

Some Observations on Trade Negotiations

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The negotiation of trade-related policy issues increasingly centers on the reconciliation of trade-based economic objectives and broader public policy objectives such as health, safety, and the social welfare of disadvantaged groups in society. These different interests of society are reconciled through a complex negotiating process that takes place within and between domestic stakeholder groups such as businesses, unions, civic groups and government agencies, and ultimately between national governments. The special character of Commercial Diplomacy is that it encompasses both private stakeholders and governments, that it addresses both private commercial interests and public policy interests, and that the outcome is arbitrated through both economic markets and political markets. Negotiations in Commercial Diplomacy cover business issues, policy issues, broad economic issues and political issues, as well as legal issues.

Interest Based Negotiations

Interest-based negotiation is based upon a simple premise. No one wants to “lose” or sacrifice his or her interests in a negotiation process. In a “zero-sum” gain type of negotiation, each gain for one party is seen as a loss for the other party. In interest based negotiations the focus shifts towards creative negotiating solutions that turns as many “concessions” as possible into gains for the country making the “concession”. This does not mean that there are no winners and losers within individual countries, but rather that there is a premium in being able to sell each concession as a double gain - the gain obtained from the reciprocal concessions made by the other party and the gains that can be obtained from the party making the concession in terms of productivity gains, off season imports, meeting niche needs, etc.

The art and science of interest-based negotiations has evolved from a recognition of the fundamental human desire to be successful, By understanding the interests of all parties to a negotiation (often diverse interests), a negotiator can better formulate “positive sum” approaches that allows all parties to advance and protect some, if not all, of their interests. Such “positive sum gain” approaches to negotiations have been coined as “win-win” negotiations.

Traditional, competitive negotiations pit negotiators against each other as adversaries who seek to win concessions at the expense of their counter-part. Parties seek to discover the “bottom line” of their counterpart in an attempt to extract the maximum concessions possible. A party with “superior negotiating power” might be able to negotiate their counterpart into submission, but such an approach often leads to *impasse* (the failure to reach an agreement) as parties become entrenched in intractable positions, or alternatively, the negotiation of an unequal agreement that will leave a legacy of distrust and resentment.

Interest-based negotiation is rooted in the recognition that parties invariably have divergent as well as shared interests. By understanding the interests of all parties in a negotiation process, the skilled negotiator is often able to craft solutions (options) that will satisfy some, if not all of the counterpart’s interests, thus demonstrating the benefits of remaining engaged in the negotiation process. By working cooperatively in the quest for workable solutions, the skilled negotiator is able to articulate the interests and needs of not only his/her own party, but also of all other parties to the negotiation.

Regardless of the nature of the negotiation, the setting, or the cultures involved, every negotiation will include the following elements:

- **People (parties, stakeholders)**
- **Interests**
- **Options or possible solutions to satisfy interests**
- **A BATNA or best alternative(s) to a negotiated agreement**
- **Various Objective Criteria that may be employed to provide support for a proposal or to reduce the legitimacy or applicability of a proposal**

These elements are pulled together in an Interest Identification Chart, as explained below.

Stakeholders in a Negotiation

Negotiators engaged in formal inter-governmental negotiations are usually subject to the influence of multiple stakeholders who are not at the official negotiating table, but who exercise their influence through official or informal contacts with negotiators, public testimony, speeches, press releases, lobbying, legislative initiatives, grass roots campaigns, or other political activity to ensure that their interests are protected. A stakeholder can be defined as any person or entity that has a vested interest in the outcome of the negotiations, whether positively or negatively.

International trade negotiations thus involve not only government trade negotiators, but also trade professionals who represent other government agencies, business associations, individual enterprises, unions, NGOs, and other entities that have a stake or interest in the outcome of the negotiations. While the individuals involved in the negotiation process bring their own backgrounds, personalities, training, ambitions, and self-interests to the table, their mission is to serve as representatives of the organizations, bureaucracies, or enterprises to whom they are accountable.

