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# *In Practice*

## Planting Orange Trees in Twenty Cultures: The Practice of International Negotiations

*Mehdi Mahdavi, Navid Fatehi-Rad and John L. Graham\**

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*International commerce has always driven human progress. Its inherent cultural diversity has maximized the new ideas that improve consumers' lives around the world. The best international business relationships are maintained over the long term and managed through inventive negotiation processes. Investments in time and money are required to build the trust and honest information exchange that allow for exploitation of mutually beneficial opportunities. This article provides a database and associated tools to help international negotiators understand the cultural differences that may impact buyer–seller relationships between parties from twenty countries and cultures including the United States and Iran.*

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**Keywords:** inventive negotiation, international commerce, cultural differences, buyer–seller relationships, Iran

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## Introduction: East is East, West is West...

In this article, we introduce two tools for preparing for cross-cultural interactions, particularly among buyers and sellers in relationships that are potentially long term. We provide illustrative examples along with information on how managers can access the tools and the underlying data. We set the tone at the start with a parable:

*One orange, two people? The simplest solution was to cut it in half with both getting a fair share. But talking about interests led to a better result. One wanted the skin to make marmalade and the other wanted the center for juice. Simply exchanging information led to a better agreement wherein each got all they wanted. However, neither of these results, from cutting or peeling, is particularly inventive.*

*The parable becomes a story about invention when both decide to cooperate in planting an orange tree.*

So goes a most useful negotiation mnemonic. Today, all we teach in our business and law schools is that peeling is better than cutting. Sharing is better than dividing. Emphasis is better placed on integrative, interests-based approaches than on distributive, positional ones. We do talk about tactics of the creative sort, brainstorming and the like, but only briefly. For many situations requiring conflict resolution and problem-solving, the interplay of distributive and integrative bargaining is perhaps adequate. However, this is not the case for international commerce which, by its nature, always has been an orange-tree-planting kind of activity.

Think of the Apple<sup>®</sup> in your pocket, not the one you peel, but the one you use for practically everything else. It is designed and marketed in the United States and assembled in China using parts and technology from Taiwan, South Korea, Japan, Germany, and the United States. Everyone involved in such complex supply chains is connected by agreements and contracts that mean little in a world of dynamic technological change and accelerating obsolescence. What matters in this fluid context are long-term interpersonal and commercial relationships that promote invention. We call it “inventive negotiation,” wherein the main goal is exploiting common opportunities, not resolving conflicts or solving problems. In this context, the old thinking of cutting or peeling is just plain unappealing. While creativity tricks might help, we argue that negotiation should be fundamentally framed as an innovation process, not as a competitive game (Graham, Lawrence, and Hernández Requejo 2020a).

Indeed, the great potential of international commerce revolves around the cultural diversity of its participants. We know that in the

short run diverse groups produce fewer new ideas than homogeneous ones (Watson, Kumar, and Michaelsen 1993). But in the long run—given the chance to iron out communication problems and build personal relationships—diverse groups excel. In order to achieve this “excellent” output of goods and services, however, an investment of time and money is required to overcome the initial communication, values differences, and procedural problems that inevitably arise in cross-cultural interactions.

This article provides a database to help international negotiators understand the cross-cultural differences that may impact negotiations between parties from the twenty cultures included in our study. (See

**Exhibit 1 The Dimensions of the Database**

1,198 experienced businesspeople from twenty cultures participated in the study; their average age was 35 years. All took part in the same two-party, mixed-motive, intracultural, buyer–seller negotiation simulation. After the one-hour time-limited simulations all participants completed questionnaires in their native languages. We also videotaped ninety negotiators, six each from fifteen cultural groups. Our analyses of the questionnaires and videotapes comprise most of the elements of our database. All the results are available in Table Two and the Appendix.\* The cultures included are:

Brazil, BRZ	Hong Kong, HKG	Tianjin (northern China), TJN
Canada (Anglophones), CNe	Iran, IRN	United Kingdom, UK
Canada (Francophones), CNf	Japan, JPN	United States, USA
Czech Republic, CZE	Mexico, MEX	
France, FRN	Norway, NOR	
Germany, GRM	Philippines, PI	
Guangzhou (southern China), GZO	Russia, RUS	
	South Korea, KOR	
	Spain, SPN	
	Taiwan, TWN	

\*A data file (SPSS) is also available on request; please contact the authors at jgraham@uci.edu. For details about theory and methods, see Graham, Mahdavi, and Fatehi-Rad (2020b).

