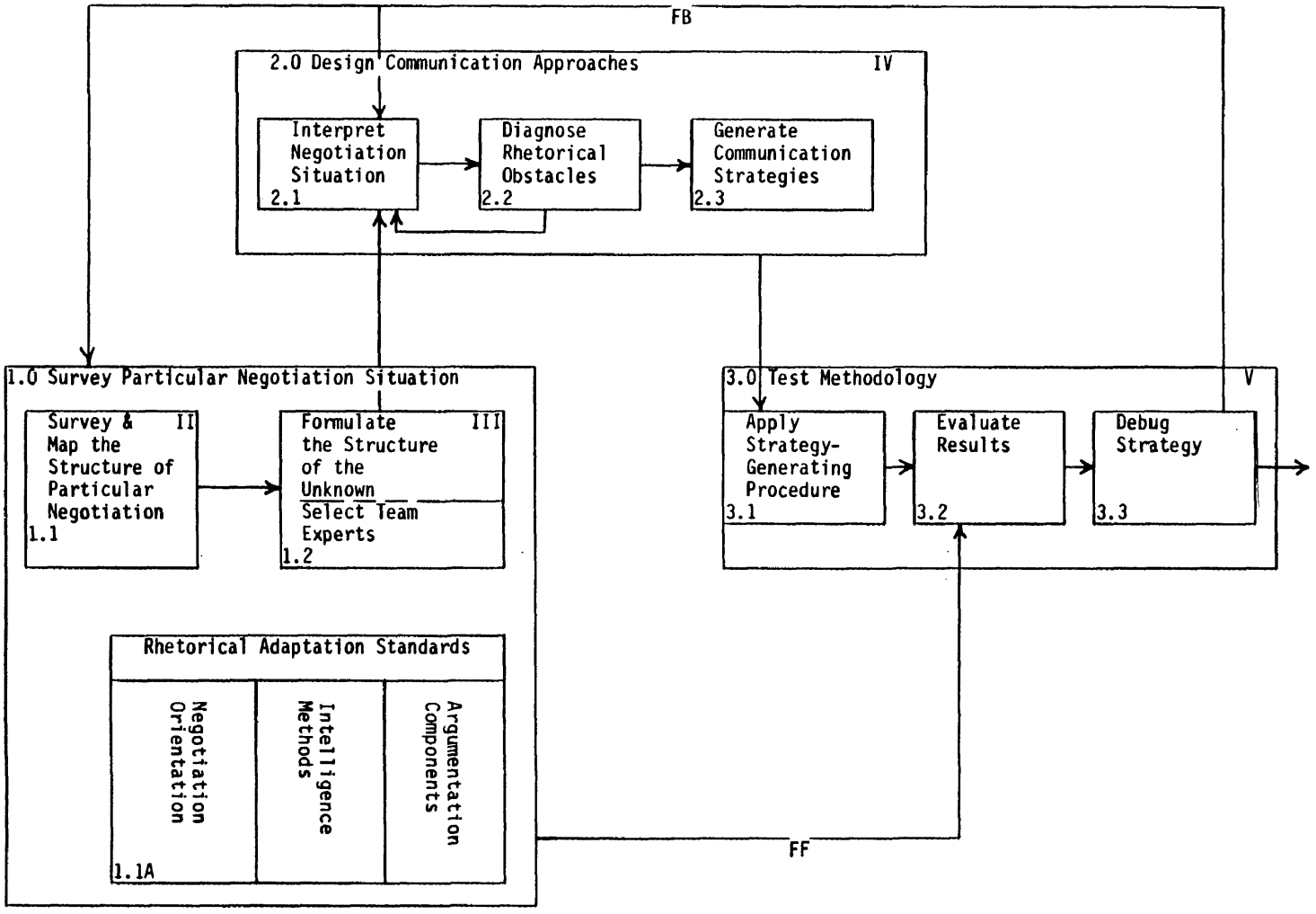
(4) Making on-the-spot calculations and cost forecasts as needed during negotiation sessions.

Chapter IV

THE METHODOLOGY

The two preceding chapters of this study serve to illustrate early stages of preparation for a wheat negotiation between representatives of the U.S. and China. Chapter II serves to: (1) map the structure of this particular negotiation situation; and (2) illustrate the similarities and differences between choice-sharing and choice-restricting communication approaches. By generating and organizing questions, Chapter III serves to: (1) outline the structure of matrices to accommodate the potentially useful information when selected questions are answered; and (2) illustrate the complexes of capabilities required to secure those answers.

Chapter IV provides and illustrates a procedure by which negotiation teams can design their own communication strategies. The structure of the communication methodology is shown in Figure 3. For similarities and differences between this diagram and the Model for Generating a Methodology (in Chapter I) see Table 6.



(Each chapter number [Roman numerals] appears in the upper right-hand corner of the particular diagram box that represents that chapter's phase of negotiation preparation.)

Figure 3. Methodology for Generating Communication Strategies in the Context of a Wheat Negotiation Between Representatives of the U.S. and China.

Table 6

Comparison of Design Diagram Components and Methodology

Diagram Components

Diagram Components	
Design Diagram (Fig. 1, Chapt. I)	Methodology (Fig. 3, Chapt. IV)
1.0 Analyze Environment	1.0 Survey Particular Negotiation
1.1 Survey/Map Negotiation Research Example	1.1 Survey/Map Particular Negotiation
1.2 Construct Dialog Formulations	1.2 Formulate Structure of Unknown/Select Expertise
1.3 Analyze Process and Outcome	-
1.3A Rhetorical Perspectives	1.3A Rhetorical Standards
2.0 Synthesis of Methodology	2.0 Design Communication Approaches
2.1 Analyze Results	2.1 Interpret Negotiation Situation
2.2 Synthesize	2.2 Diagnose Rhetorical Obstacles
2.3 Create Methodology	2.3 Generate Strategies
3.0 Illustrate Model	3.0 Test Methodology
3.1 Apply Methodology	3.1 Apply Methodology
3.2 Evaluate Methodology	3.2 Evaluate Results
3.3 Debug Methodology	3.3 Debug Strategy

Introduction to the Communication Methodology[14]

The procedure for generating communication strategies entails three stages. Stage One: team negotiators utilize intelligence information in order to make credible forecasts pertaining to each set of negotiation claims. Stage Two: negotiators identify potential rhetorical obstacles that may be present in relation to each set of negotiation claims. Rhetorical obstacles may arise from (1) the Chinese disposition in this situation, (2) the subject or purpose of this negotiation, or (3) the perceived credibility of the U.S. negotiators. Stage Three: negotiators generate appropriate communication strategies which emerge as a result of a 'marriage' between stages one and two.

This methodology focuses on the invention[15] and arrangement of relevant data in ways that may be most persuasive in the context of the particular situation.[16] Included among the methods used for inventing and arranging negotiation strategies in the context of a wheat negotiation

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[14]The introductory comments are based upon retroflective observations made after wheat negotiation strategies were generated by way of the communication methodology.

[15]Invention refers to the discovery of any available means of persuasion to include both artistic and inartistic data. Inartistic data involve the collection of factual information, statistics, statements from authorities, laws, etc. (Harper, 1979). Artistic data are in the realm of plausible reasoning, forecasts, and credibility trends. They are the product of imagination--an outcome of a creative process (see Appendix A).

[16]Aristotle identified the five canons of rhetoric: invention, arrangement, memory, style, and delivery. Harper (1979), approximately 2500 years later, renamed the classification system. Her classification of the five components of rhetoric may serve to further clarify the function of each. They are: conceptualization (invention), organization (arrangement), categorization (memory), symbolization (style), and operalization (delivery).

are: (1) plausible reasoning methods; (2) methods by which negotiators can gain and maintain perspective; (3) joint, creative problem-solving methods; (4) argumentation methods; and (5) methods for adapting strategies to the particular negotiation situation. Both choice-sharing and choice-restricting wheat negotiation strategies reflect the utilization of these methods.

Plausible Reasoning Methods[17]

Intelligence related to each set of negotiation data is gathered by way of plausible reasoning methods. During early planning stages, negotiators accumulate relevant data and map the structure of the inter-related negotiation factors. Once the situation is mapped from known data, negotiators can identify the structure of relevant data not yet known. Some of these data can be secured from open sources. Other unknown data can be calculated mathematically. Yet another way to fill in the gaps of needed information is to make educated guesses--plausible inferences--derived from the known data. Plausible inferences are provisional. Provisional forecasts--after testing by observation--may become more or less credible over time and constitute credibility trends which are, more often than not, useful for planning negotiation strategies. Each set of negotiation factors introduced in Stage one of the strategy-generating procedure represents credibility trends derived from intelligence data gathered by plausible-reasoning methods. The credibility trends are presented as interrogatories which serve to highlight the provisional nature of plausible inferences.

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[17]See Appendix A re plausible reasoning methods for gathering intelligence.

Methods by Which to Gain and Maintain Perspective

The conventional method of organizing data into supersets, sets, and subsets contributes to gaining perspective when the principle of subordination is in no way misleading. Of course, data can be grouped, and regrouped, in various ways to satisfy the requirements of accurate mapping of data in each phase of preparation. When one constellation of negotiation factors is perceived in the foreground for analysis and interpretation, the other factors remain in the background. For example, when focusing on Chinese cultural characteristics, factors related to global wheat prices, wheat quality concerns, and diplomatic relations between U.S. and China are not excluded but remain in the background. Negotiators must seek to maintain perspective as needed to fit changing circumstances.

Joint, Creative, Problem-Solving Methods

According to Nierenberg, "if we think of negotiation as a cooperative enterprise, instead of limiting choices by seeking concessions and compromise, we expand our choices by jointly seeking creative alternatives" (1973, p. 182). An underlying orientation of this methodology: "if this negotiation is successful, we all win something." The objective is to achieve agreement, not total victory. Both parties must feel they have gained.

The communication strategies in the following section reflect the notion that both sides participating in this wheat negotiation can win. Win/win strategies reflect attempts to: (1) search for common objectives, and (2) create a cooperative atmosphere whereby negotiators on both sides can generate creative solutions to negotiation

problems. For example, U.S. and Chinese negotiators may mutually determine that U.S. bakery planning assistance in China in exchange for China's purchase of a portion of HQS wheat may serve to meet the needs of both parties.

Argumentation Methods[18]

A competent argument limited by qualification or reservation (1) invariably contains a properly stated claim and, (2) is supported by appropriate and sufficient evidence (Campbell, 1982). However, the structure of an effective argument (or series of arguments) may vary according to what seems most appropriate in a given situation. A traditional argument may be presented in a deductive sequence in which the claim (with adequate qualification or reservation) is first stated and then substantiated with appropriate and sufficient evidence. Alternatively, an enthymematic argument may be presented in an inductive sequence. For instance, selected evidence may be presented while the claim remains unstated. In some situations an enthymematic structure may be most effective because the Chinese can draw their own conclusions in the context of the situation as it relates to their needs and their motivations.

Various types of evidence appear throughout the wheat negotiation strategies. These include: examples, statistics, and expert testimony. In some cases, the evidence is presented in a particular structure designed to maximize persuasive effectiveness. Such arrangements include: residual reasoning patterns, criterial reasoning patterns,

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[18]Refer to Appendix B re argumentation theory.

and comparative advantage patterns.[19]

Adaptation Methods

Effective communication strategies must be tailored to fit the contingencies of the particular situation. In the context of the wheat negotiation, such tailoring required a careful analysis of (1) Chinese demography, (2) potential Chinese disposition, and (3) the situation in context. When the negotiators have dependable intelligence information and "estimates" (forecasts), they are better able to invent adaptive strategies; that is, appropriate and palatable to the Chinese. For example, if U.S. intelligence indicates that the Chinese may be considering the development of alternative sources of low-cost nutrition in China, then U.S. negotiators can invent negotiation strategies that serve to adapt to China's "low-cost nutrition" criteria.

Adaptiveness considerations also include the arrangement of strategies. Timing is a key element of adaptation. Because strategic timing must be tailored to fit the inferred Chinese point of view in order to maximize persuasive potential, when a strategy is introduced may be just as important as the content of a strategy. For example: When would U.S. negotiators strategically introduce cost comparisons of "discounted" HQS wheat with other Chinese food sources? Immediately following nutritional comparisons of HQS wheat with other Chinese food sources.

Included among adaptation considerations for these wheat negotiation strategies are the choices of both verbal and nonverbal symbols. The complexity of potential obstacles arising from culture-specific

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[19]Refer to Appendix C re evidence structure.

interpretations highlights the need for a Chinese language and culture expert on the U.S. negotiation team in order to plan effectively and to implement adaptive communication strategies.

Choice-Sharing and Choice-Restricting

Five contrasting dimensions of the choice-sharing model of human communication applicable in the context of this negotiation situation were introduced in Chapter II. They are:

Win/win or lose/lose goals----------Win/lose goals
Cooperative aims----------Competitive aims
Power parity----------Gain/maintain power
Share choices----------Restrict choices
Risk Change----------Risk stagnation

A comparison of contrasting characteristics reflecting each of these dimensions was illustrated by examples of negotiation dialog in Chapter II. While these examples serve to highlight the differences between choice-sharing and choice-restricting strategies, they may oversimplify the distinction between the two. The dialog examples suggest that choice-sharing can be separate from choice-restricting; that negotiators may choose to employ either one or else the other as a means of communication. But in practice, choice-sharing and choice-restricting may overlap, when, for example, negotiators need the option of sharing some choices and restricting other choices in order to be adaptive.

The communication strategies designed for this wheat negotiation are grounded in a win/win orientation: The strategies are intended to encourage cooperative, creative problem-solving efforts aimed toward win/win solutions. Negotiators seek to share as many choices as feasible. But sometimes the win/win orientation virtually dictates choice-restricting

strategies. A methodical way to restrict choices is by means of criterial reasoning. Approved criteria for evaluating possible agreements are established by the U.S. negotiators during the preparation phases of negotiation. Subsequently, the U.S. negotiators may remain willing to share power and risk some changes; but they are bound to share only those choices that satisfy the pre-established criteria. Examples of U.S. criteria include: economic feasibility; wheat availability; China's needs; long-term relationship with China; and U.S. credibility.

Furthermore, the number of plausible choices for sharing may be constrained by intelligence or disclosures: For example, among China's criteria for settlement may be a "storage feasibility" requirement. If so, the Chinese negotiators would not be able to make a deal for any more wheat for storage than prescribed by that criterion. Such limitations may, in turn, limit the U.S. negotiators' authorization to offer "bargain" prices associated with a large volume sale in accord with the U.S. "economic feasibility" criterion.

Negotiators can work together to discover mutually satisfying, perhaps innovative, options that fall within criteria set forth by each party. When choices are jointly narrowed to those that are most acceptable from each party's point of view, agreement may follow.

Discovering Rhetorical Obstacles

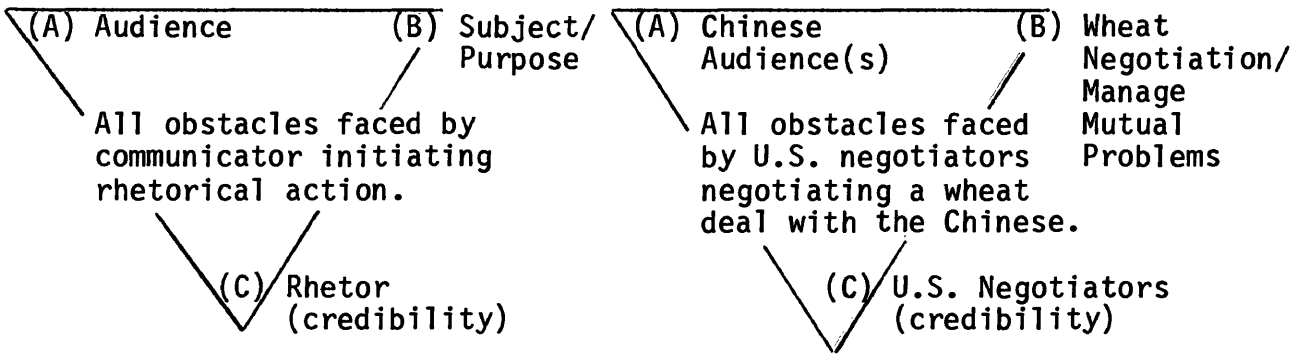
> One of the primary values of rhetoric, according to Aristotle, was that it provided a method for discovering the information necessary to make decisions on human affairs. (Harper, 1979, p. 35)

A way to effectively design communication strategies from a rhetorical perspective is to detect potential rhetorical obstacles in the context

of the situation.[20] "A problem is the gap between what you have and what you want" (Campbell, 1982, p. 69). The obstacles that U.S. negotiators may face while negotiating constitute a "rhetorical problem." Campbell outlined three aspects of a rhetorical problem:

(A) obstacles arising from the audience;
(B) obstacles arising from the subject/purpose;
(C) obstacles arising from perceived source credibility.

The interrelationship of the three aspects is illustrated by the triangle below left. The triangle on the right represents a translation from theoretical terms to terms applicable to the U.S./China wheat negotiation example.



The following preview and subsequent explanations serve to highlight and clarify the three categories of potential rhetorical obstacles.

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[20]Components of the system by which negotiators can diagnose potential rhetorical obstacles are taken from Karlyn Kohrs Campbell's book, The Rhetorical Act (1982). Since Campbell's perspective focuses on the application of rhetoric, including problem analysis and strategy selection, it seems compatible with the objectives of this methodology. However, the application of the rhetorical concepts in this context is not incompatible with other rhetorical researchers including Harper, Burke, Baldwin, Aristotle, and others.

Preview of Rhetorical Obstacles

(A) Obstacles Arising from the Chinese Audience(s)

- (1) Perceptions and Interpretations
  - (a) Attitudes
  - (b) Beliefs
  - (c) Message decoding
- (2) Motivations
  - (a) Needs
  - (b) Values

(B) Obstacles Arising from Subject and Purpose

- (1) Subject-related
  - (a) Complexity
  - (b) Cultural history
- (2) Purpose-related
  - (a) Cost
  - (b) Perceived control

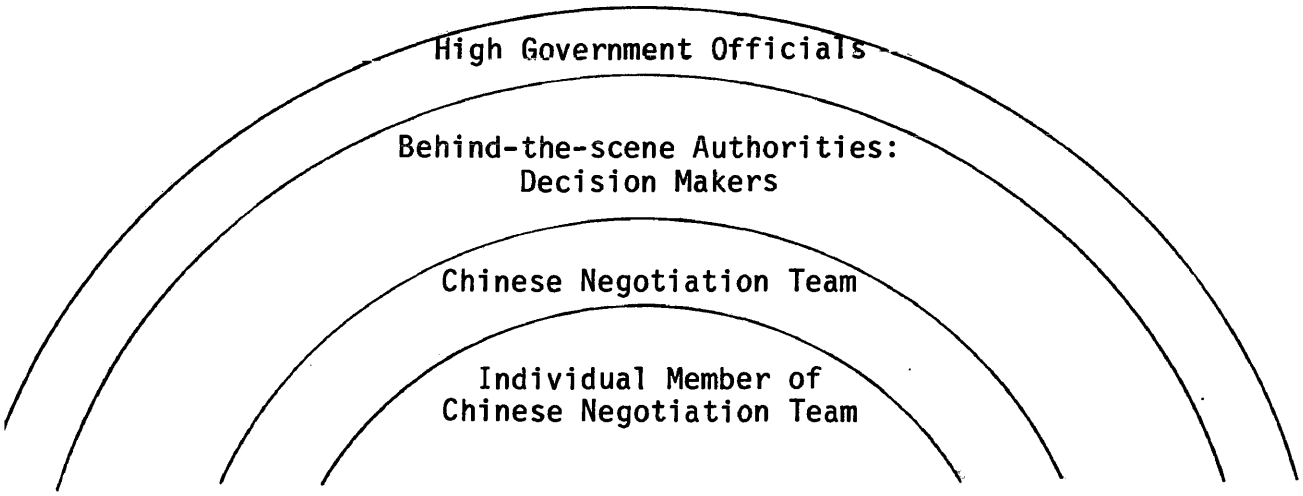
(C) Obstacles Arising from U.S. Negotiator's Perceived Credibility

- (1) Credibility Characteristics
  - (a) Competence
  - (b) Trustworthiness
  - (c) Goodwill
- (2) Prior Credibility
  - (a) Reputation
  - (b) Appearance
  - (c) Introduction
  - (d) Context
- (3) Credibility During Rhetorical Act
  - (a) Identification
  - (b) Social power
  - (c) Participation

(A) Obstacles Arising from the Chinese Audience(s)

The Chinese audience in the context of a U.S./China wheat negotiation may represent at least four orders of abstraction:

Chinese Audience(s)



Each audience level needs to be considered for potential rhetorical obstacles. Obstacles related to the Chinese audience may stem from their (1) perceptions and interpretations, or (2) motivations.

