Negotiations in Asia: Focus on China

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I. Introduction

The Western hegemony began three century ago, and it is nearing its end after being the center of the world of knowledge, power, and wealth. It created the world system and Europe unified the Mediterranean, Islam, Hindu, and Confucian worlds to grow the hegemony. The Confucian world consisted of China and its islands as well as its neighbors which include Korean, Japan, and Vietnam where Confucianism was a dominant cultural influence affecting the socio-political practice. The emphasis in this part of the world was the harmony of the group at all levels. The societal levels including family, village, and state all abide by this rule.

A new division is occurring in the global system divided by geo-cultural tenements. The significant differences in eth world regions are holding together because of globalization. The growth of China's hegemony status, which is a factor of the global transformation in East Asia and China, implies a movement of power to the East from the West.

The state of move moved historically among states or regions. The movements changed the balance of the world as in the case of the shift of power from Carthage to Rome in ancient times. It gave rise to the Roman Empire. The empire lasted for centuries before another shift occurred. The American power arose after the end of the fifteenth century where power moved away from the Mediterranean to the Atlantic. The start of the nineteenth century saw the change in power from the London stage to the Washington stage. The present growth of China and the discovery of its police, economic, and social resources is causing a power shift from the Atlantic to the Pacific. The present shift, when successful, will result in a change of the power seat from Washington to Beijing.

The significant of the present power shift conditions is that they represent a move away from history. In the past, power shifted within relatively developed areas seemingly as an exchange among equals. However, today's power shift from Washington to Beijing is a shift from the developed world into the developing world. However, the details of the shift do not indicate a replacement of the USA by China in hegemonic power yet.

Nevertheless, it presents the end of the political, economic, and cultural hegemony enjoyed by the West in Asia and globally.

Negotiations, as taken in the context where people and groups handle their interdependence, transcend time. At around year 400, Herodotus talked about the difficulty of intercultural trade encounters.[1] The difficulties persist even in modern times. The presence of globalization increased intercultural negotiations in different ways across many domains of life. Politics, business, and defense are key areas where negotiations in a professional manner occur today. The negotiation theory and research in the past few decades relied mainly on a focus on the Western enterprise.

The understanding of negotiations and the factors inhibiting or facilitating culture and negotiations relationships is useful for expanding the overall science of negotiations and offering practical implications.

Cultural industries oscillate between symbolic and material spheres. While doing so, they bring up key issues for involved actors. They carry economic concerns because of their role in terms of growth and employment for national economies. They present political issues because they are vehicles of values and collective representation. They also form the resources of the State, which allows it to shape the country's international environment. The cultural expressions as distributed by cultural industries make up the national, regional, local identifies, and many actors are showing signs of worry about cultural dominance in business management circles.

The Chinese Committee of the Chinese Communist Party (CCP) noted in October 2011 a need to make Chinese soft power strong.[2] The intention was to create a view of the overall prosperity of cultural undertakings. The intention was to bring up a sound development of cultural industries that would continuously improve the international influence of Chinese culture.

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[1] Brian C Gunia, Jeanne M Brett, and Michele J Gelfand, "The Science of Culture and Negotiation," *Current Opinion in Psychology* 8 (2016): 78.
[2] Antonios Vlassis, "Soft Power, Global Governance of Cultural Industries and Rising Powers: The Case of China," *International Journal of Cultural Policy* 22, no. 4 (2016): 481.

China now occupies the world stage as a rising power because of impressive economic growth and social transformations. It is also gaining considerable influence in international affairs, which forces scholars to question its status in the international arena. The key question among scholars is the representation of China as a regional power or a global power.[3] Meanwhile, the coverage of Chinese culture and dominance in the world seems to bring up it's challenging of the US predominance in world hegemony.

Economic globalization is a connecting factor in the international system, and it faces new divisions globally. An effect of the division has been the restructuring of the international division of labor favoring the BRICS countries. It is facilitating new job opportunities in these countries while also working against the employment interests of the industrialized countries among them Japan and Italy. Consequently, the adversely affected countries are experiencing de-industrialization while the positive affected ones are showing increased signs of industrialization.

Globalization is a positive factor for China having given it the extraordinary growth it experienced. The effect has also been an increase in capital and technology, which continue to fuel the country's growth. The other effect of globalization has been the increased access to Western markets by Chinese firms leading to increased profitability. Moreover, the opening up of the Chinese economy to the world led to the increased availability of raw materials from across the world to support the growing industrialization of the country and to meet the demand of its markets.

Despite the increase in globalization, cultural differences dominate debate and concerns presented by research as well as practitioners. Cultural convergence or Americanization as floated in various forums and texts simplify the similarities between groups of people around the world. The convergence of culture is the growing similarity between national cultures.[4] Nevertheless, it does not reach the basic values of specific cultures. Many of

[3] John G Ikenberry, "The Rise of China and the Future of the West-Can the Liberal System Survive," *Foreign Aff.* 87 (2008): 23.

[4] Samuel P Huntington, *The Clash of Civilizations and the Remaking of World Order* (Penguin Books India, 1997).

the smaller cultures are indigenizing in the process of radicalization of their own culture and a preference of nationalism.[5]

China's president Xi Jinping continues to build on the proposal by President Putin of Russia to integrate the Eurasian region.[6] The proposal was to come up with a harmonious economic community to provide a unified continental market. It would promote industrialization and improve cooperation in education and research. The Chinese approach has been to promote its Silk Road Economic Belt (SREB) as well as the Maritime Silk Road.[7] The project involves negotiated approaches to building infrastructure to open up parts of the world directly linking to the Chinese economy for global trade. The belt initiative seeks to make China hegemony in trade. It includes clear infrastructural, commercial and commodity chain aspects.

Beijing seeks to make a trade, and it presents itself as an economical alternative to the war-prone policies of the west. The initiative seeks to build trans-regional connectivity that would facilitate multilateral geo-economics exchange in an era dominated by geo-cybernetic technologies. Telecoms, fiber optics, and cyber security are some of the dominant areas where China is seeking to utilize in its growth path.[8] China is also using the best initiative as part of its proposals in an ongoing negotiation environment of climate change. It claims the project is helping ease global challenges by contributing to climate sustainability, and geo-ecological security.

The teaching of Chinese to students from the rest of the world is now a key component of China's foreign policy as a means of enhancing friendship and mutual understanding. It is also a ticket to economic and cultural cooperation and exchanges for China and the rest of the world. Language and the role of China in the international stage strengthened in 2004 after the launch of the Confucius Institutes to meet demands for foreign Chinese

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[5] Huntington.

[6] China Daily, "Xi's Statements on the Belt and Road Initiative," *China Daily*, April 27, 2017, http://www.chinadaily.com.cn/china/2017-04/15/content_28940829.htm.

[7] P Escobar, "Xi's Wild Geese Chase the Silk Road Gold," *Asian Times*, May 15, 2017, http://www.atimes.com/article/xis-wild-geese-chase-silk-road-gold/.

[8] Escobar.

learners.[9] China uses its government-funded institutes as conduits for promoting soft power such as through the media, language learning, and other aspects likely to raise the global status of the Chinese culture.

It is necessary to investigate the way and the reasons for China's international positioning on the world stage. Various scholars in different disciplines show an interest in knowing the eventual status signaled by China and its intentions. At the same time, China is now a major global player in politics, social issues, and commerce. Dealing with the country and its people is an important part of international development for any organization. Being able to understand China in the new identity will ensure no mistakes made during negotiations. A central feature of negotiations is usually the preliminary investigations about the other party and the need to know their terms. China's case is presenting new concerns, as the country appears to move away from a traditional identity associated with its collectivist and relational approaches. While these conditions and networked arrangement continue to form the fabric of its society, the emergence of the country as a global player also pushes its boundaries on cultural and business practices.

Purpose and Goals

This thesis will be analyzing negotiation in Asia highlighting the determining factors and highlighted differences between this form of cultural expression and exercise compared to the one in Western countries. Thus, the paper will look at both the Western civilization encounters and the Asian civilizations historically and in modern times to explain their effect on the changes in cultures, and intercultural encounters. However, the emphasis will be on presenting insights about Asian negotiations and the factors influencing them and then narrowing to the relationships of the different factors as manifested in China with specific Chinese examples.

The paper also seeks to focus on China when presenting the Asian case, forming a case study approach and showing the intricate features of negotiations. It will explore history influencing the growth of the Chinese negotiator and the power dynamics shaping the

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[9] Maddalena Procopio, "The Effectiveness of Confucius Institutes as a Tool of China's Soft Power in South Africa," *African East-Asian Affairs*, no. 1–2 (2015).

negotiator's role in the formation and maintenance of global business, cultural, and political hegemony. The thesis will be looking at the individual relationships of Chinese nationals and the leadership of the country and its behavior in long-term international negotiations.

The paper will be presenting specific examples, a focused approach to a country's negotiations environment and deep literature analysis to improve on the understanding of negotiation theories and intercultural dynamics in business and society. It will improve on the information derived from simple theories relying on hypothetical situations. It gives information on a contextual basis to improve the generalizability of key findings from the literation on negotiations in Asia and applicable research findings of intercultural dynamics in China. This approach will be crucial to demystify historical conceptions about China behavioral norms in business and social relations.

It is important for research not to skim over the real-life negotiations environments given the multiple natures of factors influencing them.[10] Focusing on a particular country will help to bring an enriched understanding of the environment in which negotiations take place. It will also align literature with specific findings to offer continuity to debates and ongoing scholarly endeavors towards an understanding of China's rise in global hegemony status. The research builds on the literature of negotiations, cultures, and relationship-based communications across the world and highlights emergent insights from the Chinese perspective.

The inquiry this paper seeks to reply is the extent to which the Chinese culture and way of living are influencing the characteristics of its negotiation from a business context and a global geopolitics perspective. Several years after the first studies about Chinese intercultural negotiations, it is still unclear whether the approach by Chinese negotiations is effective in all situations, and whether it represents a superior form of cultural interaction worth emulating across the world. Moreover, the extent of the effects of Westernization within the Chinese society and by extension the resulting negotiation

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[10] John Lande, "Building Negotiation Theory from Real-Life Negotiations," *J. Disp. Resol.*, 2017, 53.

affairs in China do not yet have extensive coverage in the negotiation literature. Moreover, the paper seeks to place China's negotiations environment as influenced by its national values, cultures, and attitudes within the context of the Asian region. The paper will also be exploring the concern of whether the Chinese negotiating environment is changing in tandem with modern developments in the country.

Power is an important factor in the determination of negotiation outcomes. It is interesting from a research perspective to find out the role of China's soft power in negotiations. Therefore, this work will be further exploring, through the case studies, and from the literature, the extent of China's soft power influence on the negotiation environment the country and the country's corporations create to improve their bargaining positions.

Methodology

The thesis work uses a combination of data analysis and data gathering approach. It embraces the literature review approach for gathering and analyzing secondary data to inform the theoretical underpinnings and offer valid claims about the studied phenomenon. It utilizes a qualitative approach relying on the case study method to present findings of negotiations in China and discuss them in light of the notions presented in the literature on intercultural negotiations across the world.

The research collects data using an interview approach for the case study. The first level of the case study will focus on negotiations at the government level, mostly in multinational perspectives where the Chinese government negotiates internationally for trade, environment, politics, and other issues. The second case study focus will be on the organizational level. It will look at the way enterprises in China or those sharing a Chinese origin are dealing with counterparts within and outside China when negotiating. It will explore the Chinese corporations' behavior as influenced by the theories of negotiation and culture represented in this work.

Key Research Questions

The research seeks to find out the following instances of use of negotiation power in the Chinese context and to explain the outcomes of the Chinese negotiation approach in the multicultural context and within the Asian context. Thus, the following are the key research questions for the work.

1. What are the inherent features of the Chinese negotiation environment at a state level and an enterprise level distinguishable from other global or localized negotiation environments?
2. How does the Chinese expression of soft power and its ambitious projects for global hegemony affect its culture and its environment responsible for negotiation success or failure at both governmental and enterprise levels?
3. What limits exist to curb the usefulness of a traditional Chinese approach to negotiations in the present world of international politics and business?
4. In what ways are the Chinese through various interactions in trade, politics, and social setting adapting their traditional approach to negotiations with the demands in modern times to guarantee their success?

Organization of Thesis

The articulation of this thesis is as follows. After this introduction, the second chapter will examine negotiations, underlying the nature of negotiations and the negotiating environments while also presenting a connection between outcomes of negotiations and factors influencing them. The chapter also discusses the nature of culture as a primary factor in negotiations and the use of power in various dimensions within negotiating environments. It particularly presents soft power from a historical perspective and its particular occupation in the global expansion strategy of China. The section also provides an in-depth look at relationality in negotiation given that many scholars already link relationship building strategies and negotiation outcomes. The backgrounds chapter serves the purpose of introducing the reader to the foundational concepts that shape this thesis, ensuring that additional discussion and findings of the study will be possible and influential in answering the research questions.

The third chapter moves the reader to the theoretical insights of the topic, by presenting key theoretical models underlying the discussion and literature on negotiations and intercultural interactions. In particular, the paper discusses two traditional and still relevant culture classification models for inter-country comparisons. These are the Hofstede's Typology of Culture by Geert Hofstede, and the Hull's Cultural Factors by Edward Hall. The presentation for the two models provides their basic assumption and categorizations and discusses general examples and insights to improve the understanding of the cultural dimensions included in the models. It is important to present a comprehensive theoretical background to capture different elements of the thesis topic because the realm of negotiations expands beyond the specific industries, societal levels, or cultural preferences.

Also, the chapter on theoretical underpinnings also presents a less obvious model that would be relevant in developing the discussion and interpreting the findings. The theory of cultural activity types provides a differentiated outlook compared to the other two models highlighted above. It is unique because it looks at regional influences of culture beyond national boundaries. It also does not limit itself to the particular citizenship of the studies population but focus only on the unique characteristics identified as activity types. Thus, it is essential in aiding the understanding of morphing cultures in the era of globalization.

The findings for the thesis commence on the fourth chapter. This chapter titled 'negotiations in the Asian context.' It presents the findings of Asian culture with a relevant discussion about its influences on negotiation preferences. The chapter goes deeper in giving readers an understanding of the country and regional cultures that constitute Asian cultures. The intention is to provide anchorage for presenting the China case. The findings also present specific thoughts on Chinese culture with an emphasis on the Guo Qing business culture characterized by Guanxi and Xinyong. The chapter closes with a subsection presenting the Chinese negotiation behavior as influenced by the business culture, and the societal systems in China.

The fifth chapter is about China's case study, and it uses China's participation in Climate Change talks in Copenhagen and Paris. It shows the changes in the country position, the growth of its soft power status, and the complexity of the new identity for China in the international negotiations. China's complex roles in international affairs contributed to inconsistencies that affected its position in the Copenhagen round of climate talks. An emergent identity helped the country to promote a specific interest perspective in the subsequent Paris climate talks. The metamorphosis of the position and the domestic and international influences leading to it provide the appropriate context to evaluate the changes in the negotiating positions of China in the world. At the same time, the international positioning of the country will continue affecting the way the international partners respond to China's growth. It would be interesting to bring up some of the effects of the growth of China and its existing liberal order in the Sino-world relationship, hence the purpose of this climate change case study.

The sixth chapter reconnects the findings of the traditional landscape of negotiations in Asia and China in particular, with the recent changes in global culture. It presents major answers to the research questions and relies on the understanding developed in the backgrounds and the theoretical underpinnings chapters. The developments contrast with the findings of the traditional way of doing business and negotiating in social, political, and cultural contexts presented in the previous chapter.

In particular, chapter six explains the changes in the cultural profile of China, which would cause it to deviate from traditional classicization by theories such as Hofstede's typology of cultures. It discusses the signaling behavior of China as an emergent global cultural, economic, and political power. The chapter also looks at specific developments that will change the Chinese business culture and possibly transform it beyond the traditional characteristics such as increased materialism and use of Western rules and perspectives for commercial negotiations.

