

B e y o n d R e a s o n

Using Emotions
as You Negotiate

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Viking

CHAPTER 1

Emotions Are Too Important to Ignore, Yet Too Many to Deal With

A prospective customer threatens to back out of an agreement just before the final document is signed. The dealer who sold you a brand new car says that engine problems are not covered under warranty. Your eleven-year-old announces there is simply no way she is going to wear a coat to school on this frigid February morning.

At moments like these, when your blood pressure is rising or guilt is creeping in, rational advice about how to negotiate seems irrelevant. As constructive and reasonable as you might like to be, you may find yourself saying things like:

“Don’t do this to me. If you walk away from this agreement,
I’m out of a job.”

“What kind of sleazy operation is this? Fix the engine or we’ll
see you in court.”

“Young lady, you’re wearing a coat whether you like it or not.
Put it on!”

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Or perhaps you do not express your emotions in the moment, but let them eat away at you for the rest of the day. If your boss asks you to work all weekend to finish something she didn't get to, do you say okay, but spend the weekend fuming while you consider quitting? Whether you speak up or not, your emotions may take over. You may act in ways that jeopardize reaching agreement, that damage a relationship, or that cost you a lot.

DON'T OVERLOOK THE POWER OF EMOTIONS

Negotiation involves both your head and your gut—both reason and emotion. Each can help or hinder you in reaching a wise agreement, if one is possible, in an efficient and amicable way.

A great deal of advice focuses on how to establish an effective process to deal with substantive differences between you and someone else. That advice teaches you how to structure a negotiation, how to prepare facts, and how to build rational arguments. You use your head to influence theirs.

In this book, we offer advice to deal with emotions. Negotiation is more than rational argument. Human beings are not computers. In addition to your substantive interests, *you* are a part of the negotiation. Your emotions are there, and they will be involved. So, too, will the emotions of others.

WHAT IS AN EMOTION?

Psychologists Fehr and Russell note that “everyone knows what an emotion is, until asked to give a definition, then it seems no one knows.” As we use the term, an emotion is a felt experience. You *feel* an emotion; you don’t just think it. When someone says or does something that is personally significant to you, your emotions respond, usually along with associated thoughts, physiological changes, and a desire to *do* something. If a junior colleague tells you to take notes in a meeting, you might feel angry and think, “Who is *he* to tell me what to do?” Your physiology changes as your blood pressure rises, and you feel a desire to insult him.

Emotions can be positive or negative. A positive emotion feels personally uplifting. Whether pride, hope, or relief, a positive emotion feels good. In a negotiation, a positive emotion toward the other person is likely to build *rappor*, a relationship marked by goodwill, understanding, and a feeling of being “in synch.” In contrast, anger, frustration, and other negative emotions feel personally distressing, and they are less likely to build rapport.*

This book focuses on how you can use positive emotions to help reach a wise agreement. In this chapter, we describe major obstacles you might face as you deal with emotions—both yours and those of others. Subsequent chapters give you a practical framework to overcome these obstacles. The framework does not require you to reveal your deepest emotions or to manipulate others. Instead, it provides you with practical ideas to deal with emotions. You can begin to use the framework immediately.

EMOTIONS CAN BE OBSTACLES TO NEGOTIATION

None of us is spared the reality of emotions. They can ruin any possibility of a wise agreement. They can turn an amicable relationship into a long-lasting feud where everybody gets hurt. And they can sour hopes for a fair settlement. What makes emotions so troubling?

They can divert attention from substantive matters. If you or the other person gets upset, each of you will have to deal with the hassle of emotions. Should you storm out of the room? Apologize? Sit quietly and fume? Your attention shifts from reaching a satisfying agreement to protecting yourself or attacking the other.

They can damage a relationship. Unbridled emotions may be desirable when falling in love. But in a negotiation, they reduce your

*As a general negotiating strategy, positive emotions are more likely than negative emotions to foster rapport and collaboration. Yet, tactically, even the negative emotion of anger can enable two people to clear the air and get back together. And, to be sure, sometimes negative feelings such as grief can bring people together as they share the grief.