(1) Perceptions and Interpretations

According to Campbell (1982), (a) attitudes, (b) beliefs, and (c) message decoding can affect people's perceptions and interpretation of a message.[21]

(a) Attitudes

"Attitudes are likes or dislikes, affinities or aversions to situations, events, objects, people, groups, or any identifiable aspect of one's environments" (Campbell, 1982, p. 77). For example, according to negotiation

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[21]If Campbell's analysis is not culture-bound, it is likely to be at least influenced by a Western point of view (which may not include, e.g., considerations of yin and yang).

researcher, Pye (1982), some Chinese negotiators may have an attitude of suspicion toward Westerners.

(b) Beliefs

"A belief is a judgment about what is true or probable, real or likely. . . . Insofar as attitudes are learned from our own experiences or those of others, they are based on beliefs, on what we consider true or likely" (Campbell, 1982, p. 79).

(c) Message decoding

Message decoding is a term used to refer to "the interpretative process by which listeners translate and interpret messages, assign meanings, determine relationships, and draw implications" (Campbell, 1982, p. 80). Message decoding is a notable obstacle because of verbal and nonverbal symbol differences between cultures.

(2) Motivations

Campbell indicates that motivations are influenced by (a) needs, and (b) values.

(a) Needs

"People act for reasons. They pursue goals, they are motivated, they try to satisfy their needs" (Campbell, 1982, p. 81). U.S. negotiators need to assess plausible needs from the Chinese point of view.

(b) Values

"Values express strong, basic, and very general views of how one should act or what goals one should seek (what

goals are worthy of seeking)" (Campbell, 1982, p. 83). For example, if what we read regarding recent government policy changes aimed toward improved quality of life in China are accurate (Omaha World-Herald, October, 1984), then the goal "quality life" may be among the values upon which Chinese government decisions are being made.

Obviously, the U.S. negotiators need to understand all they can about the people with whom they are negotiating--from the individuals on the negotiation team to decision makers not present at the negotiation table. "In every case, you must consider how to use the beliefs, attitudes, and values of the audience (Chinese negotiators) in order to reach them and induce them to participate" (Campbell, p. 89). The function of an enthymene will depend, in part, upon the belief, attitude, and value system of each Chinese participant.

(B) Obstacles Arising from Subject and Purpose

Although the Chinese 'audience' is central in an analysis of rhetorical obstacles, equally important is the Chinese negotiators' interrelationship with the (1) subject and (2) purpose of the rhetorical act.

(1) Subject-related Obstacles

According to Campbell, two major obstacles that stem from the subject include resistance created by: (a) complexity, and (b) cultural history of the issues.

(a) Complexity

Subjects seem complex when they are remote from the others' personal experience; when they require some kind of technical

knowledge or expertise; and when they are bound up with many other difficult issues.

When the subject is outside the realm of personal experience, one has to rely on data gathered by others and interpretations made by experts. Although the Chinese may have plenty of experience negotiating wheat deals, there may be aspects of any particular negotiation that are unfamiliar to the Chinese negotiators. For example, if they have previously imported only LQS wheat and if they are unfamiliar with automated bread-production procedures, then an offer centered around bakery construction assistance in exchange for a purchase of some HQS wheat may be out of the Chinese negotiator's realm of personal experience.

When a subject requires technical knowledge or expertise, the audience may tend to resist participation. "In this situation, the rhetor must become the educator . . . [seeking to] alter the audience's perception of their own competence" (Campbell, 1982, p. 103). If Chinese negotiators are not well informed on HQS wheat characteristics in relation to nutrition and diet-variety advantages, then a U.S. offer of a portion of HQS wheat--even if supported by arguments based upon quality specifications in relation to nutritional benefits--may be met by resistance.

When a subject is intertwined with other difficult issues, the complexity that results may be an obstacle to reaching an agreement. Examples of such issues include

the strength of the U.S. dollar; textile import disputes; Taiwan.

(b) Cultural history

Some obstacles that stem from the subject may have originated long before the time of the communication transaction. For example, the cultural history of any particular negotiation may include experiences that Chinese negotiators may have had with the present or other U.S. companies, or with wheat traders from other countries.

(2) Purpose-related Obstacles

Negotiators must not only deal with subject-related obstacles, they need to consider factors that may inhibit efforts aimed toward achieving the purpose of negotiation. Purpose-related obstacles may stem from both (a) cost factors, and (b) perceived degree of control.

(a) Cost

The rhetorical problem of cost refers to the price that must be paid not only in terms of money, but also time, energy, commitment, expertise, ridicule, and so on. The greater such costs, the greater the resistance. For example, if the U.S. government were to grant political asylum to a Chinese defector during these negotiations, the "cost" to the Chinese of a wheat agreement in terms of perceived loss of face, at this time, might be too high.

(b) Control

Obstacles arising from control relate to the characteristics of the audience and the audience's perception of who can

control what under the circumstances of the negotiation. For example, the U.S. team may need to recognize that ultimate control may lie with officials not present at the negotiation table.

(C) Obstacles Arising from Credibility[22]

> Ideas do not walk by themselves, they must be carried--expressed and articulated--by someone. As a result, we do not encounter ideas neutrally, objectively, apart from a context; we meet them as someone's ideas. (Campbell, 1982, p. 121)

The audience is influenced by the perceived character of the source. Source credibility depends upon perceived competence (expertise), trustworthiness, and goodwill (concern for other's interest). Campbell makes the distinction between (1) prior credibility and (2) credibility during the communication act.

(1) Speaker's Prior Credibility

Attitudes toward the speaker prior to the rhetorical act may be influenced by: (a) reputation, (b) appearance, (c) introduction, and (d) the context in which the communication act is presented.

(a) Reputation

Previous actions may affect perceived credibility. Individual U.S. negotiators may be seen as a part of multi-level groups, each with a perceived reputation. For example, the individual is a member of a team, representing a particular

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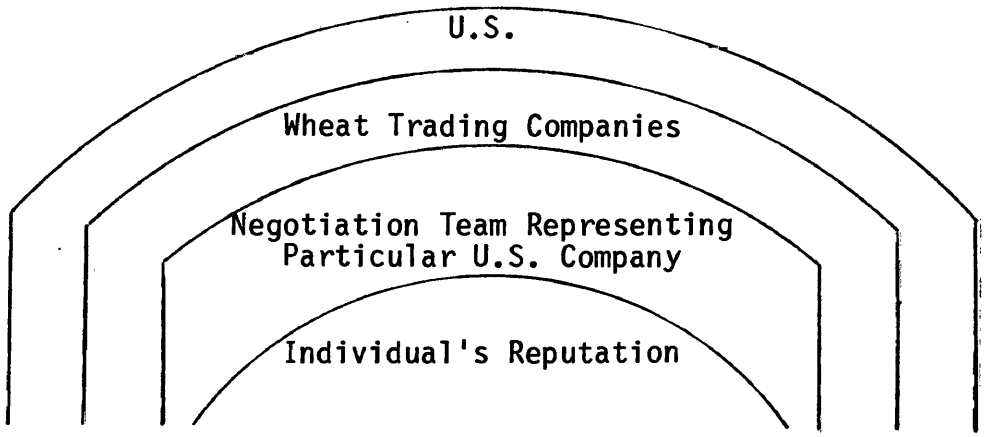
[22]Note the distinction between "credibility" and "credibility trend" as used in the context of this methodology. Credibility refers to the competence, trustworthiness, and goodwill of the negotiators as perceived by their audience. A credibility trend is a result of accumulated intelligence that denotes the direction and degree of believability of any claim.

U.S. company. This company is one of many U.S. wheat trading companies--and so on--all of which contribute to the perceived reputation of the U.S.

The diagram below illustrates multi-ordinal aspects of the U.S. negotiators' reputation.



(b) Appearance

Dress, posture, and observed manners become part of the perception of credibility.

(c) Introduction

Initial contact may set the tone for perceived credibility.

(d) Context

The context in which this particular negotiation occurs may have an effect on perceived credibility. For example, Chinese attitudes stemming from the textile dispute may be an obstacle.

(2) Credibility During Negotiation

Attitudes during negotiation may be influenced by: (a) identification, (b) social power, and (c) participation.

(a) Identification

Obstacles may arise from the lack of perceived similarities between U.S. and Chinese negotiators. U.S. negotiators can minimize these obstacles by seeking to establish common ground and mutual goals.

(b) Social power

Social power refers to the degree of influence one negotiation team may have, or be perceived to have, over the other. Efforts aimed toward sharing social power may help to minimize distrust.

(c) Participation

Chinese negotiators' willingness to participate in the process of negotiating--particularly a willingness to participate in an enthymematic argument-- will be influenced by their perception of the U.S. negotiators' trustworthiness, competence, and goodwill toward them and their constituents.

The Rhetorical Schematic

Figure 4 shows the three-part process of generating communication strategies by way of the Rhetorical Schematic. During Stage One, negotiators assess which trends (based upon accumulated intelligence) seem most credibly related to a given negotiation topic. During Stage Two, negotiators seek answers to the question: Which rhetorical obstacles are likely to exist in relation to the given topic? During Stage Three, negotiators generate adaptive communication strategies, given the assessment of credibility trends and the diagnosis of rhetorical

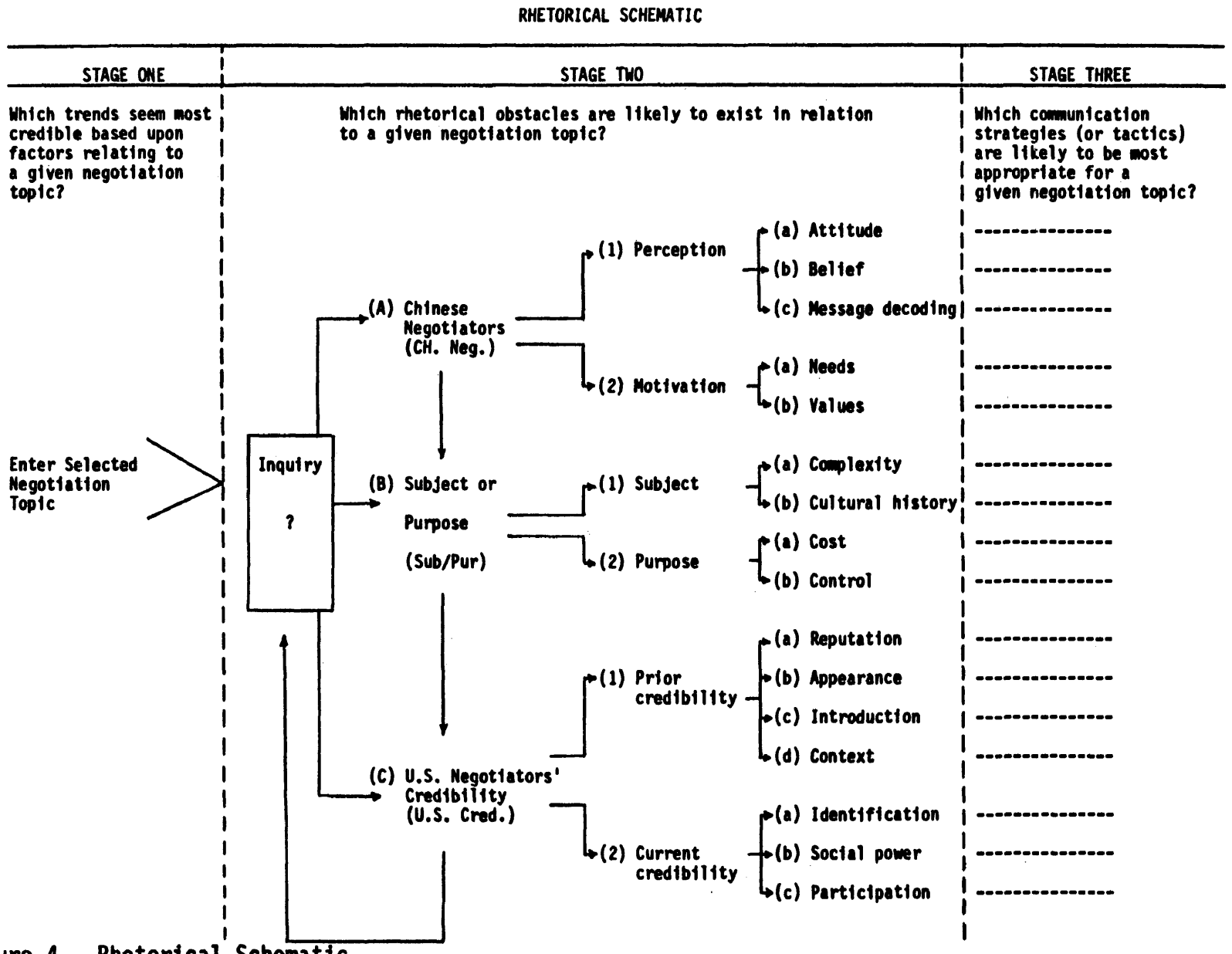


Figure 4. Rhetorical Schematic

obstacles related to the particular negotiation topic.[23]

Procedural Directions for Using the Rhetorical Schematic

Stage One:

Although all of the topics related to the negotiation situation are interrelated, each topic, and the set of credibility trends related to each topic, are presented in Stage One of the Rhetorical Schematic as if they could be isolated.

During the process of formulating credibility trends, however, negotiators may choose to shift the focus from single topics to those issues that are likely to be most immediate in the context of negotiation discussions. For example, as illustrated by Figure 5, credibility trends related to "how much wheat China might consider buying from our company" (Quantity) are grounded in intelligence related to China's current wheat crop and forecasted wheat consumption (Need); the amount, quality, and price of wheat available from other countries (Global Wheat Situation); and China's present attitude toward the U.S. stemming from "unrelated" issues such as "textile," "Taiwan," and strong U.S. dollar issues (Willingness); not to mention other immediate issues such as

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[23]The communication "strategies" generated in Stage Three of the rhetorical schematic encompass "tactics" as well. It may be helpful to note the vague, somewhat overlapping distinction between the two. A way to explain the differences may be by way of a simple sailing analogy. If one were to set out on a sailing voyage, s/he would probably first chart a course, planning long-range strategies aimed toward reaching a particular destination alive. Included in the strategies may be specific tactical maneuvers designed to accommodate a variety of potential circumstances that may be encountered; for example, an abrupt change in weather conditions or an unforeseen problem with a piece of equipment. Although it may be difficult, in some cases, to distinguish the tactics from the strategies, each is important in order for the sea-farer to reach the designated destination. Similarly, communication strategies might include specific, more immediate tactics adapted to a particular set of circumstances.

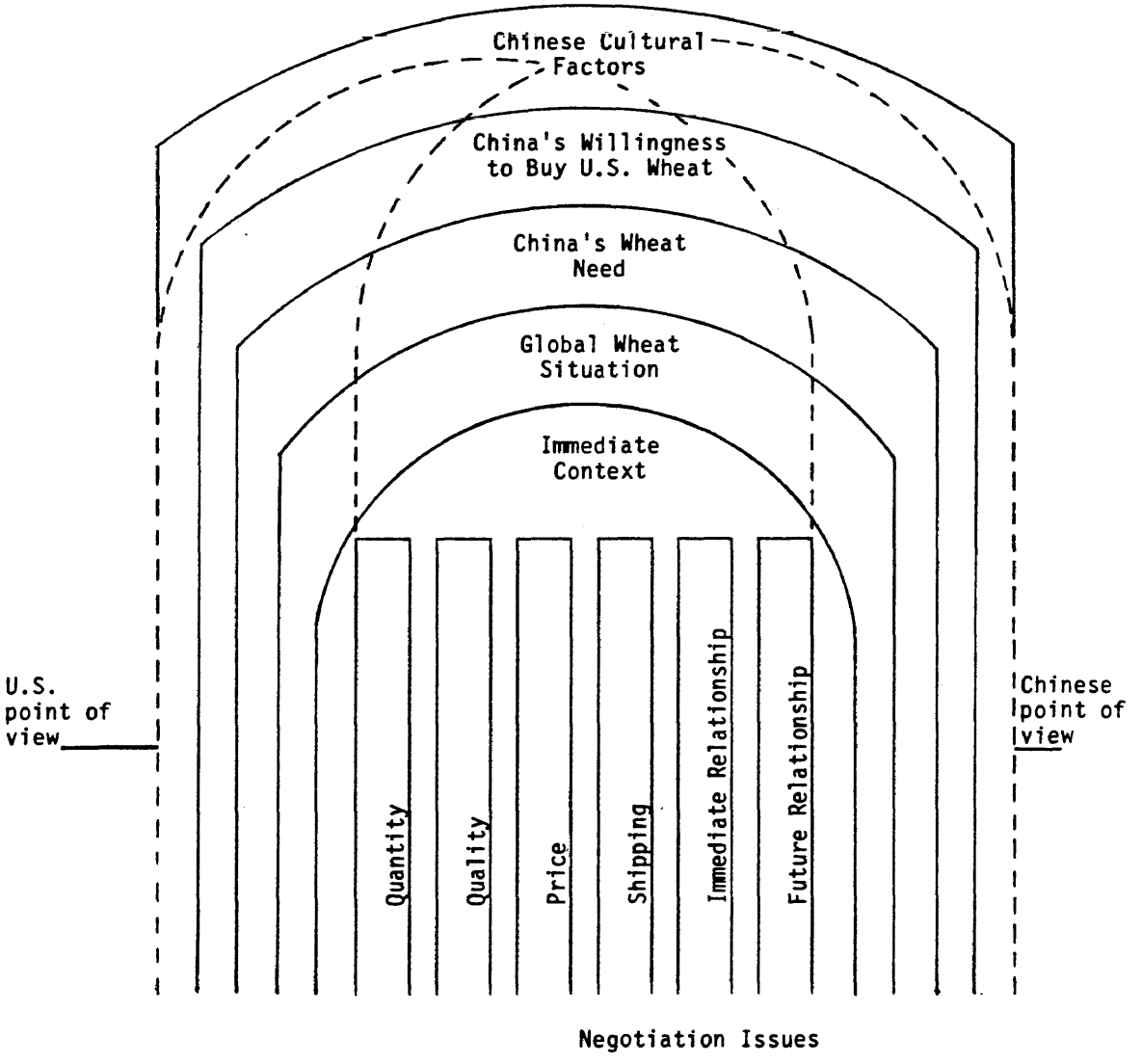

Figure 5. A Structure for Formulating a Credibility Trend by Interrelating Issues and Contexts Relative to Any Given Negotiation Topic.

price, quality, and shipping.

Stage Two:

Each set of credibility trends related to a particular negotiation issue is then fed into the Stage Two "inquiry box" where it is diagnosed for rhetorical obstacles. At this stage negotiators determine whether or not there may be rhetorical barriers associated with (1) Chinese perceptions and motivations in this context, (2) the subject or purpose of the negotiation, and (3) the credibility of the U.S. negotiators. If any one of the categories is determined to be a potential obstacle, the negotiator can proceed through the diagram considering specific aspects of that particular category. If the negotiator determines that there may be more than one set of obstacles, the diagram allows for the negotiator to recycle through and identify additional potential obstacles as needed.