II. Backgrounds

Negotiations

Negotiations arise as social interactions. The process of negotiating is one where two or more parties resolve perceived incompatible goals.[11] Therefore, this paper goes with the definition of negotiations as interactive communication processes occurring when an entity or subject matter is in demand by one or more parties from another party. In this case, the negotiations may have direct or indirect confrontations of the involved parties. Furthermore, the paper is focusing on the cultural expression and use of negotiations for larger societal goals as well as specific individual behaviors.[12]

Most known forms of negotiations are in business settings and dispute resolution conditions. The two differ in the approach and values used. For example, business transaction negotiations seek to exploit cultural hegemony and identify influences in the formation of relationships. Conflict negotiations vary according to the actors involved in the negotiations, and they may lack a defined format especially when conflicts appear to have multiple stages of manifestation. The task of negotiations in conflict resolution is to look at avenues to convince the other party or to take up their position and reach a compromise. Often conflict resolution negotiations do not seek to find a winner or a value exchange. Rather they seek to restore or build a relationship or a contract to assist on ongoing and future cooperative endeavors.[13]

Two or more parties have to communicate in a negotiation to promote mutual interests and lower instances that would promote the manifestation of differences. Their goal is usually according to the different needs and the approach taken in the negotiation. The parties negotiate because they realize they depend on the other to improve their current situation. Negotiations have explicit proposals put forward as a gateway to reaching an agreement or exchange. If there are conflicting interests, then the proposals seek to resolve them and arrive at a common interest. In negotiations, the divergent values combine based on an agreed decision. The idea is to follow appropriate stages, sequences, and behaviors to improve the success of the negotiations.

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[11] Jeanne M Brett, "Culture and Negotiation," *International Journal of Psychology* 35, no. 2 (2000): 98.
[12] Brett.
[13] Hyung-Kwon Jeon and Seong-Suk Yoon, "From International Linkages to Internal Divisions in China: The Political Response to Climate Change Negotiations," *Asian Survey* 46, no. 6 (2006): 846–66.

Negotiations take place through proposals and counter-proposals with the agreement as the goal. Both parties seek a fair and positive agreement, and they will judge it according to their objectives for the negotiation. Moreover, parties are responsible for creating a climate of trust to facilitate the negotiation and to open the door to future relationships.[14]

Contextual circumstances also affect the classification of negotiations and approaches used to reach an outcome. In most business transactions, procedural rules of the transactions bind the negotiating parties. However, other factors in the pre and post-negotiation stages could also affect the actual commitment shown to the transaction process. Moreover, changes in the variables of the transaction such as the variation of information as well as the manifestation of notable negotiation biases will undoubtedly affect the use of a particular approach when negotiation.[15] In this regard, embracing a contextual analysis is recommendable when analyzing negotiation behaviors.

Power in Negotiations

In society, an individual is as powerful as others perceive the person to be and this proposition can be limiting when the subject is unaware of the way others perceive the power. Power exists in two forms. Power exists in a real, verifiable format and as a perceived concept. One may also look at it as objective or subjective because it can exist in people's mental frame even in situations where other parties depend or do not depend on an individual. Power also shifts across the parties negotiating. Another attribute of power is that it can arise from time and circumstance and it can be a resource used for nurturing or exploitation. Understanding the role of power and ways to govern it is an important feature of negotiations.

Power provides negotiators with options.[16] Negotiators need to hold the balance of power in the ensuing relationship to control the agenda and process of negotiations. The

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[14] Gunia, Brett, and Gelfand, "The Science of Culture and Negotiation."

[15] Meina Liu, Lin Zhu, and Ioana A Cionea, "What Makes Some Intercultural Negotiations More Difficult than Others? Power Distance and Culture-Role Combinations," *Communication Research*, 2016, 0093650216631096.

[16] Steve Gates, *The Negotiation Book: Your Definitive Guide to Successful Negotiating* (West Sussex: John Wiley & Sons, 2016).

capability to do this gives the controlling party a high chance of influencing outcomes. Other than influencing outcomes, power can also be useful for modifying the climate, style, possibilities, and strategies used in negotiations. It gives the parties in the table the chance to select competitiveness or collaborative approaches depending on the desired outcome and their role in the negotiations.

In individual as well as group negotiations, parties create power or the perception of power by being indifferent and outlining option while also giving the other party no options.[17] These attempts seek to manage expectations and give the impression of negotiating from a strong position. Framing the facts around circumstances is also a notable way used to give the impression of power.

Historically, individuals or states with power will at some point desire to exercise it. The balance of power ensures that parties can prepare accordingly for upcoming negotiations. The balancing of power needs adequate information. The level of transparency in time and circumstances of the negotiations affects the power balance in the relationship and the style of negotiation that the parties will take.

The factors affecting the extent of power's influence on negotiations are as follows. The level of dependency directly affects the balance of power. The party in most need of the outcome will appear most desperate and less powerful when other factors remain constant. The second factor is the power of the brand and the relative size of both parties. This point is easy to see in a commercial transaction where high branded items will sell at a premium despite possibly having the same content as low branded items. Both sellers and buyers are interested in the high branded items, and this gives it a considerably high power over the lesser brands. Thus, in negotiations, the parties offering an outcome seek to increase the brand's value to ensure buyers or recipients are willing to accept a high exchange rate in the negotiations.

The other factor to consider in the balance of power is the history or precedents to the negotiations. The history and the preceding events affect the rationalization of the

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[17] Gates.

negotiating parties on whether to hold to a position. For instance, it is common for business transactions to stall and then resume. The parties in the transaction will likely want to start negotiating from the terms resolved in the previous phase of the transaction, or they may want to start from scratch. These conditions affect the eventual power distribution in the negotiations. In negotiations between companies and consumers, which take place informally in the market, a company can change its sales personnel, alter the consumer's understanding of historical facts, or change the presentation of the product or services to ensure that the concerns raised by consumers are not going to affect the price claimed for the service adversely. Individuals may also use the same tactics when negotiating for arrangements with other groups or persons.

A fourth factor affect power distribution in negotiations is the competitor activity or market conditions and in other cases, the conditions affecting the alternative options. This factor will only affect power balance in negotiations where there is sufficient information available to the parties about the negotiating environment. For instance, if the reputation of one party in negotiations is low and the other party sees an opportunity to trade an offer with an alternative party, then there will be an incentive to do so to benefit from the trustworthiness of the new potential partnership. In this case, the party gaining option due to the availability of the competition will exhibit a reasonably high power in the negotiations and could demand additional concessions from the low reputation party as a condition for proceeding with the negotiations.

The fifth factor influencing power balance is time. The party with the most time will be at ease and will appear to have a higher level of power in the negotiations.[18]

Culture and Negotiations

Culture represents the total of the learned behavior traits shared by individuals belonging to a particular society.[19] Most research on culture and negotiation will explain it from an

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[18] Steve Gates, *The Negotiation Book: Your Definitive Guide to Successful Negotiating* (West Sussex: John Wiley & Sons, 2016): 47.

[19] Marieke de Mooij, "Comparing Dimensions of National Culture for Secondary Analysis of Consumer Behavior Data of Different Countries," *International Marketing Review* 34, no. 3 (2017): 444–56, https://doi.org/10.1108/IMR-02-2016-0047.

intercultural perspective. Here, the comparison is between negotiation behaviors and negotiation outcomes for individuals from two or more cultural groups.[20]

Language as an artifact of culture serves a major component in the determination of the effectiveness of communication when negotiation. A fluent exchange of information will likely yield positive results. Any ignorance and prejudice shown by any of the negotiation parties is a mistake leading to the possible collapse of the negotiations. Negotiations also suffer from stereotypes about culture. Many negotiators will at a point in the process harbor a stereotype about the attitude, form, style, and results of the negotiation. The cultural psychology literature distinguishes dignity, face, and honor culture against independent versus interdependent culture or West versus East culture.[21] These approaches to understanding culture add to the use of low context and high context cultures when communicating.[22]

In different cultures, the negotiations will value the relational and economic outcomes of the negotiation process. Most literature on the subject tends to present assumptions that that Eastern and Middle Eastern cultures will tend to dwell on relational outcomes while Western cultures will be focusing on economic outcomes. Economic outcomes mostly relate to the expansion of value and the claim of value.[23] Here, either the parties want to increase their outcome while also improve the outcomes of the other party, or they take a closed approach and seek to take a share of what is already present for negotiation. Cultural influences in negotiations affect the conditions available for creating value.

The creation or claim of value depends on the use of negotiation strategies. These strategies can include goal-directed verbal and non-verbal behaviors. A known strategy for negotiations is early and sustained information exchange about interests and priorities.[24] A second strategy is the persuasion and offers that parties communicate

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[20] Gunia, Brett, and Gelfand, "The Science of Culture and Negotiation." 78.

[21] Soroush Aslani et al., "10. Dignity, Face, and Honor Cultures: Implications for Negotiation and Conflict Management," *Handbook of Research on Negotiation* 249 (2013).

[22] Edward Hall, *Beyond Culture* (New York, NY: Doubleday, 1976).

[23] Gunia, Brett, and Gelfand, "The Science of Culture and Negotiation."

[24] James K Sebenius and Jason Qian, *Cultural Notes on Chinese Negotiating Behavior* (Harvard Business School Cambridge, MA, 2008).

indirectly or directly. The first strategy is likely to promote value creation while the second one is likely to promote value claiming irrespective of the cultural backgrounds of the negotiating parties.[25]

Intercultural and Intercultural Perspectives

Differentiating between intercultural and intercultural negotiations is possible by looking at inputs, processes, and outcomes. In the perspective of culturally affected negotiations, one may look at the style of communication and its implications in different cultures. Negotiations involve a great deal of communication. Therefore, the studies on intercultural and intercultural communication help to shed light on negotiations in these areas too. In international business settings, the cultural difference between negotiators is a major concern for research, with various practical implications offered to help business people navigate this environment successfully.

The negotiation of domestic business and that involving an international one will have several things in common except for the need to consider the culture. In local settings, most participants will already share the same culture and will be conversant with the communication rites and other elements of the negotiations. In international settings, each party will be seeking to understand that foreign culture while also adhering to the demands of the negotiation.

The business environment is changing, and the cultural environment is the most significant one in influencing international markets. Understanding the impact of shoppers and the focus of overseas companies in shaping politics and social, economic conditions is contingent on a clear understanding of different cultures. The definitions of culture abound, and the agreed cultural symbols among scholars include language, religious rites, art, and common traits or behaviors serving as a manifestation for cultural beliefs and attitudes. Cultural factors serve a critical role in the flow of business and the determination of politics and other encounters among people.

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[25] Gunia, Brett, and Gelfand, "The Science of Culture and Negotiation."

When studying organizations or societies and their cultures, one looks at three main levels namely underlying assumptions, values, and artifacts. The underlying assumptions are the unconscious and taken for granted beliefs.[26] They are perceptions, thoughts, and feelings people hold without necessarily being able to explain or understand them. The values of a given culture include the strategies, goals, philosophies useful in negotiating different situations in cultural interactions. The values include attributions.

Meanwhile, artifacts are the visible products of the culture such as clothing, the preferred ways of addressing situation and people, and the work practices. Some cultures are likely to exhibit more artifacts than others are because the view of the representational nature of artifacts is subjective.[27]

The world has great diversity, which makes it hard for any negotiator to understand fully all cultures likely to appear in the context of global negotiations. Meanwhile, executives must prepare to cope with culture when making deals even within their companies. The reality of a globalized world is that companies are hiring from across the world. Even for local hiring companies, some of the staff members come from different cultures, and this presents managers with different opportunities and challenges for interpersonal negotiations. In other cases, companies have to transact with customers across multiple countries and need to be aware of the impact of traditions and other manifestations of culture on negotiations.

Ten factors are specific to the relationship between cultures and deal-making as discussed by Selacuse.[28] Knowledge of these factors ensures that international business negotiators understand their counterparts. They will know the possible misunderstandings when they arise. Nevertheless, the factors come from a journal article from a Westernized world and may not fully cover intricacies of negotiation in non-western worlds. Nevertheless, it

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[26] Liu, Zhu, and Cionea, "What Makes Some Intercultural Negotiations More Difficult than Others? Power Distance and Culture-Role Combinations."
[27] Liu, Zhu, and Cionea.
[28] Jeswald W Salacuse, "Intercultural Negotiation in International Business," *Group Decision and Negotiation* 8, no. 3 (1999): 217–36.

relies on experience from research and practice. The ten factors are variations of many frameworks used by scholars to serve as tools to apply to cross-cultural engagements.

The first factor is negotiating goal, and it implies a consideration of whether the negotiation appears as a contract or a relationship. The second one is the attitude to the negotiation process, and the members can see it either as a win/lose or a win/win. The third one is a personal style where the dichotomy is informal or formal. The fourth factor is communications where one has to consider whether it is direct or indirect communication. A fifth factor is time sensitivity. It refers to whether the negotiator is coming from a high or low time sensitive culture. The sixth factor is emotionalism, and it has a high or low measure.[29] Negotiators will also seek to know the agreement form as the seventh factor where the negotiation may seek a general agreement or a specific one. The eighth one would be an agreement-building process with the two options being bottom up or top down. The ninth factor is the negotiating team organization where an individual would find one negotiator leader or a team that will require consensus.[30] The ninth factor may also refer to the negotiating teams on either side or their preferences from a cultural perspective. The tenth factor is risk-taking, and the ratings are either low or high.

Relationality in Negotiations

Negotiations have an inherent interdependent structure. Any bilateral negotiation will involve interpersonal interactions. Relational constructs affect the decisions of negotiators and subsequent outcomes. Human relationships are social. They include successive interpersonal interactions across time. Relational orientation infers a propensity of a person to foster and maintain long-term interpersonal relationships with another person.

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[29] Salacuse.
[30] Salacuse.

Relational commitment is the enduring desire to sustain a valued relationship, and it may appear as a multifaceted variable.[31] It can show up in terms of the cost and benefits of the relationship. In this case, people want to estimate the expected benefit and opt to stay in the relationship or leave. The negotiators' perceived need to keep a relationship while considering the termination costs of leaving would make up instrumental commitment. Maintenance of a relationship in an active manner would also arise because the negotiators are genuine to the cause of the negotiations and they want to interact in the relationship. Therefore, the subjective values arising from the negotiations will reflect the affective elements felt and contained by the negotiating parties as they interact. The relationality of negotiation thus makes it possible to see negotiators as utilizing an affective or instrumental dimension of relational commitment.[32]

Parties negotiating have relational capital, which is similar to social capital, and it brings the negotiators with mutual liking, trust, and quality of the dyadic relationship. An information exchange takes place when patties n the negotiations provide and seek information.[33] They participate in negotiation communications. The evaluation of this process might look at the amount of information disclosed between negotiations and classify it are relevant or irrelevant and redundant. Increased redundant communication is likely to lower the quality of communication and its effectiveness in the negotiation process. In high context cultures, the verbal and nonverbal information is essential in sustaining a mutual understanding of the negotiation proceedings.[34]

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III. Theoretical Underpinnings

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Hofstede's Typology of Culture

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[31] Junjun Cheng, Yimin Huang, and Yong Su, "Relationality in Business Negotiations: Evidence from China," *Contemporary Management Research* 12, no. 4 (2016).

[32] Cheng, Huang, and Su.

[33] Julie Staggers, Susan Garcia, and Ed Nagelhout, "Teamwork through Team Building: Face-to-Face to Online," *Business Communication Quarterly* 71, no. 4 (2008): 472–87.

[34] Cheng, Huang, and Su, "Relationality in Business Negotiations: Evidence from China."

Management is always about people. Therefore, it is part of the culture of society forming the environment of management.[35] Culture, as noted in this paper, refers to collective programming of the mind where members of one group are distinct from those of another group. Cultural dimensions in management identified the nature of management skills in ways that they are culturally specific. Consequently, a technique of management that is relevant and useful in one national culture would likely not work well in another national culture.[36]

Geert Hofstede developed the paradigm used in studying cultural differences among countries. The model has been in use since its creation in 1970. It is a cross-cultural model that came about after 116,000 surveys completed by IBM employees. The global coverage was 72 countries, and the initial results showed a possible four dimensions model with four factors that would distinguish the main characteristics of national cultures. The latest iteration of the Hofstede's typology of culture has six dimensions of culture.

The culture of a nation will affect negotiations in different systematic ways. It might color the negotiating styles, cause variations in interpretation, and produce varied outputs from an individualistic and group perspective. The biggest gap between cultures exists between Westerners and Asians, and this gap persists despite natural evolutions of culture over time.

Large versus small power distance

The power distance dimension is the depth to which members of a society will see the power in institutions and organizations being legitimate and accept it as unequally distributed. A high power distance implies acceptance to the unequal distribution.[37] The large power distance will also exhibit the following characteristics. The power is the basic factor of society, and its legitimacy is irrelevant. Obedience triumphs equality and

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[35] Geert Hofstede, "Asian Management in the 21st Century," *Asia Pacific Journal of Management* 24, no. 4 (2007): 411–20.