Each of the stakeholder groups involved in the trade policy advocacy, decision-making and negotiating process brings their own motivations and interests to bear on the negotiations. These interests and motivations are the key to a structured approach to negotiations that has the highest prospects for a satisfactory outcome. The interests and motivations that influence the positions of many stakeholders in the private sector are fairly straightforward, and not too difficult to analyze. The interests and motivations of governments are often much more difficult to identify because governments represent all the various interests of society. Nevertheless, there is a great deal of consistency across governments with respect to the principal interests represented by government agencies and departments responsible for particular areas of government policy. The successful negotiator will carefully analyze the interests and political influence of each of the principal stakeholder groups.

At the outset of developing a negotiation strategy, a good negotiator will identify all of the stakeholders and chart their interests, positions, and options. By understanding which parties (people and organizations) have an interest and potential influence on the negotiating process, a negotiator can generate a list of the interests that have to be accommodated in the course of either the internal or external negotiating process in order to achieve a successful outcome.

In international trade negotiations between governments, the stakeholder analysis needs to cover four sets of stakeholders: private stakeholders in the home country, government stakeholders in the home country, private stakeholders in all foreign countries involved in the negotiations, government stakeholders in all foreign countries involved in the negotiations. In some cases the secretariat of an international organization may become involved as a fifth set of stakeholders.

As we will explore further below, successful negotiators do not focus exclusively on their counterparts in the other governments, but also reach out to engage the principal stakeholders in the other countries. Such a strategy not only leads to improved understanding of the political dynamics that underpin the negotiating position of the government negotiators on the other side, but also provide opportunities for influencing that political process by recruiting allies among the foreign stakeholders with overlapping interests and exploring outcomes with foreign stakeholders with conflicting interests.

Interest Identification

At the very heart of interest-based negotiations is the ability of negotiators to understand and discover the full range of their own interests and those of all counterparts and other stakeholders.

What are interests? Interests are at the very core of what drives parties in a negotiation. Interests underlie positions. Interests are the commercial interests, policy objectives, bureaucratic imperatives, or legal requirements that a negotiator must satisfy in a negotiation in order to obtain the approval of the home constituencies. Interests need to be distinguished from the negotiating position, which is what a negotiator is instructed to ask for at any particular phase of the negotiation. The negotiating position is dictated not only by the organization's interests, but also by the negotiating strategies and tactics of the parties. The negotiating positions of the two parties define the parameters for the negotiations at any point in time. In other words, the positions that parties take in negotiations are based on underlying interests.

By better understanding one's own interests as well as those of the other stakeholder groups and countries involved in the negotiations, a stakeholder or government negotiator will be better able to fashion proposals and agreements that can lead to a successful negotiation outcome. While most negotiations are predicated on some recognition of broad shared interests (peace, trade relations, economic gain, etc.), many negotiations are successfully completed only when the negotiators' divergent or different interest(s) are identified. It is the ability to identify these divergent interests or varying priorities that can provide the basis for generating workable solutions between and among parties.

In the planning stages as well as at the negotiating table, the skilled negotiator will employ questions and active listening to learn what is really important to their counterparts –What are their real interests and constraints? By successfully identifying a party's key interests (multiple) and constraints, more options can be generated that will satisfy some, if not all, of their counterpart's interests.

At the end of the day, all parties to a negotiation seek to satisfy their interests. If you can help a counterpart negotiator to satisfy some of the interests of the organization he/she represents, while protecting and advancing your own interests, you maximize the probability of a positive negotiated outcome.