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Exhibit 1 for a list of the twenty cultures.) The database also helps negotiators to understand the impact of such differences. We know from our work that the difficulties that arise when Americans negotiate with Russians are different than the ones that arise when they negotiate with Mexicans, or when Mexicans negotiate with Russians. Our database supports practical preparations for negotiations between these and 187 other pairs of cross-cultural encounters.

The first tool provides a means to estimate the difficulty of cross-cultural negotiations for 190 kinds of international relationships (see Table One). For example, and for a variety of reasons, it will be easier for Americans to work with Anglophone Canadians than with Iranians. Using our database, one is able to measure the extent of several cross-cultural challenges that may arise in international buyer–seller negotiations.

The second tool is diagnostic and is based on direct and systematic comparisons across twenty-seven elements of negotiation style in each partner's culture (see Table Two in the next section). Insights gained from using this tool might be helpful in developing new briefings for international negotiators or improving those currently used. While our advice will not get your orange tree planted, it will at least get you to the grove.

As an example of how our data might augment other materials used to brief international negotiators, we close the paper with an in-depth comparison of Iranian and American negotiation styles.

## **How Far is East from West?**

Based on our previous research published in this journal (Graham et al. 2020b) and several other salient measures from the literature, we have developed numerical profiles of negotiation styles for each of the twenty cultural groups. Each profile includes scores on the twenty-seven elements listed in the first columns of Table Two and the Appendix and described in detail below. We then estimated the similarity between each pair of cultures by calculating the correlation coefficient between the profiles of scores for each. For example, the correlation between the two Canadian profiles (that is, columns) listed in Table Two is 0.65. The similarities of all the pairs of profiles are quantified in Table One. The profile correlation coefficients were scaled to 100.

Thus, higher numbers mean greater similarity. For example, the profiles of Taiwan and Guangzhou ( $r = 94$ ), and Spain and the Czech Republic ( $r = 92$ ) are among the most similar pairs of profiles of the 190. The Norwegian negotiation profile is very different from both the Filipino profile ( $r = 16$ ) and the Guangzhou profile ( $r = 19$ ). The profiles

**Table One**  
**Indices of Similarity Across Country Profiles\***  
**Correlation Coefficients (n ≈ 27), when r ≈ 40, p ≈ 0.05**

	USA	JPN	BRZ	CNe	CNf	HKG	TJN	GZO	TWNCZE	GRMFRN	MEX	NOR	PI	RUS	KOR	SPN	UK	IRN
USA	1																	
JPN	67	1																
BRZ	43	40	1															
CNe	86	61	41	1														
CNf	79	58	69	65	1													
HKG	55	87	78	51	80	1												
TJN	38	64	53	47	44	77	1											
GZO	33	59	85	29	68	85	79	1										
TWN	42	55	65	25	77	91	60	94	1									
CZE	75	68	89	75	89	74	72	73	74	1								
GRM	83	60	40	77	80	57	32	34	50	68	1							
FRN	83	68	62	66	88	77	46	57	63	87	81	1						
MEX	58	67	73	60	65	71	77	76	65	81	47	65	1					
NOR	86	51	36	87	76	45	27	19	30	53	89	66	32	1				
PI	39	64	88	41	66	78	74	79	79	87	44	72	82	16	1			
RUS	48	66	52	35	37	68	85	76	44	81	35	48	76	27	82	1		
KOR	50	68	54	39	61	82	65	68	74	63	51	66	72	34	57	48	1	

**Table One**  
*(Continued)*

USA	JPN	BRZ	CNe	CNf	HKG-TJN	GZO	TWNCZE	GRMFRN	MEX	NOR	PI	RUS	KOR	SPN	UK	IRN			
66	57	81	66	85	71	45	59	60	92	78	79	75	63	77	40	51	1		
86	79	42	82	70	67	43	44	46	72	74	76	63	65	50	55	51	64	1	
33	38	71	29	61	71	47	73	60	70	55	57	62	30	73	46	47	69	39	1

Above we use the symbol  $\approx$ , meaning “approximately equal.” Across the twenty cultures there are several gaps in the data, the most significant being a lack of videotape measures for five of the groups. All elements were standardized to range 0–1.  
\*The twenty-seven elements of the profiles are listed in Table Two.