Stage Three:

The final process entails generating a repertoire of appropriate communication strategies and tactics; both are the "offspring" resulting from the "marriage" of Stages One and Two of the Rhetorical Schematic. The strategies can be generated as a natural result of the confrontation between: (1) each set of credibility trends related to a specific negotiation topic and, (2) the rhetorical obstacles diagnosed to be present in the context of that set of topical trends.

The following examples serve to illustrate the use of the Rhetorical Schematic for generating a repertoire of communication strategies and tactics in the context of a prospective wheat negotiation between representatives of the U.S. and China grounded in the realistic negotiation

situation formulated in Chapter II. The structure of the examples matches the three stage structure of the Rhetorical Schematic. For simplification, the documentation data upon which the credibility trends relating to each negotiation issue are based appear in the form of outline symbols. The symbols serve as cross references to the corresponding data originally documented in Chapter II. New information is documented according to the previously established pattern. Symbols that appear in Stage Two of the following examples correspond with the symbols in Stage Two of the Rhetorical Schematic diagram.

Although the natural order of negotiating would require early consideration of both immediate and future relationships as they pertain to selecting communication strategies, the order of presentation of selected issues is shown in Figure 5, page 179.

Illustration for Using the Rhetorical Schematic

RHETORICAL SCHEMATIC FOR QUANTITY ISSUE

STAGE ONE: Credibility Trends	STAGE TWO: Rhetorical Obstacles	STAGE THREE: Communication Strategies
Which trends seem most credible based upon factors related to the quantity of wheat to be imported by China in 1985?	Which rhetorical obstacles are likely to exist in relation to the quantity of wheat to be imported?	Which communication strategies (or tactics) may be most appropriate for quantity-related proposals?
(A) China's current wheat production? (1) Increase due to modernization and incentives (III/A/1a,b)? (2) Decrease due to typhoon losses and storage decay (Global Outlook, Farm Journal; February, 1984)? (3) Effect of land saturation factors (III/A/1c)?	(A) Chinese audience-related? (1) Perceptions of wheat needs? (2) Motivation to retaliate in relation to U.S./ China textile trade dispute?	- Ask open questions about anticipated quantity needs. - Initiate joint problem-solving environment. - Acknowledge wheat-production accomplishments. - Establish common ground (e.g., mutual-interest-production technology).
(B) China's wheat consumption? (1) Previous rate of consumption (Farm Futures, December, 1984)? (2) Population increase (III/B/1)?	(B) Subject and purpose related to China's objectives? (1) Desired decrease of wheat imports? (2) Meet current wheat needs? (3) Import as little U.S. wheat as possible (hidden objective)?	- Make an offer that suggests a range of wheat quantities available (and price implications) which provides the Chinese negotiators with choices. - Explain our advantages in relation to theirs (mutual gain).

RHETORICAL SCHEMATIC FOR QUANTITY ISSUE (cont.)

STAGE ONE: Credibility Trends	STAGE TWO: Rhetorical Obstacles	STAGE THREE: Communication Strategies
quantity-related credibility trends, cont.	quantity-related rhetorical obstacles, cont.	quantity-related communication strategies (or tactics), cont.
(3) Diet-variety and nutrition (III/B/2)?	none	- If feasible, avoid discussions that may be:
(C) U.S. share of the Chinese market (Farm Futures, December, 1984)?		(1) potentially embarrassing or irritating to Chinese negotiators;
(1) 1983 U.S./China Long-Term Grain Agreement (II/A/2/6)?		(2) related to unfamiliar information.
(2) Textile-related retaliation (II/A/2a,b)?		
(D) U.S. company's wheat quantity available?		

RHETORICAL SCHEMATIC FOR QUALITY ISSUE

STAGE ONE: Credibility Trends	STAGE TWO: Rhetorical Obstacles	STAGE THREE: Communication Strategies
Which trends seem most credible based upon factors related to the quality of wheat China may import in 1985?	Which rhetorical obstacles are likely to exist in relation to the quality of wheat to be imported?	Which communication strategies (or tactics) may be most appropriate for quality-related proposals?
(A) China's current wheat crop? (1) Quantity (Farm Futures, 1984)? (2) Ratio of quality/quantity specifications (intelligence)?	(A) Chinese audience-related? (1) Perception of HQS wheat needs (e.g., skepticism) in relation to their (2) motivation for improved nutrition and diet-variety?	- Ask open questions designed to: (1) Confirm or disconfirm quality-related intelligence (Stage One); (2) Determine degree of familiarity or interest in HQS wheat; (3) Determine priority of HQS wheat (to include established budget allowances); (4) Establish an attitude of interest in (a) China's needs and (b) mutual benefits for U.S. and China.
(B) China's specified current year nutrition and diet-variety goals (III/B/2)? (1) Minimum individual nutrition consumption? (2) "New to China" wheat products. For example: (a) hamburger buns (b) French bread or pastry (Sioux City Journal, October 17, 1984)?	(B) Subject and purpose related to: (1) Perceived complexity of wheat quality discrimination because of (2) history of wheat imports limited to LQS (IV/C)? (3) Costs related to HQS imports? (4) Degree of decision-making control among Chinese negotiators?	- In the case of a positive, interested response to the above, inquire about whether they would like an informative briefing about HQS wheat.

RHETORICAL SCHEMATIC FOR QUALITY ISSUE (cont.)

STAGE ONE: Credibility Trends	STAGE TWO: Rhetorical Obstacles	STAGE THREE: Communication Strategies
quality-related credibility trends, cont.	quality-related rhetorical obstacles, cont.	quality-related communication strategies (or tactics), cont.
(C) Previous import ratio of HQS/LQS wheat (intelligence)? (D) Formula (based upon credibility trends) designed to identify China's wheat quality and quantity needs? Formula forecast assumes: (1) LQS - 9-11% protein 1-2% ashes (as is moisture)? (2) HQS - 11.5-14% protein .5-1% ashes (as is moisture) (III/B/2)?	none	- If so, have a nutritional expert give a presentation with explanatory visual aids which might include: (1) Comparison charts of relevant wheat specifications; (2) Pairs of sample wheat products--one each made of HQS wheat flour and LQS wheat flour; (3) Nutritional content comparisons of wheat products--both HQS and LQS--with other sources of present nutrition in China. - Introduce formula (based upon related credibility trends) designed to allow the Chinese negotiators a means to determine their own wheat quantity/quality ratio needs.

RHETORICAL SCHEMATIC FOR QUALITY ISSUE (cont.)

STAGE ONE: Credibility Trends	STAGE TWO: Rhetorical Obstacles	STAGE THREE: Communication Strategies
quality-related credibility trends, cont.	quality-related rhetorical obstacles, cont.	quality-related communication strategies (or tactics), cont.
(E) Data comparisons of nutritional content cost per comparable unit of: (1) Wheat--both HQS and LQS (II/B/2)? (2) Pork (intelligence)? (3) Rice (intelligence)? (4) Beef (intelligence)?	none	- If the supplied data are relevant to their perceived needs, then the Chinese negotiators have the option of drawing their own conclusions relative to HQS wheat.
(F) End product comparisons? (1) LQS flour (2) HQS flour (III/B/2, intelligence)?		

RHETORICAL SCHEMATIC FOR PRICES ISSUE

STAGE ONE: Credibility Trends	STAGE TWO: Rhetorical Obstacles	STAGE THREE: Communication Strategies
Which trends seem most credible based upon factors related to current wheat prices?	Which rhetorical obstacles are likely to exist in relation to current wheat prices?	Which communication strategies (or tactics) may be appropriate for price-related proposals?
(A) Experts forecast greater supply than demand in 1985 which may contribute to depressed market prices of wheat (Farm Futures, October, 1984)? (1) Factors affecting 1985 global wheat supply (IV/A)? (a) Existing surplus (Farm Futures, October, 1984)? (b) Sizable export increased from EEC (Omaha World-Herald Bureau, October, 1984)? (c) Decrease in Canadian and Australian crops because of: (1) Drought (2) Grasshoppers (3) Harvest problems (Farm Futures, October, 1984)?	(A) Chinese audience-related? (1) Perceptions of a "good deal" in relation to (2) Potentially conflicting motivations? For example, (a) "Buy the most wheat for the best price?" (b) "Improved nutrition and diet-variety may mean paying higher price for portion of HQS wheat?" (B) Subject and purpose related Chinese costs: (1) 1985 import budget allowances? (2) Previous wheat purchasing patterns? (3) Prices available to China from other MWEC?	- Jointly explore ways to meet their needs as economically as possible. - Early, suggest general conditions which would allow us to offer the cheapest prices. - Avoid specific pricing--instead talk "trends" and "ranges." - Maintain practical awareness of current global market changes--anticipating competitors' moves. - Jointly explore a variety of options, designed to meet China's needs, that represent a wide range of prices. Options might include: (1) Large volume purchase; (2) Portion HQS; (3) Future arrangements.

RHETORICAL SCHEMATIC FOR PRICES ISSUE (cont.)

STAGE ONE: Credibility Trends	STAGE TWO: Rhetorical Obstacles	STAGE THREE: Communication Strategies
price-related credibility trends, cont.	price-related rhetorical obstacles, cont.	price-related communication strategies (or tactics), cont.
(2) Factors affecting 1985 global demand (IV/A)? (a) Forecasted amounts to be purchased by MWEC based upon: (1) Previous import rates (intelligence)? (2) Conditions affecting current import rates (intelligence)? For example, drought in USSR (Farm Futures, October, 1984)?	none	- Offer some options within the [anticipated] cost range of competitors' offers.
(B) Factors affecting U.S. (our company's) prices? (1) Forecasted global prices based upon global supply and demand factors (IV/A; intelligence)? (2) Strong U.S. dollar (II/A/1)?		

RHETORICAL SCHEMATIC FOR PRICES ISSUE (cont.)

STAGE ONE: Credibility Trends	STAGE TWO; Rhetorical Obstacles	STAGE THREE: Communication Strategies
price-related credibility trends, cont.	price-related rhetorical obstacles, cont.	price-related communication strategies (or tactics), cont.
(3) Costs related to wheat sale (intelligence)?		
(C) Conditions affecting our company's pricing flexibility?	none	none
(1) Large supplies of HQS and LQS wheat?		
(2) Our cost advantages associated with large volume sale (intelligence)?		

RHETORICAL SCHEMATIC FOR SHIPPING ISSUE

STAGE ONE: Credibility Trends	STAGE TWO: Rhetorical Obstacles	STAGE THREE: Communication Strategies
Which trends seem most credible based upon factors related to shipping arrangements?	Which rhetorical obstacles are likely to exist in relation to the shipping arrangements?	Which communication strategies (or tactics) may be most appropriate for shipping arrangements?
(A) China's previous shipping pattern (IV/C)? (B) Present conditions that may warrant consideration of incremental shipping plan? Conditions include: (1) China's shortage of U.S. trade dollars (II/A/1)? (2) Incremental shipping could accommodate incremental payment upon receipt (intelligence)? (3) Anticipated related costs must be born by Chinese? (4) China loses significant amount of wheat annually due to inadequate storage facilities in China (Global Outlook, Farm Journal; February, 1984)?	(A) Chinese audience-related? (1) Perception and interpretation of a "novel" idea? (2) Motivation to consider an alternative shipping plan as an acceptable solution to China's current shortage of U.S. trade dollars? (B) Subject and purpose related to: (1) Perceived complexity associated with Chinese deviation from customary FOB shipping patterns?	- Don't mention considerations for shipping alternatives unless or until shortage of U.S. trade dollars becomes an issue. - If U.S. dollar issue emerges, ask open questions in an effort to establish criteria for shipping considerations. - Introduce "delayed shipping" offer with qualifications.

RHETORICAL SCHEMATIC FOR SHIPPING ISSUE (cont.)

STAGE ONE: Credibility Trends	STAGE TWO: Rhetorical Obstacles	STAGE THREE: Communication Strategies
shipping-related credibility trends, cont.	shipping-related rhetorical obstacles, cont.	shipping-related communication strategies (or tactics), cont.
none	(2) Additional costs related to delayed shipping? For example, storage of unshipped balance?	- Substantiate that offer by way of: (1) Criterial reasoning method; establish criteria and match solutions.[24] (2) Comparitive advantage reasoning method; compare advantages and disadvantages of considered options.[24] (3) Residual reasoning methods; if, one-by-one, other considered shipping options can be proven to be unworkable.[24]

[24]See Appendix C.

RHETORICAL SCHEMATIC FOR IMMEDIATE-RELATIONSHIP ISSUE

STAGE ONE: Credibility Trends	STAGE TWO: Rhetorical Obstacles	STAGE THREE: Communication Stragegies
Which trends seem most credible based upon factors affecting the immediate-relationship between U.S./Chinese negotiators?	Which rhetorical obstacles are likely to exist in association with the immediate-relationship between U.S./Chinese negotiators?	Which communication strategies (or tactics) may be most appropriate for immediate-relationship considerations?
(A) Attitudes of ambivalence toward Westerners (I/A)? (B) General Chinese negotiation orientation (I/B) to include: (1) Friendship value? (2) Macro-organization--general to specific? (3) Ambiguity and contradictions? (4) Value for on-going relationship?	(A) Chinese audience-related? (1) Perceptions and interpretations of U.S. negotiators? to include: (a) Trustworthiness, (b) Competence, (c) Goodwill? in relation to Chinese (2) Motivations for participating in this negotiation? (B) ----------	- Look for ways to establish and maintain: (1) Trust, (2) Competence, (3) Goodwill, from the Chinese point of view (without being naive, vulnerable, or stupid). Examples include: (1) Search for common ground; (a) Identify common goals; (b) Demonstrate a willingness to share social power.

RHETORICAL SCHEMATIC FOR IMMEDIATE-RELATIONSHIP ISSUE (cont.)

STAGE ONE: Credibility Trends	STAGE TWO: Rhetorical Obstacles	STAGE THREE: Communication Strategies
immediate-relationship credibility trends, cont.	immediate-relationship rhetorical obstacles, cont.	immediate-relationship communication strategies (or tactics), cont.
none	(C) U.S. credibility-related? (1) Prior credibility? (a) Reputation; to include: (1) U.S.? (2) Wheat trading companies? (3) Our company? (4) Negotiation team; individuals? (b) Appearance; to include: (1) Company's "image"? (2) Individual U.S. negotiators? (c) Introduction; to include: (1) Correspondence? (2) Initial contact? (d) Prior attitude toward U.S. and our company within the context of all related factors?	(2) Set a positive tone with initial correspondence. For example: (a) Send early; (b) Include adequate number of proposal copies; (c) Provide Chinese/English translation; (d) State mutual problem-solving goals. (3) Be aware of our perceived appearance. For example: (a) Wear conservative clothing; (b) Leave arrogant posture and attitudes at home. (4) Honor cultural preferences. For example: (a) Take friendship initiative: (1) Host dinner in hotel; (2) Initiate sight-seeing.

RHETORICAL SCHEMATIC FOR IMMEDIATE-RELATIONSHIP ISSUE (cont.)

STAGE ONE: Credibility Trends	STAGE TWO: Rhetorical Obstacles	STAGE THREE: Communication Stratagies
immediate-relationship credibility trends, cont.	immediate-relationship rhetorical obstacles, cont.	immediate-relationship communication strategies (or tactics), cont.
none	(2) Current credibility? (a) Lack of perceived similarities between U.S. and Chinese negotiators? Factors might include: (1) Background? (2) Language? (3) Values? (4) Perspectives? (b) Perceived attempts by U.S. negotiators to gain, maintain, or share control? (c) Factors affecting Chinese willingness to participate in the following: (1) Joint creative problem-solving? (2) Win/win negotiation? (3) Enthymematic arguments?	(b) Use preferred Pinyin pronunciation: (1) Beijing (Peking); (2) Guangzhou (Canton). (c) Adapt our macro-organization to fit their general to specific negotiating patterns. (5) Take steps to avoid being caught in ambiguities/ contradictions. For example: (a) Maintain consistency; (b) Keep copious notes: accurate, detailed, cross-referenced, indexed, accessible. (6) Avoid temptations to "read" and respond to Chinese nonverbal behaviors.

RHETORICAL SCHEMATIC FOR IMMEDIATE-RELATIONSHIP ISSUE (cont.)

STAGE ONE: Credibility Trends	STAGE TWO: Rhetorical Obstacles	STAGE THREE: Communication Strategies
immediate-relationship credibility trends, cont.	immediate-relationship rhetorical obstacles, cont.	immediate-relationship communication strategies (or tactics), cont.
none	none	(7) Substantiate and qualify all claims. (8) Choose evidence for claims from a Chinese context to include any one or combination of the following: (a) Examples; (b) Statistics; (c) Expert testimony.

RHETORICAL SCHEMATIC FOR WILLINGNESS ISSUE

STAGE ONE: Credibility Trends	STAGE TWO: Rhetorical Obstacles	STAGE THREE: Communication Strategies
Which trends seem most credible based upon factors affecting the immediate relationship focusing on China's willingness to buy U.S. wheat?	Which rhetorical obstacles are likely to exist in relation to China's willingness to buy U.S. wheat?	Which communication strategies (or tactics) may be appropriate concerning China's willingness to buy U.S. wheat?
(A) Negative factors? (1) U.S./China textile dispute? (a) Continuing U.S. import restrictions (II/A/2/9)? (b) China's retaliation--failure to comply with U.S./China Long-Term Grain Agreement (II/A/2/6)? (2) History of Taiwan issues (II/8/1a,b)? (B) Positive factors? (1) China's desire for U.S. technology (II/C)? (2) Specific interest in agriculture technology in the context of this wheat negotiation (II/C/4)?	(A) Chinese audience-related? (1) Perceptions and interpretations or our company's "responsibility" for U.S. policies regarding textile or Taiwan issues balanced with China's (2) Motivation to maintain positive relations with U.S. (our company) in order to gain benefits for China? Benefits might include: (a) Technology gains? (b) Wheat needs satisfied? (c) Textile market (however limited)?	- Anticipate counter arguments related to China's willingness. - Don't mention negative issues unless or until introduced by the Chinese. Issues to avoid might include: (1) U.S. textile import restrictions; (2) China's failure to comply with U.S./China Grain Agreement; (3) Taiwan issues. But if, for example, the textile dispute is mentioned, consider the following: - Attempt to avert counter arguments by finding ways to: (1) Let them know we're

RHETORICAL SCHEMATIC FOR WILLINGNESS ISSUE (cont.)

STAGE ONE: Credibility Trends	STAGE TWO: Rhetorical Obstacles	STAGE THREE: Communication Strategies
willingness-related credibility trends, cont.	willingness-related rhetorical obstacles, cont.	willingness-related communication strategies (or tactics), cont.
(3) China's need for U.S. wheat (III)?	none	concerned; (2) Discuss and document actions we have taken within the U.S. to change the status quo. Examples might include: (a) Lobbying activity; (b) Public letters. - Introduce a visual comparative advantage evidence structure which serves to compare the advantages and disadvantages of dealing with this U.S. company.

Transition: Up to this point, communication strategies regarding past and present considerations have been generated. The remaining strategies were generated in order to include considerations in the future.

In order to maintain the win/win orientation, it is essential for the negotiators to continue with their problem-centered approach, cooperative attitude, and high concern for both their own and their protagonists' welfare (cf. Frost & Wilmot, 1978, pp. 27-32; Crable, 1979. pp. 175-179). These characteristics of the win/win orientation are congruent with the notion of power parity in the choice-sharing model of communication.