In international negotiations, interests may revolve around issues of:

- **Economic interests**
- **Domestic policy objectives such as environmental integrity and resource protection**
- **National security**
- **Domestic political considerations**
- **Bureaucratic interests**
- **National legal requirements, issues of legitimacy (recognition)**
- **Moral or ethical standards**

How does a negotiator identify a party's interests? There are several tools that a negotiator can use in the planning process and at the negotiating table to determine a party's interests. The use of an *'interest-identification chart'* is a useful tool. A chart is created with vertical columns reflecting the following headings:

People/ Stakeholders	Interests	Options	BATNA	Objective Criteria

The columns are filled-in with the names of the parties and interest groups who will be at the negotiating table or who may influence positions taken at the negotiating table. For each party listed on the chart, a negotiator should generate a preliminary list of the interests compelling to each party. In doing the charting, role-play within one's own team can be a useful part of the planning process. A fuller exposition of the Interest Identification Chart is attached at the end of this note. Other important information that needs to be collected and charted is information about the options available to these stakeholder groups, the BATNA (Best Alternative to a Negotiated Solution) available to your side, and objective criteria that might be used to evaluate the legitimacy of the interests involved.

It is also important to rank order the interests in the chart. What may be a number one interest to one's own stakeholder group or country, may be of secondary or minimal importance to counterpart stakeholders or countries. By identifying the different weight or importance of various interests, the parties will be able to promote *trade-offs* or exchanges that will lead to their mutual satisfaction.

A good negotiator uses the actual negotiation process to learn from counterparts what their real interests are or how they prioritize their many interests. As a negotiator's understanding of their interests expands in the course of the negotiations, the negotiator should continuously update the chart.

Identification of Potential Coalition Partners and Allies

An important aspect of the analysis of stakeholders is to identify those stakeholders who may serve as *coalition partners*. Coalition partners are those stakeholders with similar or shared interests whose participation in the process may add support and influence in the negotiation process.

The negotiations to form these coalitions can cross national borders, and involve business leaders, academics, politicians, bureaucrats, and leaders of civil society from many different countries. Coalitions that cross national borders often seek to influence the respective governments in parallel. Private stakeholders, whether acting on their own or as representatives of a coalition, negotiate with the various government agencies and politicians involved in the decision making process and ultimately these government agencies and politicians negotiate with each other to arrive at a negotiating position for their country. Often these internal negotiations are much tougher and take a lot more time than the more visible government-to-government negotiations.

In choosing coalition partners it is important to consider not only how a coalition partner may assist your position in the short run, but also to what extent such coalition partners could constrain viable outcomes that serve your own interests in the end game of the negotiation.

Once the potential coalition partners of all parties to the negotiation have been identified, then it is important to reach out to your allies and discuss the pending negotiations. A coalition partner may support your efforts in some or all of the following ways:

- **Help brainstorm possible solutions** (options) to present in the negotiations
- **Reach out to their constituents** (members) to involve them in collateral legislative, lobbying, media, or other supportive activities
- **Help to raise resources** including funds to advance various aspects of a concerted campaign which will support the negotiators
- **Provide market, scientific, research, and other data** in support of the negotiating objectives.
- **Equally important is the identification of stakeholders with conflicting interests.** Can they be approached and “neutralized”? In other words, can you offer information, trade-offs, or other assurances that will minimize or eliminate their adverse influence on the negotiation process?

Coalition partners or negotiating partners may include other governments, business organizations, associations, NGOs, elected officials, agency representatives, members of the media, or members of the academic or epistemic community.

Framing the Issues

A complete understanding of the issues and of the perceived and real interests of stakeholders in all the countries participating in the negotiations forms an essential basis for framing negotiations. In the course of preparing for negotiations, a

commercial diplomat may find it necessary or desirable to redefine the negotiating issue periodically as more information sheds new light on the issue. For example, as negotiators learn more about the policy issues underlying a targeted measure, they may find that their understanding of the problem was faulty and that the more accurate information calls for a different approach to the problem. Alternatively, the negotiator may conclude that the issue should be redefined to better address the needs of new potential allies or to provide a closer fit for a broader set of domestic economic interests.

Skills To Employ At The Negotiating Table and Good Negotiating Habits

Good negotiating habits can help to facilitate good communications among the negotiators, create a positive atmosphere conducive to progress in the negotiations and facilitate the identification of win/win solutions to the negotiations.