**Table Two**  
**Comparing Negotiation Styles**

Elements of Cultural Negotiation Profiles	CAN						
	Ang	Frn	BRZ	GER	USA	IRN	
<i>Level 1—Language</i>							
Importance of context v. content	3.7	3.3	9.0	2.0	4.0	10.0	
Linguistic distance (from English)	0	3	3	1	0	3	
<i>Level 2—Nonverbal &amp; Sociolinguistic Behaviors</i>							
“No” (no. used/30 mins.)	10.1	7.0	41.9	6.7	4.5	12.4	
“You” (no. used/30 mins.)	64.4	72.4	90.4	39.7	55.1	64.5	
Silent periods (no. used/30 mins.)	2.9	0	0	0	1.7	0	
Overlaps (no. used/30 mins.)	17.0	24.0	14.6	20.8	5.1	47.0	
Facial gazing (% of time)	10.4	18.8	15.6	10.2	10.0	15.3	
<i>Level 3—Cultural Values Indices (from the literature)</i>							
Individual vs. collective	80	73	38	89	91	41	
Hierarchical vs. egalitarian	39	54	69	35	40	58	
Long-term orientation	23	30	65	31	29	—	
Importance of time	17	17	29	3	16	—	
<i>Level 4—Decision Processes</i>							
Cooperativeness (PSA)	9.9	9.3	10.4	9.1	9.6	9.6	
Questions (% used)	26	19	22	11	20	11	



**Table Two**  
**(Continued)**

Elements of Cultural Negotiation Profiles	CAN					
	Ang	Frn	BRZ	GER	USA	IRN
Admonitions (%)	1	8	6	6	8	12
Encouragement (%)	13	14	10	16	14	22
PSAp → \$n (higher = yes)	.30	.11	.12	.23	.28	-.22
PSAn → SATp (higher = yes)	.18	.07	.06	.33	.14	.34
PSAn → \$n (higher = yes)	-.21	-.01	-.11	-.19	-.01	.06
PSAn → PSAp (higher = yes)	.46	-.30	-.13	.34	.29	.24
ATTn → SATp (higher = yes)	.32	.52	.42	.42	.39	.43
Buyers make higher profits (\$)	.18	-.06	.05	.13	.19	.01
<i>Negotiation Outcomes</i>						
Profits (\$), a measure of creativity	45.2	43.2	46.4	40.9	44.9	41.0
Interpersonal attraction (ATT)	12.5	12.2	12.0	10.9	11.9	12.5
Satisfaction achieved (SAT)	14.6	14.8	16.6	14.0	13.7	14.6
<i>Others</i>						
Income/capita	51.1	51.1	11.0	46.4	54.3	6.5
Ease of doing business	17	17	118	16	4	52
Corruption score (higher is less so)	81	81	40	78	73	26

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of the two mainland Chinese regions are more similar (at 79) than are the two Canadian regions (at 65). Meanwhile, the profiles of each of the Canadian cultural groups with their European cousins are closer (CNe/UK at 82 and CNf/FRN at 88). Finally, it is interesting to look in Table One across the scores for Iran and its partners in the multilateral P5+1 arms negotiations: US 33, Germany 55, France 57, UK 39, China ~60, and Russia 46. These scores coincide with the highest level of current political conflict. That is, both the UK and Russia are historically political enemies of Iran, and the United States has now abrogated the agreement.

The extent of the similarity can provide an empirically based estimate of the time, effort, and expense required to iron out communication difficulties between negotiators from specific pairs of cultures. For example, using the data in Table One, a Russian marketer might prefer to enter the Mexican market rather than the Brazilian market, all other things being equal. (Of course, all other things are never equal.) For a Spanish marketer wishing to enter the North American market, it may be easier to establish inventive personal relationships in Montreal rather than in Miami or Mexico City, the last notwithstanding the common Spanish language.

## **The Obstacles Between East and West**

Now that we know how long the bridges between the various cultures must be, we can ask what kinds of hurdles lay along the spans. The detailed answers can be found in the direct, fine-grained comparison of any two profiles.