RHETORICAL SCHEMATIC FOR FUTURE-RELATIONSHIP ISSUE

STAGE ONE: Credibility Trends	STAGE TWO: Rhetorical Obstacles	STAGE THREE: Communication Strategies
Which trends seem most credible based upon factors affecting the future-relationship between China and this U.S. wheat-trading company?	Which rhetorical obstacles are likely to exist in association with future-relationship considerations?	Which communication strategies (or tactics) may be appropriate for future-relationship considerations?
(A) General factors contributing to a future relationship (I/B/4)? (1) China's value of on-going relationship (I/B/4)? (2) China's stated goals of improving nutrition and diet-variety (III/B/2)? (3) China's interest in U.S. technology--specifically (in this context) automated bakery technology (III/B/2)?	(A) Chinese audience-related? (1) Perception and interpretations of whether or not a HQS wheat purchase is an appropriate quid pro quo exchange for bakery assistance? (2) Motivation to: (a) Acquire automated technology? (b) Meet China's overall needs?	General Long-Term Relationships - Demonstrate trustworthiness, competence, and goodwill and consistency throughout negotiations. - Upon concluding negotiations, summarize points of trust, agreement, etc. that occurred during negotiations. - Adhere precisely to the terms of the completed deal.
(B) Specific factors contributing to a future relationship negotiation offer? (1) China's interest in automated bakery technology (III/B/2)? (2) China's anticipated need for HQS wheat (intelligence)?	(B) Subject/purpose-related? (1) Perceived complexity of experimental bakery project options? (2) Related costs to China? to include: (a) Establishing a bakery facility?	- Provide assurance for agreement compliance in the form of an offer. For example, "We'll subtract from the total price any cost to you caused by circumstances that inhibit compliance with the specific terms of agreement."

RHETORICAL SCHEMATIC FOR FUTURE-RELATIONSHIP ISSUE (cont.)

STAGE ONE: Credibility Trends	STAGE TWO: Rhetorical Obstacles	STAGE THREE: Communication Strategies
future-relationship credibility trends, cont.	future-relationship rhetorical obstacles, cont.	future-relationship communication strategies (or tactics), cont.
(3) This U.S. company's available or anticipated supply of HQS wheat? (4) Feasibility problems associated with China's potential desire for a high-tech bakery (intelligence)? (a) Cost may be prohibitive? (b) Maintenance requires specialized training? (c) Operation requires minimal manpower? (d) Machinery function requires proper dough consistency--derived only from HQS wheat (III/B/2)?	(b) Quid pro quo HQS wheat purchase commitment? (3) Ultimate control may be in the hands of Chinese decision-makers not present at the negotiation table (IV/C)? (4) U.S. credibility-related? Any obstacles arising from the Chinese perceptions of U.S. negotiators' prior or current credibility--including perceived trustworthiness, competence, and goodwill--will likely inhibit chances for an on-going relationship?	- Follow up wheat negotiations with appropriate correspondence. Specific Future Relationship - Consider appropriate timing before introducing new ideas. - If the Chinese negotiators seem to be receptive, introduce "future relationship" options by way of open questions in order to: (1) Confirm or disconfirm intelligence information; (2) Encourage joint problem-solving input; (3) Establish feasibility considerations. - If response reflects positive interest, proceed with a conditioned offer with adequate qualifiers and evidence.

RHETORICAL SCHEMATIC FOR FUTURE-RELATIONSHIP ISSUE (cont.)

STAGE ONE: Credibility Trends	STAGE TWO: Rhetorical Obstacles	STAGE THREE: Communication Strategies
future-relationship credibility trends, cont.	future-relationship rhetorical obstacles, cont.	future-relationship communication strategies (or tactics), cont.
(5) Potential solutions to feasibility problem (intelligence)? (a) Convert existing structure instead of building new? (b) Make use of less technical, less costly, machinery (similar to automation used in U.S. in 1950's)? (6) Advantages to potential solutions to feasibility problems (intelligence) include: (a) Less capital commitment? (b) Standard quality bread products which can be made with flour somewhat under minimum quality specifications required for the proper functioning	none	For example: "If China is willing to consider the purchase of some HQS wheat now or within 3 years, we will work with your experts in an effort to implement an automated bakery designed to meet China's needs. For example, in order to minimize immediate costs to China we might explore options related to converting an existing facility to a semi-automated bakery plant. - Chinese negotiators may say they want a high-tech bakery facility in exchange for a future HQS wheat purchase. That is one choice for consideration. However, in accordance with the win/win orientation, we may choose to run the risk of presenting comparative evidence to the Chinese negotiators that may point out reasons

RHETORICAL SCHEMATIC FOR FUTURE-RELATIONSHIP ISSUE (cont.)

STAGE ONE: Credibility Trends	STAGE TWO: Rhetorical Obstacles	STAGE THREE: Communication Strategies
future-relationship credibility trends, cont.	future-relationship rhetorical obstacles, cont.	future-relationship communication strategies (or tactics), cont.
high-tech machinery? (c) Employment opportunities? (d) Additional time for China to become more familiar with automated bakery technology suited to their needs? For example: (1) Research? (2) Experimentation? (3) Technical training? (4) Visits to U.S. bakery facilities?	none	for them to consider a lower-tech bakery facility instead of a high-tech bakery facility thereby adapting to China's plausible long-range interests.[25] Evidence that may serve to compare features of a high-tech bakery facility and a lower-tech bakery facility might include either one or both of the following: (1) Comparative advantage reasoning--which would serve to compare "high-tech new bakery" factors with "lower-tech converted bakery factors"; (2) Criterial reasoning methods in which "lower-tech" factors and "high-tech"

[25]If we are to be trusted by the Chinese, we must consistantly seek negotiation options that represent our high regard for their shrot-range and long-range goals in conjunction with a high regard for company long-range and short-range goals.

RHETORICAL SCHEMATIC FOR FUTURE-RELATIONSHIP ISSUE (cont.)

STAGE ONE: Credibility Trends	STAGE TWO: Rhetorical Obstacles	STAGE THREE: Communication Strategies
future-relationship credibility trends, cont.	future-relationship rhetorical obstacles, cont.	future-relationship communication strategies (or tactics), cont.
none	none	factors are each matched against the feasibility criteria set forth by the Chinese negotiators during preceding discussions. - Reinforce/clarify above substantiation by way of visual charts, and written handouts (which may also serve to avert message distortion if Chinese negotiators meet with Chinese decision-makers not present at these negotiations).

Summary

The foregoing examples serve to illustrate the procedure for generating negotiation strategies by way of the Rhetorical Schematic. A repertoire of strategies was generated in Stage Three as a result of (1) an assessment, in Stage One, of credibility trends related to each negotiation topic, and (2) a corresponding diagnosis, in Stage Two, of rhetorical obstacles related to the negotiation topic.

Various methods are employed during the strategy-generating process, including: (1) plausible reasoning methods; (2) methods by which negotiators can gain and maintain perspective; (3) joint, creative problem-solving methods; (4) argumentation methods; and (5) methods for adapting strategies to the particular negotiation situation.

Plausible Reasoning Methods

Each negotiation topic introduced in Stage One of the Rhetorical Schematic represented a set of credibility trends derived from intelligence gathered by plausible reasoning methods. Because credibility trends are provisional in nature, to be challenged, reaffirmed or strengthened throughout the negotiation process, they were presented as interrogatories. In the case of wheat-quality-related trends which compare HQS wheat with other sources of nutrition in China, the available data provide the framework for a comparative structure for which quantitative estimates are yet to be supplied. Further intelligence work may require input from certain experts, perhaps the team's wheat-quality expert or Chinese cultural expert.

Methods by Which to Gain and Maintain Perspective

Negotiators develop a holistic perspective on the negotiation situation by gathering relevant intelligence; by categorizing intelligence

into related sets of data and then seeking to "fill in the gaps" as needed throughout the negotiation process. When negotiators focus on one set of credibility trends (relating to a particular negotiation topic), those trends are the Gestalt figure, grounded in other relevant negotiation issues. For example, when quality-related trends were analyzed by way of the Rhetorical Schematic, they were grounded in quantity, price, shipping, and human relationship issues. Each set of credibility trends was similarly grounded in contextual factors including: Chinese cultural factors, China's willingness to buy U.S. wheat, China's need for wheat, and the global wheat situation.

Joint, Creative, Problem-Solving Methods

The repertoire of communication choices is predicated upon the orientation that both U.S. and Chinese negotiators can be "winners." Creative problem-solving methods set forth in Nierenberg's win/win negotiation theory call for the joint discovery of perhaps novel solutions to a mutual set of problems. An illustration of a win/win approach appears in the shipping-related strategies. A non-traditional "delayed shipment/delayed payment" offer designed to accommodate China's present "lack of sufficient foreign capital" problem may be a step toward a novel solution to a difficult problem in the context of this wheat deal.

Argumentation Methods

The foregoing wheat-strategy examples represent a systematic utilization of argumentation methods. For example, the quality-related strategies serve to illustrate the development of an enthymematic argument series. "Good" reasons, generated to support the unstated

claim "China may need to import a portion of HQS wheat in order to effectively meet their published nutrition and diet-variety goals," were designed to appeal to the Chinese point of view. The quality-related strategies called for evidence to be compiled and presented by U.S. and Chinese nutrition experts. Statistics, expert testimony, and examples were to be tailored to fit the Chinese experience. Timing of the introduction of quality-related evidence, in relation to other negotiation topics, was to be adapted to the inferred receptiveness of the Chinese negotiators. Quality-related evidence included:

(1) visual comparisons to supplement a verbal explanation of relevant wheat specifications;

(2) visual comparisons of numerous wheat end products desired by the Chinese--from fast food buns to French pastries; two samples each--one made with HQS wheat flour, the other with LQS wheat flour;

(3) comparison chart illustrating the nutritional components of HQS wheat, LQS wheat, and other sources of nutrition in China;

(4) cost comparisons of nutrition sources;

(5) a formula based upon trends of wheat supply and consumption in China which would allow the Chinese negotiators the option to "fill in the blanks" with the most up-to-date quantitative data (probably available only to the Chinese) and calculate their needs based upon statistical forecasting methods.

Once the series of evidence is presented to the Chinese by way of an enthymematic format, the Chinese negotiators can draw their

own conclusions about how much and what standard of wheat quality they need at this time in order to meet their nutrition and diet-variety goals. If U.S. negotiators had chosen to first state the claim "China may need to import a portion of HQS wheat in order to effectively meet their published nutrition and diet-variety goals," and then proceed to prove the claim by way of logical deduction, the proposal might have had less persuasive impact.

Adaptation Methods

The repertoire of communication strategies generated for the wheat negotiation between representatives of the U.S. and China reflects the use of adaptation methods. Strategies are designed to target the Chinese view point. The intelligence-gathering stages of preparation serve to provide negotiators not only with information about the subject, purpose, and context of the negotiation, but also information about the audience. The rhetorical analysis (Rhetorical Schematic) of that accumulated data makes it possible for negotiators to tailor strategies to fit this audience in this particular context at this particular time.

Adaptation efforts can have both short-range and long-range implications. In some cases, at first glance, those implications may seem to be contradictory. For example, in the case of the future-related strategies, U.S. negotiators learned through intelligence that "the Chinese want automated bakery technology." They also discovered some feasibility problems associated with China's instituting "state of the art" bakery technology; e.g., prohibitive costs, specialized skills required for the operation and maintenance of equipment, and

minimum wheat quality (protein content) required for optimal functioning of sophisticated machinery. Audience-related intelligence of this nature led the U.S. negotiators to formulate an offer designed to meet China's long-range "developing technology" needs rather than their short-range "state of the art technology acquisition" needs.

It may not be in China's best interest to institute immediately the most sophisticated bakery technology. However, if the U.S. company were to assist the Chinese in converting an existing structure into an experimental, semi-automated bakery establishment which utilized automated techniques similar to those used in the U.S. in the 1950's--a facility which might serve as a prototype for additional establishments throughout China--then the Chinese might benefit in the long-run. Advantages might include:

(1) Time to catch up and adapt technology to their cultural needs by researching production methods, conducting experiments, visiting high-tech bakeries in other countries, and training people.

(2) Significantly lower capital investment than high-tech equipment would demand.

(3) Lower maintenance costs than high-tech facilities.

(4) Employment opportunities for a greater number of people than a high-tech bakery would allow.

(5) A means to produce standardized wheat products to include: (a) fast food buns, (b) pastries, (c) loaves, (d) noodles, and (e) other items of interest to the Chinese.

(6) Production processes that can be adapted to accommodate a

wider quality-range of wheat flour (lower protein levels if necessary).

Any such offer (series of arguments) might be most adaptive if it were presented enthymematically to suggest a quid pro quo option in exchange for a specified (range) wheat purchase.

Because negotiation circumstances are likely to be in a constant state of fluxuation, this methodology provides a systematic means by which negotiators can evaluate strategies throughout the negotiation process and make readaptations as needed. (This procedure is illustrated in Chapter V.)

Choice-Sharing and Choice-Restricting Strategies: Win/Win Orientation

A retroflective look at the repertoire of strategies reflects both choice-sharing and choice-restricting communication strategies grounded in a win/win negotiation orientation. Choice-sharing strategies reflect efforts to (1) establish mutual goals (whereby each party can win something); (2) cooperate (as is evidenced by negotiators who sought to understand and meet Chinese needs while, at the same time, seeking to meet the U.S. company's needs); (3) share power; (4) offer a range of choices; and (5) generate novel ideas (such as the "semi-automated bakery" proposal which represented some risk associated with initiating change).

Choice-sharing strategies were predominant; however, negotiators needed also to restrict choices in order to stay within feasibility limitations. Criteria for agreement that emerge during the strategy-generating process can serve as boundaries beyond which negotiation options may need to be restricted. Emerging U.S. criteria included:

(1) economic feasibility, (2) global-market competition, (3) commodity availability, and (4) long-term-relationship potential with China. These criteria, in conjunction with the emerging Chinese criteria, serve to guide negotiators toward decisions.

Chapter IV has been a step-by-step explanation of the three-stage procedure for generating communication strategies: Stage One, formulating credibility trends related to each negotiation topic; Stage Two, diagnosing rhetorical obstacles related to each negotiation topic; and Stage Three, generating communication strategies as a result of the combined analysis of Stages One and Two.

Incorporated into the repertoire of strategies are numerous methods: plausible reasoning methods, methods to gain and maintain perspective; joint, creative, problem-solving methods; argumentation methods; and adaptation methods. Both choice-sharing and choice-restricting strategies were grounded in a win/win orientation.

Chapter V illustrates a two-fold procedure by which negotiators can evaluate the wheat negotiation strategies in order to determine whether or not they are "on course."

Chapter V

EVALUATION OF COMMUNICATION STRATEGIES AND THE METHODOLOGY

This chapter provides guidance for evaluating the strategic (including tactical) choices of the negotiation team. The evaluation process can be compared with Norbert Weiner's Human Cybernetics as characterized by Bois.

> Human cybernetics is the art of steering the whole person--mind, body, and activities, all immersed in a space-time environment--to obtain the most from one's personal resources. By the use of feedback controls, guidance systems are able to keep missiles set on their target even if it shifts its course to elude them. Similarly, we can speak of a personal guidance system which is <u>not</u> automatic because it is human, but which is highly responsive and resilient. (Bois, 1979, pp. 18-19)

Characteristics of a system by which negotiators can guide negotiations may be analogous to specific characteristics of a cybernetic system. For example, the personal guidance system for negotiators must be highly responsive and resilient. It must provide a means by which negotiators can use "feedback controls" to manage the direction of negotiations. However, such characteristics, unlike a missile guidance system, cannot be achieved by automation. This methodology provides a <u>human</u> cybernetic-like, do-it-yourself "guidance system" whereby negotiators can systematically evaluate sets of negotiation data and make appropriate readaptations as needed in an effort to guide the directions of negotiations.

The guidance system built into this methodology was designed to serve two functions: (1) a retroflective function--a look back at sets of negotiation strategies in an effort to determine whether or not they met rhetorical communication standards in the circumstances

for which they were designed; and (2) a prospective function--a look forward in an effort to determine what, if any, mid-course strategic corrections may be required in order to meet necessary wheat-agreement criteria in the context of unforeseen negotiation contingencies.

If negotiation strategies meet both: (1) rhetorical standards during a retroflective evaluation, and (2) wheat-agreement criteria during a prospective evaluation, then the methodology by which the strategies were generated can be said to be functioning as intended.

Retroflective Evaluation[26]

The retroflective evaluation utilizes a composite checklist comprised of the feed-forward communication standards introduced in Chapter I. They are: (1) argumentation standards; (2) rhetorical adaptation standards; (3) intelligence standards; and (4) win/win negotiation standards. Although components within each of the four sets of standards are presented in linear fashion, each set of components can be equipped with a feedback loop allowing the negotiator the option to recycle through each set of standards as needed.

Each preparation phase of the U.S. and China wheat negotiation situation was evaluated retroflectively by way of the composite checklist of standards. The following tabulation of standards (Table 7) points out that negotiation is not likely to be an activity in which 100% of the standards are achieved, or even applicable, all of the time. Instead, the achievement of standards is an on-going, incremental

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[26]Please refer to Appendix D for a comprehensive explanation of each of the retroflective standards.

Table 7

Composite Checklist of Retroflective Standards: Tabulation of Standards

Retroflective Standards	Total Number of Specific Standard Applications(n)	Standard Was Met	Standard Was Partially Met	Standard Was Not Met	Uncertain Assessment
Argumentation Standards					
Claim?	20	4	16	0	0
Qualification or Reservation?	20	5	10	4	1
Evidence:					
Appropriate?	20	5	10	5	0
Sufficient?	20	1	13	4	2
Structure:					
Formal?	13	13			
Enthymematic?	6	6			
Rhetorical Adaptation Standards					
Invention:					
Chinese demography?	18	12	6	0	0
Chinese disposition:					
Subject and purpose?	19	15	4	0	0
Speaker?	19	14	5	0	0
Situation in context?	19	15	4	0	0
Arrangement:					
Category selection?	16	16	0	0	0
Sequence: TIMING?	7	6	1	0	0
Argument series; Argument?	5	4	1	0	0
Evidence structure?	6	4	2	0	0
Memory?	7	0	0	0	7
Style?	7	0	0	0	7
Delivery?	7	0	0	0	7
Intelligence Standards					
(1) Secure open-source data?	12	9	3	0	0
(2) Map relationships?	12	12	0	0	0
(3) Determine gaps?	12	10	2	0	0
(4) Fill in gaps:					
(a) Direct sources?	9	0	7	0	2
(b) Statistical predictions?	2	0	2	0	0
(c) Plausible inferences?	19	12	7	0	0
Win/Win Standards					
Should U.S. and/or China be dissatisfied?					
(W/W) No, neither party.	7	7	0	0	0
(L/L) Yes, both parties.					
(W/L) Yes, either U.S. or China.					

process. This kind of on-going, retroflective evaluation allows the negotiators a chance to "repair" their perspective while progressing from one phase of negotiation to the next.

Use of the retroflective evaluation checklist of standards is illustrated in the following section by way of the wheat-quality-related communication strategies selected from Chapter IV. The communication strategies--originally generated by way of the Rhetorical Schematic--appear in the left-hand column. The evaluation checklist with appropriate coded notations appears in the center column. Corresponding explanatory comments are found in the right-hand column. A classification code was invented in order to identify the assessed status of each of the evaluated negotiation strategies. The coding system is as follows:

✓- the standard <u>was</u> met;

✓- the standard was <u>partially</u> met;

x - the standard was <u>not</u> met;

? - some doubt at the time of assessment;

A blank space indicates that the particular standard was inapplicable.