[36] Hofstede.

[37] de Mooij, "Comparing Dimensions of National Culture for Secondary Analysis of Consumer Behavior Data of Different Countries."

older people get respect and in some cases fearful authority. The society with a large power distance will use a teacher-oriented education. Moreover, the hierarchy will imply existential inequality and social institutions and religions have a hierarchy of staff, priests, or representatives.[38] The shortcomings of the large power distance including the ease of corruption because of the lack of transparency. Income distribution can also be uneven in society.

Strong versus weak uncertainty avoidance

Avoidance of uncertainty is the degree to which people in a given society will find uncertainty and ambiguity uncomfortable and seek ways to reduce the effect. Risk avoidance is not the same as uncertainty avoidance. In the first case, people do not want to experience risk, and they do not take action. In the second case, people show a preference for regulating their exposure to uncertainty and they will exhibit behaviors that show them as being comfortable or uncomfortable with uncertain outcomes.

The characteristics of strong uncertainty avoidance would include the need to fight uncertainty as a threat.[39] The individuals also demonstrate high stress, emotionality, anxiety, and neuroticism. They also exhibit intolerance of deviant persons and ideas. They will see the most different things or ideas as dangerous. The teachers in society will be the ones with all the answers, and the employees are likely to stay in jobs even if they show a strong dislike. In religion and philosophy, the idea is to have specific and ultimate truth to guide all action and belief or grand theory.

Masculinity versus Femininity

The masculinity versus femininity dimension relates to preferences shown by individuals for heroism, accomplishment, severity, and material success versus those for relationships, modesty, attention to the weak, and quality of life.[40] The former is masculine tendencies while the latter category represents feminine values. The dimension does not relate to individual characteristics as it may appear to, but it refers to the overall

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[38] Hofstede, "Asian Management in the 21st Century."
[39] Hofstede.
[40] Hofstede.

orientation of the society. The masculine societies are assertive while those favoring femininity have a strong inclination and exhibition of modesty.[41]

The following are the major resulting characteristics of a femininity orientation. First, there is likely to be minimum emotional and social role differentiation between male and females. Males and females learn to be modest and caring. There is a balance between family and work. There is sympathy for the weak. The fathers and mothers in society are equally dealing with facts and feelings in families. Boys and girls may cry, and neither gets any encouragement to fight. Mothers are mostly responsible for choosing the number of children. The matter of fact attitudes about sexuality exist.

In the masculinity society, many of the conditions are opposite those of the femininity one. For instance, work prevails over family and fathers decide the family size.[42]

Individualism versus Collectivism

The individualism trait or perspective relates to the emotional independence and autonomy of the person. In the cultural dimensions perspective, it will infer the relationship between individuals and the group. The individualistic society favors the independence of the individual and encourages self-reliance and cooperation only within a small closed group. The dimensions also define individualism as the independence of groups and low power distance. In this case, there is visible independence in a hierarchy where decentralization preferences emerge. The opposite term, collectivism, refers to the dependence on groups that form the contextual basis of the individual.

The individualism orientation of a culture ensures that everyone takes care of himself or herself and the immediate family. There is a high awareness of the "I" and the right to privacy.[43] The speaking of one's mind is healthy, and others get classifications as individuals. Moreover, the transgressions to the norms lead to guilt feelings felt by the

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[41] de Mooij, "Comparing Dimensions of National Culture for Secondary Analysis of Consumer Behavior Data of Different Countries."

[42] Hofstede, "Asian Management in the 21st Century."

[43] Hofstede-Insights, "Country Comparison Saudi Arabia United States," 2018, https://www.hofstede-insights.com/country-comparison/saudi-arabia,the-usa/.

individual. The need to complete a task will triumph over the need to maintain a relationship.

On the contrary, the collectivism orientation in this dimension will show people who are in extended families taking care of members of their clans and recognizing an extended loyalty to the extended family. There is a "we" consciousness, and the individuals experience a societal demand to belong to a group identity. The opinions and votes will rely on in-group positions. In the collectivism, orientation transgressions of norms will lead to shame feelings. Moreover, relationships will prevail over the task.

Long versus Short-Term Orientation

This dimension explores the tendency of societies to have a long-term or short-term view of activities making sense in their life. In particular, the Hofstede typology defines long-term societies as forward-focused, persevering, and thrifty.[44] Meanwhile, the short-term societies are present-focused and look at the stability of an individual as a priority.

For the short-term oriented societies, the individuals show a perception where their most important events in life occurred in the past or are taking place presently. There is a strong move towards personal steadiness and stability such that people will see a good person as always the same irrespective of circumstances.[45] The society will see traditions as sacrosanct and family life remains guided by imperatives. Citizens are likely to feel proud of their countries, and society favors social spending and consumption.

The long-term orientation society has traditions adapting to changed circumstances and individuals appearing good or bad depending on the circumstances. Expenditure patterns show tendencies to have large savings and to put aside or avail funds for investments.

Indulgence versus Restraint

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[44] Hofstede-Insights.

[45] Amal Altaf and Mohammad a Jinnah, "The Impact of Organizational Culture on Organizational Effectiveness: Implication of Hofstede Cultural Model as Organizational Effectiveness Model," *International Journal of Interdisciplinary Social ...* 6, no. 1 (2011): 161–74, http://medcontent.metapress.com/index/A65RM03P4874243N.pdf%5Cnhttp://iji.cgpublisher.com/product/pub.88/prod.1385%5Cnhttp://www.emeraldinsight.com.ezproxy.liberty.edu:2048/doi/pdfplus/10.1108/PR-07-2013-0119.

The indulgence versus restraint dimension was the latest addition to the Hofstede typology.[46] The comparison model relies on the assumption that predictions on happiness could arise from the impression given in life and the ranking of free time. Indulgence refers to a society allowing relatively free gratification of basic and instincts for enjoying life or fun.[47] Restraint societies control the gratification of needs and want using strict social norms.

In indulgence society, a higher percentage of people will declare themselves as being very happy, and there is a general perception of personal life control. People experience the freedom of speech because society sees it as important. The society places high importance on leisure and people are most likely to remember positive emotions. In such societies sports involvement is high and in well-endowed countries, the tendencies to find obese people will be high. Lenient sexual norms are also popular in indulgent wealthy societies. Meanwhile, the maintenance of order in the nation does not receive a high priority.

The restrained society has fewer happy people, and they exhibit is a general perception of helplessness. People think that whatever happens is not their doing. Society places low importance on leisure. There are fewer people involved in sports. Furthermore, in wealthy countries, sexual norms are strict. Maintenance of order is a priority, and there will be many police for every 100,000 people.[48]

Hull's Cultural Factors

Edward T. Hall developed the model for differentiating cultures using an emphasized look at nonverbal cues of culture[49]. The intention was to look at the manner of putting things together in the formation of a particular culture rather than the theory that would concentrate on the philosophical systems, religion, social organization, language, moral

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[46] de Mooij, "Comparing Dimensions of National Culture for Secondary Analysis of Consumer Behavior Data of Different Countries."

[47] Anirban Mukhopadhyay and Gita Venkataramani Johar, "Indulgence as Self-reward for Prior Shopping Restraint: A Justification-based Mechanism," *Journal of Consumer Psychology* 19, no. 3 (2009): 334–45.

[48] Hofstede, "Asian Management in the 21st Century."

[49] Hall, *Beyond Culture*.

values, art, and material culture of a particular society. The models developed by Hull distinguish cultures on a contextual basis concerning time orientations.

High versus low context of culture

The context shows up in multiple places in cultural explorations.[50] In the translation of language, one culture might have a high contextual language where the meaning of words depends on when and where it appears while in low context cultures the factual interpretation of works in a language will persist across different contextual uses.

Hull placed some countries in high cultures and others in low cultures depending on the contextual orientation of their cultures. The contexts form a continuous scale with no particular country existing at the extremes. Instead, the comparison of one country to another is always in relative terms. The high context cultures will exhibit preferences to have meaning within the context while the low context cultures will have a characteristic of meanings being on the information presented.

In the high context culture, the method of communication will be through preprogrammed information relating to the receiver and the setting while only a small fraction of the message will be about the information transmitted. Therefore, the communication will have its meaning hidden within the person.[51] If the analyst of the message or its recipients lacks knowledge of the context and signals from the sender or communicator, then there will be difficulties encountered when interpreting the message. The high context culture will have implicit messages only understand when one is familiar with social cues that are unique to the given culture.

On the other hand, the low context culture will exhibit a reverse of the high context one. The transmitted message is almost entirely consisting of the intended communicated information. The information is available in the explicit code used to transmit it. Nevertheless, other factors can affect the difficulty of communicating in high or low context cultures, which may not relate to the dichotomy of high and low contexts.

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[50] Hall.
[51] Hall.

Polychronic versus Monochronic time

Hull also presented the dimension of time orientation of culture with the two orientations being monochronic time and polychronic time. These orientations are variant "solutions to the use of both time and space as organizing frames for activities."[52] Monochronic time focuses on schedules and promptness. The best example is the Western countries' culture where being prompt is favorable, and schedules are highly important. The planning and scheduling pave the way for prioritization. Issues with a higher priority get prompt responses while the fewer priority ones move lower on the list. The limitations of time also ensure that most low priority issues get no attention. The culture also concentrates on one thing at a time and time is a valued resource mostly liked to a monetary equivalent. Finishing tasks are important and completed tasks are the ones with all points addressed. Being punctual in arrival, attendance, and completion of tasks is a desirable quality in the culture using monochronic.[53]

Polychronic time emphasizes on completion of the transaction with little regard to plans and schedules. The polychromic-oriented culture will still show instances of using time and schedules, but there will be a relaxed approach.[54] The society accepts that events are subject to natural progression and may occur simultaneously irrespective of the presence or absence of an ordered schedule. In these cultures, visitors could arrive unannounced and would receive a warm reception and invitation to join the event ongoing at the time.

In contrast, visitors in monochronic-oriented cultures have to wait in turn unless their agenda takes a higher priority than the ongoing event. Consequently, appointment and scheduled meetings carry different weight in the two cultural orientations. These attitudes will undoubtedly affect the negotiation behavior preferences for individuals from their respective cultures.

Theory of Cultural Activity Types

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[52] Hall. 17.

[53] Allen C Bluedorn, Carol Felker Kaufman, and Paul M Lane, "How Many Things Do You like to Do at Once? An Introduction to Monochronic and Polychronic Time," *Academy of Management Perspectives* 6, no. 4 (1992): 17–26.

[54] Bluedorn, Kaufman, and Lane.

The theory of cultural activity types presents three types of activities that form the basis of analyzing culture. These levels are linear-active, multi-active, and reactive behavior. The research presented by Ott et al.[55] further explains the breakdown of the activity groups into sub-themes and the respective behaviors of the sub-themes.[56] The classifications of different cultures end up focusing on activity, time perspectives, and communication styles. People from linear-active cultures are most likely to exhibit increased task-orientation and highly organized planning tendencies. Those in multi-active cultures will exhibit people orientation and loquacious 'inter-relations,' and those from the reactive culture will exhibit introversion and respective oriented listening behavior to a great degree.

From a negotiations perspective, people are likely to be a mix of cultural types and their behaviors will vary based on their upbringing, their cultural cognitive program, and their learning. The activity types approach relevant to the study of negation behavior because the model relies on the correlation between activity types and their initial offers, rejection of offers, acceptance, and length of the negotiation process when coming up with its classes.[57]

The regional differences and similarities in culture will extend beyond national boundaries. These regional characteristics are notable in Europe, Asia, Africa, and Latin America areas. The following are the notable characteristics of people belonging to the respective activity types.

The linear active people work in strict time limits. They let the schedule dominate their affairs. They also have divided projects according to the time schedules. These people will stick to the plan and will likely believe in the facts. Moreover, they are the ones likely to obtain information from the databases and statistics handbook for their respective fields. Other defining factors include the confrontations with logic and a tendency to avoid frequent interruptions of others. In terms of their country cultures and

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[55] Ursula F Ott et al., "A Configurational and Experimental Approach to Compare British and Chinese Cultural Profiles of Generation Y," *Journal of Business Research* 69, no. 11 (2016): 5500–5506.

[56] Ott et al.

[57] Ott et al.

when referred to by the other country-based dimensions, the linear active people will likely show up in the United States, Sweden, Australia, and Germany.

The multi-active type works any time, and the schedule is not predictable for the person. The projects ongoing likely influence other projects with no particular separation, and there is high flexibility with plans. The person will change facts and obtain information first hand, with preferences for oral communication when getting the information. The multi-active type considers relationships as important and finishes human transactions. He or she confronts emotionally and interrupts often. The culture examples of the multi-active type would be Mediterranean, Eastern European, Latin American, Arab, African, Indian, and Pakistan. [58]

The reactive type works with flexible time and reacts to time schedules while regarding the whole picture. The reactive type also makes small changes and offers promissory statements. They exhibit a process orientation in their strategic configuration. The person uses both first hand and secondary information. Their reaction behavior is quietly, and they will react to a partner. Their negotiation behavior will show up as avoidance of confrontations, and they tend not to interrupt. The culture example for the reactive type would be Japanese, Chinese, Taiwanese, Singaporean, Korean, and Finnish.[59]

When understanding the cultural activity types, it is important to check the relationship between antecedent conditions, concurrent conditions, and consequential conditions. The antecedent conditions are the ones about the person's cognitive behavior. They are time-sensitivity and risk-attitude. They influence the concurrent conditions with are the observed interactive behaviors.[60] In this case, these behaviors are communication, negotiation, and contracting. In turn, the resulting conditions influence the consequential behaviors, which show up as the cultural types. These will exhibit as activity types or the task orientation. They make up the three activity-type classes, which are linear active, multi-active and reactive.

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[58] Ott et al.

[59] Ott et al.

[60] Jamie Mackie, "Business Success among Southeast Asian Chinese: The Role of Culture, Values, and Social Structures," in *Market Cultures* (Routledge, 2018), 129–44.

IV. Negotiations in the Asian Context

Asian Culture

A major assumption among researchers and individuals looking at Asia is that it should be having a single culture given that the countries making up the region have several similar characteristics. However, findings from many studies reveal a strong case of diversity. There is no pan-Asian culture even though several of the cultures making up the region exhibit close resemblance. The implication is that it should be easy to pick the mannerisms of a Chinese person from that of Japanese or Korean based on the way they prefer to conduct their business.

Many scholars treat cultural values as a post hoc explanation. The intention is to provide an explanation of the way cultures differed in an outcome variable. Lumping countries together according to their geographic and cultural proximity is an approach used commonly in cross-cultural research.[61] The use of a bi-cultural continuum, which is Western-Eastern, ignores multiple variations within both worlds.

The cold war contributed to the reasons for forming ASEAN to help the Southeast countries. They had cultural diversity, political differences, and low levels of economic development. In recent decades, they experienced an Asian economic crisis. Nevertheless, they also kept on with the Southeast and East Asian push for regionalism. Today, common negotiation platforms for trade in the region include the ASEA Free Trade Area (AFTA). Another one is the ASEAN Regional Forum (ARF). The specific governments in the region also have informal networks facilitating their negotiation endeavors for their respective prosperities. International groups seek to develop economic, political, social, and cultural agendas.[62]

The ideas for a common Asia region seek to offer guiding directions. They also provide a common vision and a principle of developing a regional community. The pan-Asianism

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[61] Yan Bing Zhang et al., "Harmony, Hierarchy and Conservatism: A Cross-Cultural Comparison of Confucian Values in China, Korea, Japan, and Taiwan," *Communication Research Reports* 22, no. 2 (2005): 107–15.

[62] Baogang He, "East Asian Ideas of Regionalism: A Normative Critique," *Australian Journal of International Affairs* 58, no. 1 (2004): 105–25.

idea sought to safeguard Asian regional culture. It was an idea from the West and was a response to their imperialism in the 1990s. In one instance, the call for pan Asianism was to preserve the unique heritage of Asia from the influences of materialism. Some countries like Japan feared the movement as it would lead to colonization.[63] Koreans, Indians, and Chinese eventually rejected the pan-Asianism because the practical demands for each nation's nationalism did not fit into the demands for regionalism. This example highlights the reason why thinking of the Asian region as having one culture is a fallacy. The political rivalries among nation-states intensified leaving no room to advance the ideologies of pan-continental combinations. A present cooperative unity among the Asian countries relies on the recognition and utilization of their diversity.[64] Each of the pan-Asian regional meetings for trade and regional politics identifies a need to co-exist despite national and local identity differences. In this case, the parties accept to negotiate despite their demands and their interest being unique.