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ability to act wisely. Strong emotions can overshadow your thinking, leaving you at risk of damaging your relationship. In anger, you may interrupt the long-winded comments of a colleague who was just about to suggest an agreement workable for both of you. And in resentment, he may retaliate by remaining silent the next time you need his support.

They can be used to exploit you. If you flinch at another negotiator's proposal or hesitate before telling them your interests, these observable reactions offer clues about your "true" concerns and vulnerabilities. Careful observers of your emotional reaction may learn how much you value proposals, issues, and your relationship with them. They may use that information to exploit you. For example, Dan recalls shopping with his wife Mia for an anniversary ring in New York City:

After hours of shopping, we entered a small store with a sign in the window that read, "Lowest price in town." Mia spotted a sapphire ring in the corner of the main display case. She looked at me, looked at the ring, and smiled in excitement.

A jeweler approached us and took the ring out of the display case. I inquired about the asking price. He named his "rock bottom" price. I was surprised, but not only because of its cost. Moments earlier, I had overheard him offering another couple that same ring for \$400 less. I suspected that he had raised the asking price after seeing Mia's excitement about the ring. He appeared to be playing with our heads (and my wallet).

I felt annoyed and immediately thought about what we could do. We could confront him about the price disparity. We could offer a price that was comparable to similar rings in neighboring shops. Or we could walk out of the store and buy a ring that Mia liked down the street. Given my growing distrust of the jeweler, I became skeptical of the quality of the merchandise. We chose to buy the ring elsewhere.

In this situation, everyone had compatible interests. The jeweler wanted to sell the ring, and Dan and Mia considered buying it. But

Dan's emotions influenced whether he wanted to negotiate. He was annoyed that the jeweler was apparently trying to exploit them. He lost trust in the jeweler and in the shop, and the jeweler lost business.

If those are possible results of emotions, it is not surprising that a negotiator is often advised to avoid them altogether.

EMOTIONS CAN BE A GREAT ASSET

Although emotions are often thought of as obstacles to a negotiation—and certainly can be—they can also be a great asset. They can help us achieve our negotiating purpose, whether to find creative ways to satisfy interests or to improve a rocky relationship.

President Carter used the power of emotions during the historic peace negotiations between Israel and Egypt. He invited Israel's Prime Minister, Menachim Begin, and Egypt's President, Anwar Sadat, to Camp David. His goal was to help the two countries negotiate a peace agreement. After thirteen long days, the negotiation process was breaking down. The Israelis saw little prospect for reaching agreement.

By this time, Carter had invested a lot of time and energy in the peace process. He could easily have become frustrated and angry, perhaps approaching Begin with a warning to accept his latest proposal "or else." But an adversarial approach might have caused Begin to abandon the negotiation process completely. It would also have risked damaging the personal relationship between the two leaders.

Instead, Carter made a gesture that had a significant emotional impact. Begin had asked for autographed pictures of Carter, Sadat, and himself to give to his grandchildren. Carter personalized each picture with the name of a Begin grandchild. During the stalemate in talks, Carter handed Begin the photographs. Begin saw his granddaughter's name on the top photograph and spoke her name aloud. His lips trembled. He shuffled through the photographs and said each grandchild's name. He and Carter talked quietly about grandchildren and about war. This was a turning point in the negotiation. Later that day, Begin, Sadat, and Carter signed the Camp David Accord.

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The open discussion between Carter and Begin could not have happened if there were a poor relationship between them. Begin talked to Carter about difficult issues without resisting or walking out. The groundwork of positive emotions allowed nonthreatening conversation about serious differences.