Active Listening

Active listening is one of the most important skills to be developed by a negotiator. It sounds like common sense, but many negotiators do not make good listeners. Negotiators often become so convinced of the wisdom of their own arguments, and become so intent on convincing others of their particular point of view that they naturally tend to interpret what they hear through the prism of their own view of the issue, and to think others agree with them, when in reality they don't. A healthy degree of skepticism is therefore a healthy trait in a negotiator. When in doubt, ask to confirm what you thought you heard. At the same time you don't want to become so involved in an effort to convince others of the wisdom of your own proposal to miss important clues about the interests and constraints being communicated by the other negotiator.

Another aspect of listening is to place information provided by other negotiators into the proper context. Is it information about the official position of the organization that the negotiator represents? Or, is it information about the underlying interests of the organization? Is it an argument why you or others should support the position the other negotiator is advocating? Is it a statement about the underlying beliefs of the organization your negotiating partner represents? Or perhaps is it information about the personal views of the negotiator? It obviously makes a huge difference whether a statement provides information about the organization's position, belief, or interest, and whether it is an official view or a personal view.

How can we tell what the negotiator meant? We have to listen for the introductory comment. Does the negotiator say it is my country's "position" or does the negotiator say it is my country's "belief"? Does the negotiator say that the country's objective is to expand opportunities for a particular group or avoid injury to another group, which are statements about "interests." In private conversations the negotiator may be even more direct in describing the interests they are seeking to satisfy. Does the negotiator say that others should agree with a particular proposition "because" it would accomplish a variety of wonderful objectives? The word "because" is a tip-off that what follows is a recitation of reasons why other parties should agree to the proposition being advocated. Those reasons do not say anything about the country's own objectives or practices.

The most confident negotiators use the art of active listening to enhance their understanding of their counterparts' interests. Active listening is more than just listening. Active listening includes the act of communicating to counterparts that you have heard what they said. By communicating understanding the negotiator is not accepting or acquiescing to the counterparts' proposal. By actively restating what the speaker has said, you communicate that you have indeed heard what was said.

Asking Questions – Information is Power

Combined with the skill of active listening is the skill of asking. This may sound like a basic tenet of negotiations at any level, but many inexperienced negotiators use every opportunity to advance their proposals, their options, and their ultimatums at the table. By failing to use the negotiation setting as an opportunity to learn, a negotiator will remain uneducated about counterpart interests:

Asking for information or clarification conveys interest and a willingness to understand the other party's interests.

- Questions can draw information from counterparts. Information that has not been offered or volunteered by a counterpart in an opening or affirmative statement may be shared or revealed in response to a question.
- Questions and responses will contribute to *building the information base for the negotiations*. The broader and more complete the base of information, the better equipped a negotiator will be to fashion proposals, options, and solutions that can result in a successful outcome.
- Examples of intentional "*leading questions*." Leading questions are those designed to get your counterpart talking/sharing information:

“How did you arrive at that position?”

“What is your proposal based upon? If we understand the basis of the proposal, we will be better equipped to share it with our superiors, home office, etc.”

“What information did you rely upon to reach that conclusion? Would you share a copy with us?”

“Please explain further...”

The use of the single word “*Why*” can be a trigger to uncover underlying party interests...

Patience in the negotiating process can give a negotiator the upper hand in terms of command of information, finding out what is really important to counterparts, and determining areas where trade-offs or compromise might be appropriate.

Sharing Information

Sharing information goes against the grain in negotiations because we are taught that information is power. Yet a successful negotiation is one in which both parties are satisfied that their interests have been met and that their problems have been accommodated to the extent possible. The only way each negotiating partner can be creative in identifying negotiating outcomes that will achieve this result is if both sides have a clear understanding of each other's interests and problems. This can be accomplished only through an effective exchange of information.

Use of Silence

One of the more powerful skills to be employed in the negotiation process is the tactical and timely use of *silence*. In many cultures, protracted silence creates a socially uncomfortable atmosphere. People will offer words and verbiage to fill the silence. Counterparts may offer further information, concessions, or compromises simply to fill the vacuum.