Intercultural exchanges are also happening in Asia. For example, popular culture from Korea is finding itself in other Asian countries.[65] Despite language differences, Korean television dramas, movies, pop songs, and associated celebrities are gaining popularity in Hong Kong and other East and Southeast Asian countries. On the other hand, about two decades ago, it was difficult to image the export capability of Korean culture. Korea developed at a staggering pace economically, but the world did not pay attention to its popular culture until the last decade.

An alternative view of globalization looks at cultural hybridity. It investigates the power relations between periphery and center power retaliations in the postcolonial period. Here, local people rediscover their 'local' cultural identity after years of trying to match western-imposed modernity. Some countries seem to go towards reimagined old ways while others in Asia prefer to embrace the global-local economic environment where the

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[63] He.

[64] He.

[65] Doobo Shim, "Hybridity and the Rise of Korean Popular Culture in Asia," *Media, Culture & Society* 28, no. 1 (2006): 25–44.

periphery is meeting with the center.[66] Locals could appropriate global goods and styles and add meanings to them to create a hybrid cultural product they can export to other countries. For instance, Korean pop culture has similarities to western pop culture in the music, gaming, and television programming, yet the infusion of Korean locality issues also makes it unique and easy to recognize from a global context.[67]

The convergence of taste in media consumption within geo-cultural regions is a major factor leading to the assumption of the existence of one Asian culture. Koreans seems to follow the Japanese success of exporting TV programs, movies, pop music, and food. The country also gained from the experiences of Japan by becoming a cultural tourist hub where people visit because of their fondness of all things Korean or Japanese.[68] Governments also recognize the role that popular culture plays in increasing their competitiveness in the global market. This realization leads to some deliberate attempts to grow popular culture industries locality and assist in their exportation. Popular culture across Asia is now a major avenue for national branding, as is part of nation building.[69]

Hybridism of culture in Asia is a means of innovation through emulation. East Asian countries expand their culture industries across their region. The cultural proximity concept helps to explain the development of cultural and geographic media markets.[70] The cultural proximity notion refers to the sharing of contemporary modernity. A diminishing temporal lag of modernization allows the regional audience to get a concrete and accessible model of the idea of being modern. Rather than move across the globe to embrace Western culture to feel modern, People in respective East Asian countries can look to Japanese culture, as it associated with high levels of modern developments. They can also embrace Korean culture, whose media exports are accessible to Taiwan, China,

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[66] Shim.
[67] Yoonsun Choi et al., "Advancing Understanding of Acculturation for Adolescents of Asian Immigrants: Person-Oriented Analysis of Acculturation Strategy among Korean American Youth," *Journal of Youth and Adolescence* 45, no. 7 (2016): 1380–95.
[68] Shuling Huang, "Nation-Branding and Transnational Consumption: Japan-Mania and the Korean Wave in Taiwan," *Media, Culture & Society* 33, no. 1 (2011): 3–18.
[69] Huang.
[70] Huang.

and Singapore, and the culture already follow some trends from Western modernity.[71] Thus, what ensues is hybrid modernity, which allows popular culture to transfer within the Asia region. This development is the closest trend toward a common Asia culture.

The spread of the Korean mass media culture known as the Korean Wave is one of the successful pan Asian cultural phenomena. The wave started in the 1990s and gained momentum when the Japan Broadcasting Corporation broadcasted Korean programming to its Japanese audience.[72]

When looking at East Asia, the assumption from a cultural nationalist approach is that it is a unilateral entity where Asian values are common. The perspective credits Confucian values are the cornerstone of the East Asian culture. These values include unbreakable family bonds, patriarchal relations, and pure love for Asian-based pop culture.[73] On the other hand, scholars presenting the cultural nationalism perspective will bring up the example of Korean pop culture for its representation of traditional moral values in a modern urban setting.

Confucianism spread its influence from Mainland China to its neighbors like Korean and Japan for thousands of years. Many of East Asia society had deliberate efforts to promote and maintain Confucianism. It permeated media, and got praise from official, while also forming part of the curriculum in schools. However, largely, and even in modern times, Confucianism meant being Chinese in particular as in the case of China and Taiwan, or sharing an East Asia identity as noted in its expressions in Japan and Korea.[74] The spread and influence of Confucianism explain why scholars would treat East Asian cultures as high-context and collectivistic when using the Hofstede cultural dimensions. This approach fails to see the political reforms and social changes ongoing in each country. The countries are also at different levels of technological innovation and modernization.

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[71] Huang.

[72] Younghan Cho, "Desperately Seeking East Asia amidst the Popularity of South Korean Pop Culture in Asia," *Cultural Studies* 25, no. 3 (2011): 383–404.

[73] Cho.

[74] Zhang et al., "Harmony, Hierarchy and Conservatism: A Cross-Cultural Comparison of Confucian Values in China, Korea, Japan, and Taiwan."

Cross-cultural surveys including the Hofstede's project and the Schwartz value survey acknowledge varying degrees of value endorsement.[75]

The Confucian tradition is an evolving axial-age civilization. It now shows up as Neo-Confucianism with distinctions from Classical Confucianism. The two thousand years of Confucianism can separate into three stages. The first one was Classical Confucianism followed by Neo-Confucianism, and now the twentieth century New Confucianism is in place.[76] The historical and cultural specific form of life appears to provide insights into perennial intellectual and spiritual concerns about the human condition. In particular, Confucian East Asia provides three sets of issue identification. These are traditions in the modernizing process, the relevance of non-Western civilization to the understanding of the West today, and the global value of local knowledge.

The Chinese held a worldview before the Western impact on China in the mid-nineteenth century. The reports by Jesuits missionaries informed intellectuals in France, England, Italy, and Germany about the Chinese worldview and their cosmological thinking as well as benevolent autocracy. Today, Confucian ideology provides great symbolic resources for development as in the case of Japan and the other small nations of Taiwan, South Korean, Hong Kong, and Singapore.[77] It forms part of the political process in China, North Korean, and Vietnam. The economic culture, family values, and merchant ethics expressed by people in East Asia and China's Hong Kong, Macao and Taiwan all show expressions in Confucian vocabulary.

The Confucian ideology appears as the closest identity to unify the East Asian cultural view. It has six salient features.[78] The people see the government as a positive force for social stability and its leadership in a market economy is necessary and desirable. Secondly, the law is the essential minimal requirement for social stability, but organic solidarity comes only from humane rites of interaction. Thirdly, the family remains as the

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[75] Zhang et al.

[76] Tu Weiming, "Implications of the Rise of 'Confucian' East Asia," in *Multiple Modernities* (Routledge, 2017), 195–218.

[77] Weiming.

[78] Weiming.

basic unit of society, and it transmits core values. Fourth, the civil society flourishes not as an autonomous arena above the family and state but due to its provision of cultural institutions that offer fruitful articulation between family and state. Fifth, education is the civil religion of society. Lastly, self-cultivation of members affects the quality of life of a particular society.

Meanwhile, it is possible to witness un-Confucian behavior and attitude in many East Asian countries. Lingering effects of Western imperialism and colonialism explain the blatant show of exploitation, mercantilism, consumerism, egoism, greed, and brutal competitiveness. The modernization of Confucianism confirms that the concept does not refer only to Westernization or Americanization. The rise of the East might be a description of the replacement of the old paradigm for a new one. However, this assumption might also not be the case.[79]

Nevertheless, East Asia and its Confucianism confirm that modernization does not have to be about the replacement of the old in favor of a new entity. The examples of countries modernizing their culture successfully while retaining their Confucianism perspectives confirm Confucianism as an applicable alternative model for modernization. Its application in Thailand, Malaysia, and Indonesia signifies the possibility of incorporation of Buddhist, Hindu and Islamic forms of modernization.[80]

Culture mostly relates to the ancestral heritage and the shared language of people. It can easily move beyond geographical boundaries. When tracing East Asian culture through language, it is possible to see the diversity of the culture. The languages are diverse, and most of them come from the following language families Austronesian, Mon-Khmer, Miao-Yao, Sino Tibetan, and Tai-Kadai.[81] The Mandarin and Cantonese languages in Mainland China come from the Sino-Tibetan family. Many of the ethnic groups in Southeast Asia came from southern China. The expansion of Han Chinese was a major cause of the displacement.

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[79] Weiming.
[80] Weiming.
[81] Mackie, "Business Success among Southeast Asian Chinese: The Role of Culture, Values, and Social Structures."

The mainland Southeast Asians and Chinese have a notable difference in their belief systems. They have Buddhism in mainland Southeast Asia other than Vietnam, and this is similar to China.[82] However, the other parts have Theravada Buddhism while China as Mahayana Buddhism, which later merged with Taoist and Confucian ideas. At the same time, China appears to reject outside influence in its beliefs where its Southeast Asian counterparts embrace foreign beliefs.[83]

Understanding Country or Regional Cultures

Different societies have their factors affecting culture and its manifestation. The Asian society has unique cultural factors including language, religion, values, and attitudes, manners and customs, material elements, aesthetics, education, and social institutions. Cultural forces emerge from family, education, and national identity. They affect individuals when they are in their home country and when they are operating according to the same cultural artifacts but from a different country. Cultural messages will arise from principles of ethics and morality and the behavior and roles of individuals and groups in society. They also end up affecting the country or society's culture. They can be the basis of comparing one culture with another. The cultures decision process as it affects individuals will depend on demonstrated needs and wants together with the consumer trends.

Chinese Culture

The core value of the Chinese negotiations behavior arises from the core value system of Chinese society. The society relies mostly on Confucianism, Taoism, and the philosophies of war strategies taught over two thousand years.

People brought up in Chinese culture learn two types of relationships, which they likely maintain until adulthood. They understand warm friendship on one part and the impersonal relationship on the other hand. People will treat their friends as insiders while

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[82] Robert Paul Weller, *Alternate Civilities: Democracy and Culture in China and Taiwan* (Routledge, 2018).

[83] Mackie, "Business Success among Southeast Asian Chinese: The Role of Culture, Values, and Social Structures."

the strangers and the acquaintances are the ones fitted into an impersonal or arms-length relationship.

Chinese Business Culture

The Chinese people do business as a relationship between people rather than a transaction between organizations. For instance, in a Chinese business relationship, a client will do business with a representative of the organization and may not be comfortable or accepting when the contact person in the supplier company changes.[84] At the same time, the use of a friendship relationship as part of business makes it hard for people transacting to become trusting and to be within each other's inner relationship circles after a few transactions. It takes more than a few intimate encounters through social settings and business settings for the right level of trust to develop.[85] The cultivation of social virtues such as patients helps to ensure the system works in the Chinese intra-cultural business transactions and relationships.

The ethical habits accepeeed in a culture influence the nature of economic activity by members of the culture. Cultural tendencies lead to certain forms of economic behavior, and the radical reorientation of culture and social capital is responsible for the transition of communist regions of the world including China into capitalism. The centrality of culture when coming up with social capital and the role that social capital plays like economic organization leads to the confirmation of diverse forms of capitalism because of the diversity of cultures. This paper already identified, when looking at East Asia culture, that globalization is not a unilateral feature. Many counter-movements are arising from each instance of globalization, and they form unique interactions that end up defining a modern cultural perspective of a country or large social group.

The end of the twentieth century saw definitions of economic growth strategy as encompassing entrepreneurial activity, money, migration, culture, and power. The scale of modern cross-border economic activity remains unparalleled.

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[84] David Fu-Keung Ip, Constance Lever-Tracy, and Noel Tracy, *Chinese Business and the Asian Crisis* (Routledge, 2017).
[85] Ip, Lever-Tracy, and Tracy.

Business networks appear coordinated, and they use the entrepreneurial and personal relationship as they link different firms involved in production networks. Today, it is difficult to find centralized, capital-intensive forms of mass production given that the international competitiveness of firms and business interactions demands flexible, less costly manufacturing strategies. Firms must utilize advances in information and transportation technologies. Today, global subcontracting systems based on transnational corporations are the links to products in different locations, and they are the embodiment of divisions of labor. They are also the avenue for business transactions and negotiations that Chinese business culture thrives within and shapes. Such interactions although distinct from each other will eventually form a common characteristic shaping the Chinese business culture within China and across its boundaries as the country participates in economic and social transactions of globalization.

Chinese business networks have a strong recognition of culture. The family and of the family enterprise have overlapping organization forms. The series of relationships expanding or contracting according to time and place are the salient features of a Chinese family firm.[86] The boundaries of the things to include in the firm remain ambiguous because the definition depends on a network of people linked according to social relationships. The notion is different from the Western perspective where there are property, ownership, and control boundaries defining the extent of the family enterprise.

Ethnic Chinese have control of more than 500 largest public corporations in Southeast Asia. The assets of these corporations amount to over $500 billion.[87] Their liquid assets total more than $2 trillion. Nevertheless, privately owned and hidden Chinese assets are also dominating the region. The underlying norms, traditions, and principles referred to as the 'bamboo network' remain unlimited. They transcend state authority, and they are unique as a form of transnational capitalism in Southeast Asia.

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[86] Heidi Dahles, "Chinese Capitalisms in Southeast Asia: Diverging Institutional Legacies of Southeast Asian Chinese Business Communities," in *Business Networks in East Asian Capitalisms* (Elsevier, 2017), 192.
[87] Dahles, 192.

Capitalism in China developed without the support of the strong state. It drove the capital accumulation in the region. The complex networks between the Chinese and other countries and their interactions with state authorities in webs of patronage exist outside the confines of the state. [88]

The coastal China political economy and its intensified integration with the global economy form a major part of the ethnic Chinese forms in business. The economies of Hong Kong, Taiwan, and China play complementary roles in the 'Greater China.'[89] They connect through cultural and economic ties.

The Open Door Policy and the special economic zones in Shenzhen, Shantou, and Xiamen in Southern China paved the way for the integration of Hong Kong and China.[90] The rapid embrace of FDI also led to an increased rate of advancement in technology and modernization of China. Meanwhile, countries with dominant Chinese overseas including Hong Kong, Singapore, Taiwan, Thailand, and Macau were part of the 81.2% of enterprises operating in China and made up 84.6% of foreign investments between 1979 and 1993. They were the pioneers of modern Chinese capitalism as witnessed in the 21st century because of their input in shaping the culture and aspirations of entrepreneurial ideas for China.[91]

Throughout the nineteenth and twentieth century, China has been adapting to the wider world. The process continues today. The resulting negotiating style of the Chinese came about as parts of its response to the west. The negotiating behavior evolved since the dealings with the United States when negotiating the Treaty of Nanking in 1844.[92] The major historical influences arose from the Western countries' use of threat and force when creating a treaty port system. It also arose from the Chinese political elites' use of Marxist-Leninist experiences from the international communist movement. The approach to adapting to the world by Chinese authorities seeks to prevent any compromise to the

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[88] Dahles, 193.
[89] Dahles, 200.
[90] Dahles, 191.
[91] Dahles, 198.
[92] Richard H Solomon, *Chinese Negotiating Behavior: Pursuing Interests through "Old Friends"* (Washington, DC: Institute of Peace, 1999): 18.

essence of China's culture and social imperatives. The country sent a generation of students abroad. They would learn languages, science, and management techniques, which reverted to China to drive its modernization strategies. Chinese diplomats today wear Westernized suits and embrace other fashion items freely after abandoning their Mao suits.[93]

Chinese Business Culture – Guo Qing

Contemporary China has many characteristics that are different from the semi-isolated and self-sufficient country in the early centuries before modern civilization. A centrally controlled political system was a major factor influencing the growth and development of the present Chinese business culture. Negotiations in China occur within a socialistic market economy, multi-layered governance of business, and within an economy dominated by state-owned enterprises. These conditions of culture collectively form 'Guo Qing.'[94]

China follows a socialist form of governed since its new formation in 1949 based on the style of governance practiced by the Soviets. It is using a Marxism-Leninism approach infused with Maoism as the political ideology. The ruling party in China is the CCP, and the government is the controller of and planner of the economic engine of the country. The Confucianism elements in the country exist within the boundaries of culture and philosophy and appear weakened by the Chinese Cultural Revolution. In general, the Chinese appear risk-averse and sensitive to politics. The pursuit of political righteousness is a key issue for Chinese business considerations when undertaking foreign transactions. The capitalist approach in running the economy is becoming a part of the new China as it shifts away from a planned economy toward a free market economy. The approaches are likely to go against the ideals of the Communist doctrine. Nevertheless, their effect has been the liberation of the business environment and in some cases business behaviors.