For each profile we used the twenty-seven elements of cultural negotiation that are listed in Table Two and the Appendix. Communication theory suggests a four-level hierarchy of cultural differences in negotiation behavior (Hernández Requejo and Graham 2008). The elements in Table Two and the Appendix are organized according to the four levels: (1) verbal behaviors, (2) nonverbal behaviors, (3) values, and (4) decision processes. All of these levels can cause problems in cross-cultural negotiations. The order of the levels reflects negotiators' consciousness of each type of difference. Differences at the level of language are most obvious, and therefore, most easily remediated. Translators may be hired, the negotiators may use a common third language, or someone may invest in learning a new language.

Because negotiators give out and take in a great deal of information unconsciously via nonverbal behaviors, these "hidden" problems are more difficult to address. When an Iranian interrupts an American, the American might misattribute her discomfort to the "pushiness" of her counterpart, not to a cultural difference in turn-taking behaviors.

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Differences in values and decision-making processes are often even more subtle, yet, perhaps more salient.

Below we *roughly* organize the elements included in our negotiation profiles into the four-level hierarchy identified above. Please refer to Table Two.

### ***Level 1—Language Differences***

We apply two measures at this level. The first relates to context and content. The anthropologist E. T. Hall, the seminal scholar in the area, observed that in some cultures the context of speech (who speaks, when, where, and how) is crucial for understanding words. The Japanese and the Germans made the two ends of his high- v. low-context scale. In Japan words are imprecise and comprehension depends on context; among Germans, words are quite explicit (Hall 1976; Meyer 2014).

The second measure is *linguistic distance*. Linguists have developed language family trees based on historical knowledge and current linguistic structures. Linguistic distance is measured by counting the branches between languages. English and German are one branch apart and English and Tagalog are seven branches apart (West and Graham 2004).

One caveat here: we have used distance *from English* for the linguistic distance measure. This will work fine anytime one of the cultures being compared is English speaking. Otherwise error creeps into the analysis. For example, while the distance from English score for both French and Spanish is 3, they are not the same language. West and Graham (2004) demonstrate how to calculate distance from three other languages: French, Hebrew, and Chinese. This same approach can be used for any focal language.

This latter lack of precision caused by using English as the focal language is somewhat mitigated by the general acceptance of English as the language of international business. That is, while both Italian and Portuguese are three branches from English (see Cateora et al. 2020), in a negotiation between businesspeople from those two countries the language likely spoken will be English. Their second-language disadvantages will be similar.

### ***Level 2—Nonverbal and Sociolinguistic Behaviors***

These five measures are derived from the videotapes. We simply counted the number of times these sociolinguistic markers were used by each negotiator during one-half hour of interaction. These markers include both verbal—“no” and “you”—and nonverbal behaviors—silent periods of ten seconds or greater, conversational overlaps (simultaneous talk), and the percentage of time engaged in facial gazing. For example, the Brazilians are at the end of the scale because they use the word “no” 42 times/30 minutes. Sometimes they say “no” but they often say “no, no, no, no, no.”

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### ***Level 3—Differences in Cultural Values***

Of the dozens of cultural values indices currently available, we found four to be particularly salient for our work. Hofstede (2003) provided us with country scores on two values indices, individualism vs. collectivism and hierarchy vs. egalitarianism. In our study the US (at 91 on Hofstede's listing) and Germany and the UK (both at 89) are the most individualistic. The Philippines (94) and Russia (93) are the most hierarchical. Hofstede and Bond (1988) measured long-term orientation, and China (at 118) makes the end of their scale. Finally, Levine (1997) put the Germans at the top of his ranking for importance of time.

### ***Level 4—Decision Processes***

We derived these measures of difference from our previous studies (Graham et al. 2020b). The 1,198 participants in our negotiation simulations rated cooperativeness (PSA) on the questionnaires and the averages were calculated for each cultural group. The percentages of questions and admonitions (threats + warnings + punishments), and indications of encouragement (promises + recommendations + rewards) were derived from the transcripts of the videotaped simulations. Two coders were used and inter-coder reliability was checked for each cultural group according to the methods described by Graham (1985).

The metrics for the last six decision processes represent the impacts of negotiation tactics used during the simulations for each cultural group (see Graham et al. 2020b). They are listed in Table Two in shorthand. For example, PSAn → SATp translates to “the impact of negotiators' cooperativeness on partners' satisfaction.” They can be read as correlation coefficients with a possible range of  $-1.0$  to  $1.0$ . Thus, the coefficient of  $.33$  for the German group suggests that the negotiators' cooperativeness had a significant positive impact on partners' satisfaction. Likewise, for the German group PSAn → \$n represents a weaker negative effect of negotiators' cooperativeness on their profits (at  $r = -.19$ ). ATTn corresponds to the negotiators' interpersonal attractiveness.