Illustration of the Retroflective Evaluation

Wheat-Quality-Related Communication Strategies	Standards		Explanatory Comments
- Ask open questions aimed toward: (1) confirming or disconfirming quality-related intelligence information; (2) determining degree of familiarity or interest in HQS wheat; (3) determining priority of HQS wheat in relation to other budgetary considerations; (4) establishing an attitude of interest in: (a) China's needs,	Argumentation Standards		The claim is implied, but not stated. "According to available information, including input from the Chinese negotiators during these meetings, China may need to buy some portion of HQS wheat in order to meet published nutrition and diet-variety goals planned for the upcoming year." Qualification or reservation for this claim is implied by: (1) avoiding explicit statement of claim, and (2) fitting the implied claim into "circumstances
	Claim?	✓	
	Qualification or Reservation?	✓	
	Evidence:		
	Appropriate?	✓	
	Sufficient?	✓	
	Structure:		
	Formal?		
	Enthymematic?	✓	

Wheat-Quality-Related Communication Strategies	Standards	Explanatory Comments
(b) potentially mutual benefits for U.S. and China.		as we understand them to be at this time."
- In the case of a positive interested response to the above, inquire if the Chinese negotiators would like an informative briefing about HQS wheat.		While it appears that the collected evidence which serves to support this claim may be sufficient and appropriate from both the U.S. and Chinese point of view, much of it remains unstated.
- If so, have a nutrition expert give a presentation with explanatory visual aids which might include:		An important strategy may be to avoid explicit statement of acquired information, thereby avoiding unnecessary suspicion that "the U.S. negotiators know too much."
(1) comparison charts of relevant wheat specifications;		

Retroflective Evaluation

Wheat-Quality-Related Communication Strategies	Standards	Explanatory Comments
(2) pairs of sample wheat products made from both HQS wheat flour and LQS wheat flour;		Some evidence may be informally generated during discussions which may result from the "open question" strategies. For example, by way of conversation U.S. negotiators may learn more about China's plans to produce some "western" wheat products.
(3) nutrition content comparisons of wheat products with other sources of present nutrition in China.		
- Suggest a formula, derived from trends of observed data confirmed during negotiation discussions, designed to determine China's wheat need quality/quantity ratio.		Additional evidence to support the unstated subclaim--"specific wheat products that China desires may require a somewhat higher grade of wheat than China typically imports or

Retroflective Evaluation

Wheat-Quality-Related Communication Strategies	Standards	Explanatory Comments
- If the supplied data are relevant to their perceived needs, then the Chinese negotiators have the option of drawing their own conclusions relative to HQS wheat.		produces"--may be generated by way of informal visual comparisons of wheat products presented by a wheat nutrition expert. The formula representing China's need-ratio of quality in relation to quantity is an example of a way to structure evidence for the quality-related claim. While the formula structure is an explicit suggestion, it will function as evidence only if the Chinese negotiators are motivated to fill in appropriate current data officially available only to them.

Retroflective Evaluation

Wheat-Quality-Related Communication Strategies	Standards	Explanatory Comments
		This overall argument series has an enthymematic structure because the claim and much of the evidence remain unstated. The effectiveness of the argument depends upon joint participation of both U.S. and Chinese negotiators.
	Rhetorical Adaptation Standards	It seems apparent that as information was gathered relating to a potential HQS wheat sale to China, U.S. negotiators analyzed Chinese demography, and potential disposition toward HQS wheat in relation to their goals.
	Invention: Chinese demography? ✓	
	Chinese disposition: Subject and purpose? ✓	
	Speaker? ✓	
	Situation in context? ✓	
	Arrangement: Category selection?	
	Sequence: TIMING? ✓	
	Argument series; Argument? ✓	
	Evidence structure? ✓	
	Memory? ?	
	Style? ?	
	Delivery? ?	
		The timing of strategy presentation seems adaptive.

Retroflective Evaluation

Wheat-Quality-Related Communication Strategies	Standards	Explanatory Comments
		For example, the quality/ quantity need-ratio formula isn't introduced unless or until preliminary discussions occur regarding wheat quality use in China. The overall enthymematic arrangement of the argument series seems to be adapted to the potentially cautious Chinese negotiator. Similarly, evidence within the arguments seem to be arranged adaptively. For example, the strategy which calls for a "nutritional-content

Retroflective Evaluation

Wheat-Quality-Related Communication Strategies	Standards	Explanatory Comments
		comparison of wheat products with other sources of present nutrition in China," makes use of a comparison evidence structure utilizing criterial reasoning methods. The established criteria is, in this case, the nutritional level of present food sources in China.
		Categorization (memory) of relevant information makes it likely for negotiators to have access to what they need to know, when they need to know it.

Retroflective Evaluation

Wheat-Quality-related Communication Strategies	Standards	Explanatory Comments
		With the input of qualified cultural and language experts selected for the U.S. negotiation team, it is assumed that the selected communication strategies will be delivered by way of appropriate verbal and nonverbal symbol choices (style). This retroflective look at quality-related strategies indicates that the rhetorical adaptation standards have been met.

Retroflective Evaluation

Wheat-Quality-Related Communication Strategies	Standards		Explanatory Comments
	Intelligence Standards		The process of gathering intelligence information in the context of a negotiation situation is on-going; therefore, any new information will be integrated into the relationship of known information.
	(1) Secure open-source data?	✓	
	(2) Map relationships?	✓	
	(3) Determine gaps?	✓	
	(4) Fill in gaps:		
	(a) Direct sources?	✓	
	(b) Statistical predictions?	✓	
	(c) Plausible inferences?	✓	

The quality-related strategies provide opportunities for negotiators to "fill in the blanks." Examples:

(a) Open questions, if answered, may provide additional information directly from Chinese negotiators.

Retroflective Evaluation

Wheat-Quality-Related Communication Strategies	Standards	Explanatory Comments
		(b) The suggested formula allows for a statistical prediction of the needed ratio of wheat quantity and quality in China. (c) Strategies are adapted to the plausible inferences made about China's need for HQS wheat. Negotiators seek to test the accuracy of specific intelligence information by way of questions and discussions with Chinese negotiators. For example, through discussions, negotiators may be able to check the priority

Retroflective Evaluation

Wheat-Quality-Related Communication Strategies	Standards	Explanatory Comments
		placement of "improved nutrition and diet-variety in China" from the Chinese negotiators' point of view.
	Win/Win Standards Should U.S. and/or China be dissatisfied? (W/W) No, neither party. ✓ (L/L) Yes, both parties. (W/L) Yes, either U.S. or China.	These strategies provide opportunities for both parties to be satisfied. China can "win" by (1) choosing the ratio of wheat quality and quantity that they need at this time, and (2) by learning more about wheat quality distinctions. The U.S. company can "win" by way of a potential sale of some portion of HQS wheat, if not this year, perhaps sometime in the future.

Prospective Evaluation

In addition to an evaluative look back at the numerous phases of negotiation preparation, it may be equally important for negotiators to look ahead in order to determine whether or not there may be a need for mid-course corrections. This forward-looking evaluation process requires the use of imagination and plausible reasoning methods. Negotiators need to invent plausible scenarios which may include external and internal interferences, or both. For example, what if the Chinese negotiators respond to the "open question" strategies with blank looks and silence? Or what if an international incident occurs midway through negotiation meetings in which a Chinese gymnast defects from China and is subsequently granted political asylum by the U.S.?

In an effort to answer "what if" questions such as these, negotiators may seek to discover potential strategy-related problems by viewing the invented plausible scenarios from the Chinese viewpoint. To do so would be to practice what Delia and Clark call "social perspective-taking": in order for one individual to take the perspective of another, s/he must "reconstruct a pattern of representation of certain attributes of the (other's) environment, and then adapt to that environment as s/he has constructed it" (1977, p. 69). According to Delia and Clark, the ability of social perspective-taking is achieved, in part, through the development of an individual's social construct system (cognitive complexity) which seems to become more differentiated with age. They sought to determine the relationship between social perspective-taking and adaptive communication by conducting a study involving fifty-eight children, ranging from second through ninth grades. As a part of

this study, each child was instructed to describe a situation in which another individual found him/herself. The child was then asked a series of questions designed to elicit his/her construal of the other's perspective "in order to determine the extent to which the child understood the motivations the other might reasonably provide for his action. . . . Answers reflected a high degree of perspective-taking. Indicators of perspective-taking included a child's ability to "suspend his own evaluation of the act and provide what would be a reasonable explanation for the behavior within the other's perspective." The study revealed that not only does "social perspective-taking seem to improve with age," but there is a high correlation (p. 64) between social perspective-taking and effectiveness in adapting persuasive communication (Delia & Clark, 1977, pp. 129-131).

It does not seem presumptuous to say that U.S. negotiators could do in the context of these wheat negotiations what those children did. By "doing" social perspective-taking, U.S. negotiators can scrutinize sets of communication strategies as if they were functioning within a reconstructed set of Chinese circumstances. Thus, they can determine whether or not tactical mid-course corrections may be appropriate.[27]

Each set of negotiation strategies was systematically reviewed in the context of a scenario imagined by "perspective-taking." In most cases, the originally designed communication choices remained

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[27]An application of this perspective-taking evaluation method reiterates the need for a Chinese cultural expert on the U.S. negotiation team. In addition to "perspective-taking" among designated team members, U.S. negotiators may choose to plan a "dry run" negotiation in which a Chinese expert, who is not a member of the team, is invited to listen to negotiation strategies with a "fresh" ear in an effort to imagine potential obstacles within a reconstructed Chinese perspective.

generally appropriate, requiring only minor tactical readaptations. For example, Chinese negotiators might perceive the general negotiation orientation-behavior of U.S. negotiators in the present context as being inconsistent with orientation behavior typically observed during negotiations with western wheat trading companies. What if, as a result of these perceptions, the Chinese negotiators are cautious, suspicious, and generally reluctant to respond to open questions? An answer to that question may reflect some changes in communication; however, those changes should not be strategic, but tactical. Such tactical "fine-tuning" might include the following:

(1) Seek intelligence on Chinese apparent reluctance;

(2) (meanwhile) Observe both verbal and nonverbal cues. Validate verbal symbols against nonverbal symbols in order to avoid doing anything that might exacerbate the situation;

(3) Consider pacing of negotiation progress; adapt to the Chinese rate of progress.

In addition to routine situations which may require tactical fine-tuning, there might be circumstances which would require mid-course corrections. It seems plausible to imagine that an intelligence report relating to this wheat situation could develop in the form of the following scenario grounded in data documented in Chapter II. Consider this set of circumstances:

Wheat negotiations between representatives of the U.S. and China began three weeks ago in Beijing, China. U.S. negotiators have been implementing selected preplanned strategies as appropriate in context. The Chinese negotiators seem to be

responding well to the general direction of communication strategies.

Presently negotiators are on a one-week break in negotiation sessions during which time Chinese negotiators have been meeting with Chinese government officials discussing details for a potential wheat agreement with the U.S.. U.S. negotiators are waiting patiently for meetings to resume. They are optimistic that the Chinese negotiators may receive needed authorization to purchase a portion of HQS wheat as a part of the total wheat purchase in exchange for future bakery considerations in China.

Concurrent with these wheat negotiation meetings, U.S. and Chinese officials have been meeting in Geneva in an effort to resolve the textile dispute. Things have not been going so well. Chinese officials are displeased with the U.S. policies which call for "unfair" restrictions on textile imports from China. U.S. officials are unwilling to make any more adjustments in the textile policy proposals.

As a result of the textile negotiation stalemate, according to intelligence reports, Chinese officials have:

(1) walked out of the textile meetings; and

(2) planned to take retaliatory action against the U.S. by withholding grain purchases.

Furthermore, representatives from China may have been conferring with wheat traders from other MWEC. Intelligence estimates indicate that adequate wheat is available at advantageous prices from Argentina.

The next step in the prospective evaluation process is to determine what--if any--mid-course communication strategy corrections may be advisable. The following section illustrates the three suggested steps for determining appropriate mid-course corrections. They are:

(1) taking the Chinese perspective (left-hand column);

(2) interpreting the situation (center column);

(3) identifying emerging wheat agreement criteria from which to determine mid-course corrections as needed (right-hand column).

The following mid-course corrections suggested for this scenario are based upon the assumption that the Chinese negotiators may take one of two positions at the time negotiation meetings resume. The Chinese may choose: (1) a CLOSED position whereby they avoid exhibiting any knowledge of the textile-related developments, or (2) an OPEN position whereby they openly address the textile issue as it relates to these negotiations.

Illustration of Prospective Evaluation

Plausible Chinese Perspective[28]	Plausible U.S. Interpretations	Mid-Course Corrections
"It is an unfair practice for the U.S. to restrict Chinese textile imports. We do not need to buy U.S. wheat when wheat is available at good prices from other sources. Perhaps the U.S. will acknowledge the need for our two countries to work together at balancing trade exports if we demonstrate our position by limiting our grain purchases from the U.S. to include <u>only</u> wheat that is not available at an advantageous	Our intelligence information indicates the following: • Chinese officials have walked out of U.S./China textile negotiations. • Chinese are planning possible retaliation by withholding wheat purchases from the U.S. • It is likely that the Chinese wheat negotiators are being advised by Chinese government officials in relation to the foregoing information. • Representatives of China are	The following mid-course corrections represent contingency plans designed to fit within <u>criteria</u> established by this U.S. trading company. Criteria include: (1) Economic feasibility for our company? (2) Long-term relationship potential with China? (3) Within "friendly competition" limits of global wheat market? (4) Compatible with U.S./China government relations? Before mid-course corrections

[28]Information in this column, derived from intelligence, is presented <u>as if</u> U.S. negotiators had taken the Chinese perspective but were explaining it in their own style. This method of presentation may be analagous to what Wendell Johnson referred to as "ventriloquizing;" speaking as if with the voice of another.

Prospective Evaluation

Plausible Chinese Perspective	Plausible U.S. Interpretations	Mid-Course Corrections
price from another source. "At the present time, we know that China can acquire adequate wheat from Argentina at a highly competitive price. The HQS wheat discussions during previous negotiation meetings were informative. China is presently researching wheat quality characteristics. We will pursue our efforts to provide affordable nutrition for our people along with expanded variety of wheat products." "However, because of the	presently negotiating with wheat traders from Argentina. It is likely that the Chinese will be able to procure adequate wheat for an advantageous price from Argentina. According to our intelligence, it is plausible to assume that the Chinese know that <u>we</u> know what <u>they</u> know regarding both the textile-related developments and the current global wheat purchasing options.	are considered, U.S. negotiators must confirm intelligence. However, because it is imperative for U.S. negotiators to: (1) protect intelligence sources, and (2) maintain credibility from the Chinese point of view, they may be advised to <u>withhold textile-related intelligence</u> whether the Chinese position is CLOSED (Contingency I) or OPEN (Contingency II). Figure 6 illustrates mid-course corrections designed for circumstances in which the Chinese negotiators choose <u>NOT</u>

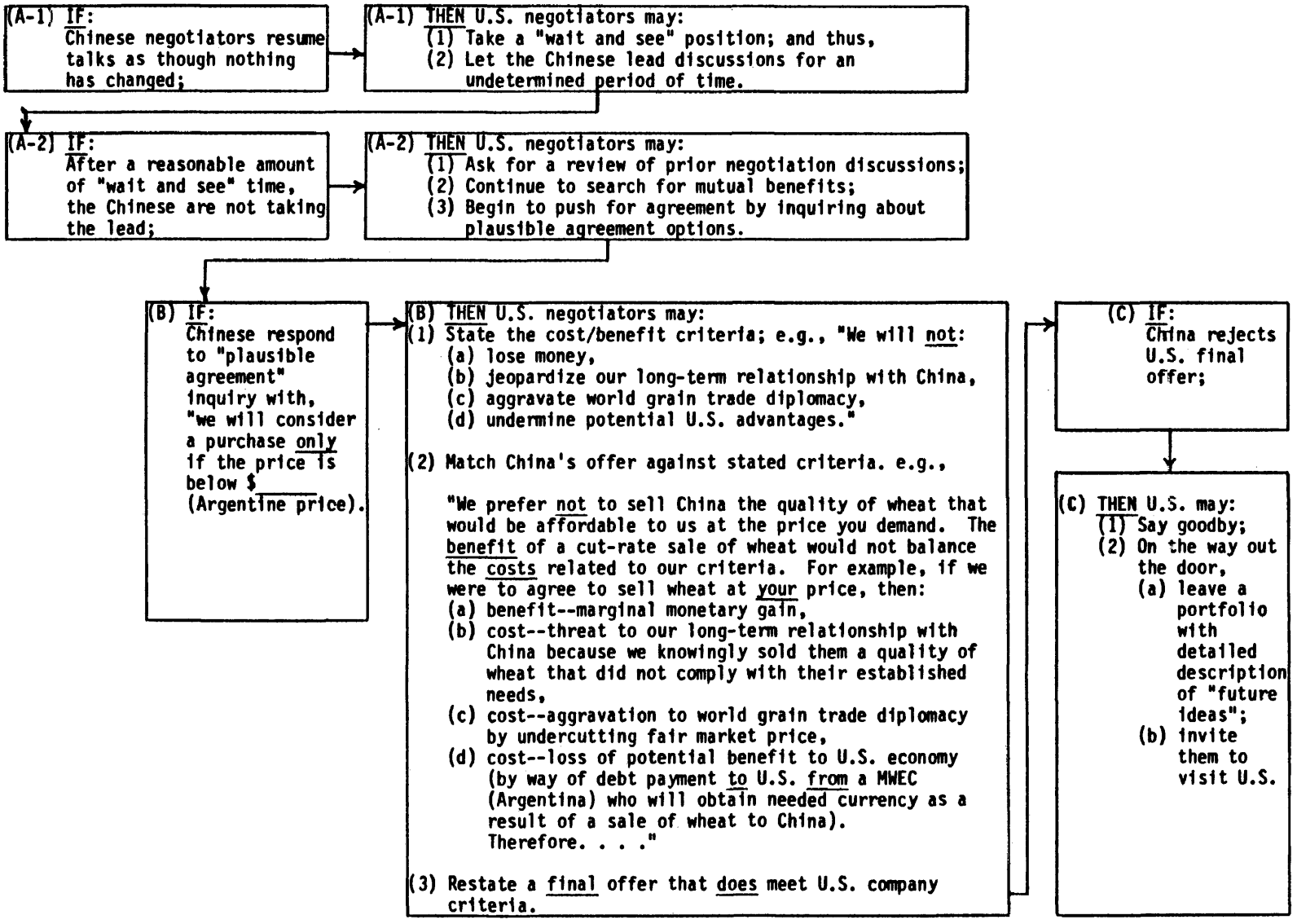

Figure 6. Flow Diagram of Contingency I: Chinese Negotiators CLOSED Position;Plausible U.S. Mid-Course Corrections.