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[93] Solomon.

[94] James K Sebenius and Jason Qian, *Cultural Notes on Chinese Negotiating Behavior* (Harvard Business School Cambridge, MA, 2008): 5.

Since the 1980s, China took an open door policy and opened itself to the world economy. It also became an active participant in international politics. Moreover, the country relaxed many of its ideological controls in society. The country today has commercial pop cultures, and it relies on western technology and values to drive some of its industries.[95] Changes in lifestyles are opening the doors to mainstream materialism. The changes are affecting the mentality and behaviors of individuals and the exposure to Western culture is leaving a trail on the business culture of the Chinese.

Today's Chinese population will show many capitalist characteristics than the Chinese population during Mao Zedong's time.[96] The improvement of the Chinese economy through the open door policy in favor of the winning strategy legitimized the belief in getting rich by any means necessary. It also led to a booming private sector that was instrumental in transforming the country in the last two decades. The heavily populated small and medium-sized enterprises in China are at the core of making international trade with foreigners and represent a major area of negotiations for business dealings. Today's China appears as a country keen on expressing its money seeking mentality. This approach is different from the past when the country's culture initially had a reputation for putting service to the people first and less about the profit aspects of the business.[97] Nevertheless, the Chinese continue to express inherent differences from Western business practice and behavior. They exhibit an excess reliance on pragmatism.

Trust, and its specific Chinese reference as 'Xinyong' is a key concept of ethnic Chinese business. It forms the backbone of their relations and the basis for a given business strategy to use personal relationships and long-term connections. Two types of trust appear in the Chinese business community in Hong Kong and could help to understand the overall role of trust in ethnic Chinese relationships.[98] There are systems of trust and personal trust. The system trust refers to the conditions placed by legal institutions,

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[95] Sebenius and Qian.

[96] Yunxia Zhu, "Managing Business Relationships in New Zealand and China," *Management International Review* 49, no. 2 (2009): 226.

[97] Zhu.

[98] Yen Ching-hwang, *Ethinic Chinese Business in Asia: History, Culture, and Business Enterprise* (Danvers, MA: World Scientific Publishing, 2014).

political organization, and the opportunity structure of the country. Personal trust has its bearing on a wide range of personal relations. It forms around family and regional ties.

The Chinese understanding of 'trust' is different from that of the English word 'trust.' Much of it relates to personal trust in the English sense. In the Western world, credit rating would most apply to the trustworthiness of the businessperson. However, Xinyong extends beyond this form of trust and applies to both the borrower and the creditor or the supplier and the receiver. Both parties have to keep promises and honor their pledges to each other.[99] The Xinyong is also accumulative and in some cases transferable. For instance, A business relationship with a person whose Xinyong is low affects the person entering into the business transaction.

Similarly, the extrapolation of the relationship from two individuals to two companies will enshrine the same principles. Thus, when thinking about negotiation in the Chinese content, one has to figure the important of Xinyong to both parties in the negotiation. The other implication is that even if one of the parties is not an adherent of Xinyong, those affected by this system of trust will seek to maintain their high rating based on the public and private profile they maintain because of the negotiations.

Some Chinese businesses have operated over $10 billion worth of business transactions with no formal contract because of the reliance on Xinyong.[100] The concept is vital in the development of the relationship between buyers and sellers across Chinese society. Meanwhile, Guanxi is another concept that allows business to become successful in China. It has an unmatched influence on China business ties. Many networks in Chinese business circles are for both personal and business activities.[101] Thus, it is common to find Chinese managers preferring to transact only with people in their networks. Referrals are therefore a major concept of business given that people are likely to rely on the

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[99] Ching-hwang.
[100] Viorencia Octari and Edi Purwanto, "The Role of Guanxi and Xinyong on the Relationship between Supplier and Retailer among Chinese Entrepreneurs in Bekasi City, Indonesia," *International Journal of Information, Business and Management* 9, no. 1 (2017): 22.
[101] Octari and Purwanto.

Xinyong rating of the recommenders when going along a recommended network for business or personal needs.

Conflict Handling in Guanxi and Xinyong

Personal relationships within the Guanxi framework benefit from the conflict handling endeavors of the partners in the negotiating arrangement.[102] The feature of Guanxi that complex the partners to look at each other and reciprocate their relationship forays ensures that each party will at least consider the implication of its actions on the other party. In individual informal negotiations, considerations for the effect of Xinyong as well as overall social capital gained or lost by either party will be a key consideration from the onset of the relationship. Meanwhile, preferences to deal with people within one's network in the negotiation also cuts through many of the challenges that would otherwise affect a negotiator in trying to implement a preferred system over new contacts. In the case of Guanxi, the sense of familiarizes already reduces the jeopardy faced when commencing negotiations.[103] Partners in the negotiations failing to uphold Guanxi risk their social capital, which affects their future capabilities to transact given that most would-be partners will likely leave them out of transactions because of disappointments in the past.

Studies on suppliers and retailers in China identify a need for conflict handling to maintain the business relationship. Communication helps to build trust. Handling conflict and reducing misunderstandings is a key desire for both suppliers and retailers as part of their quest to build Xinyong.[104]

Chinese Negotiation Behavior

The cultural and religious philosophies like Confucianism, and Taoism, plus the war strategies from famous Chinese philosophers governs the Chinese society. These teachings show up in the society's negotiation practice as patience, orientation towards harmonious relationships and survival instincts. The first one arises from Confucian

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[102] Octari and Purwanto.
[103] Octari and Purwanto.
[104] Octari and Purwanto.

virtues. The second one is a key concept derived from Taoism. Meanwhile, the survival instinct comes from the historical war strategists.

The teachings of Taoism emphasize the creativity of life. They also call for individuals to act in harmony with nature. These teachings claim that the key to life is finding the Tao, which they interpret as the way. It is an approach to understanding the general law of nature and the changing forces of Yin and Yang. These are the negative and positive forces respectively. The teachings do not declare one force as good or bad, and they require an individual to seek an appropriate balance. There is also the Wu Wei approach, which translates to an action-less activity. It asks individuals to act without acting and to embrace a noninterference approach and let go of circumstances. The effect of this teaching is the encouragement to find a middle ground rather than take a confrontational approach. Taoism and Confucianism intend to allow people to live in the world according to the way it works rather than obsess over finding truth and meaning.[105]

Chinese culture is relational, which is similar to East and Southeast Asian cultures. The emphasis is on harmony and interpersonal relationships.[106] The growth of the Chinese enterprise through works of the informal relationships is a testament of the relational orientation in this region and its superiority over business transactions. Negotiations are one part of business activities, and they are under the influence of the relational orientation like many other activities within the business.

Relational commitment is an enduring desire to maintain a valued relationship, and it acts as a multifaceted variable. It arises from the costs and benefits of a situation and the people negotiating are always estimating the net benefits to decide whether they will remain invested in the relationship. The instrumental commitment links to the perceived behavior of a negotiator to preserve relationships after anticipating termination costs. In this aspect of relational commitment, negotiators in the Chinese context are not different from those across the world. In this case, both the concern about outcomes of the

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[105] Sebenius and Qian, *Cultural Notes on Chinese Negotiating Behavior*.
[106] Junjun Cheng, Yimin Huang, and Yong Su, "Relationality in Business Negotiations: Evidence from China," *Contemporary Management Research* 12, no. 4 (2016): 499.

negotiation and the commitment to the relationships arising from the negotiations is important.

The Chinese negotiator emerges as a unique character because of the associated relational capital given to relational commitment situation.[107] Instead of treating the negotiations in an isolated manner, the negotiation in this case also sees the negotiation as part of an overall societal relationship. Therefore, the values of personal relationship governing the Chinese cultural society extend to the business and the negotiation realm. Relationship capital includes assets accumulated within negotiation dyads.[108]

The effect of the strong guanxi orientation causes negotiations in China to have a long-term relationship expectation.[109] The negotiators conceptualize the negotiation according to its relational implications. They do not see it as a transaction. There is no emphasis on the calculation of costs and benefits from the boundaries of the negation context. The use of the relational aspect forces the negotiator to abandon a strict quantification of the input and output features of the negotiation.[110] They will be part of the analyzed outcome, but they do not interfere with the underlying rules of relating to other people and preserving one's Xinyong in the process.

Negotiators who commit emotionally to the negotiators are likely to enjoy working with their counterparts as they form a mutual relationship. They will also likely invest more in relation as they continue to seek to make the best of their sunken costs. Research confirms that negotiators with affective commitment do this differently from those with instrumental commitment. The effectively committed negotiators exhibit high tendencies of mutual respect, satisfaction, and perceived behavioral similarity.[111] They also show

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[107] Cheng, Huang, and Su.

[108] Adrian Borbély and Andrea Caputo, "When Organizations Negotiate. An Agenda for Studying Negotiation as a Corporate Capability," in *The 28th Annual Conference of the International Association for Conflict Management*, 2015.

[109] Hongzhi Gao et al., "Toward a Gatekeeping Perspective of Insider-Outsider Relationship Development in China," *Journal of World Business* 49, no. 3 (2014): 312–20, https://doi.org/10.1016/j.jwb.2013.06.002.

[110] Cheng, Huang, and Su, "Relationality in Business Negotiations: Evidence from China."

[111] Alexander Serenko and Nick Bontis, "Negotiate, Reciprocate, or Cooperate? The Impact of Exchange Modes on Inter-Employee Knowledge Sharing," *Journal of Knowledge Management* 20, no. 4 (2016): 687–712.

trust, comfort, support, and understanding. They are in a good position to resolve conflicting issues smoothly and to anticipate future negotiation.[112] However, the nature of the relational nature of transactions in China does not automatically make Chinese negotiators emotional.

The mystery of the Chinese negotiation arises because of the historical distance kept by Chinese officials away from often-threatening foreigners. Additionally, the mystery arises from the culture and language separation between China and its neighbors and the countries of the West.[113] This thesis also showed a great deal of the mystery arising from the great chasm of ideology and history of the people's republic of China.

The highly ritualized negotiating system of the Chinese comes from the old tribute system where foreign officials would receive escorts and gifts with considerable exposure to exquisite hospitality. The officials would get alternating treatments of pressure and accommodation. The intention was to draw the foreign negotiator into a personal relationship with the host and to build ties of friendship. It would be the basis of pressurizing the foreign negotiators by the Chinese social order.[114] In this case, the Chinese expect to control the environment of negotiation by moving the foreign negotiator into the local conditions where the Xinyong and Guanxi elements, as well as other Chinese cultural attributes, would apply.[115] Thus, the foreign negotiation faces the same attractions and pleasures web operating in Chinese society similar to a local member.

Another reason for a distinctive character of negotiating with Chinese is that they will discuss issues in the Marxist-Leninism perspective among themselves. They will then present these issues in factual and straightforward ways to their foreign counterparts in political negotiations. The members of the Chinese delegation are likely to engage in political arguments in the Chinese press using historical ideologies, and this makes even

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[112] Cheng, Huang, and Su, "Relationality in Business Negotiations: Evidence from China."
[113] Solomon, *Chinese Negotiating Behavior: Pursuing Interests through "Old Friends."*
[114] Solomon.
[115] Gao et al., "Toward a Gatekeeping Perspective of Insider-Outsider Relationship Development in China."

small negotiations appear as meaningful and critical to the preservation of the Chinese form of the outcome desired.

A Chinese negotiator displays different behaviors when negotiating with foreigners and locals. Chinese officials demand that they be equal partners in political and economic negotiations with the west, while also highlighting the victim status of China as a developing country. It arises despite the nation's acknowledgment of its leadership status in the emergent nations and its claim of power in global politics.[116] In the foreign forays, the Chinese seek the wealth and power of the industrialized Western nations. Meanwhile, there is a strong effort among negotiators to preserve the confidence in China's capability to modernize itself without losing its cultural and historical anchorages. In this case, the country continues to send its citizens to the world to learn new systems, cultures, and styles while also insisting on forming its version of socialism that will meet the social and economic conditions of the country.

V. Chinese Case Studies

China's political strategies rely on institutional multilateralism to gain a worthy and outstanding presence in international cultural affairs. For instance, despite facing limitations by the World Trade Organization (WTO) regarding internal film trade, the country also seeks to keep its sovereignty. Acceptance of participation in the global film industry implies that China cannot restrict the Hollywood influences and entries into its domestic film scene. In response, and as part of its expansion strategy, the government and the private sector in the Chinese film industry had been focusing on international recognition and the international promotion of the cultural development of China.

For instance, China participated in the political construction of the convention on diversity and cultural expressions (CDCE).[117] The country actively contributes to the CDCE fund and then submitted requests to the WTO regarding dispute resolutions. The requests were for the view of cultural goods and services as different from other products

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[116] Kenneth Rapoza, "Brazil's Spending Power Now Lower than China's," *Forbes*, August 2017, https://www.forbes.com/sites/kenrapoza/2017/08/28/brazilians-spending-power-now-lower-than-the-chinese/#443de5124615.

[117] Vlassis, "Soft Power, Global Governance of Cultural Industries and Rising Powers: The Case of China."

and goods. In this case, it appears that despite limitations presented by WTO's terms, the use of the CDCE approach and the identification of cultural goods from China would be a way to help China seek protection and support for the growth of its industry and its soft power. The approach did not work as the WTO failed to consider CDCE as a legal instrument that would legitimize violations of the WTO agreements. Nevertheless, the move highlights an increasing diplomatic effort by China to be a major player in the international cultural arena.

Despite inroads in the international cultural area, China remains little known as a global power and it have yet to gain a regional cultural power status. Hollywood has been the biggest net cultural exporting industry and the surplus in the audiovisual sector of the united stated was US$13.5 billion in 2012.[118] In comparison, this was more than the trade surplus in other sectors including telecommunication, management/consulting, legal services, or computer services. Most movies dominating the global revenue charts are from Hollywood, and the market for foreign movies remains significantly low, which tends to reduce the impact that respective countries including China can have on the global audiovisual cultural arena.

An under-researched area is a way Chinese values are actively arising and their use in the international dialogical processes. Many studies already look at China's export of its pre-existing essential values. However, there is also a need to check the production of values in domestic and foreign space. In particular, examining whether there is the romanticization of a given national culture into a 'universally desirable value' would be the additional aspect of research necessary for exploring the full perspective of soft power use by China.

Soft Power

The term soft power emerged in the 1990s, and it grew to take a different meaning.[119] At the time, command power was the form of using economic carrots and military sticks to

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[118] Vlassis.

[119] Ien Ang, Yudhishthir Raj Isar, and Phillip Mar, "Cultural Diplomacy: Beyond the National Interest?," *International Journal of Cultural Policy* 21, no. 4 (2015): 365–81.

cause other nations to comply with the demands of the United States foreign policy. Soft power was a means of getting others to want what the possessor of power wanted. Soft power rests on the attraction of one's ideas. It also relies on an ability to be the controller of a political agenda while influencing preferences that others end up expressing. Soft power relies on a universal appeal to popular culture. It appears embedded in cultural goods and services and in international influence of ethnic openness of a way of life. It also assumes the political appeal of a particular nation's values. In the case of the United States, it relates to the values of democracy and human rights.[120] In the Chinese context, it may relate to the values of no interfering with political matters of a foreign country.[121]

The growth of the economic might of countries in the BRICS region including Brazil and China has been due to their growth in economic might. The emergence contributes new players to the international diplomacy field on a range of issues including health, economics, and environmental sustainability.

Soft power in China translates as Chinese foreign policy, domestic policy, and corporate governance. More than 4000 academic and policy journals on China since 1994 have elements of soft power discussed.[122]First appearances of the term soft power in Taiwan media point to China, saying the country feared Western countries' soft power. The reference at the time was peaceful evolution. At the same period, the growth of the comprehensive national power perspective caught the attention of scholars from the East Asia and Southeast Asia region.