### ***Negotiation Outcomes***

Three outcome variables were derived from the negotiation simulation for each of the twenty cultural groups. Listed in Table Two are the average profits (\$) achieved by each group, and the levels of interpersonal attraction (ATT) and satisfaction (SAT) achieved.

### ***Other Factors***

Finally, we added three other measures of country characteristics pertinent to doing business: GDP/capita and ease of doing business ranking (both from World Bank 2017), and Corruption Perception Index scores (www.transparency.org 2018; see Jing and Graham 2008).

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### ***Inventive Negotiation and Pertinent Elements***

Perhaps the simplest heuristic is “do what the Japanese do.” See column 4 in the Appendix. They really are the world’s experts on inventive negotiation, able to squeeze the most out of long-term commercial relationships (Graham, Lawrence, and Hernández Requejo 2020a). Consumers in Japan have among the world’s highest GDP per capita (PPP) with almost no natural resources on their crowded island. They achieved the highest profits (\$n) in the simulations. When buyers have advantage—as in a buyers’ market—invention is enhanced through their requests and demands. Alternatively, sellers, particularly manufacturers, prefer the economies of scale yielded from the sameness of long production lines and narrow product lines.

The emphasis of the Japanese on long-term personal and commercial relationships, which consistently is reported in the literature (cf. Hall 1976) is also reflected by their scores on the relational elements of the profiles—buyer satisfaction, interpersonal attraction, and problem-solving approaches, that is, on most of the level four elements. They score low on admonitions and conversational overlaps, and high on questions and silent periods, all of which facilitates the flow of ideas and information that leads to invention in negotiations.

### **Two Exemplary Comparisons**

Now we look briefly at two comparisons, Canadian vs. Canadian and Brazilian vs. German, before closely analyzing the differences and similarities between Iranian and American negotiators. The data for these comparisons is set forth in Table Two.

Before discussing these comparisons, we must mention another important caveat about stereotypes and prejudging others based on our findings. We of course believe in the great value of understanding others’ cultures. Anticipating such differences helps us be more patient, particularly in the early stages of a relationship. But our numbers are not definitive; they are estimates of differences that should serve as signposts for potential communication problems. They also help us avoid misinterpretations about behaviors—what may appear to be an annoying or rude conversational style, may more simply reflect a fundamental cultural difference in communication patterns. While the metrics we present in our database represent central tendencies, negotiations are between people not groups. Personalities and personal histories also affect behaviors at the negotiation table. It is the challenge of every negotiator to sort out such differences in the context of his or her long-term international relationships. About 400 years ago astronomer Johannes Kepler opined on the fun in this game: “The diversity of the phenomena

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of nature is so great and the treasures hidden in the heavens so rich precisely in order that the human mind shall never be lacking in fresh enrichment.”

### ***Anglophone and Francophone Canadians***

An English speaker from Toronto, in preparing for a meeting with a French-speaking client in Montreal, might take note of the substantial differences between these two Canadian cultural groups. Comparing the content of the taped conversations, we noted that the French Canadians appeared more aggressive with fewer silent periods, more conversational overlaps, and nearly twice as much facial gazing (Level 2). At Level 4, Anglophone Canadians used almost no admonitions (threats, warnings, punishments), while admonitions constituted 8 percent of what the Francophones said. The Francophones also used lower percentages of questions. Moreover, as the numbers in Level 4 indicate, we found differences in behavioral impacts. For the Anglophones a cooperative, problem-solving approach (PSA) was quite important, driving profits, client satisfaction, and reciprocity. This was not the case among the Francophone negotiators, who appeared to become more competitive when others were cooperative. Thus, very different profiles of negotiation style are manifest across cultures within one country.

Most of the work on international negotiation focuses on country-to-country differences. The Canadian data, or the Chinese comparisons listed in the Appendix, underscore the dangers of ignoring ethnicities within countries. We suppose this is an obvious problem with respect to more populous countries. But we have found that businesspeople from smaller countries notice such domestic differences as well.