This groundwork did not just “happen.” It took work. Honest work. Carter and Begin had already begun to establish rapport. At their first meeting more than a year prior to the negotiation, they met at the White House, where Carter invited the Prime Minister for an open, private discussion about the Mideast conflict. Months later, Carter and his wife invited Begin and his wife to a private dinner, where they talked about their personal lives, including the murder of Begin’s parents and his only brother in the Holocaust. During the Camp David negotiation, Carter demonstrated that he was looking out for each party’s welfare. For example, before Begin met with Sadat for the first time at Camp David, Carter alerted Begin that Sadat would present an aggressive proposal; he cautioned Begin not to overreact.

Carter did not want the negotiation to fail, nor did Begin or Sadat. Everyone had an interest in “winning.” And positive emotions between Carter and each leader helped to move the negotiation forward.

In an international or everyday negotiation, positive emotions can be essential. In short, positive emotions can benefit you in three important ways.

Positive emotions can make it easier to meet substantive interests. Positive emotions toward the other person reduce fear and suspicion, changing your relationship from adversaries to colleagues. As you work side by side on your problems, you become less guarded. You can try out new ideas without the fear of being taken advantage of.

With positive emotions, you will be motivated to do more. Things will get done more efficiently as you and others work jointly and with increased emotional commitment. You will be more open to listening and more open to learning about the other party’s interests,

making a mutually satisfying outcome within your reach. As a result, your agreement is more likely to be stable over time.

Positive emotions can enhance a relationship. Positive emotions can provide you with the intrinsic enjoyment that comes from a person-to-person interaction. You can enjoy the experience of negotiating and the personal benefits of camaraderie. You can talk comfortably without the fear of getting sidetracked by a personal attack.

That same camaraderie can act as a safety net. It can allow you to disagree with others, knowing that even if things get tense, each of you will be there tomorrow to deal with things.

Positive emotions need not increase your risk of being exploited. Although positive emotions may help you produce a mutually satisfying agreement, there is a danger that you may make unwise concessions or act with overconfidence. Our advice is not to inhibit positive emotions but rather to check with your head and your gut before making decisions. Before committing to an agreement, check that it satisfies your interests. Draw on standards of fairness. Know each person's alternative to a negotiated agreement, and use that information wisely.

Table 1, which follows, contrasts the effect of positive and negative emotions on a negotiation. This table illustrates the effect of emotions on seven key elements of the negotiation process that are described on page 000.

DEALING WITH EMOTIONS: THREE APPROACHES THAT DON'T WORK

Despite knowing that emotions can harm or help a negotiation, we still have little guidance on how to deal with them. How can we reap their benefits? It is sometimes suggested that negotiators: Stop having emotions; ignore them; or deal directly with them. None of those suggestions helps.

TABLE 1
SOME FREQUENT EFFECTS OF EMOTIONS

Negative Emotions Tend to Foster:	Elements of Negotiation	Positive Emotions Tend to Foster:
A tense relationship filled with distrust	Relationship	A cooperative working relationship
Communication that is limited and confrontational	Communication	Open, easy, two-way communication
Ignoring interests; clinging to an extreme demand; conceding stubbornly if at all	Interests	Listening and learning about each other's concerns and wants
Two options: Our position or theirs	Options	Creating a lot of possible options that might accommodate some interests of each
Doubts that options for mutual gain are possible		Optimism that with hard work mutually beneficial options can be created
A battle of wills over why we are right and they are wrong	Legitimacy	Use of criteria that should be persuasive to both why one option is fairer than another
Fear of being "taken"		A sense of fairness
Walking away from a possible agreement even if our BATNA is worse	BATNA (<i>Best Alternative To a Negotiated Agreement</i>)	Commitment to the best we can get, as long as it is better than our BATNA
No agreement, or commitments that are unclear or unworkable	Commitments	Well-drafted obligations that are clear, operational, and realistic
Regret for making (or not making) the agreement		Contentment, support, and advocacy for the agreement

Stop Having Emotions? You Can't.