In China, soft power may have several interpretations. Some of the corresponding definitions are deviations from the original intention of the use of the term. The abstract definition in the Chinese context is that soft power is an intangible, non-quantifiable, and non-material or spiritual power. It is an ability to persuade other people with reason. It is a way of convincing others with moral principles. Many scholars in the Chinese discourse

[120] Ang, Isar, and Mar.
[121] Thomas Gong Lum, Wayne M Morrison, and Bruce Vaughn, "China's" Soft Power" in Southeast Asia" (Congressional Research Service, Library of Congress, 2008).
[122] Hongying Wang and Yeh-Chung Lu, "The Conception of Soft Power and Its Policy Implications: A Comparative Study of China and Taiwan," *Journal of Contemporary China* 17, no. 56 (2008): 425–47.

equate soft power with an ability to subdue the enemy without a fight.[123] The reference to a war-like scenario may blend well with the Chinese philosophical teachings and war strategies from famous thinkers.

China responded to an increasingly hostile reception of its economic and military power by switching gears and advancing its soft power diplomacy. To do this, it needed the vehicle for the promotion of its culture and other aspects of its power in ways that would entice other nations and societies to accept the Chinese way.[124] The country's traditions and seemingly superiority in philosophical teachings and traditions appear as a useful tool for advancing its soft power strategies. In this regard, China is setting up Confucius institutes around the world, and it is collaborating with foreign academic institutions. The intentions include reassurance to the world of its benign interests. The idea is to expose China's peaceful rise and development while boosting opportunities for military cooperation. The Chinese scholars and state officials also play a part through the dissemination of information using white papers and specialty websites meant for foreign readers. The entire approach is to explain the Chinese point of view and allows foreigners to be comfortable with the actions China is taking on various levels. The additional objective is to increase the transparency of China's role in international diplomacy, which extends as a form of its negotiations with foreigners and foreign powers. Another approach has been for the Chinese government to offer information in English continuously while vigorously promoting people to study Chinese and Chinese culture, especially through the Confucius Institutes.[125]

Some activities by the government are not striking as an embrace of soft power due to the lack of direct involvement. On the other side, there are actions taken by state authorities such as the consistent endeavor to push the Chinese broadcasting content to overseas audiences in a coordinated manner.[126]

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[123] Wang and Lu.
[124] James F Paradise, "China and International Harmony: The Role of Confucius Institutes in Bolstering Beijing's Soft Power," *Asian Survey* 49, no. 4 (2009): 647–69.
[125] Paradise.
[126] Paradise.

Academics in China and those focusing on Chinese matters agree that culture is the most visible and significant aspect of soft power.[127] The presented Chinese context of soft power includes trade, language, and values as cultural industries in the broadest sense meant to advance the initiative. The country is also keen on religion and education parameters when advancing soft power through cultural industries. Today's International Relationship studies continue to focus on the immaterial resources of power partly in response to the loss of the United States hegemony.[128] Another reason is the need to explore new variations and influences of global foreign relationships by studying the major players, in which China is among the most visible ones.

China Climate Change Negotiations

It was China's paramount leader, Deng Xiaoping, who said, "never take the lead" but the advice now appears not to influence China's international negotiations and overall behavior. The analysis by Karlsson et al.[129] showed the leadership contention for the climate change conference was likely to go to an emergent economy such as China and Brazil. The preferences by China in the Copenhagen talks were pivotal in shaping the outcomes. The decision of whether China would take the role of leader in the negotiations was uncertain at the time of publishing the research in 2011. About a decade later, many developments provide a clear picture of the changing nature of the Asian tiger's role in global politics and its approach to negotiation from a position of power in both hard and soft ways.[130]

The Climate Change talks involving China present a viable case study of looking at its negotiating behavior internationally. The issue of greenhouse emissions complexly affects China. The country is on a path of industrial development, which causes it to be among the top producers of greenhouse gasses. Thus, its industries are among the leading

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[127] Wang and Lu, "The Conception of Soft Power and Its Policy Implications: A Comparative Study of China and Taiwan."
[128] Vlassis, "Soft Power, Global Governance of Cultural Industries and Rising Powers: The Case of China."
[129] Christer Karlsson et al., "Looking for Leaders: Perceptions of Climate Change Leadership among Climate Change Negotiation Participants," *Global Environmental Politics* 11, no. 1 (2011): 89–107.
[130] Robert O Keohane and Joseph S Nye, "Globalization: What's New? What's Not? (And so What?)," *Foreign Policy*, no. 118 (2000): 104–8.

causes of the scientifically explained climate change phenomenon. Nevertheless, China also must negotiate for concessions and an appropriate way to control against climate change in a global perspective without severely hurting its economic prospects. China's reliance on coal makes it one of the largest polluters of the environment in the world. Two-thirds of its energy comes from coal.[131]

A decade ago, China's climate strategy concentrated on the energy development of the country as a way to support the overall economic development goals. The climate change talk was not prominent in Chinese leadership, and even when it started becoming an issue, it remains less important compared to economic development.[132]

Early in the last decade, researchers questioned the sincerity of China in the global talks on climate change. It was a pioneer in ratifying the United Nations Framework Convention on Climate Change (UNFCCC) in 1992, but China was also the least active country. It did not come up with relevant policies to show the seriousness of implementing the directions of the treaty. The country's approach at the negotiation tables was to retard as a means of avoiding confrontation, which would have other countries call it out for hypocrisy or laxity.[133] Thus, it was interesting to see the evolution of the Chinese position in the negotiation as both a cooperator and a defector as the domestic and international dynamics of its economic development took shape.

China uses a socialist market economy system as its framework for the subsequent open-door policy of the country. It continued to enhance its exposure to international opportunities and constraints. The unique system is responsible for the rapid growth of the country and subsequent improvements in living standards. Nevertheless, the ensuing environmental damage in both local and global perspective is hard to ignore.

The climate change negotiations have differing interests where different countries depending on varied sources of energy advance their offers and countermeasures against

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[131] Joanna I Lewis, "China's Strategic Priorities in International Climate Change Negotiations," *Washington Quarterly* 31, no. 1 (2008): 155–74.
[132] Lewis.
[133] Jeon and Yoon, "From International Linkages to Internal Divisions in China: The Political Response to Climate Change Negotiations."

climate change.[134] The Chinese international environmental policy needed to maximize material capabilities before looking at ways of avoiding high-cost commitments. In keeping up with this policy, the last decade saw China focus more on ways to ensure continued access to material resources for energy and economic growth.[135]

In the present decade, the latest agreement reached in climate change talks was the Paris agreement named after the Paris Climate Change Conference. In this conference, China made notable contributions that may explain its emergent negotiating behavior as a country and that of its leadership.[136] Overall, the country showed commitment to including climate change in its ecology improvement program. It also committed to the pursuit of a low-carbon society and economy. There are considerable steps taken by a country that a decade earlier would not consider any of these choices since they would severely handicap its economic growth.

The Chinese government allowed its scientists to participate actively and shape the outcome of the Intergovernmental Panel on Climate Change (IPCC) scientific assessment activities. They provide IPCC assessment reports and mobilize the Chinese scientific community to implement the China Science and Technology Actions on Climate Change.[137] The 12-year program encourages scientists to conduct research on climate change and review its uncertainty and response measures. These developments showed that China moved from a position of being on the backseat and avoiding confrontation to an active one where its influence through research and active participation would confer to it the power to influence climate change negotiations.

The approach by China in the Paris talks also shows the commitment to negotiate as a team. For instance, the Chinese government supported the Intergovernmental Panel on Climate Change (IPCC) assessment conclusions. Each contribution to the different levels of the research and talks led to an objective interpretation and analysis. Subsequent

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[134] Jeon and Yoon: 884
[135] Jeon and Yoon.
[136] Yun Gao, "China's Response to Climate Change Issues after Paris Climate Change Conference," *Advances in Climate Change Research* 7, no. 4 (2016): 235–40.
[137] Gao.

conclusions became presentations to the China National Leading Group on Climate Change. The authors of the IPCC reports were also active in up to 100 outreach events per person, and their role was as decision makers and policy contributors.[138] Not only did China manage the climate talks from the top government level, but it also ensured there were systems to percolate the participation across different levels of decision-making and institutions in all levels of the Chinese society.[139]

In China, the state and civil society have distinct behaviors different from their Western counterparts, which could partly explain why a team effort was successful when implementing China's negotiation strategies and soft power expressions for the Paris talks.[140] The Chinese civil society started as a unit for harmonizing relations between society and the government. It advanced the collective identity of the Chinese culture and traditions and ensured that the population worked in tandem with the goals of the society. On the other hand, western civil society tends to emerge as a critique of the government, openly disagreeing with government views.

The Western approach for civil society discourse is through mobilization and confrontation. Unfortunately, some scholars when looking at China's green movement and its progress towards climate change agreement rely on the Western civil society perspective.[141] Nevertheless, newer studies are showing considerable evidence to warrant the use of a different approach, which acknowledges the distinguishing Chinese model. For instance, China environmental communication faced unique configurations and challenges. The challenges included instability in the relationship between central and lower levels of government.

The environmental issues in China vary, and that might explain the need for a collective approach. At the same time, the changes from a traditional culture to a modern, mixed

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[138] Gao.
[139] Gao.
[140] Jingfang Liu and G Thomas Goodnight, "China's Green Public Culture: Network Pragmatics and the Environment," *International Journal of Communication* 10 (2016): 23.
[141] Liu and Goodnight.

agricultural and industrial economy presented new pressures with shocking costs.[142] Consolidating them to maintain a single spirited encounter with foreign partnerships and delegations at the climate talks appears as a necessity for China rather than a choice.

When looking at China and its relations with other states or regions, the interests appear the same. China and other countries are all looking for economic growth, provision of security, and economic goods for its citizens.[143] Scholars tend to see China as a rising power and fail to explore any other substantive values likely to constitute China's identity. Therefore, this thesis takes on this area of China's identity careful to avoid presenting biases. The evaluation of the Chinese approach in the climate change talks together with the understanding of its domestic organization of foreign affairs presents insights on the identity of the country in international negotiations.

China's view about greenhouse gas emissions was that the main responsibility lies with the US, Europe, Japan, and other rich countries.[144] This statement aligns with a stated view of China seeing itself as an underdog in international negotiations. It was after China surpassed the United States in emissions of greenhouse gases that it acknowledged its superiority and responsibility in climate talks. China also realized that setting the tone for the Paris talks together with the US and Europe would give it a chance of using its symbolic power in international relations.[145] Nevertheless, domestic developments in China might be the ones with the greatest influence on the country's change of tactic in the negotiations.

The pollution problems at home made the talk about environmental sustainability and the role of China in climate talks a priority for the country's leadership.[146] The pollution contributed to civil dissatisfaction, and the government's reaction might partly be due to its harmonious relationship with the civil society in the country. Maintaining a

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[142] Liu and Goodnight.

[143] Knud Erik Jørgensen and Reuben Wong, "Social Constructivist Perspectives on China-EU Relations," in *China, the European Union, and the International Politics of Global Governance* (Springer, 2016), 51–74.

[144] Miranda A Schreurs, "The Paris Climate Agreement and the Three Largest Emitters: China, the United States, and the European Union," *Politics and Governance* 4, no. 3 (2016): 219–23.

[145] Schreurs.

[146] Schreurs.

countrywide response initiative would be the best way of dealing with the crisis. The growing population threat of China also cautioned the planning departments about its continuing energy demands, which would increase its demand for energy industries that are major contributors to pollution.

The negotiations in Paris addressed diverse issues. Twenty-four spinoff groups were working in the first week. They took up contentious issues such as the global long-term goal of the agreement. The other one was policy ambition. The parties also needed to have a legally binding character of national policy actions. Climate change and the evolution of the policy regime were additional issues.

On the first issue of legally binding commitment, China wanted a strong legally binding character for general obligations. It would act well, but the country also required weak international transparency of national policy. China used a maximalist on legally binding and a minimalist approach on transparency. IN particular, China objected the need to have external experts review teams accessing developing countries. The country's delegation also opposed regular policy stocktaking, and it preferred to delete any references to a global policy review.

China was part of a coalition of like-minded developing countries (LMDCs) with others such as Saudi Arabia and Malaysia.[147] They opposed quantification and called for weak qualitative goals. Moreover, finance was a redline issue for China as well as the G77 countries. China also ended up losing its bid for legally binding actions in the North. It conceded global stocktaking and stronger international transparency more than it hoped.[148]

China's changing national identity in the current decade confirms its ongoing transformation, which also influences its negotiating behavior. The rising power is adapting to its new status as an important part of international relations. Some of the positions it takes are for safeguarding its domestic interests, and many others appear as

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[147] Radoslav S Dimitrov, "The Paris Agreement on Climate Change: Behind Closed Doors," *Global Environmental Politics* 16, no. 3 (2016): 1–11.
[148] Dimitrov.

retaliation based on the concessions given in previous encounters or the success gained. Nevertheless, China's position in the world remains uncertain to onlookers and scholars alike. Many theoretical explanations are available basing on the country's actions, its historical dimensions, and the culture of its people and leadership.

International positioning is a business management concept referring to the actions to develop a new image for a company or a product yet this term would also apply to a country. Countries often take their image as a product to sell to the world for their selfish needs.[149] The foreign affairs ministry in China would be interested in presenting a particular image of China in the world. China as a country aims to project its new image and take up a new position in the international order. Branding in the business sense requires the use of symbols and name. In politics and international relations, the same approach would also suffice. China's debate about its positioning is unique because of the country's foreign policy.[150] Like other countries, China must find a way to adapt to a new status like other countries that also rose or declines in the international scene.

The US indicated its desire to withdraw from the Paris climate talks, and that led to mounting pressures from the international community for China to assume global climate leadership. From one perspective, it is clear that China earned the status of a leader in climate talks about taking a spirited and coordinated effort to ensure it demonstrates capabilities to deal with the emergent threat of pollution at home. On another perspective, the evolution of China's position in the talks would be an indicator of the emergent authoritative and powerful positioning of China in international relations. In this case, the leadership status emerges in a naturalistic manner as other countries begin considering themselves as inferior and lacking the negotiation influence, which China appears to offer.

In particular, the calls for leadership when accepted by China would make the country the main protagonist in the global negotiations on climate change. The role of the country

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[149] Xiaoyu Pu, "Controversial Identity of a Rising China," *The Chinese Journal of International Politics* 10, no. 2 (2017): 131–49.
[150] Pu.

would be to reach the high ends of its Nationally Determined Contributions and advance them to an international scene. The country would be responsible for rebuilding a shared climate leadership. Instead of the group of two made up of the United States and China, there would be a replacement encompassing a bigger climate 5 (C5) team led by China, and it would include the EU, India, Brazil and South Africa.[151]

VI. New Developments in Asian and Chinese Culture Relevant to Negotiating Behaviors

Changes in Chinese and other Asian countries culture on negotiations for business and political reasons arise mostly because of the political and business environments cultivated within these countries.[152] Researchers already show that leadership change in the Middle East is likely to affect the foreign policy of the region state including changes in ambitions, tactics, and orientations. The same effect is likely to be occurring in the East Asian region. The leader-centric approach gives several reasons for paying attention to leadership when studying the implications of changes in the country's direction of foreign policy and overall orientation towards international negotiations.[153] The leader focus also comes from the notion of factors affecting negotiation behavior in intercultural transactions where the negotiating team orientation can affect the influence created by leadership. The possible orientations are having one leader focus in the negotiation or using a team with the intention of finding consensus. The Western style is usually leader focused while the Asian style in most studies shows up as consensus focused.[154] These approaches might be changing based on continued experiences by Asian leaders in the international negotiating area, together with developments in their home countries on economic, social, and political dimensions.

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[151] Hai-Bin Zhang et al., "US Withdrawal from the Paris Agreement: Reasons, Impacts, and China's Response," *Advances in Climate Change Research* 8, no. 4 (2017): 220–25.

[152] Jean-Marc F Blanchard, "The People's Republic of China Leadership Transition and Its External Relations: Still Searching for Definitive Answers," *Journal of Chinese Political Science* 20, no. 1 (2015): 1–16.

[153] Blanchard.

[154] Salacuse, "Intercultural Negotiation in International Business."

Famous leader names like Deng Xiaoping, Saddam Hussein, Ronald Reagan, Nikita Khrushchev, Margaret Thatcher, and Josef Stalin resonate with the dramatic impact they created on global affairs as well as their particular countries.[155] These top leaders often led to the dismissal of any differing point of view from their own as people opted to silence themselves out of fear. This leadership dimension and its implications on the changes in business and political orientations of a country and the subsequent influences on cultural behaviors are important as a factor likely to affect the eventual manifestation of negotiating behaviors.