Taking Breaks from the Negotiating Table –“Going to the Balcony”

Getting away from the table can be one of the most important and underutilized tools to increase negotiating power. Negotiators, even when representing large organizations, often make commitments or concessions without having fully discussed them with teammates or superiors. “Going to the balcony” is a terminology intended to mean the physical act of leaving the negotiating area by going out on the balcony, or going to a balcony where one might still observe the proceedings but from a more distant perspective. Taking a break allows parties to achieve a number of important negotiating objectives, including:

- To review an oral or written proposal... “You have put a lot of time into developing this proposal, let us take a few minutes to review it...” Or, depending on the weight and volume of what has been introduced by a counterpart, a negotiator may need a week or a month recess for economists, scientists, or other experts to review the proposal and the underlying data upon which it has been based.
- To develop or formulate a response. Thinking “on your feet” or in the heat of the moment may lead to unwise decisions and incomplete formulation of a counterproposal or response. Taking a break and leaving the room may allow a negotiator to work on the formulation of a response or counter-proposal that protects and advances the party's interests.
- To regain your composure. If a negotiator feels that the negotiation is moving too quickly or simply does not feel right about the pace of the negotiations, a break can be useful to evaluate what has transpired. A break can facilitate negotiations by allowing a counterpart to hear from teammates.

Organizing Brainstorming Sessions

An organized brainstorming session can serve a number of functions. First, it gets team members comfortable working with each other and empowers all team members to be contributors to the process.

In working with teammates or counterparts, there are some useful techniques that can be employed to elicit reactions, ideas, and counter-proposals. An error commonly made is for parties to advance a proposal as an ultimatum or as a non-negotiable, singular solution. By inviting a teammate or counterpart to evaluate a proposed option, the negotiator gives the counterpart the *power of choice*. They have the power to accept or reject the proposal. When a negotiating partner summarily rejects a proposal, ask them to offer a counterproposal, to offer a modification of the proposed option that would make it acceptable.

By employing this tactic, a negotiator can engage team members or counterparts constructively in the formulation of options for consideration, comment, and acceptance or refinement. A useful technique for eliciting a teammate's or counterpart's input is to ask: "What if we did x, or what if we agreed to do y?" By posing the option in the form of a question, the counterpart's opinion is sought and their counterproposal or modification may lead to a viable option or proposal. Often, a minor modification that preserves the essence of your proposed option may work to gain the acceptance of a counterpart.

The smart negotiator gives every member of the national team a role. This way they not only obtain the greater cooperation and support from team members, but they can also help assure that the other members of the team take ownership of the results and do not undercut the outcome with their superiors and stakeholders at home.

Use of Objective Criteria

Objective criteria represent a set of independent or external standards that are introduced to support the legitimacy or fairness of a party's proposed option or solution. Objective criteria can be viewed as factual information drawn from any number of sources. The introduction of objective criteria at the negotiating table is a form of submitting evidence in support of an argument or proposal. The goal is to persuade the other parties that a proposal is reasonable and consistent with findings of independent, neutral experts.

Objective criteria can also be understood as the introduction of *fair standards*. By relying on non-parties to the negotiations who in the normal course of their work produce scientific or market studies, the parties can agree on the standards or norms that will serve as guideposts in the negotiation process.

A party may be skeptical that a certain proposal is fair. Objective outside criteria in support of a proposal will convey legitimacy that counterparts can use to persuade their constituencies or superiors.

Some examples of sources for objective criteria include:

- Market values
- Prevailing wage rates
- Industry standards and practices
- Expert studies
- Academic research and reports
- Rules and regulations
- Precedent decisions (decisions made by legal or authoritative bodies or similar

types of issues or cases.

Practicing Role Reversal

Role reversal can be an invaluable tool in achieving a better understanding of the negotiations. Practice Role reversal. Have members of your own team play the role of counterparts. Insist that they assume the role by speaking in the first person. Ask them directly what are their concerns, goals & objectives, interests.... What would work for them and why?