Prospective Evaluation

Plausible Chinese Perspective	Plausible U.S. Interpretations	Mid-Course Corrections
unfair U.S. textile policies, we choose not to consider any of the negotiation options discussed during previous sessions. Perhaps, if and when the textile issue is resolved we can take advantage of the technology, experience, and assistance this U.S. wheat company is capable of providing."		to reveal textile-related information (Contingency I Chinese CLOSED position).
	Intelligence indicates that rhetorical obstacles are likely to include the unseen-yet-ever-present Chinese government officials. From the Chinese government point of view, these	If the Chinese negotiators choose to REVEAL their knowledge of the "textile" situation, the structure of that contingency

Plausible Chinese Perspective	Prospective Evaluation Plausible U.S. Interpretations	Mid-Course Corrections
	wheat negotiations may be a part of larger strategic effort designed to "teach the U.S. a lesson" or "save face in the eyes of the world." Therefore, it is plausible to assume that the Chinese may be viewing these negotiations as a win/lose proposition--if we lose, they win. While all rhetorical obstacles are magnified in this situation, those related to U.S. credibility are significant. We are likely seen as part of the U.S.,	(Contingency II, Chinese "OPEN" position) may be similar to the previously illustrated structure of Contingency I (Chinese CLOSED position). U.S. wheat agreement <u>criteria</u> may also be similar in each case. HOWEVER, the strategic mid-course corrections appropriate for each of the contingencies (while they may end up the same) are <u>different</u>. Table 8 illustrates the <u>similarities</u> and <u>differences</u> between Contingency I (Chinese CLOSED) and Contingency II

Table 8

Comparison of Chinese Positions and Plausible U.S. Mid-Course Corrections in "Textile" Scenario

Contingency I: Chinese CLOSED Position	Contingency II: Chinese OPEN Position
(A-1) IF Chinese: Resume talks as though no change;	(A-1) IF Chinese: State that textile issue blocks agreement potential;
(A-1) THEN U.S.: (1) Wait and see; (2) Let Chinese take lead.	(A-1) THEN U.S.: (1) Express regret; (2) Note mutual loss, (a) China: HQS wheat, related technology, (b) U.S.: wheat sale and on-going CH. relations, (3) Inquire about plausible agreement options.
(A-2) IF Chinese: Do not take lead;	(GO ON TO "B")
(A-2) THEN U.S.: (1) Review discussions; (2) Continue search for options; (3) Begin push for agreement.	
(B) IF Chinese: Will buy U.S. wheat only if purchase price is below Argentine price;	
(B) THEN U.S.: (1) State cost/benefit wheat agreement criteria. "We will not: (a) lose money, (b) jeopardize long-term relationship with China, (c) aggravate world grain trade diplomacy, (d) undermine potential U.S. advantages." (2) Match China's offer against stated criteria. "We prefer not to sell China the quality of wheat that would be affordable to us at the price you demand. The benefit of a cut-rate sale of wheat would not balance the costs related to our criteria. For example, if we were to agree to sell wheat at your price, then: (a) benefit--marginal monetary gain, (b) cost--threat to our long-term relationship with China because we knowingly sold inferior quality of wheat that did not comply with their needs, (c) cost--aggravation to world grain trade diplomacy by undercutting price, (d) cost--loss of potential benefit to U.S. economy (by way of debt payment to U.S. from Argentina who will obtain needed currency as a result of wheat sale to China)." (3) Reject China's offer. (4) Restate a final offer that does meet U.S. criteria.	
(C) IF Chinese: Reject final U.S. offer;	
(C) THEN U.S.: (1) Say goodby; (2) On the way out, (a) leave portfolio, (b) invite to U.S.	

Plausible Chinese Perspective	Prospective Evaluation Plausible U.S. Interpretations	Mid-Course Corrections
	and therefore, a part of the U.S. textile-restricting-policy-making system. Mid-course corrections must reflect the maximum credibility attainable in this situation.	(Chinese OPEN).

Summary

The foregoing evaluation procedure provides a means for negotiators to identify potential communication-strategy problems in the context of any wheat negotiation situation and formulate appropriate readaptations as needed.

Evaluation of the Methodology

An evaluation can serve to indicate the functioning capabilities of the communication methodology. If the communication strategies generated for the wheat negotiation situation meet the prescribed standards for competence and appropriateness, then one may ascertain that the methodology by which the strategies were generated is functioning as intended.

In an effort to detect serious omissions or errors among communication strategies, I systematically searched for incongruencies between the strategies and the rhetorical communication feed-forward standards introduced in Chapter I. While I found occasional need for minor readjustments (for example, the claim "HQS wheat may provide a level of nutrition comparable to that of more costly sources of nutrition utilized presently in China" might be better substantiated by way of visual charts that reflect research comparisons made by a Chinese nutritional expert) I was unable to find any incongruencies between communication strategies and those prescribed standards.

After evaluating the strategies retroflectively according to the designated rhetorical standards, it became apparent that the strategies should also be evaluated prospectively in order to determine what,

if any, mid-course corrections might be needed in the event of "interference" from unforseen negotiation contingencies such as the textile-related conflict.

Thus, the rhetorically-sound strategies were challenged; consequently, the implicit wheat-agreement criteria were made explicit so that the negotiators could responsibly evaluate the appropriateness of their strategies for adapting to various contingencies. Then they could make mid-course corrections as needed.

As a result of illustrating a prospective evaluation, I discovered that the methodology can accommodate mid-course corrections in order to make adaptations to unforeseen circumstances.

Inasmuch as neither the retroflective nor the prospective evaluation procedures disclosed any need to reconstitute the methodology, no need to "debug" it was found.

Chapter VI

CONCLUSIONS AND RECOMMENDATIONS FOR PROSPECTIVE RESEARCH

Statements in Chapter I reflect my desire to discover ways that people of different cultures or subcultures might manage conflict through negotiation. My personal association with a mid-western U.S. agricultural environment, and my particular interest in the Chinese culture, led me to create a communication methodology designed for a wheat negotiation between representatives of the U.S. and China.

This methodology was designed for direct use by company-selected negotiation personnel so that they can generate any combination of negotiation strategies to meet the needs of their particular situation.

In order to create the methodology, I constructed a realistic wheat negotiation situation between representatives of the U.S. and China. In Chapter II, I arranged available, relevant data into interrelated sets of data. From the organized sets of data, I sought to determine the structure of the unknown relevant data, illustrated in Chapter III. The process of determining the structure of the unknown is analogous to the search for a particular jig-saw puzzle piece. One can effectively search for the dimensions and details of a missing puzzle piece after recognizing the structure of what is missing in relation to the structure of the part of the puzzle that has been assembled. Once the structure of the unknown information pertaining to the wheat negotiation situation was determined, I was able to suggest capabilities or expertise needed for selecting or for recruiting and

training members of the negotiation team.

The procedure introduced in Chapter IV serves to guide the negotiation team as its members coordinate their efforts to generate appropriate and adaptive communication strategies. The "generator," called the Rhetorical Schematic, entails a three-step procedure: (1) formulate credibility trends related to each set of negotiation data; (2) diagnose potential rhetorical obstacles related to each set of credibility trends; and (3) generate communication strategies as a result of the combined analysis of steps 1 and 2. The Rhetorical Schematic was exemplified by generating adaptive strategies.

Finally, a two-fold evaluation procedure was introduced whereby negotiators review the strategies--both retroflectively and prospectively--in order to determine whether they meet: (1) the rhetorical communication standards set forth in the methodology, and (2) explicit agreement criteria (which should have emerged during the strategy-generating phase of preparing to negotiate). Both retroflective and prospective evaluation procedures were exemplified.

The orientation of this methodology is based upon the premise that in a successful negotiation both parties can win (Nierenberg, 1973). The choice-sharing model of human communication (Darnell & Brockriede, 1976) serves to identify characteristics of choice-sharing behaviors that seem to facilitate a win/win negotiation. A win/win orientation suggests that negotiators cooperatively seek mutually advantageous options by seeking to identify complementary goals, share power, risk change, and share choices insofar as feasible within the constraints of the designated wheat-agreement criteria.

When I attempted to represent an actual wheat negotiation situation by creating a realistic negotiation situation from the pertinent literature (documented in Chapter II), I was aiming toward "representational validity": the extent to which the function of the methodology in the realistic wheat negotiation matches the function of the methodology in an actual negotiation situation (Poole & Folger, 1981, p. 27).[29]

Prospective research relating to this study should serve to test the methodology's usefulness in an actual negotiation situation.[30] Selected negotiation personnel representing a U.S. wheat trading company need to be trained to understand and effectively use the methodological guidelines for planning negotiation strategies. Prepatory activities to be observed and evaluated should include: (1) formulating credibility trends relating to each set of negotiation data; (2) diagnosing potential rhetorical obstacles related to those data; (3) generating related communication strategies; and (4) evaluating the strategies retroflectively and prospectively. A follow-up assessment of: (1) negotiators' response to using the methodology for designing negotiation strategies; and (2) the nature of the on-going relationship between negotiation counterparts; may provide an additional source of substantiation for a researcher's claim regarding the potential usefulness of the methodology.

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[29]The matching procedure in this methodology is analagous to the matching procedure in Poole & Forger's article: "A Method for Establishing the Representational Validity of Interaction Coding Systems: Do We See What They See?"

[30]Authors Brinberg and McGrath (1985) offer expertise in evaluation research; therefore, they could and perhaps should be employed as consultants for any further studies.

Although this methodology was designed for negotiators of a U.S. trading company who are seeking a wheat agreement with representatives of the Chinese government, there is no reason to assume that it would not be useful for other negotiation situations. In any case, this communication methodology might serve as one example of a systematic means by which people--even those from "opposite ends of the earth"--can cooperatively seek creative solutions to mutual problems.

Epilogue

The methodology for generating communication strategies in the context of a wheat negotiation with the Chinese might be compared to a grist mill. Whether serving to mill oats, wheat, or corn, the grist mill is designed to function according to an invarient set of processes. Similarly, the methodology has been designed to accommodate value changes within the broader limits of variables.

The values of the variables can change--and, in fact, have changed since I collected data for the realistic U.S./Chinese wheat negotiation situation--but the relationship among the variables remains invarient. For example, the "quantity of wheat consumed" (variable) by the Chinese in 1986 may be 125 mmt (value), compared to 90 mmt today. The "quantity of wheat produced" (variable) by the Chinese in 1986 may be 100 mmt (value), compared to 78 mmt today. However, China's "willingness to buy" remains a function (invarient relationship) of these two variables relative to their "need for wheat."

Furthermore, it is plausible to hypothesize that a negotiator might substitute "computer software" for "wheat" within the WHAT (service or commodity) variable; or substitute "Saudi Arabia" for "China" within the WHO variable.

Although changing facts are extremely important for the participants of a particular negotiation situation, the most up-to-date facts are not relevant to the functioning relationships of variables that constitute the methodology. Situation-specific differences represent changes in degree, not necessarily changes in kind (Korzybski, 1941).

APPENDIX A

PLAUSIBLE REASONING METHODS--INTELLIGENCE GATHERING

PLAUSIBLE REASONING METHODS--INTELLIGENCE GATHERING

Much of the relevant information gathered in the context of a negotiation situation will--presumably--lie outside the realm of probabilities and demonstrative logic. In addition to statistically predictable conjectures, negotiators presumably will need to make their guesses intelligent by means of plausible reasoning methods.

Polya makes the following distinction between plausible reasoning and demonstrative reasoning as it related to mathematics:

> Finished mathematics appears in purely demonstrative form, consisting of proofs only. Yet mathematics in the making resembles any other human knowledge in the making. You have to guess a mathematical theorem before you can prove it; you have to guess the idea of a proof before you carry through the details. You have to combine observations and follow analogies; you have to try and try again. The result of the mathematician's creative work is demonstrative reasoning, a proof; but the proof is discovered by plausible reasoning, by guessing. (1954, p. viii)

According to Polya, "all knowledge outside of mathematics and demonstrative logic consists of conjectures . . .; we support our conjectures by plausible reasoning" (1954, p. v). He adds, "demonstrative reasoning is safe, beyond controversy and final. Plausible reasoning is hazardous, controversial and provisional." However, demonstrative reasoning is "incapable of yielding essentially new knowledge about the world around us. Anything new that we learn about the world involves plausible reasoning" (1954, p. v). "The efficient use of plausible reasoning plays an essential role in problem-solving" (1954, p. 10).

Polya offers no fool proof methods for using plausible reasoning. He noted that "the efficient use of plausible reasoning is a practical skill and is learned, as any other practical skill, by imitation and

practice" (1964, p. vi). According to Polya, plausible reasoning methods include (1) reasoning by induction; and (2) reasoning by analogy. When reasoning by induction, one might make a provisional claim--or forecast--based upon a collection of observable facts. "A conjecture by induction is suggested by observation, indicated by particular instances" (1954, p. 5). Observation of related events may--or may not--lend more, or less, credence to a given conjecture. A "credibility trend" refers to the direction of support for a given conjecture based upon accumulated observations relative to that conjecture.

When reasoning by analogy, a problem-solver may ask, "Have I seen a similar problem before?" "Two systems are analogous if they agree in clearly definable relations of their respective parts" (1954, p. 13). By systematically noting similarities and differences between the problem at hand and another, more familiar, comparable problem, one may find clues that will lead to a clearer understanding of the present problem.

Plausible inferences are provisional and tentative--more or less credible--and are not to be confused with probabilities. Probabilities, while unpredictable in certain details, are predictable in certain numerical proportions of the whole which can be computed according to the Calculus of Probability. Polya compared "credibility" with "probability" by noting "assumptions of interchangeability and symmetry" in the process of "determining" each (1954, p. 132). A statement of credibility related to a given conjecture can represent either a probability (statistical hypothesis) or a plausible inference, but

only the probability has a definitive numerical value.[31] However, the relationship of the components associated with both probabilities and plausible inferences can be represented by similar mathematical equations which serve to indicate the direction of support--more or less credible--for a given conjecture.

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[31]Polya suggests that it is "safer", when lacking a statistical hypothesis, to "represent to yourself qualitatively how a change in this or that component of the situation would influence your confidence, but do not commit yourself to any quantitative estimate" (1954, p. 132).

APPENDIX B

ARGUMENTATION THEORY

ARGUMENTATION THEORY

An argument is the invention and arrangement of material aimed toward persuasion. "Arguments are the building blocks of rhetorical action" (Campbell, 1982, p. 193). Toulmin describes an argument as "movement by means of which accepted data are carried through a certifying warrant to a claim" (Brockriede & Ehninger, 1960, p. 47).

According to these authors, components of an argument include: a claim, reservations or qualifications, warrants, evidence, backing, and rebuttals.

Claim:	An argument is a claim or a conclusion backed by reason. Claims are assertions beyond what can actually be proved.
Reservations or Qualifications:	The power of a claim can be limited and the burden of proof reduced by limiting the scope of coverage with reservation(s) or by limiting the level of confidence with qualifier(s).
Warrants:	Warrants--or reasons--are the grounds for drawing conclusions. Reasons arise out of knowledge accumulated in the specific context. They legitimize the leap from relevant data to acceptable claims. Legitimate "reasons" within one context may not be appropriate for another.
Evidence:	Reasons for accepting a claim come from evidence gathered from relevant available data. Evidence cannot be discussed on solely logical terms, but must be adaptive to audience needs. Therefore,

"evidence can be judged by two criteria: (1) logical strength, and (2) psychological power" (Campbell, 1982, p. 174). According to Lucus (1983), forms of evidence include the following:

Brief examples--often called special instances;

Extended examples--longer, more detailed than brief examples, sometimes called illustrations;

Hypothetical examples--examples that describe a "would be" situation;

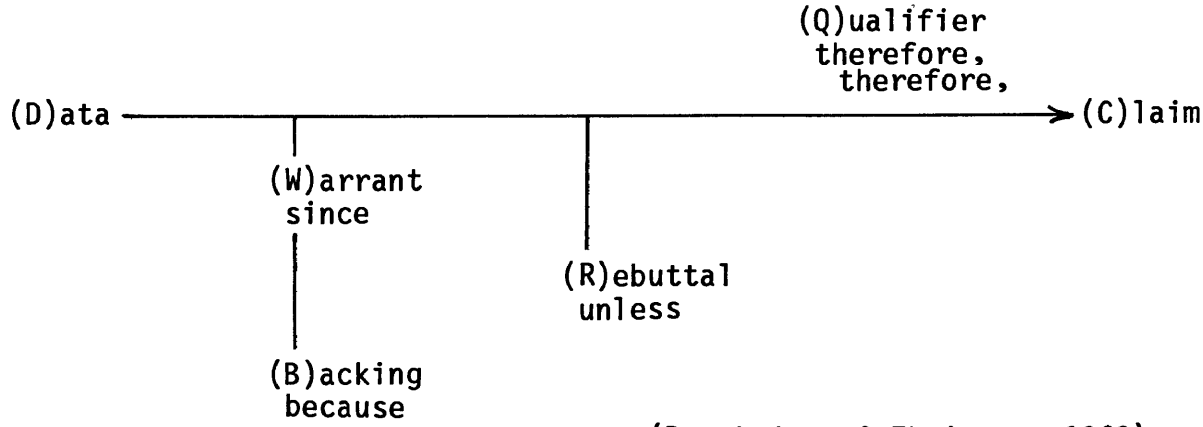
Statistics--documented numbers;

Testimony--quote or paraphrase from a recognized authority.

Backing: Backing consists of credentials designed to "back up" the warrant.

Rebuttal: The rebuttal acknowledges the conditions under which the claim may not hold true.

The following diagram illustrates the relationship among argument components:



(Brockriede & Ehninger, 1960)

Figure 7 illustrates the structure of a sample wheat argument. The sample "meta-argument" consists of numerous sub-arguments. For example, each one of the "data" items is also a provisional claim which can stand alone. Each of the sub-claims upon which the meta-claim is based, must have adequate qualifications and reservations, and be supported by appropriate and sufficient evidence.

Preparing for a rhetorical argument calls for a creative role. Persuasive argument theory assumes that there is a culturally given pool of arguments on an issue (Campbell, 1982). According to that theory:

> People take positions on issues because of the balance of arguments; that is, they decide where they stand based upon the number of pro and con arguments that have force for them that they know about. . . . As a result, novel or unfamiliar arguments become very important because such arguments may tip the balance . . . and change attitudes (p. 202).

One way to develop a novel argument is by formulating an enthymeme. As noted in Chapter I, an enthymeme is a particular kind of argument found in rhetoric. "An enthymeme is an argument jointly created by author and audience" (Campbell, 1982, p. 204). Through use of the enthymeme, the audience draws conclusions that may be plausible but not certain nor even probable. Although deficient by traditional logical standards, the enthymematic argument "gains its force from the fact that the audience fills in evidence, or supplies warrants, or draws conclusions" (based upon their knowledge, experience, attitudes, and beliefs) (p. 204). The argument cannot be made unless the audience supplies the omitted part.

The comparison below serves to distinguish between two patterns of logic from which arguments can be developed--the demonstrative

(Q)
therefore, it is plausible

(D) → (C)

- HQS wheat has a higher level protein content than does LQS wheat:
  HQS: 11.5-14%[32]
  LQS: 9-11%
- Indications are that China produces predominantly LQS wheat at this time?
- Certain specialty wheat products may require dough consistency, color, and texture found only in HQS wheat?
- It is plausible that HQS wheat may provide more nutrition per unit cost than other sources of accepted nutrition in China?

(W)

Since China has indicated desires to improve nutrition and diet-variety;

(B)

as noted by published Chinese government reports;

according to statements made by Chinese negotiators.

(R)

Unless the cost of HQS wheat is prohibitive from the Chinese point of view;

Unless the Chinese do not yet have the facilities enabling them to process specialty wheat products;

Unless the Chinese are unwilling to consider such a purchase from the U.S. due to their disenchantment with textile policies;

Unless they can get similar quality wheat for a cheaper price from another source;

(C)

(that)The Chinese may wish to consider a purchase of some portion of HQS wheat from a U.S. company at this time.

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[32]Subclaims (credibility trends) supported by data previously documented in this study.

Figure 7. Sample Wheat Argument Structure

syllogism and the heuristic syllogism. A formal deductive argument may follow the logic of the demonstrative syllogism, while the enthymematic argument may correspond with the logic of the heuristic syllogism.

Demonstrative	Heuristic
If A then B	If A then B
B false	B true
A false	A more credible

(Polya, 1945, p. 188)

Each of these conclusions is on a different logical level. The conclusion of the demonstrative syllogism is on the same logical plane as the premises from which it was built. The logical level of the heuristic conclusion differs from that of the premises. "It is more vague, less fully expressed, yet does show direction and magnitude." In the heuristic syllogism, the premises constitute only one part of the basis upon which the conclusion rests--the "visible" part. There is also an unexpressed, invisible part, formed by something else, by inarticulate feeling perhaps, or by unstated reasons" (Polya, 1945, p. 189). The logic of the heuristic syllogism can be applicable when negotiators are (1) developing their own conclusions as they begin to consider the "makings" of plausible negotiation strategies; or (2) planning how to most effectively present a pre-planned argument to the other party during a negotiation session.