You cannot stop having emotions any more than you can stop having thoughts. At all times you are feeling some degree of happiness or sadness, enthusiasm or frustration, isolation or engagement, pain or pleasure. You cannot turn emotions on and off like a light switch.

Consider the experience of "Michele," a researcher who was just offered a job at a big pharmaceutical company. She was initially excited about her compensation—until she discovered that two other recent hires had been offered higher initial salaries. She was upset and confused. From her point of view, her qualifications far outshone theirs.

Michele decided to negotiate for a higher salary. When asked what her negotiation strategy was, she said, "I plan to negotiate 'rationally.' I'm not going to let emotions enter into our conversation. I just want to 'talk numbers.'" She tried to persuade a company executive that if others of equal caliber received a higher salary, she deserved a similar compensation. Good, principled approach. Unfortunately, the negotiation did not go well. Her emotions failed to stop during the negotiation, even though she presumed she had them under control.

As Michele recalls: "The tone of my voice was more abrasive than usual. I didn't want it to be that way. But it was. I felt upset that the company was trying to hire me for less money than the other two new hires. The company's negotiator interpreted my statements as demands. I was surprised when the negotiator said that he refused to be arm twisted into giving a salary raise to *anyone*, let alone a new hire. I wasn't trying to coerce him into a salary raise. But my emotions just didn't switch off the way I had hoped."

In most circumstances, negotiators would be foolish to turn off emotions even if they could. Stopping emotions would make your job harder, not easier. Emotions convey information to you about the relative importance of your concerns. They focus you on those things about which you care personally, such as respect or job security. You also learn what is important to the other side. If the other person

communicates an interest with great enthusiasm, you might assume that that interest is important. Rather than spend days trying to understand the other side's interests and priorities, you can save time and energy by learning what you can from their emotions.

Ignore Emotions? It Won't Work.

You ignore emotions at your peril. Emotions are always present and often affect your experience. You may try to ignore them, but they will not ignore you. In a negotiation, you may be only marginally aware of the important ways that emotions influence your body, your thinking, and your behavior.

Emotions affect your body. Emotions can have an immediate impact on your physiology, causing you to perspire, to blush, to laugh, or to feel butterflies in your stomach. After you feel an emotion, you might try to control the expression of that emotion. You might hold back from a smile of excitement or from crying in disappointment. But your body still experiences physiological changes. And suppressing the emotion comes at a cost. A suppressed emotion continues to affect your body. Whether an emotion is negative or positive, internal stress can distract your attention. Trying to suppress that emotion can make it harder to concentrate on substantive issues.

Emotions affect your thinking. When you feel disappointment or anger, your head clogs with negative thoughts. You may criticize yourself or blame others. Negative thinking crowds out space in your brain for learning, thinking, and remembering. In fact, some negotiators become so wrapped up in their own negative emotions and thoughts that they fail to hear their counterpart make an important concession.

When you feel positive emotions, in contrast, your thoughts often center on what is right about you, others, or ideas. With little anxiety that you will be exploited, your thinking becomes more open, creative, and flexible. You become inclined not to reject ideas but to invent workable options.

Emotions affect your behavior. Virtually every emotion you feel motivates you to take action. If you are exuberant, you may feel a physical impulse to hug the other side. If you are angry, you may feel like hitting them.

Usually you can stop yourself before you perform a regrettable action. When you feel a strong emotion, however, careful thinking lags behind, and you may feel powerless to your emotion. In such moments, your ability to censor your thoughts or reflect on possible action is severely limited. You may find yourself saying or doing things that you later regret.

Deal Directly with Emotions? A Complicated Task.

Negotiators are often advised to become aware of emotions—both their own and those of others—and to deal directly with those emotions. Some people are naturally talented at dealing directly with emotions, and most can improve their ability. If a negotiator habitually gets angry, for example, he or she can learn helpful skills to recognize and manage that anger.