Introducing a Written Text Document

The “dance” of negotiation can involve protracted dialogue and discussion that may seem unproductive as parties restate positions and appear to offer nothing to advance the process. In most productive negotiation sessions, the parties will eventually commit areas of agreement or consensus to writing. Once parties begin working on text, there is often a qualitative change in the course of the negotiations. A written text that records agreement in a particular area need not be long or address a long list of issues, and should be viewed as a building block.

A negotiator can actually expedite this productive stage of negotiations by introducing a *written text* document that reflects the outcome of the discussions. When such a text is presented to counterparts, it should be presented with the intent of *inviting their feedback*. Other negotiators may offer proposed changes that do not alter the substance of the text and that make the document read better. These are obviously welcome changes and give your counterparts a hand in the crafting of the document. They see *their* words in the document and are more likely to support and sign an agreement that has their input and “fingerprint.” Some proposed changes might be fundamental and go to the very substance of the negotiations. Even if the proposed change is unacceptable, it can be used as a platform for exploring other variants and options that may satisfy all parties.

It is useful to obtain signatures or initials on text documents and proposals that are agreed to confirm support. This can be done with the assurance that final agreement will depend on the satisfactory resolution of other issues not covered by the text. Besides establishing a record of what has actually been agreed, the act of signing or initialing interim agreements or building blocks helps to establish a “culture of agreement” and the feeling that progress is being made.

Building Negotiating Momentum

In negotiations achieving agreement on some of the easier issues creates a good building block for tackling more difficult issues. Reaching agreement on anything creates a psychology of success, and as the negotiators reach agreement on more and more issues, they tend to become less hesitant to tackle the most difficult issues. By accumulating points of agreement, a good negotiator can create a negotiating momentum that pushes the negotiations forward.

Listening to and Recording all Proposed Options

In both brainstorming sessions with teammates and with counterparts, it is important to record all proposed options. The use of charts or posted paper is an effective means as it will preserve the proposal for ongoing review and comment and create a record of the session.

Without agreeing or acquiescing to a proposed option that has been generated by a teammate or counterpart, you can gain valuable information and expose potential weaknesses by asking the contributor, “How did you arrive at that solution or proposal? What is it based upon? Is there a factual, scientific, or other objective basis for your proposed option?”

If the presenter can offer further evidence or criteria in support of their proposal (or if you can in response to a similar question), the information shared may be useful in winning support from constituents or superiors who may be skeptical. The further information or lack thereof can fortify or reduce the value of a proposed option.

Creating Multiple Solutions to Satisfy Interests

One of the key elements to effective negotiations is the development of multiple options or solutions to satisfy the interests of the negotiating parties. The best negotiators distinguish themselves by their ability to create and generate multiple options in both the planning stage and at the negotiating table. This is the area of interest-based negotiation where a negotiator’s creativity and capacity to think beyond a single solution is paramount. The shortcoming of many positional negotiators is that they become fixated on single solutions or positions that blind them to other possibilities. Such singular thinking can lead to stalemate and impasse in the negotiation process.

Building a Reputation

At the end of the day, a negotiator will be evaluated as fair or untrustworthy. If you gain a reputation as being unfair or unprincipled, this reputation will follow you and will be difficult to overcome. There is a difference between appearing tough but principled, and being unscrupulous and unprincipled. You build your reputation as a negotiator in large measure by your ability to follow through and implement commitments made during negotiations.

As discussed earlier, building rapport and a good working relationship with counterparts will generate long-term benefit. Remember, that you are dealing with people who have their own professional aspirations, honor, and pride. Often, the key ingredient in building a strong working relationship is to build a friendship away from the negotiating table. Sharing meals, gifts, and providing hospitality to negotiating partners who have journeyed to your city will translate into more productive work at the negotiating table. Your ability to reach out to the people at the table, regardless of the severity of conflict between principals, demonstrates a maturity and confidence that will win respect and help the parties to navigate the difficult terrain of the negotiation.