### ***Brazilians and Germans***

Now let's look at the patterns of obstacles for the Brazilians and Germans. Again refer to the data in Table Two. Regarding Level 2 obstacles manifest in the videotapes, the Brazilian negotiators were at the end of the scales for the use of both “no” and “you.” They probably will seem pushy to Germans and to most of the other negotiators among the groups we studied. The values elements at Level 3 were quite different. The Brazilians were very much more relationship-oriented, scoring lower on individualism and higher on both hierarchy and long-term orientation. The Germans placed a much higher value on time.

At Level 4 the Germans had the lowest percentage of questions, in fact, it was the lowest of all twenty groups. Also, among the Germans cooperative behaviors (PSA) yielded both higher profits and higher partner satisfaction, while a cooperative approach was not important for the Brazilians.

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In the negotiation simulation the Brazilian dyads were able to achieve higher profits than the Germans, who created the lowest profits among the twenty groups—this clearly is related to their low percentage of questions mentioned just above. The Germans also scored lower on all the relationship-oriented measures (PSA, ATT, SAT).

## **Iran and the United States, East Meets West**

Many Western historians attribute the seminal differentiation of East and West to the Battle of Marathon wherein a Greek army stopped the expansion of the Persian Empire in 490 BC. So perhaps the cultural clash we are about to describe has deep historical roots. But we hope that dissecting our differences in negotiation behavior will reveal common opportunities for invention. Certainly, Kepler would have appreciated the challenge.

The data from Iran are the most recently collected. Commercial interaction between the two countries historically has been infrequent, particularly in recent decades due to political conflicts. However, contact in academic settings is becoming more common, and it is our hope that this work will lead to more efficient, effective, and even inventive negotiations between managers and/or companies of both countries.

Certainly Iran is hugely important on the world stage for several reasons—historical, political, economic, and cultural. Trade and other sorts of nonpolitical interactions between Iran and other countries build peace; without them, conflict will persist. Trade works in two important ways. First, it builds cultural understanding via interpersonal interactions, and second, it builds mutual interdependence at the economic level.

Yeganeh (2011) provided an excellent starting point when he compared Iranian and American cultural traits on thirteen dimensions; we report on nine of these dimensions below. Like us, he used the ideas of Hall (1976), Hofstede (2003), and other cultural experts to synthesize the extant literature and data from secondary sources. A brief summary of Yeganeh's conclusions pertinent to our empirical studies comprises Table Three. Clearly, he has described Iran as a relationship-oriented (RO) culture and the United States as a transaction-oriented (TO) culture in the parlance of Graham et al. (2020b).

By incorporating the information from the last two columns in Table Two, we can add insights to the picture presented by Yeganeh (2011). The substantial differences between the two groups in Level 2 nonverbal and sociolinguistic behaviors are a harbinger of problems for conversations between Iranians and Americans. The Iranians use “no,” the second person, and facial gazing more than Americans. One of the largest differences across any two cultural groups is in conversational

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**Table Three**  
**A Comparison of Iranian and American Cultures (Yeganeh 2011)**

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<b>Iranian</b>	<b>American</b>
high context	low context
hides intentions	reveals intentions
relationships important	regulations important
long-term orientation	short-term orientation
touch	don't touch
hierarchy important	hierarchy not important
prefers status quo	embraces change
collectivism	individualism
circular conception of time	linear conception of time

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overlaps. Iranians interrupted the most frequently and Americans the least frequently among all twenty cultural groups. Iranians will seem very pushy to Americans. Meanwhile, Americans will seem standoffish or even uninterested to Iranians. And because such Level 2 behaviors are ordinarily displayed and observed at unconscious levels, negotiators on each side will feel uncomfortable with the other without knowing exactly why. Perhaps this in part explains Foreign Affairs Minister Mohammad Javad Zarif's appointment as Iran's lead negotiator in the P5+1 nuclear negotiations mentioned above. Zarif had spent years living and studying in the United States and was familiar with the subtle cultural differences between the two countries.

The Level 3 differences revealed in the negotiation transcripts can also be seen in Table Two. Iranians had a greater preference than Americans for instrumental behaviors (admonitions and encouragement), suggesting a greater emphasis on manipulation of partners' thoughts and emotions. The combination of admonitions and encouragement comprises the "carrot and stick" character of the Iranian style of persuasion. The lower percentage of questions for the Iranian negotiators limits the exchange of information and invention.