On the other hand, a state does not exist as an island. It is part of a world environment causing opportunities and constraints for its behaviors and intentions. The members of the society that shares the time, geographic space and experiences come up with preferences, choices, and perceptions that make up the fabric of their society. They operate within domestic power structures that rely on constitutions and laws, as well as customers, the role of the individual and the situation.[156] For example, a negotiating businessperson in China might have to obey local laws and custom roles despite having a different orientation and preference for negotiating behavior. In this regard, when exploring the conditions influencing cultural behavior among negotiations, it is essential to look at the contextual forces affecting the exhibited mannerisms.

China's development in the world enabled it to become a relatively important economic and political power though it did not occur at the expense of the growth of the United States into being a superpower. Beyond the demise of the Soviet Union, one would expect Chinese leaders to focus on increasing military power to take advantage of the gap. However, it appears that the move by China to modernize its society and the subsequent growths over the last few decades was likely due to a response to major threats to Chinese society. The failure to cooperate in the international system would cause China to remain backward. Nevertheless, key leader syndrome is still evident in recent China history. Mao Zedong made major decisions regarding the reconciliation

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[155] Blanchard, "The People's Republic of China Leadership Transition and Its External Relations: Still Searching for Definitive Answers," 4.
[156] Blanchard.

with the United States in the 1960s as well as the strategies for dealing with a Soviet threat.[157] Deng Xiaoping came up with the last word on foreign policy unless in situations where he was unable to intervene.[158] Thus, his leadership was responsible for opening China to the world, and as a result, causing changes in the internal cultural fabric of the country. Meanwhile, China remains as a unitary state. The implication is that looking at the leader will pave the way for an understanding of the likely future direction of the country and corresponding influences on its culture and societal orientation in negotiations.

Foreign activities by Chinese diplomats may best fall into the category of cultural diplomacy where a new form of foreign policy practice of nation-states emerges. In this case, one sees the interest-driven governmental practice tied to cultural relations, which exhibits tendencies to rely on ideas instead of the interest of the non-state actors.[159] It is relevant to look at this perspective after already indicating the role that the strong leader orientation of a nation-state possesses on the approaches and demands made towards international negotiations. Thus, it is clear that any study of cultural disciplines in the international realm will consider the trans-national connections and cultural practices within nations as explored already in this thesis.

As the Chinese government advances soft power strategies, and its leaders embrace this perspective for their foreign policies, the Chinese population is transforming. Integration with the Western world is diluting some traditional aspects of the Chinese domestic culture and its influence on negotiations. The influences appear mostly gradual and easy to miss from a scholarly perspective. While discourses in both Western and China's academic realms focus on the dichotomy of individualistic and collectivist cultures, there is an increasing need to also look at the integration of the two dimensions.

Cultural Profile

[157] Jennifer Ferreira and Carlos Ferreira, "Challenges and Opportunities of New Retail Horizons in Emerging Markets: The Case of a Rising Coffee Culture in China," *Business Horizons* 61, no. 5 (2018): 783–96.

[158] Blanchard, "The People's Republic of China Leadership Transition and Its External Relations: Still Searching for Definitive Answers."

[159] Ang, Isar, and Mar, "Cultural Diplomacy: Beyond the National Interest?"

The cultural activity types are a model of classifying cultural differences and similarities. It is a contrast to the cultural dimensions hierarchies presented by models such as the Hofstede's cultural dimensions.[160] The changes in Chinese culture and the effects of globalization warrant the use of an additional and separate methodology to explore cultural experiences and possibly gauge their impact on the negotiating behavior of the population. The chance to look at the way cultures communicate, negotiate, and the contract is available through the examination of the activity types. Therefore, presenting some of the findings by Ott et al.[161] makes sense in this thesis case where the authors compared the British and Chinese cultural profiles. A striking finding, relevant to this thesis is that the future managers from Britain and China show more similarities than so far portrayed in other studies.[162] The implication is that looking at cultural types, which transcend geographical boundaries, will reveal more of Chinese young people exhibiting fewer collectivism tendencies usually associated with their country profiles based on the country-based cultural dimensions.

Many cultural scholars seek to have different definable classes for cultural characteristics and show cross-national and cross-cultural differences. They make the most of the available scholarly research on cultural interactions. Their main hypothesis was that hierarchy, group behavior; assertive behaviors towards uncertainty, and communication, as well as time orientation, would be the key features relating to cultural differences. Nevertheless, their theories limited their outlook to national cultures. Therefore, they succumbed to the developments of the modern era where individuals end up adopting globalized cultures even though they remain physically bound by a country's geographic space. There is a new need for a different understanding of culture and its interactivity elements among populations that would be considerate of developments in the 21st century especially with technologies and breakdown in language barriers.

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[160] de Mooij, "Comparing Dimensions of National Culture for Secondary Analysis of Consumer Behavior Data of Different Countries."

[161] Ott et al., "A Configurational and Experimental Approach to Compare British and Chinese Cultural Profiles of Generation Y."

[162] Ott et al.

A study by Yang, De Cremer, and Wang[163] looking at the dichotomy of American and Chinese negotiation from an ethics perspective noted that American participants in negotiations were most likely to use ethically questionable tactics. The study explained that they were more likely to use false promises than their Chinese counterparts were, and inappropriate information gathering approaches in their inter-cultural negotiations. The emergent limitations of such study approaches include the restriction of the comparison to two country dimensions. While such studies offer considerable insights into the Chinese negation cultural influences, they nevertheless may seem to appear more or less as a feature of other countries. For instance, when studying about China's collectivism culture, most studies will compare it with another country hypothesized to have an individualistic culture. In this case, the possible findings remain limited to the range of cultural dimensions available by the country-comparison theories.

The British and Chinese future managers have more in common than what many other studies tend to explain and what would be available as public knowledge of their cultural dimensions. When it comes to international transactions, communication, negotiation, and contraction options provide an objective way to evaluate cultural orientations. The benefit of using cultural activity types is that they include task orientation and risk attitude. In specific terms, the study by noted that future Chinese managers, who are in the Generation Y group would exhibit more linear-active or go-getter behavioral traits than their counterparts from other generations would.[164]

The study by Ott et al.[165] did not find any distinct pattern concerning cultural differences when exploring empathy and intrapersonal reactivity index for population samples from China, Germany, Spain, and the United States. Findings of the study confirmed that empathy in a fictional context related to openness to experience. It showed personal

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[163] Yu Yang, David De Cremer, and Chao Wang, "How Ethically Would Americans and Chinese Negotiate? The Effect of Intra-Cultural versus Inter-Cultural Negotiations," *Journal of Business Ethics* 145, no. 3 (2017): 659–70.
[164] Ott et al., "A Configurational and Experimental Approach to Compare British and Chinese Cultural Profiles of Generation Y."
[165] Ott et al.

distress related to neuroticism. The implication was the cross-cultural applicability of the empathy quotient and the interpersonal reactivity index.

There is a notion of the revival of the Chinese nation. It implies that China is rising again to occupy a position it once did in global affairs. However, this notion does not provide directional insight into the negotiating culture and behaviors of the country. Furthermore, it remains ambiguous given that the nature of economic, social, and political developments by China today remains multi-faceted. Scholars from China are not shy to show their desire for China to be rich and strong, but they also disagree on the role that China should play as a superpower or a non-superpower country.[166]

China's Status Signaling

The domestic conditions in China also make it hard to predict whether the soft power status of the country and its increasing influence in the world would allow for a continued low profile status or a striving for great achievements on a global scale. Status signaling is an activity seeking to change or maintain a special type of belief among political actors.

Signaling is a phase in negotiations in which both parties commence their shift from an initial position. It comes after early positions and explorations of the challenges and opportunities.[167] It is a conciliatory step for indicating the willingness to negotiate. Depending on the context of the negotiations, the signal will be a subtle indicator to the other party. It is rarely open, and it does not appear as a direct engagement with the other party in the negotiation process. Signaling relies on qualifies made as statements or policies and decisions taken at a leadership level by the negotiating parties. In interpersonal negotiations, the body language would be one of the indicators used as a signal.[168] Meanwhile, in cross-country and business negotiations where body language is

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[166] Pu, "Controversial Identity of a Rising China."
[167] Amrita Narlikar and Pieter Van Houten, "Know the Enemy: Uncertainity and Deadlock in the WTO," in *Deadlocks in Multilateral Negotiations: Causes and Solutions*, ed. Amrita Narikar (Cambridge, UK: Cambridge University Press, 2010), 142–63.
[168] Narlikar and Van Houten.

not present in the large context, the activities and actions done by the parties in isolation would be the signals to watch.

China has conflicting roles that need proper management to ensure it continues to advance its interests without engendering misconceptions, which can be fatal. There are competing incentives to resolve and reassurance its status and responsibility between its domestic and international audience.

Chinese residents are expressing increased symptoms of depression. Scholars expect these symptoms to be a consequence of rapid modernization. An important insight is that Chinese residents may also be copying Western patterns of symptoms presentation and the professional psychological practices in China could make similar improvements in diagnostics leading to the observed phenomenon[169]. If the Chinese are changing their coping strategies with values systems, and individual issues, then the likelihood of these effects transcending their interpersonal relationships and negotiations is high. In contrast, a communist would never place his or her interest first. The modern Chinese resident is hardly a communist as the desire to sacrifice personal interests for those of the nation, and the masses is not always the desired outcome. Selfishness, which was mostly a Western trait, now appears within the Chinese population together with slacking and seeking the limelight.

The Chinese population holding college education degree was at 12% in 2005 compared to 0.8%.[170] Considerably, many of the college educated Chinese are conversant with Western theories relating to society and development. The country also experienced a decline in mortality, which coincided with a shift towards more investments in human capital for contributing to economic growth. The shifts in economic and demographic conditions in China interwove with sociocultural changes to explain some of the observations of China's behavior and the behavior of Chinese residents going against the cultural norms and negotiations traditions of the country as explored in this thesis.

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[169] Jiahong Sun and Andrew G Ryder, "The Chinese Experience of Rapid Modernization: Sociocultural Changes, Psychological Consequences?," *Frontiers in Psychology* 7 (2016): 477.
[170] Sun and Ryder.

One must also realize that even with cultural meanings, teachings, and practices, culture is never static. The shifts over time may appear dramatic in some instances depending on the other developments also noticed in the same period. The period of evaluation in this thesis is mostly the last three decades. The findings coincide with the changes in China foreign policy to embrace soft power, which lead to considerable variations in cultural practices and orientation. Investment in the Chinese human capital for economic growth also produced social changes. The open door policy of opening the economy to external parties for economic growth improved the living standards, increased pollution, and caused a nationwide need for tackling environmental sustainability. It also partly contributed to a successful Chinese negotiation strategy in the Paris climate change talks.

Individualism-collectivism dimensions explored by the Hofstede typology of culture would apply to China a decade ago in an absolute way. Nevertheless, an emergent trend of Chinese individualism is now a reality worth considering when exploring the country's negotiation behaviors.

New Developments in Chinese Business Culture

The initial approach to business in the domestic and international arena followed the Deng Xiaoping's open door policy. The outcome included the noted increased integration into the world economy. China also gained additional incidences of participation in international politics.[171] A key outcome of the engagement has been the relaxation of the ideological controls of the country. The country today is home to different commercial pop cultures and western technologies. It has values and lifestyles that are different with a considerable uptake of materialism showing up across the society. The same effects of western exposure are also in the Chinese business culture as discussed in the following paragraphs.

The Increase in Efficient-Oriented Control

In the past, China was more of a command system, and this meant that achieving outcomes according to a particular goal was more important than the process taken.

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[171] Sebenius and Qian, *Cultural Notes on Chinese Negotiating Behavior.*

Today, the stimulation of rapid growth requires the maneuvering of controlled competition and reduction of bureaucratic divisions likely to cause slow down. Individuals, organizations, and the Chinese central government are delegating to some degree their decision-making authorities to locals in domestic and foreign sectors of the economy.[172] Decentralization is giving enterprises a great latitude and flexibility in management. They can embrace western style management principles of being efficient and competitive without strict control by policies or values of the government and the traditional Chinese society.

The Increase in Materialism

When viewing the world, materialism was one of the last things to expect from the Chinese. Today, materialism is evident in a business relationship, and the Chinese enterprises are openly pursuing a capitalist approach and shunning ideological orientations. China in Mao's time when ideology was supreme is different from current China. The leading philosophy of 'white-cat-and-black-cat' presented initially by Deng Xiaoping, was a theory that contributed to the improvement of the Chinese economy. It caused the legitimization of getting rich. Today's Chinese entrepreneurs will negotiate for business deals with capitalist mindset seeking to earn the highest possible profit and become rich. In the absence of laws, regulations, and some cases, ethical values, the businesspersons would get rich by whatever means necessary. Thus, one can experience an increased level of unethical business practices with capitalistic tendencies showing up with the Chinese domestic economy. Cases of companies from China bidding for jobs or purchases without a sufficient financial capability abound and they highlight the growing materialistic worldview in China.

Increased Awareness of International Business Rules and Cultural Differences

The opening up of China is exposing many of its traders to the international market, which is also shaping their understanding of the rules of the international marketplace. For instance, the use of English in business is becoming essential, and many Chinese

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[172] Sebenius and Qian.

businesspersons are capable of effective communication in English. They are also showing increased receptiveness to "arms-length" professional style of doing business.[173] The competent officials and technocrats represent the most adapted group to the international business scene because of the role they place in the economic performance of their companies and the country. Meanwhile, emphasis on objective factors in transactions is increasing among the Chinese businesses, and it highlights a move away from the relational approaches that were the basis of Chinese negotiations for decades.

Conclusion

The Chinese business culture has a considerable effect on negotiations in China. Xinyong and Guanxi remain the most influential factors in interpersonal relationship and intergroup dynamics in Chinese society. Respect for authority, a command system of government, and a national value system, together with a cooperative civil society form the infrastructure allowing China to undergo cultural change and globalization influences collectively.

Interactions with western countries and value systems are numerous in China, and they create a considerable impact on social norms. Negotiating with Chinese residents today would be very different from the past decade. Increased individualistic awareness, reliance on technologies and an increased role and capability of the government to shape preferences by citizens are the factors to watch when tackling negotiations in China.

As China opens up its economy and enters into the international market for resources and relationships, it also makes several concessions. For example, Confucian principles dominate their social fabric, but they might be evolving. The China of the past decade was not keen on effecting environmental sustainability in the domestic front. Today's China is leading both the domestic and foreign efforts on sustainability and climate change responses.

China also experiences increased demand for efficiency. Part of this increase is causing changes in the overall cultural orientation of the country to affect interpersonal and

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[173] Sebenius and Qian.

intercultural relationships. China is not only heavily borrowing from Western countries but also its Asian regional partners. The efficiency orientation is percolating into every level of Chinese culture because of television and internet penetration. The entertainment sector, dominated by Hollywood is still a major influencer of social values. It has not made considerable changes to the social fabric of Chinese despite having a strong penetration in the country. The few changes that westernized influences make in China have to compete with the traditional orientations of the society and the increasing domestic context. This domestic content also seeks to find a global audience, which forces the Chinese content creators to package their Confucianism and other teachings and values inefficient consumption packages ideal for the global and regional entertainment and education consumers.

China is also showing signs of increased materialism, which are shifting the perceptions made by people in business and social transactions. Judgments by appearances will be common in the Chinese context and will cause more people to appreciate efforts made to appear socially trustworthy. In the past, the Xinyong and Guanxi approach relied on contextual information obtainable from relationships. Future indications show the possibility of finding new generation managers paying less attention to the contextual information and relational styles of transacting. Instead, an appreciation of a mix of masculinity and femininity behaviors together with materialistic tendencies will emerge. The continued delegation of national policy and negations formation and formulations to local levels in the Chinese government structure will also cause rapid uptake of the new perspective into the Chinese mainstream practices of negotiation at an international level.

This thesis supported the research showing that China has a blend of local and Western values influencing negotiations. It also shows that time may be right to first look at Chinese values from an authoritative global context. Rather than show China as sharing local and Western values, it might be necessary, in recognition of the role China is playing in global culture, to speak about other countries exhibiting Chinese values as a recognized part of possible global cultural values.