A focus on any single emotion still leaves open the possibility of dealing with the other emotions that people experience. Yet even for a trained psychologist or psychiatrist, it is a daunting proposition to deal directly with every emotion as it happens in oneself and others. And trying to deal directly with emotions is particularly challenging when negotiating, where you also need to spend time thinking about each person's differing views on substantive issues and the process for working together. It can feel as though you are trying to ride a bicycle while juggling and talking on a cell phone.

Dealing directly with every emotion as it happens would keep you very busy. As you negotiate, you would have to look for evidence of emotions in yourself and in others. Are you sweating? Are their arms crossed? You would have to infer the many specific emotions taking place in you and in them. (Look through the list of emotion words in Table 2 on page 000 and think how long it takes simply to read through that list, let alone to correctly identify which emotions

TABLE 2
EMOTION WORDS

Positive Emotions	Negative Emotions
Excited	Guilty
Glad	Ashamed
Amused	Humiliated
Enthusiastic	Embarrassed
Cheerful	Regretful
Jovial	
Delighted	Envious
Ecstatic	Jealous
Proud	Disgusted
Gratified	Resentful
Happy	Contemptuous
Jubilant	
Thrilled	Impatient
Overjoyed	Irritated
Elated	Angry
Relieved	Furious
Comforted	Outraged
Content	
Relaxed	Intimidated
Patient	Worried
Tranquil	Surprised
Calm	Fearful
Hopeful	Panicked
In Awe	Horrified
Wonder	
	Sad
	Hopeless
	Miserable
	Devastated

you and others are feeling.) You would have to make informed guesses about the apparent causes, which may be multiple and unclear. Is the other person upset because of something you said—or because of a fight with a family member this morning?

You would have to decide how to behave, then behave that way, and then notice the emotional impact of that behavior on yourself and on the other person. If the resulting emotions are negative and strong, there is a great risk that each person's emotions will quickly escalate.

Emotions are usually contagious. Even if your emotions change from frustration to active interest, the other person is likely to be reacting still to your indignant behavior of a few minutes ago. The impact of a negative emotion lingers long after it has passed. The stronger and more troublesome the emotion, the greater the risk that both of you will lose control.

Thus comes the question to which this book is directed: How should a negotiator cope with the interacting, important, and ever-changing emotions of each side? Given that we cannot realistically be expected to observe, understand, and deal directly with these emotions as they occur, must we simply react as best we can?

AN ALTERNATIVE: FOCUS ON CORE CONCERNs

This book offers negotiators—and that means everyone—a powerful framework for dealing with emotions. Whether or not you acknowledge emotions, they *will* have an impact on your negotiations. As the following chapters suggest, you can avoid reacting to scores of constantly changing emotions and turn your attention to five core concerns that are responsible for many, if not most, emotions in a negotiation. These core concerns lie at the heart of many emotional challenges when you negotiate. Rather than feeling powerless in the face of emotions, you will be able to stimulate positive emotions and overcome negative ones.

CHAPTER 2

Our Advice:

Focus on Five Core Concerns That Stimulate Emotions

Core concerns are human wants that are important to almost everyone in virtually every negotiation. They are often unspoken but are no less real than our tangible interests. Even experienced negotiators are often unaware of the many ways in which these concerns motivate their decisions.

Core concerns offer you a powerful framework to deal with emotions without getting overwhelmed by them. This chapter provides an overview of how to use them.

FIVE CORE CONCERNSTIMULATE MANY EMOTIONS

Five concerns stimulate, for better or worse, a great many emotions that arise in a negotiation. These core concerns are *appreciation, affiliation, autonomy, status, and role*.

When you deal effectively with these concerns, you can stimulate positive emotions both in yourself and in others. Because everyone has these concerns, you can immediately utilize them to stimulate positive emotions. This is true even if you are meeting someone for

the first time. You reap the benefits of positive emotions without having to observe, label, and diagnose the scores of ever-changing emotions in yourself and others.