Americans' higher profits in the negotiation simulation perhaps reflect greater information exchange (Yeganeh's "reveals intentions," "low context") and creative thinking ("embraces change"). Americans also expressed more satisfaction after the negotiations ("short-term orientation"), although Iranians found their partners more attractive (Yeganeh's "high context," "relationship orientation").



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At Level 4, a cooperative approach (PSA) was indirectly related to the Americans' higher profits, but this was not so for the Iranians. Alternatively, a problem-solving approach seemed to yield higher levels of satisfaction for the Iranians. Otherwise, the impacts of tactics listed in Table Two show similarities across the two groups, particularly with respect to problem-solving, reciprocity, and the influence of interpersonal attraction on satisfaction.

In summary, the numbers in Tables One and Two indicate that just getting to the grove will be time- and resource-consuming for Iranians and Americans. Only 10 of the 190 relationships quantified in Table One are worse than the Iranian–American relationship, represented by a score of 33 in overall differences. Substantial differences in negotiation style are manifest across all levels in Table Two. The current strained political relationships make matters worse, both legally and interpersonally. Assuming that negotiators from both countries are interested in planting orange trees (that is, inventive negotiations), both sides will have to make several adjustments.

Transaction-oriented Americans should begin commercial negotiations with comments and questions about the negotiators as people—their regional and educational backgrounds, cultural interests, and so forth. They should let the Iranians bring up business when they are ready, after positive personal relationships have been established informally. This will take a very long time by American standards. Then, questions about Iranians' visions of mutual opportunities and long-term relationships will be appropriate. Once the “business talk” begins Americans' patience will continue to be tested, this time by the Iranian conversational style. It is more aggressive than the American on every element. Moreover, Iranian answers to questions—as a matter of linguistic style—will often seem reluctant and vague.

Relationship-oriented Iranian negotiators should be patient with American impatience. Most businesspeople from the US will be looking for an efficient and impersonal agreement. This is Americans' greatest weakness in international negotiations almost everywhere they go. Their conversational style is focused on information exchange, questions and answers. Information exchange is one of the keys to invention, which is good for both sides. Americans should be asked about their visions of mutual opportunities and long-term relationships. Hopefully they will not be too surprised by such questions. While “carrot and stick” persuasive tactics are apt to annoy Americans, interruptions will make them angry. They should be given a chance to talk and will often provide valuable information when given the opportunity.

The good news here is that between the two negotiation styles, the two most important ingredients of inventive negotiation are available—long-term relationships and information exchange. But because

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the negotiation styles of Iranians and Americans differ so greatly, much time and money must be invested in bridging the significant gaps we have identified, and in managing them toward an inventive long-term relationship. The Japanese have a special term for this—*nemawashi*. Some translate it as “lobbying.” We prefer the more literal meaning in English, “preparing the roots,” as in before planting an orange tree.

## Conclusion

Similarities are useful to note and may serve as paths to inventive outcomes, but big differences in negotiation behaviors must be taken into account in international negotiations. This article provides negotiators from twenty cultural groups with empirical data on negotiation style to supplement their often anecdotal information about cultural differences. In addition, we highly recommend the negotiation briefings on fifty countries provided by Lothar Katz (2017), which are based on his own experiences and interviews. He makes reference in his work to several of the scholars we have cited. Katz does not provide detailed analysis on Iran, Francophone Canada, or regional differences in mainland China. However, for the countries studied by both Katz and us, we recommend an efficient way to prepare for negotiations. When getting ready for negotiations with Norwegians, for example, start with Katz’s briefing on Norwegians and compare his descriptive comments to our metrics on Norway. Then, do the same for your own culture. A key lesson of international negotiation is “first know thyself.”

Finally, we have some general advice for international negotiators. First, asking questions is a key negotiation behavior that seems to positively affect negotiation processes and outcomes. Second, giving great attention to nonverbal behavioral differences is crucial in international negotiations. Third, interpersonal attraction is a key component of international commercial relationships.

We conclude with a poem by Rudyard Kipling in which he optimistically notes that neither cultures nor countries nor companies negotiate. People do.