If the argument (series of arguments) illustrated in Figure 7 were presented in a traditional deductive pattern of logic, each component of the argument might be stated in the appropriate logical sequence. However, if the U.S. negotiators choose to present this argument

enthymematically (as it appears among the sample strategies in Chapter IV), they may choose to leave some components of the argument unstated. For example, they may decide to withhold a statement of the conclusion--and instead present carefully selected, well timed points of evidence, each with appropriate and sufficient evidence--in an effort to gradually build a case from which the Chinese negotiators can form their own conclusions.

APPENDIX C

EVIDENCE ARRANGEMENTS

EVIDENCE ARRANGEMENTS

Combinations of evidence arranged into comparison structures may provide effective persuasive substantiation for particular claims. Crable (1974) suggested three methods for comparing data. They are: (1) residual reasoning methods, (2) criterial reasoning methods, and (3) comparative advantage methods.

Residual Reasoning

Residual reasoning is reserved for those times when all viable alternatives except one can be proven to be unworkable. For example, if during the planning stages of this negotiation, intelligence determines that: (1) China simply does not have the technology--nor the budget to import technology--needed to process HQS wheat in a way that will retain maximum nutritional content; or (2) China's modernization plans include a multi-bakery construction project already underway (which ignores wheat quality considerations); then U.S. negotiators are beginning to discover support for the claim "a HQS wheat offer is not likely to meet China's needs at this time." If sufficient evidence is accumulated that serves to prove that any offer containing some portion of HQS wheat is unworkable, then by way of residual reasoning, the U.S. negotiators may have substantiated the claim "the only wheat proposal that is likely to make sense in the context of this situation, is an offer of LQS wheat."

Criterial Reasoning

Criterial reasoning methods require that acceptable criteria are established first. Proposals are then designed to meet the

agreed-upon criteria. For example, U.S. and Chinese negotiators may agree that criteria necessary for a U.S./China future venture would include:

(1) A capital investment commitment from both U.S. and China;

(2) A final project requiring minimum high-tech maintenance;

(3) Utilization of Chinese labor for construction and operation;

(4) Minimized burden on China's already overloaded infrastructure;

(5) Expansion of nutrition and diet-variety in China.

Once agreement on criteria is reached, U.S. negotiators can invent options that satisfy the established criteria. It may be easier to seek agreement on criteria before presenting any proposals.

Comparative Advantage Reasoning

Comparative advantage reasoning serves to compare both advantages and disadvantages of two or more alternatives. The following example serves to compare the number of potential advantages for two hypothetical wheat offers.

	Offer A	Offer B
Cost		x
Quality	x	
Processing options	x	
Availability	x	
Adaptability to available technology		x
Nutritional content	x	

While offer A may have more advantages than offer B, it may be difficult to assign viable weight to the factors. For example, from the Chinese point of view, the cost factor may completely outweigh all other considerations.

If this Appendix is treated as if it were an enthymeme, then under what conditions would each of the three methods be the <u>best</u> way to arrange the evidence?

APPENDIX D

RETROFLECTIVE EVALUATION STANDARDS

RETROFLECTIVE EVALUATION STANDARDS

Argumentation Standards

As noted in Appendix B, authors, Campbell (1982), Brockriede & Ehninger (1963), and Lucus (1983), agree that a competent argument contains a properly stated claim limited by qualification or reservation, and is supported by appropriate and sufficient evidence. Arguments can be structured in a variety of patterns ranging from : (1) a formal pattern, to (2) a less formal, enthymematic pattern (Campbell, 1982). Below is a checklist containing argumentation standards that may be useful for evaluating a given set of negotiation choices.

Argumentation Standards

Claim

Is the claim presented (stated or unstated) conditionally with appropriate qualification and reservation as likely to be perceived by the Chinese? _____

Evidence

Is the evidence selected to support that claim:

(1) Appropriate? _____

(2) Sufficient? _____

Structure

Which argument pattern is likely to be the more adaptive:

(1) Formal? _____

(2) Enthymematic? _____

Rhetorical Adaptation Standards

Negotiators can evaluate the adaptiveness of their strategic choices by using the following checklist.

Rhetorical Adaptation Standards

Invention (conceptualization):

Did negotiators discover sufficient and relevant negotiation information to answer questions about:

Chinese demography? _____

Chinese disposition toward:

Subject and purpose? _____

Speaker? _____

Situation in Context? _____

Arrangement (organization):

Did negotiators adapt the following arrangement choices to the potential Chinese point of view:

Category selection (sets of related data)? _____

Appropriate timing of information presentation? _____

Structure for argument series and argument? _____

Structure for evidence? _____

Memory (categorization):

Have necessary provisions been completed to insure that no information that is needed, when it is needed, is forgotten or overlooked? _____

Style (symbolization):

Did negotiators adapt verbal and nonverbal symbol-choices to what is known about the Chinese audience? _____

Delivery (operationalization):

Have negotiators adaptively operationalized the message(s) as likely to be perceived by the Chinese negotiators? _____

Intelligence Standards

As noted in Appendix A, the process of gathering intelligence information employs heuristic problem-solving techniques, whereby plausible inferences are induced from observable data. Polya (1948) suggested a sequence by which one can "intelligently" make plausible inferences within a given situation. Doing each of these steps in proper sequence provides a standard by which intelligence gathering efforts can be evaluated. While the following checklist represents a step-by-step process, it is intended to encourage the use of a feedback loop as needed along the way.

Intelligence Standards

Step 1 Have provisions been made to secure data from open sources? _____

Step 2 Has the structure of available data been mapped to show the correct inter-relationships? _____

Step 3 Has the structure (gap) of all kinds of relevant unknown data been determined? _____

Step 4 Can the gaps be filled by any one or combination of the following:

Substep a. Open sources? _____

Substep b. Making statistical inferences (Appendix A)? _____

Substep c. Making plausible inferences (Appendix A)? _____

Win/Win Negotiation Standards

According to Nierenberg, "in a successful negotiation everybody wins" (1973, p. 20). Since it may be difficult to discern the degree of satisfaction experienced by either party at any stage of negotiation, it may be more helpful to attempt to assess the anticipated degree of dissatisfaction related to a particular negotiation strategy. Rather than attempting to determine whether a particular negotiation option is "fair" for both parties as perceived by an evaluator, a better way may be to attempt to judge the absence of discontent as may be experienced by either or both parties. For example, if two individuals are negotiating and one agrees to exchange with the other a mule for a mousetrap--and both parties are happy about the deal--then regardless of whether the agreement seems "fair" according to the perception of an observer, the negotiation can be said to be "successful" according to Nierenberg's orientation.

A way to structure win/win evaluation standards is by way of

priority standards. Each given negotiation option can be matched with the corresponding level of perceived mutual satisfaction. According to Nierenberg's orientation, the most desirable outcome is for neither party to be dissatisfied. The objective is to achieve agreement in which both parties win something, instead of "total victory" objectives sought by those who may view a negotiation as a game in which there is a winner and a loser.

Although controversial and potentially problematic, the next degree of desirability may be for both parties to (at least temporarily) lose in order to maintain a continuing relationship which holds the potential of future advantages for both sides. Nierenberg claims, "Unlike a game, there is no 'end' to a life negotiation situation" (1979, p. 23-24).

The least desirable category consistent with this orientation is a win/lose outcome. While winning a particular issue at the other's expense might seem immediately advantageous, the price to be paid by way of potential deterioration of an on-going relationship is rarely worth the advantage gained. Below is the win/win standard checklist.

Win/Win Standards

Should either negotiation party (or both) be dissatisfied with this particular set of communication strategies?

(1) (Win/Win) No. Neither party should be dissatisfied. _____

(2) (Lose/Lose) Yes. Both parties should be dissatisfied. _____

(3) (Win/Lose) Yes. Either the U.S. or the Chinese negotiators should be dissatisfied. _____

Below is a composite checklist which includes each component of the foregoing standards to be matched with the properties of each selected negotiation strategy to be evaluated.

Retroflective Standards
Argumentation Standards
Claim?
Qualification or Reservation?
Evidence:
Appropriate?
Sufficient?
Structure:
Formal?
Enthymematic?
Rhetorical Adaptation Standards
Invention:
Chinese demography?
Chinese disposition:
Subject and purpose?
Speaker?
Situation in context?
Arrangement:
Category selection?
Sequence: TIMING?
Argument series; Argument?
Evidence structure?
Memory?
Style?
Delivery?
Intelligence Standards
(1) Secure open-source data?
(2) Map relationships?
(3) Determine gaps?
(4) Fill in gaps:
(a) Direct sources?
(b) Statistical predictions?
(c) Plausible inferences?
Win/Win Standards
Should U.S. and/or China be dissatisfied?
(W/W) No, neither party.
(L/L) Yes, both parties.
(W/L) Yes, either U.S. or China.

Key:

A classification code was invented in order to identify the assessed status of each of the evaluated negotiation strategies. The coding system is as follows:

✓- the standard <u>was met</u>;

✓- the standard was <u>partially</u> met;

x - the standard was <u>not</u> met;

? - some doubt at the time of assessment;

A blank space indicates that the particular standard was inapplicable.

While an awareness and application of selected standards may be useful to negotiators during every phase of "doing" negotiation, there may be times when it is inappropriate or undesirable for a negotiator to meet particular standards. For example, during early phases of preparation, when relevant information is being collected and arranged according to sets of related data, it may be unrealistic to expect that evidence for qualified claims pertaining to each set of data could be sufficient or fully appropriate at that time. On the other hand, by the time a negotiation strategy is communicated to the Chinese negotiators during a negotiation session, the sets of negotiation data (claims) upon which the communication strategy is based need to be carefully qualified and substantiated with sufficient and appropriate evidence. However, as illustrated in the set of wheat quality-related communication strategies, the strategies themselves may be <u>designed</u> to withhold explicit statement of claims or evidence in an effort to draw the Chinese negotiators into the inductive process of reaching their own conclusions.

Preface to the Partially Annotated Bibliography

The following pages contain a partially annotated list of selected references upon which this study was based. However, there is no mention of sources that have no enduring significance. For example, newspapers, periodicals, and U.S.D.A. government publications, from which a portion of Chapter II data was derived, do not appear in the list of references.

Instead of a comprehensive annotation, I have annotated only those sources that were apposite to the development of this methodology. Some annotations are brief and to the point, others offer a more detailed explanation of a particular concept and/or theory when appropriate.

In order for the reader to recognize groups of data according to a specific topic, I have classified the references. Each subunit is noted by a coded symbol.

Wherever reference is made within the text to a particular subgroup of literature, instead of listing each author separately, I have designated the appropriate code.

The reader can then refer to the alphabetized references, note the entries with symbols that correspond to the code in the text, and determine which resources are applicable.

In segments of the text where I refer to resources individually, I use the traditional A.P.A. reference notation system.

The following symbols represent these specific groups of data:

USCHRL . . . . . United States/China Relations

USCHNG . . . . . United States/China Negotiations

ICC . . . . . Intercultural Communications

INTLNG . . . . . International Negotiations

SNS . . . . . Social Negotiation Studies

CNS . . . . . Contrasting Negotiation Styles

Partially Annotated Bibliography

Anderson, R. L., & Mortenson, C. D. (1967). Logic and marketplace argumentation. Quarterly Journal of Speech, 53, 143-151.

ICC Asante, M. K., Newmark, E., & Blake, C. A. (Eds.). (1979). Handbook of intercultural communication. Beverly Hills: Sage.

SNS Atkinson, G. G. M. (1975). The effective negotiation: A practical guide to the strategies and tactics of conflict. London: Quest.

Baldwin, C. S. (1924). Ancient rhetoric and poetic. New York: Macmillan.

SNS Bartos, O. J. (1974). Process and outcome of negotiation. New York: Columbia University Press.

SNS Bazerman, M., & Lewicki, R. J. (1983). Negotiating in organizations. Beverly Hills: Sage.

SNS Beckmann, N. (1977). Negotiations: Principles and techniques. Lexington, Mass.: Lexington Books; D. C. Heath.

Berlo, D. K. (1977). Communication as process: Review and commentary. Ruben, B. D. (Ed.), Communication Yearbook. New Brunswick, N.J.: International Communication Association.

SNS/CNS Blake, R., & Mouton, J. (1970). The fifth achievement. Journal of Applied Behavioral Sciences, 6, 413-426.

Bois, S. J. (1978). The art of awareness. Dubuque, Iowa: William C. Brown.

USCHRL Boorman, H. L. (1967). Strategy and national psychology in China. Annals of American Policy, 370, 143-155.

Bormann, E. (1980). Communication theory. New York: Holt, Rinehart and Winston, 251-253.

Boulding, K. E. (1962). Conflict and defense. New York: Harper and Row.

Boulding, K. E. (1978). Future directions in conflict and peace studies. Journal of Conflict Resolution, 22(2), 342-354.

Brinberg, D., & McGrath, J. E. (1985). Validity and the research process. Beverly Hills: Sage.

These authors offered theoretical insight about validity issues in the context of social science research. The book describes a schema, called the Validity Network Schema, which serves "to lay out the research process in detail . . . and present the logical relations of different aspects of validity to different stages within that research process."

Brockriede, W., & Ehninger, D. (1960). Toulmin on argument: An interpretation and application. Quarterly Journal of Speech, XLVI(1).

These authors systematically reviewed the contributions that English logician Stephen Toulmin made to the study of argumentation in The Uses of Argument (1958). Brockriede and Ehninger claim that Toulmin's analysis is important to the rhetorician for two different but related reasons. It provides: (1) an appropriate structural model by means

of which rhetorical arguments may be laid out for analysis and criticism; and (2) a system for classifying artistic proofs which employs argument as a central and unifying construct.

Brockriede, W. (1985). Constructs, experience, and argument. Quarterly Journal of Speech, 71(2), 151-163.

INTLNG Burton, J. J. (1968). Conflict and communication: The use of controlled communication in international relations. New York: McMillan.

USCHRL Buxbaum, D. D., Cossondra, J., & Reynolds, P. D. (Ed.). (1982). China trade: Prospects and perspectives. New York: Praeger.

Buxbaum, et al., made the clear distinction between China trade "specialists" and "experts." They claim to be specialists (questioning whether "experts" exist) who have represented numerous American companies in Chinese trade contracts. The authors gave advice about how to both (1) use a trade specialist to the greatest advantage, and (2) enter the Chinese market independently. This source offered technical, procedural information about how to pursue a trade contract with the Chinese, as well as insight into the Chinese way of doing business.

Campbell, K. K. (1982). The rhetorical act. Belmont, Calif.: Wadsworth.

This author chose a "practical application" approach to the study of rhetoric. Her book serves to highlight the

relationship between art and skill--the relationship between rhetorical theory and rhetorical practice.

Campbell defined rhetoric as "a strategy to encompass a situation" (Kenneth Burke) and as "that art . . . by which discourse is adapted to its end" (George Campbell). She explored the rhetorical obstacles inherent in the audience, subject/purpose, and rhetor, and then examined resources available to overcome these obstacles.

The Rhetorical Act treats all forms of rhetoric as points on a continuum of influence. Rhetoric ranges from attempts to shape perceptions to ritualistic reaffirmations of "accepted truths" of the other. According to the author, the primary purpose of the book was "to train students to function as critics or analysts who assess a situation, conceive of rhetorical possibilities, examine actual rhetorical actions, and compare rhetorical acts" (p. v).

Carlson, R. (1982). Contemporary Systems of Communication; Lecture.

Carter, E. S. (1965). Experimental heuristic as an approach in problem-solving. In M. A. Sass & D. Wilkinson (Eds.), Computer argumentation of human reasoning. Washington, D.C.: Spartan.

ICC Casmir, F. L. (Ed.). (1971). Intercultural and international communication. Washington, D.C.: University Press.

USCHNG Chan, L. (1975). Negotiation in communist China: Foreign policy toward the United States. Issues Studies, 11(2), 27-49.

INTLNG Choucri, N., & North, R. C. (1975). Nations in conflict.

INTLNG Choucri, N., & North, R. C. (1975). Nations in conflict. San Francisco: Freeman.

Clark, R., & Delia, J. (1977). Cognitive complexity, social perspective-taking, and functional persuasive skills in second-to-ninth-grade children. Human Communication Resources, 3(2), 128-234.

Crable, R. E. (1979). Using communication. Boston: Allyn and Bacon.

The author of this book focused on the use of communication in an "increasingly complex and organized world." Crable offered a comprehensive presentation designed to lead readers to: (1) understand the process of communication as a tool for solving problems; (2) diagnose communication problems or "conflicts"; (3) understand how communication "strategies" (concept-based skills) can be used for resolving or "mediating" communication conflict; and (4) use communication strategies for mediation. The methods that Crable suggested for organizing "reasoning strategies" provide guidelines for arranging argumentation evidence in the context of this study.

Cushman, D., & Cahn, D., Jr. (1984). Communication in interpersonal relationships. Albany, N.Y.: State University of New York Press.

This book reflected the authors' investigation of the "traditional principles, processes, and skills involved in fitting together the separate lines of behavior of

individuals into mutually satisfying interpersonal relationships through the process of communication" (p. 1). The authors focused upon the role human interaction plays in establishing, maintaining, and terminating those intimate interpersonal relationships which provide individuals with their sense of personal worth and relational satisfaction.

Segments within this book may provide useful insight as negotiation team members seek to establish, maintain, and reassess their effective, working relationships in the context of a negotiation situation.

Darnell, D. K., & Brockriede, W. (1976). Persons communicating. Englewood Cliffs, N.J.: Prentice-Hall.

This source reflected an attempt to bring into focus some of the issues that must be resolved if "we, as persons, are to become more understanding of persons communicating." Darnell and Brockriede's ideas are based upon the concept that "people are choice makers." People choose to make choices on the basis of the best information and reasoning available in the context of various internal and external influences or restraints.

The focus of the book is on persons relating to other persons. The authors identified two "families" of interpersonal relationships. "One is characterized by rape or seduction, by monologue, or by action or interaction; the other is characterized by romance or love, by dialogue,

or by transaction" (p. 17). There are seven behavioral dimensions that distinguish the two families of interpersonal relationships; dimensions that represent degrees of freedom of choice human beings have within the constraints of physical and social environmental forces. Darnell and Brockriede's "two family, seven dimension" model of human communication was the basis from which the two contrasting negotiation approaches (choice-sharing vs. choice-restricting) utilized in the context of this methodology originated.

SNS Donohue, W. A. (1978). An empirical framework for examining negotiation processes and outcomes. Communication Monographs, 45, 247-257.

USCHRL Draper, T. (Ed.). (1980). Emerging China. New York: H. W. Wilson.

SNS Druckman, D. (Ed.). (1977). Negotiations: Social-psychological perspectives. Beverly Hills, Calif.: Sage.

USCHRL Eckstein, A. (1971). China trade prospects and U.S. policy. New York: Praeger.

USCHRL Fairbank, J. K. (1979). The United States and China. Cambridge, Mass.: Harvard University Press.

SNS/CNS Falbo, T. (1977). Multidimensional scaling of power strategies. Journal of Personality and Social Psychology, 35, 537-547.

SNS/CNS Filley, A. C. (1975). Interpersonal conflict resolution. Glenview, Ill.: Scott Foresman.

INTLNG Fisher, R. (1969). International conflict for beginners. New York: Harper and Row.

SNS Fisher, R., & Urg, W. (1983). Getting to yes: Negotiating agreement without giving in. New York: Penguin.

These authors offered a method of negotiating that departs from the traditional "soft" (making compromises, giving in, feeling exploited) and "hard" (using power by means of threats and/or intimidation) methods of negotiating. Their method, developed at the Harvard Negotiation Project, is one of "principled negotiation." This method reflects four "principle" considerations. They are: (1) separate the people from the problem; (2) focus on interests, not positions; (3) invent options for mutual gain; and (4) insist on using objective criteria. The overall orientation of this source is compatible with the orientation of my methodology.