Obviously, powerful feelings can be stimulated by hunger, thirst, lack of sleep, physical pain, or the inability to complete an important task. The core concerns, however, focus on your relationship with others. As Table 3 illustrates, each core concern involves how you see yourself in relation to others or how they see themselves in relation to you.

These five core concerns are not completely distinct from one another. They blend, mix, and merge. But each has its own special contribution in stimulating emotions. Together, these concerns more fully describe the emotional content of a negotiation than could any single core concern. The core concerns are analogous to the instruments a quintet uses to play Mozart's Woodwind Quintet. No sharp edges divide the contribution of the flute, oboe, clarinet, bassoon, and French horn. But together, the five instruments more fully capture the tone and rhythm of the music than could any individual instrument.

We want each of the core concerns to be met not excessively nor minimally, but to an *appropriate* extent. Three standards can be used to measure if our concerns are treated appropriately. Do we feel that others are treating our core concerns in ways that are:

- *Fair?* Fair treatment is consistent with custom, law, organizational practice, and community expectations. We feel treated as well as others who are in similar or comparable circumstances.
- *Honest?* Honest treatment means that what we are being told is true. We may not be entitled to know everything, but we do not want to be deceived. When the other person honestly addresses our core concerns, their intent is not to deceive or trick us. They communicate what they authentically experience or know.
- *Consistent with current circumstances?* It is perhaps unreasonable to expect all of our core concerns to be met in every

TABLE 3
FIVE CORE CONCERNS

Core Concerns	The Concern Is Ignored When ...	The Concern Is Met When ...
Appreciation	Your thoughts, feelings, or actions are devalued.	Your thoughts, feelings, and actions are acknowledged as having merit.
Affiliation	You are treated as an adversary and kept at a distance.	You are treated as a colleague.
Autonomy	Your freedom to make decisions is impinged upon.	Others respect your freedom to decide important matters.
Status	Your relative standing is treated as inferior to that of others.	Your standing where deserved is given full recognition.
Role	Your current role and its activities are not personally fulfilling.	You so define your role and its activities that you find them fulfilling.

circumstance. Norms change as we deal with everyday matters or a crisis. Appropriate treatment is often consistent with these changing norms.

The difference between having a core concern ignored or met can be as important as having your nose under water or above it. If, for example, you are unappreciated or unaffiliated, you may feel as if you are drowning, alone, ignored, and unable to breathe. Your emotions respond, and you are prone to adversarial behavior. On the other hand, if you feel appreciated or affiliated, it is as if you are swimming with your head above water. You can breathe easily, look around, and are free to decide what to do and where to go. Your positive emotions are there with you, and, as a result, you are prone to cooperate, to think creatively, and to be trustworthy. (See Table 4 on page 00.)

USE THE CORE CONCERNS AS A LENS AND AS A LEVER

The power of the core concerns comes from the fact that they can be used as both a lens to understand the emotional experience of each party and as a lever to stimulate positive emotions in yourself and in others.

As a Lens to See a Situation More Clearly and to Diagnose It

The core concerns can be used as a lens to help you prepare, conduct, and review the emotional dimension of your negotiation.

Preparing for your negotiation. You can use the core concerns as a checklist of sensitive areas to look for in yourself and in others. In what ways might others be sensitive to what you say or fail to say about their *status*? Will the senior negotiator on the other team feel that her *autonomy* is impinged upon if you revise the current proposal without first consulting her? Do you feel your sense of *affiliation* has been affronted when the rest of the team goes to lunch without inviting you?

Conducting your negotiation. Awareness of the core concerns can help you see what might be motivating a person's behavior. For example, you might realize that the other team's leader feels unappreciated for the many weeks he spent building internal support for the agreement. With that awareness, you can tailor your actions to address his concern.

Awareness of your core concerns can defuse much of the volatility of escalating emotions. If the other party says something that pushes your button, you want to prevent yourself from losing control of your own behavior. Rather than reacting to the perceived attack on you, take a deep breath and ask yourself which of your core concerns is being rattled. Is the other negotiator impinging upon your autonomy? Demeaning your status?