Answers to Research Questions

The first research question asked the inherent features of the Chinese negotiation environment at the state level and enterprise level. A similar negotiating environment at the Chinese state and enterprise level exists as noted in this study. It confirms that state actors working internationally also rely on domestic policies and conditions to influence their stand, their approach, and their philosophy of negotiations. Moreover, the research confirms the role of Confucian and other ideologies in shaping the approaches to transacting at the enterprise levels.

Part of the first question sought to know whether there would be distinguishing factors in global or localized negotiation environments. The reality, as presented from the research was that there were distinguishing characteristics highly dependent on the context of the negotiations. Chinese traders in an international perspective are likely to focus on business rules and conditions of negotiations and shift away from their Xinyong and Guanxi ideal setups, which would otherwise be relevant for localized negotiating environments.

The second question was about the expression of soft power and China's global hegemony ambitions. It also sought to find out whether the approach affected the negotiation success or failure. The Climate Change case study brings out important insights relevant to answer this question. For instance, China continues to pursue its open door policy and it is rapidly enhancing its soft power use to become a global cultural icon. It is expanding its language, education, and entertainment sectors across the world while also increasing cooperation with other countries to help Chinese broadcast values. Meanwhile, the rhetoric of China at the international scene continues to signal a readiness to lead although it also presents China as a developing country. Domestic conditions continue to affect Chinese industrialization policies, which are also shaping the levels of concessions the country is willing to take at international negotiations.

The third question sought to know the limits existing to curb the usefulness of a traditional Chinese approach to negotiations in the world of international politics and business. The biggest limit to the approach taken by China emerges from the country's rapid growth of its resources and economy. China no longer has the option to defend its

action or inaction at the global scene while defending itself as a developing country. It finds itself as a major global issues contributor because of its size in the given matters. The country is a major resource consumer, it contributes significantly to greenhouse emissions that tie to climate change, it has a growing population that provides a major market for international trade, and it is spreading its Confucian instituted with collaborations across the world. These are many examples are forcing China to shift its role in international negotiations from those of being a participant with few options and protective positions to a leader with a soft power approach for influencing agendas.

The last question sought to explore the ways that Chinese are adapting their traditional approach to negotiations with demands in modern times. The paper, through its review of the traditions of Chinese negotiating culture, revealed the major role of the Chinese Xinyong and Guanxi cultures. It also noted the importance of the traditional Chinese philosophical teachings and the role that notable Chinese leaders play in shifting the country's approach to development, integration with the world, and business or social conduct. There have been developments in all these instances to cause a remarkable difference in the culture of China today compared to several decades ago.

However, the rapid integration of China's social and business cultures with the world are causing increased levels of materialistic tendencies, individualistic notions in business and relationships, and a heightened level of awareness of Western-based principles and rules of business. The Chinese young generation members are now willing to pursue wealth individually and flaunt it. They are willing to undercut the competition and adapt other capitalistic tendencies to win in business and relationships. However, the evidence available is still scarce and the trends observed might be still in their infancy.

Practical Implications for Negotiations in China

Negotiators going to involve China's nationals must be aware of cognitive biases, cultural orientations and the new developments in China and the Chinese society. The main cognitive biases available in negotiations are fixed-piece, reactive devaluation,

framing, anchoring, availability of information, the winner's curse, overconfidence, endowment effect, and self-service biases.

None of the Chinese modern contextual negotiations at the individual or national levels shows the fixed-pie myth perhaps due to the globalization conditions where both nations and individuals are aware of existing options both on their part and on that of the negotiating partners. Reaction devaluation would occur when other parties agree to concessions that the first party consequently sees as low value. The case study of climate change talks shows China did not favor this approach. Again, the availability of information and the systematic nature of the talk were instrumental in removing instances of this myth. Meanwhile, framing by China in its international negotiations is remarkable. The soft power approach and the use of victim status to appeal for international sympathy and cooperation have been tactics working well for China. At an individual level, the use of the Xinyong and Guanxi should continue affecting future Chinese negotiating behaviors in business and social contexts.

China is still a collectivist country with a polychronic-orientation culture favoring contextual communication. The inroads made by Western cultural influences are yet to defeat the reliance on Confucian teachings and the Chinese language. National pride is still evident from the research conducted about Chinese cultural behaviors. Therefore, the availability of information should continue being a factor in negotiations in China, but contextual information will have a more impact on the outcomes of negotiations with people living in China.

The winner's curse can exist in individual situations in negotiations, but its expression in the Chinese context is unlikely. Examples noted from the research used in this thesis showed Chinese nationals would be willing to move on after outcomes of negotiation and plan for future engagements with the same or future negotiating parties. Lingering on the same issues after negotiation settlement is an unlikely behavior between the Chinese. This outcome might be due to the large power distance, which causes people to accept institutional outcomes in their lives. The uniqueness of the Chinese experience is the collective nature of the negotiations and sharing of its wisdom. Thus, subsequent

negotiators are likely to find their Chinese counterparts well skilled and improved in future interactions. In this case, one review of the opponent's position should not be enough for continuous negotiations.

Chinese negotiators are unlikely to be overconfident even though they might show it as part of other contextual tactics meant to make them cultivate a relationship. If anything, the approaches used by Chinese are self-deprecating together with an informal approach to influence the views of the other party. At the national levels, it shows through the spread of Chinese soft power. Chinese business people are also relying more on capitalist behaviors and show individualistic tendencies in their cultural behavior despite continuing to rely on the opponent's belief that China is a collectivist and large power distance country.

Limitations of the Study

The study relied only on secondary data due to the methodology selected. The case discussed in China only provides a bounded view on the negotiation behavior in the country, which might not represent all instances of international negotiations. The limitations of models and theories used in the presentation of the thesis argument may also influence its conclusions and affect their generalizability. Moreover, the study's lack of a specific sample design with shareable characteristics also prevents scholars from using it in other forms other than as a theoretical reference and pointer to future areas of research.

Recommendations

Future studies should seek to use an empirical approach to explore instances of China's old and new negotiating behaviors in different context. For example, scholars can compare populations of new generation business people with old generation people in similar contexts to reveal the evidence supporting the findings of this thesis report. Moreover, scholars must also explore additional explanations to the changes noted in Chinese social behaviors, cultures, and circumstances that appear to go contrary to the expectations of a communist-based social system. Furthermore, the studies should

expound using primary data the effects of the changes in the culture and ideology of transactions and relationships on negotiations in China.

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Summary of the Thesis

Chapter 1 'Introduction' of the thesis presents the role the thesis will play in society by adding to the knowledge on negotiations in Asia and improving the global business and political environment through an improved understanding of the evolution of Chinese culture. The chapter discusses the origin of the importance of China as a global power player and the implication of the growing influence of the country on global business and development affairs.

The purpose of the thesis is to present negotiations in Asia using an analytic perspective and to dig deeper into revealing specific negotiation patterns, and influencers for China, which would be relevant for future interactions with China's businesses and the Chinese government.

This chapter provides a sequence of the rest of the thesis and explains the research questions it will seek to answer. There is a discussion on the methodology took, which qualitatively is data gathering and analysis using secondary data from the internet, including books, scholarly papers, website articles, and interviews.

Concisely, the thesis was about answering the following four questions and presenting the reasoning behind the answered captured from the available data. It was also about showing the new development of the negotiation landscape in China and its radical departure from the traditional expectation of relationships, culture, and social engagement in the country.

The questions asked are:

1.   What are the inherent features of the Chinese negotiation environment at a state level and an enterprise level distinguishable from other global or localized negotiation environments?

2.   How does the Chinese expression of soft power and its ambitious projects for global hegemony affect its culture and its environment responsible for negotiation success or failure at both governmental and enterprise levels?

3.   What limits exist to curb the usefulness of a traditional Chinese approach to negotiations in the present world of international politics and business?

4.   In what ways are the Chinese through various interactions in trade, politics, and social setting adapting their traditional approach to negotiations with the demands in modern times to guarantee their success?

Chapter 2 'Backgrounds' first presents the notion of negotiations. In presenting the thesis on negotiations, the familiarization with the notion of negotiations in business and social settings became an important feature of the discussion. The first issue addressed in chapter two was the concept of negotiations using a top-down approach. The paper looked at the negotiation theory with the main concepts covering it before breaking down power as an element that defines the interaction of the negotiation parties. The paper explained the manifestation and use of power in negotiations and the way it would be relevant in an Asian context. It also presented a concept of relationality in negotiations because no negotiation may arise without the formation of a relationship between the negotiating parties.

Negotiations are social interactions, and two or more parties have to communicate to reduce instances of failure of negotiations. Society provides different chances for interpreting power dynamics and these opportunities when taken by a negotiating party lead to a potential influence on the outcome. Power exists as real or assumed in negotiation settings. People capable of showing power end up on the winning side. They may choose to cooperate or to pursue a different strategy to win. Nevertheless, winning in negotiations does not always mean a loss for the other party.

Culture ends up affecting negotiations because of its influence in societal relationships, communication and power outlay, and opportunities for interaction. At the same time, the intensity of bargains in negotiations affects the ensuing relationships and may depend much on the value placed on the negotiated interests.

In negotiations, the relational commitment is the enduring desire to ensure a valued relationship persists. Therefore, negotiating parties, irrespective of their position in the negotiations, will have relational capital, a similar feature to social capital, which brings them into mutual liking, trust, and quality of the dyadic relationship.

Chapter 3 'Theoretical Underpinnings' presents negotiation's core support theories from the business and sociology world. In particular, the chapter looks at two major theories and a developmental one as a third perspective. It presents the accepted understanding by researchers and practitioners on the relevance of cultures and people's interactions along the cultural dimensions. These dimensions then help to explain some of the predictions about people's behaviors, preference, and ideas about life when they are in their native cultures or when they are interacting with others from different cultures.

Since negotiations are relationships forming on a social scene, understanding the cultural effects of various populations in the world offers the way forward for examining the Asian culture and its influences on negotiations in that region. Therefore, this theoretical underpinnings chapter puts the thesis in a proper perspective of what it falls within various disciplines including global business management and intercultural communication studies.

Hofstede's typology of culture provides six dimensions of culture in which it is possible to classify a country's culture. Out of these six dimensions, it is possible to postulate the nature of relationships and the path that negotiation would take among p[arties from the identified cultures. The six dimensions are large versus small power distance, strong versus weak uncertainty avoidance, masculinity versus femininity, individualism versus collectivism, long versus short-term orientation, and indulgence versus restraint.

The second theory is Hull's cultural factors framework in which the paper looks at two possible dimensions, with the same approach as the one used in the Hofstede's typology of culture. Here, the focus is on a high versus low context of

culture and the polychromic versus monochronic time orientations of culture. Hull's cultural factors framework is useful for a practical approach rather than a philosophical one when putting cultures together. It was necessary to bring the theory of cultural activity types because it looks beyond the country or regional boundaries and observes cultural types in open environments. It serves as an additional perspective for comparisons of behaviors, which would end up explaining the changing culture in China that other traditional theories such as the ones noted above are not capturing.

Chapter 4 'Negotiations in the Asian Context' should provide readers with an in-depth look at literature revealing the nature of cultural influences on negotiations in Asia. This chapter is also about the interconnections among Asian cultures in the 21st-century interaction area. Thus, it paves the way for realizing the influence of cross border business, entertainment industries across the Asian nations, and other modes of influences shaping the Asian cultural context.

The chapter also provides an in-depth positioning of the Chinese business and social cultures within the Asian negotiation context. It shows that Chinese culture plays a major role in the regional mode of doing business, but it does not overshadow the South Korean entertainment culture in determining the infusion of modernity with traditional values and means of entertainment. This chapter also keenly looks at the negotiating behavior of individuals in China at both corporate or government and local levels. It establishes the interconnectivity of power and social capital as captured in the cultural concepts of Guanxi and Xianyong within the Chinese business culture.

The fourth chapter serves as a real-life application of concepts from theories introduced in the third chapter of the thesis. Here, negotiations in the Asian context show a high collectivist approach, with an appreciation for polychromic time dimensions and focus on relational attributes of culture. The chapter further reveals the influence of philosophical teachings and other ancient wisdom of the Chinese as additional influences of the main ideologies of the existing culture. In

the Asian region, strong historical leaders also appear to shape the ideologies and preferred artifacts of the cultures they shaped.

The chapter notes a similarity in negotiating approaches of people in China and those in East and Southeast Asian cultures. This behavior is relational, and it seeks to create harmony among the negotiating parties while also upholding interpersonal relationships. The sustainability of the behavior depends much on the Chinese enterprise and the influence of Chinese nationals in other Asian countries. Some additional insights in this chapter include the role of survival instincts, especially in a social context. Individuals in the studied society appear to want to do everything to survive their reputation, and that causes them to make sometimes harsh or strict rules of engagement that might not be the case for people outside the Asian region.

A look at conflict handling tactics shows the deep-rooted nature of cultural influences on the relationships and eventually negotiations in China. Conflict handling ensures that individuals and companies continue to maintain appropriate relationships. It is a factor affecting capabilities to build trust among suppliers and retailers in different scale of businesses. It serves as a means of building Xinyong, the identified social capital that is responsible for the success of many individual relationships across China.

Another uniqueness of China is that relationships take a long-term orientation while also favoring individuals with a high social reputation. Thus, rather than build relationships as an end, people tend to build a reputation because they will end up with better relationships because of their reputation.

Chapter 5 'Chinese Case Studies' opens the lid into the negotiations in China, seeking to show the perspective of the Chinese government and corporations when entering into deals for global or local demands. It also provides a real-life example of the conditions that may affect negotiations and cause negotiating parties to go into statement positions requiring a change of ideologies and approaches. This chapter also recognizes the introduction of soft power as a

subject of negotiations, especially in the international scene. It is essential for evaluating the growing influence of China in the world. The thesis was about understanding the Chinese influence across the globe by exploring a specific cultural and sociological subject of negotiations. This concept happens to play a critical role in any relational endeavors, which makes it a core feature of international politics and business.

The chapter is part of the results section of the thesis, confirming the findings relevant to support the theoretical underpinnings introduced in chapter three. Moreover, this chapter shows that China's soft power is causing ripples across the international community and in its obligations with other world powers such as Europe and the United States. The examination of soft power reveals how the advancement of Chinese culture serves as part of the methods China is using to ensure that its point of view dominates its international affairs. This power positioning aligns with the perceptive power introduced in chapter two of the thesis.

The role of China in climate change talks and the demonstrated government commitment with close partnership with the civil society in the country confirms the influence of the teachings by Chinese philosophers, war strategists, and historical leaders. Their influence on the social fabric of the country is notable. The approaches used by the Chinese delegation in successive climate change talks highlight the working mechanisms of the Guanxi and soft power. These approaches led to the real power position of China as a leader in the talks after the withdrawal of the United States.

The chapter confirmed that although China's negotiation patterns tend to conform to expectations of formal negotiation behaviors and the understandings of the typology of culture and the other theories, it also appears to rely mostly on circumstances and the shifting interests of the negotiating parties. China's negotiation behavior is evolving.

Chapter 6 'New Developments in Asian and Chinese Culture Relevant to Negotiating Behaviors' is about the notable changes and persistence in the past decade of the Chinese culture, and influences on negotiations. The discovery of the evolving nature of China's negotiation behavior continues to take shape in this chapter. This chapter considered whether the literature on cultural orientation of China matched the new findings by researchers on the behaviors of Chinese business people, and the general population in relational interactions.

Findings in this chapter, which also help in answering the research questions for the thesis show that there is an increase in efficiency-orientation among Chinese interactions. Ther4e is also a considerable increase in materialism because of western influence. The influence also passes on through other Asian cultural infusions and exchanges including those in the entertainment and fashion industries. Moreover, the Chinese population is showing increased awareness of the global perspective to business and social relations. This awareness is influencing a shift in perception and mannerisms to accommodate the demands of global business and cultural expectations. Thus, China, in this case, exhibits more embrace of individualistic concerns and behaviors, which show up in new business practices especially among young, educated future managers.

The conclusion is that interactions with western countries and value systems and a need for development drive China's entrepreneurial emergence and the demand for efficiency. These changes affect the changing in priorities on a cultural and social level. Negotiators must not be blind to these changes and may try hybrid approaches of both Chinese and Western cultural concepts in the future. China is using soft power effectively to be a global influencer and to have its arguments sail through in international negotiations. This study remained limited in its methodology as a qualitative inquiry, and future studies may want to use an empirical approach with defined populations from China.