Creating a Win-Win Mentality

Negotiators on both sides are expected to maximize the gains and to minimize the losses for their side. While economists would argue that both sides gain from the liberalization of market barriers, whatever the impact on winners and losers in each country, the political economic reality is that stakeholders who lose are often in a position to block outcomes that do not take into account their interests. While winners can always trump losers where the potential gains are large enough, it is useful in a democratic society to persuade losers that the outcome is just. This usually means accommodating them in some way, while persuading them that a successful negotiating outcome is in the interests of the country as a whole. A good negotiator is able to gain their support through a combination of offers and threats – an offer to make less of a cut in the trade barrier than might be possible if they acquiesce and a threat to ignore their interests if they choose to oppose the agreement actively.

Negotiations over the mutual reduction of trade barriers thus always involve hard bargaining, both at home and internationally. In light of the stakes for winners and losers, they inevitably take on a zero-sum mentality. Negotiators in such a situation must always remind themselves that the desired outcome is a win-win solution for both sides in the negotiations, consistent with an acceptable distribution of gains and losses among stakeholders. The role of the negotiator is to let the other side know what is required to achieve a successful outcome, both in terms of the expected gains for exporters and what would constitute unacceptable losses for import competing industries. Equipped with information about each side's needs, the two negotiators then have the task of identifying an outcome that will maximize the potential increase in trade, while meeting the domestic political requirements of each side.

The most important requirements for a successful outcome in such negotiations are a detailed analysis of the interests of stakeholders in both countries, and comprehensive consultations with affected stakeholders on desired and achievable results. Good information about stakeholder interests in the other country will strengthen a negotiator's hand in negotiations with counterparts, and provide the raw material for developing win-win solutions. Consultations with stakeholders will earn the negotiator the support of stakeholders when the negotiated agreement is tested politically at home.

Conclusion

Success in negotiations, whether on services or any other issue, depends not only on innate bargaining skills and on the power of the countries involved, but also on a detailed and comprehensive analysis of the issues, persuasive oral and written communication skills, and the ability to build alliances. These are skills that can be learned and mastered by any competent professional in the field.

Interest Identification Chart

PEOPLE	INTERESTS	OPTIONS	OBJECTIVE CRITERIA	BATNA
<ul style="list-style-type: none"> ■ For every party to a negotiation (including your own), you should know: -- What government ministries or agencies are involved? -- What non-government groups are involved? -- What companies or industries are involved? -- Who are the individuals involved? What special relationships or connections might they have? 	<ul style="list-style-type: none"> ■ What are the interests of each of the parties to a trade problem? ■ What do they want and need to come out of a solution? Who are they accountable to? What are the consequences of their action or inaction? <p><u>Remember:</u> Government ministries or agencies all have different interests to protect, as do individuals.</p>	<ul style="list-style-type: none"> ■ What options are available to each of the negotiating parties in trying to solve a specific trade problem? ■ For example, should parties hold informal consultations or call for a formal negotiation? Should they refuse to negotiate until certain conditions are met? Could one or more parties refuse to admit the need for negotiations? 	<ul style="list-style-type: none"> ■ Objective criteria are domestic, foreign and international principles, rules and regulations that you would use to examine and solve a trade problem. ■ Other examples of objective criteria include scientific studies, white papers, and/or past trade problems that could be used as precedent cases. <p><u>Remember:</u> Different negotiating parties or groups may share the same objective criteria, but they may interpret them differently.</p>	<ul style="list-style-type: none"> ■ A BATNA is a <u>B</u>est <u>A</u>lternative to a <u>N</u>egotiated <u>A</u>greement. ■ It is the option, strategy or plan that you and your negotiating team will use to solve a trade problem if negotiations fail and/or the parties are unable to reach a mutually beneficial agreement. ■ A BATNA is <u>not</u> your preferred outcome. It is your final option. ■ In many cases, all parties to a negotiation will keep their BATNAs a secret. By keeping your BATNA a secret, there is added pressure and incentive to reach an agreement.