### *The Ballad of East and West*

*Oh, East is East, and West is West,  
and never the twain shall meet,  
'Til Earth and Sky stand presently  
at God's great Judgment seat  
But there is neither East nor West,  
border, nor breed, nor birth,  
When two strong men stand face to face  
though they come from the ends of the  
earth.*

Rudyard Kipling, 1889

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**Appendix**

**Comparing Negotiation Styles: Fourteen Cultural Groups**

Elements of Cultural Negotiation Profiles	CZEC	FRN	HONG KONG	JPN	MEX	NWY	PI	PRC GNZ	PRC TNJ	RUS	KOR	SPN	TWN	UK
<i>Level 1—Language</i>														
High v. low context	-	5.0	10.2	11.0	9.9	3.0	-	10.3	10.3	8.5	9.0	8.0	10.4	6.0
Linguistic distance	3	3	6	4	3	1	7	6	6	3	4	3	6	0
<i>Level 2—Nonverbal &amp; Sociolinguistic Behaviors</i>														
“No”	-	11.3	-	1.9	4.5	-	-	-	1.5	2.3	7.4	23.2	5.9	5.4
“You”	-	70.2	-	31.5	56.3	-	-	-	26.8	23.6	35.2	73.3	36.6	54.8
Silent periods	-	1.0	-	2.5	1.1	-	-	-	2.3	3.7	0	0	0	2.5
Overlaps	-	20.7	-	6.2	10.6	-	-	-	17.4	13.3	22.0	28.0	12.3	5.1
Facial gazing	-	16.0	-	3.9	14.7	-	-	-	11.1	9.7	9.9	13.7	19.7	9.0
<i>Level 3—Cultural Values Scales</i>														
Individualism	58	71	25	46	30	69	32	20	20	39	18	51	17	89
Hierarchy	57	68	68	54	81	31	94	80	80	93	60	57	58	35
Long-term oriented	-	39	96	80	-	44	19	118	118	-	75	19	87	25
Importance of time	20	11	10	4	31	-	-	23	23	-	18	-	14	6
<i>Level 4—Decision Processes</i>														
PSA	9.0	9.3	12.3	10.3	10.7	12.6	9.6	10.7	2.4	11.4	10.9	11.2	10.3	8.5
Questions	-	18	-	20	27	-	-	-	34	27	21	17	19	15
Admonitions	-	10	-	6	3	-	-	-	2	4	7	5	2	9

**Appendix  
(Continued)**

Elements of Cultural Negotiation Profiles	CZEC	FRN	HONG KONG	JPN	MEX	NWY	PI	PRC GNZ	PRC TNJ	RUS	KOR	SPN	TWN	UK
Encouragement	-	11	-	13	16	-	-	-	9	12	8	14	16	22
PSAp → \$n	.35	.24	-.27	-.09	-.01	.35	.32	-.05	.37	.24	.38	-.17	.35	-.17
PSAn → SATp	-.19	-.05	-.39	-.07	-.01	.58	-.21	-.02	-.25	.14	.17	-.40	-.19	-.40
PSAn → \$n	-.17	-.16	-.07	-.15	-.23	.12	-.28	-.04	.01	.10	-.32	-.12	-.17	-.12
PSAn → PSAP	-.19	.27	-.39	.36	.27	.43	-.24	-.65	.44	.40	.11	.24	-.19	.24
ATTn → SAT	.48	.57	.33	.39	.66	.28	.54	.92	.65	.72	.27	.59	.48	.59
Buyers \$	-.01	.29	.18	.43	.45	.00	.29	.05	-.09	.10	.10	.29	-.01	.29
<i>Negotiation Outcomes</i>														
Profits (\$)	42.2	45.6	46.9	47.9	43.2	42.7	42.8	42.9	46.1	43.0	42.1	46.5	42.2	47.2
ATT	12.1	12.5	11.3	12.0	12.0	12.6	13.1	11.5	12.7	12.4	11.6	11.2	12.7	11.4
SAT	14.0	13.6	14.2	15.3	15.5	15.4	15.9	14.2	16.1	14.6	13.7	15.2	14.1	14.5
<i>Additional Country Characteristics</i>														
Income/capita	17.6	43.6	53.2	39.9	10.5	102.8	3.7	13.8	23.5	14.1	26.2	28.9	39.6	39.0
Ease of business	68	35	-	23	51	7	133	99	99	111	6	46	-	11
Corruption	51	71	75	74	35	86	37	40	40	27	55	60	61	76

[Correction added on August 9, 2020, after first online publication: typographical error in the column head was amended.]