Frost, J. H., & Wilmot, W. W. (1978). Interpersonal conflict. Dubuque, Iowa: Wm. C. Brown.

Grahm, J., & Sano, Y. (1984). Smart bargaining: Doing business with the Japanese. Cambridge, Mass.: Ballinger.

USCHRL Grahm, T. R. (1981). U.S. trade policy toward China: Keeping a good thing going. Economic Reporter, Oct., 14-17.

The author, a former U.S. Government Trade Representative, developed a view of recent U.S./China trade relations. He explained the making of U.S. trade policies and some

of the apparent contradictions associated with implementation of those policies. For example, the U.S. administration cries out against the "appalling trade imbalance;" and at the same time, relaxes control over sales of high-technology articles to China while tightening the U.S. import restrictions on textiles.

According to Grahm, specific issues include: (1) the Multi-Fibre Arrangement (MFA) Act under which the U.S. and other western nations restrict import textiles and apparel; (2) Generalized System of Preferences (GSP) whereby developing countries that "qualify" receive preferential tariff rates; (3) U.S./China Grain Trade Agreement; (4) liberalized policies related to U.S./China technology transfer; (5) the repeal of obsolete laws (enacted when U.S. and China were less friendly than now).

Gross, A. G. (1983). Analogy and intersubjectivity: Political oratory, scholarly argument and scientific reports. Quarterly Journal of Speech, 69, 37-46.

INTLNG Gulliver, P. H. (1979). Disputes and negotiations: A cross-cultural perspective. New York: Academic Press.

Harper, N. (1979). Human communication: The history of a paradigm. Rochelle Park, N.J.: Hayden.

This book offered a systematic account of twenty-five centuries of study related to human communication theory dating from Aristotle to the present. According to Harper, "the basic assumptions of all these scholars has been

that communication is fundamental to every human activity. It is a primary thinking tool . . . socializing tool . . . and a process by which humans come to know, believe, and act." Periods of theoretical development include: (1) the classical period; (2) the medieval and renaissance period; and (3) the modern period.

Harper renamed Aristotle's five canons of rhetoric to reflect the development of understanding of human communication. Components of Harper's holistic paradigm are: (1) conceptualization (invention); (2) organization (arrangement); (3) symbolization (style); (4) categorization (memory); and (5) operationalization (delivery).

This historical perspective of rhetoric provided an effective analytical tool for developing the negotiation methodology.

USCHRL Hinton, H. C. (1976). Peking/Washington: Chinese foreign policy and United States. Washington Papers, 4(34), 7-96.

INTLNG Ikle, F. C. (1964). How nations negotiate. New York: Harper and Row.

SNS Ilich, J. (1973). The art and skill of successful negotiation. Englewood Cliffs, N.J.: Prentice-Hall.

Jandt, F. E. (1973). Conflict resolution through communication. New York: Harper and Row.

Johnson, W. (1946). People in quandaries: The semantics of personal adjustment. New York: Harper & Row.

INTLNG Jordan, S. (1974). Conflict, negotiation, and cooperation:

An analysis of these parameters in national and international relations. American Journal of Psychotherapy, 28(2), 222-234.

SNS Karrass, C. L. (1974). Give and take: The complete guide to negotiating strategies and tactics. New York: Crown.

USCHNG Kazuo, O. (1979). How the inscrutables negotiate with the inscrutables--Chinese negotiation tactics vis-a-vis the Japanese. China Quarterly, 79, 529-552.

Kent, S. (1949). Strategic intelligence for American world policy. Princeton, N.J.: Princeton University Press.

ICC Kikoski, C. K. (1980). A study of cross-cultural communication, Arabs and Americans: Paradigms and skills. Ed.D. dissertation, University of Massachusetts.

Korzybski, A. (1941). Science and sanity. Connecticut: International Non-Aristotelian Library.

Kuhn, T. (1970). Normal science and its dangers. In I. Lakatos & A. Musgrave (Ed.), Criticism and the Growth of Knowledge. Cambridge, England: Cambridge University Press, 267.

USCHRL Kwan, H. Y. (Ed.). (1975). China and the U.S. New York: Facts on File.

USCHNG Lall, A. (1968). How communist China negotiates. New York: Columbia University Press.

USCHRL Lin, K. H. (1972). Examination of U.S.-Peiping trade.

Issue Studies, 8(11), 14-27.

USCHRL Lin, K. H. (1973). Cultural exchange between Washington and Peiping. Issue Studies, 9(4), 22-35.

USCHRL Lin, K. H. (1973). Revolutionary diplomacy of the Chinese communists. Issue Studies, 19(3), 55-66.

Lippmann, W. (1965). Public opinion. New York: Free Press/Macmillan.

ICC Merchant, J. H. (1977). A model of international and intercultural communication. International Interactions, 4, 39-52.

Nierenberg, G. I.

Nierenberg introduced skills and strategies required to implement a "successful" negotiation--one in which everyone wins. This negotiation approach focuses on long-range objectives instead of short-term advantages.

Nierenberg's background in general semantics may have influenced him to consider unique sets of circumstances surrounding any given negotiation situation. His strategy recommendations reflect an assessment of needs, motivations, and assumptions of negotiators and their counterparts within each negotiation situation. His approach also reflects a systemic orientation: "the whole pattern of experience is more important than its individual parts in determining its meaning. . . . No matter what choice is made, everyone's strategy is dependent on everyone else's strategy" (1973, p. 45).

The following notations serve to highlight each of the three Nierenberg publications utilized in the context of this study.

SNS (1971). Creative business negotiating, skills and strategies. New York: Hawthorn Books.

This publication focused on the win/win negotiation approach in a business context. Examples of application include: purchasing and selling; real-estate negotiations; corporate negotiations; labor relations; and law.

SNS (1973). Fundamentals of negotiating. New York: Hawthorn Books.

This publication offered a comprehensive view of the fundamentals related to a win/win negotiation. Here, Nierenberg elaborated on the relationship between "negotiating" and "communicating." He developed the concept of "cooperative interaction" as it relates to the nature of people and their individual patterns of reasoning and behavior. Nierenberg provided relevant advice concerning win/win negotiation preparation. For example, he noted: "Preparing for negotiation is a year-round function, as is negotiating" (p. 47). Preparation involves a careful process of accumulating relevant information making it plausible to "foresee the strategy of the opposite side and how you can best prepare to cope with it" (p. 47).

A skillful negotiator, according to Nierenberg, is ever alert to a circular chain of events: assumptions ⟶

facts ⟶ issues ⟶ positions ⟶ decisions. If a negotiator wants to influence the other's decisions, s/he must first try to alter her/his assumptions. Nierenberg offered a system, grounded in general semantics, for analyzing and dealing with assumptions. He noted that "assumptions are a vital part of negotiations. In entering a negotiation, one is severely handicapped unless he reviews his <u>own</u> assumptions and anticipates the assumptions of the other party" (p. 70).

Another relevant concept that Nierenberg addressed is "creative-alternative" problem-solving which focuses on a <u>mutual</u> process of assessing integrated needs and discovering novel ways to satisfy those needs. This approach suggests that negotiators work together to brainstorm mutually advantageous (win/win) solutions.

Nierenberg included a number of business-related examples in order to illustrate win/win negotiation strategies and tactics.

SNS/CNS (1983). Negotiation by negation. <u>Etcetera</u>, <u>40</u>(1).

This article serves to make a clear distinction between "win/win negotiation" and "negotiation by negation." Negotiation by negation is characterized as one in which "appearance is everything; substance is nothing; one side wins everything, the other loses all."

Nierenberg countered twenty-one rules for negotiating. For example:

"Rule: Don't trust blind intuition.
Counter: Agreed, intuition is not a good tool, but developed intuition founded on wisdom and experience can discover the opposers real needs (inferential data . . . intuitive problem-solving)."

USCHRL North, R. C. (1966). The Chinese People's Republic. California: Stanford University Press.

USCHRL North, R. C. (1969). Foreign relations in China. Belmont, Calif.: Dickenson Press.

INTLNG North, R. C. (1977). An ecological approach to the study of international affairs. Journal of Social Issues, 33(1), 34-59.

North, R. C. (1977). Toward a framework for the analysis of scarcity and conflict. International Studies Quarterly, 21(4).

North is a political scientist whose research reflects a general systems approach. In this study he revealed the linkages and interdependencies of the information-processing and resource-processing functions of nations. Because of a systemic orientation, this article provided valuable insight into the interrelationships among nations.

Oliver, R. T. (1971). Communication and culture in ancient India and China. New York: Syracuse University Press.

Oneill, J. L. (1964). Trends in the information sciences relevant to naval intelligence need. Science Park State

College, Penn.: HRB-Singer.

This author provided a look at trends in information sciences and technologies relative to military intelligence. The information gathering system, grounded in heuristics, provides a model for gathering intelligence in a non-military context as well. The model provided useful insight, in the context of this methodology, as I sought to gather information relative to a wheat negotiation between the U.S. and China.

The intelligence gathering system is based upon knowledge of the methods and patterns of search and discovery in the context of human problem-solving. Heuristic methods represent a decreasing emphasis upon purely analytical methods, and an increasing emphasis on flexible methods involving the use of (1) inductive and inferential processes, (2) analogy, (3) isomorphic laws and relationships in diverse system types, (4) formulations of basic patterns in human problem-solving. Heuristic reasoning is not regarded as final, but provisional. Oneill notes that "modern heuristics aims at generality . . .: an examination of procedures which have application to wide ranges and types of problems."

Pague, R. (1982). Some aspects of the role of translation in international organizations. General Semantics Bulletin, 49, 52-58.

Pascale, R. (1978). Zen and the art of management.

Harvard Business Review, 56(2).

Polya, G. (1945). How to solve it: A new aspect of mathematical method. Princeton, N.J.: Princeton University Press.

Polya, G. (1954). Induction and analogy in mathematics: Volume I. Princeton, N.J.: Princeton University Press.

Polya, G. (1954). Patterns of Plausible Inference: Volume II. Princeton, N.J.: Princeton University Press.

Poole, M., & Folger, J. (1981). A method for establishing the representational validity of interaction coding systems: Do we see what they see? Human Communication Research, 8(1), 26.

ICC Portor, R. E., & Savmovar, L. (1976). Intercultural communication. Belmont, Calif.: Wadsworth.

SNS Pruitt, D. G. (1981). Negotiating behavior. New York: Academic Press.

SNS Pruitt, D. G., & Lewis, S. A. (1975). Development of integrative solutions in bilateral negotiation. Journal of Personality and Social Psychology, 31, 621-633.

Social scientists, Pruitt and Lewis, introduced two contrasting orientations and approaches to bargaining. The orientations are: (1) "more integrative," characterized by joint problem-solving behaviors whereby bargainers' goals are aimed toward satisfying both partys' needs; and (2) "less integrative," characterized by individualistic behaviors whereby bargainers' goals involve the exclusive satisfaction

of one's own individual needs.

The approach which leads toward a more integrative orientation calls for (1) heuristic trial and error techniques, and (2) information exchange techniques. The less integrative approach calls for use of distributive techniques whereby bargainers employ "threats, positional commitments, and arguments to persuade each other to make concessions." The contrasts set forth by Pruitt and Lewis provided some background for the contrasting negotiation orientations set forth in the context of this methodology.

SNS/CNS Pruitt, D. G., & Lewis, S. A. (1977). The psychology of integrative bargaining. In D. Druckman (Ed.), Negotiations: Social psychological perspectives. Beverly Hills, Calif.: Sage.

USCHNG Pye, L. (1982). Chinese commercial negotiating style. Santa Monica: Rand Corporation.

This author analyzed the negotiation style of the Chinese when doing business with Americans. The purpose of the study, according to the author, was to "reduce future misunderstandings in American commercial relations with the Chinese and to provide guidelines for government-to-government negotiations as well." This analysis of "Chinese thought and attitude" in a negotiation context is an Asian scholar's interpretation of an "extensive" series of interviews with Americans who do business in China, plus a "leavening" of Japanese' experiences.

The analysis included a look at (1) sources of potential difficulties; (2) the ambience of negotiations; (3) protypical Chinese strategies; (4) the "substantive" negotiation session; and (5) the emotional basis of the Chinese negotiating style.

This study was completed for the Rand Corporation under the research project: "China's strategic and Regional Roles in Asian Security."

USCHNG Rae, A. (1982). Talking business in China. China Quarterly, 279-280.

This author reviewed business relations between "foreigners" and the Chinese by introducing a "set of rules representing a large and complex system which handles China's external trading relations."

The analysis includes a look at: the basic Chinese commercial structure with recent changes; the nature of the bureaucracy that runs it (influencing factors); and "tactics and principles of a successful negotiation approach" (p. 271).

The author of this study "assumes" that negotiators are "well prepared when entering into negotiations, and possess those qualities of patience, perseverance, tact and humour which . . . are essential" (p. 271).

Ruben, B. D. (1981). Communication and conflict: A system-theoretic perspective. Quarterly Journal of Speech, 64, 202-210.

Ruben, B. D., & Kim, J. H. (Eds.). (1975). General

systems theory and human communication. Rochelle Park, N.J.: Hayden.

SNS Rubin, J. Z., & Brown, B. R. (1975). The social psychology of bargaining and negotiation. New York: Academic Press.

Rummel, R. J. (1975). The dynamic psychological field. New York: Halstead (Sage), 179-184.

Rummel examined the concept "intentional humanism" as it relates to dynamic conflict balance. According to Rummel, "Man intentionally directs his behaviors toward a future goal and can freely alter goals and associated behavior" (p. 179). "Directed behaviors" are based upon "truth." "Truth to the individual is perspectival; the outcome of a conflict between powers of reality and powers of man. . . . Social truths (knowledge of culture or society) are dependent on a clash of separate autonomous truths" (p. 179). For example, Rummel noted that "science is institutionalized conflict. . . . Scientific 'truths' represent a balance of powers among diverse views and evidence. . . . The conflict helix is directed at maximizing truth" (p. 184, See Rummel, 1977, for a brief explanation of the conflict helix.)

Rummel's view of social truth in relation to "man's" ability to direct his behavior is compatible with the rhetorical notion that "social truths, created and tested by people in groups, influence social and political decisions. . . .

From its beginnings, this emphasis on social truths has been the distinctive quality of the rhetorical perspective" (Campbell, 1982, p. 4).

Rummel, R. J. (1977). Understanding conflict and war: Conflict in perspective (Vol. 3). Beverly Hills, Calif.: Sage.

Within this book the author chose to concentrate on the latent--hence more abstract--aspects of conflict theory. Rummel's theoretical framework is organized into three dominant social perspectives: (1) the psychological--exploration of man's nature and psychological processes; (2) socio-cultural--a situational view of man (characterizing conflict as an aspect of cooperation and differentiation); and (3) philosophical--a view of conflict which characterizes it as a continuous and natural clash of opposites.

Rummel sought to demonstrate that the "conflict helix" underlies all conflict. He explained: "Latent meanings (values, norms, statuses, and classes) are the seat of social powers. Man strives to manifest these powers through others to gratify his interests and subordinate goals." The field is alive. The process of conflict is a "dynamic swirl of manifest activity and latent potentialities and dispositions, but with order and direction" (p. 23).

This theoretical view of conflict underlies the author's "primary concern, namely, collective conflict at the level of societies and states." He claimed to see societies

as a "complex balance of powers, each with different patterns of conflict diffusion." In addition, he presented examples of societies and related patterns of conflict.
This study provided insight into the nature of conflict balance as it might relate to "managing conflict"--negotiating--in the context of a wheat negotiation between the U.S. and China.

SNS/CNS Roloff, M. E. (1976). Communication strategies, relationship, and relational change. In G. R. Miller (Ed.), Explorations in interpersonal communication. Beverly Hills, Calif.: Sage.

USCHNG Samuelson, L. J. (1976). Soviet and Chinese negotiating behavior--western view. Sage Professional Papers in International Studies Series, 4(0204), 5-62.

INTLNG Sawyer, J., & Guetzkow, H. (1965). Bargaining and negotiation in international relations. In H. Kelman (Ed.), International behavior. New York: Holt, Rinehart and Winston.

SNS/CNS Sillars, A. (1980). Attribution and communication in roommate conflicts. Communication Monographs, 47, 180-200.

Silvern, L. C. (1973). Systems engineering of education I: The evolution of systems thinking in education. In G. L. Lippett (Ed.). Visualizing change. LaJolla, Calif.: University Associates.

ICC Sitaram, K. S. (1978). Intercultural communication, an overview. Bioscience Communications, 4(6), 334-347.

INTLNG Schelling, T. C. (1960). The strategy of conflict. New York: Oxford University Press.

SNS Sparks, D. (1982). The dynamics of effective negotiation. Houston: Gulf.

SNS Stevens, C. M. (1963). Strategy and collective bargaining negotiation. New York: McGraw-Hill.

ICC Szalay, L. B. (1981). Intercultural communication--a process model. International Journal of Intercultural Relations, 5(2), 133-146.

SNS Thomas, K. (1976). Conflict and conflict management. Communication Monographs, 21, 927-928.

SNS Thomas, K., & Pondy, L. R. (1977). Toward an "intent" model of conflict management among principal parties. Journal of Human Relations, 30, 1089-1102.

USCHNG Tung, R. L. (1982). U.S.-China trade negotiations: Practices, procedures and outcomes. Journal of International Business Studies, 12(6).

The author of this study examined (1) the mechanics of U.S. and China trade negotiations; (2) how a company prepares for negotiations; (3) the factors that contribute to the success or failure of negotiations; and (4) the outcomes of such negotiations. Data pertaining to these characteristics were collected from 138 U.S. firms engaged in China trade.

Von Bertalanffy, L. (1975). General systems theory. In G. D. Ruben & J. Y. Kim (Eds.), General systems theory and human communication. Rochelle Park, N.Y.: Hayden.

SNS/CNS Walton, R., & McKersie, R. (1965). A behavioral theory of labor negotiation. New York: McGraw-Hill.

These authors constructed a theoretical framework from which to view social interaction in a labor negotiation context. Their model provided two distinct negotiation "processes" which proved to be compatible with the contrasting negotiation styles introduced in this methodology.

Walton and McKersie's distinctions are: (1) "distributive bargaining"--which "refers to the activity of dividing limited resources. . . . It occurs in situations in which one party wins what the other party looses" (zero-sum); and (2) "integrative bargaining"--which refers to "joint gain available (by way of) problem-solving activities which identify, enlarge, and act upon the common interests of the parties" (p. 11).

Walton and McKersie noted that "the implementing techniques (strategies) for these two processes generally stand in an antithetical relationship; however, the integrative and distributive processes are related and are sometimes difficult to separate in an actual contract negotiation" (p. 144).

Watzlawick, R., Weakland, J. H., & Fisch, R. (1944). Change: Principles of problem formation and problem resolution. New York: W. W. Norton.

SNS Womack, D. F. (1982). Orientation to conflict and their consequences for negotiating behavior. Ph.D. dissertation,

University of Kansas.

USCHRL Yahuda, M. (1972). American policy toward China in historical perspective. International Affairs, 48,(3), 450-456.

USCHNG Young, K. T. (1968). Negotiating with the Chinese communists: The United States experience, 1953-1967. New York: McGraw-Hill.

USCHNG Young, K. T. (1972). Comparative approaches to negotiations with People's Republic of China. American Journal of International Law, 66(4), 108-127.

SNS Zartman, I., & Berman, M., (1982). The practical negotiator. New Haven: Yale University Press.

USCHNG Zhao Yushen, (1982). Qian tan wo jinchu kou yewu zhong di gongzuo huanjie (On export-import procedure). Guoji muyi (Issues in China's International Trade). 1, 42-45.

This Chinese author outlined the procedural requirements in China for "procurement of merchandise to be imported." Steps include: preparations for negotiation prior to a transaction; "grasping" the international market situation; arranging shipment and delivery, negotiating the terms; signing the contract when agreement is reached; and implementing the contract accordingly.