Reviewing your negotiation. In reviewing a meeting, you can use the core concerns to help you understand what happened emotionally.

TABLE 4
THE RISK OF IGNORING CORE CONCERNs

My Core Concerns Are Unmet Whenever:	The Resulting Emotions Can Make Me Feel:	When This Happens, I Am Prone:	
I am unappreciated	Angry! Enraged Furious Indignant Irritated Annoyed Hateful Spiteful Impatient	Disgusted Repulsed Sickened Resentful Contemptuous Guilty And Ashamed Remorseful Humiliated Embarrassed	To react negatively, contrary to my interests
I am treated as an adversary		→ To "go it alone"	
My autonomy is impinged		To think rigidly	
My status is put down	Anxious Regretful Fearful Nervous Uneasy Alarmed	→ Remorseful Humiliated Embarrassed Sad Anguished Hopeless Gloomy Devastated Apathetic	To act deceptively and be seen as untrustworthy
My role is trivialized and restricted	Envious And Jealous		

THE POWER OF MEETING CORE CONCERNs

My Core Concerns Are Met When:	The Resulting Emotions Can Make Me Feel:	When This Happens, I Am Prone:	
I am appreciated	Enthusiastic!	Affectionate	
I am treated as a colleague	Cheerful Playful Amused Ecstatic	Fond Caring Compassionate → Proud Accomplished Courageous	To react negatively, contrary to my interests
My freedom to decide is acknowledged	Happy Content Pleased	Calm Relieved Relaxed	→ To "go it alone"
My high status is recognized where deserved	Jovial Comforted Glad		To think rigidly
My role is fulfilling; it includes activities that convince me that I can make a difference.	Hopeful		To act deceptively and be seen as untrustworthy

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editors*

If the discussion was cut short because your colleague stormed out of the meeting, you might take a moment to run through the core concerns to try to figure out what may have triggered the other person's anger. You can use this information to address the situation or to prevent its recurrence. If a meeting went surprisingly well, the core concerns can be used to understand what worked. You might develop your own list of best practices.

As a Lever to Help Improve a Situation

Whether or not you know what a person is currently feeling and why, each core concern can be used as a lever to stimulate positive emotions. This is often easier than identifying which of many negative emotions may have been stimulated and then determining what to do. You can say or do things that affect one of the areas of core concerns, moving a negotiator up or down in status, affiliation, autonomy, appreciation, and role. Positive emotions result.

You can also use the core concerns to shift your own emotions in a positive direction. Perhaps you can reduce the pressure of a big decision by reminding yourself that you have the autonomy to commit or not to commit to an agreement with the other team. Or perhaps you can raise your status by sharing with others a relevant area of knowledge.

A big reason to proactively meet the core concerns is to avoid the strong negative emotions that might be generated if those concerns are left unmet. (The joy people experience when they breathe is no match for the distress they experience when they are drowning.)

SUMMARY

The core concerns are human wants that are important to almost everyone in virtually every negotiation. Rather than dealing directly with scores of changing emotions in yourself and in others, you can turn your attention to five core concerns: appreciation, affiliation, autonomy, status, and role. You can use them as levers to stimulate positive emotions in yourself and in others. If you have time, you also

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can use them as a lens to understand which concern is unmet and to tailor your actions to address the unmet concern.

The core concerns are simple enough to use immediately, and sophisticated enough to utilize in complex situations. A negotiation that involves multiple parties and high stakes requires an advanced understanding of the five core concerns.

The following chapters consider in depth how to use the power of each core concern both as a lens to understand and as a lever to improve your negotiation.

C H A P T E R 1

Is Preparation Important? Yes.

*On Process, on Substance,
and on Emotion*

One day, by chance, Roger found himself sitting next to one of his former students on a flight from New York to Boston. He couldn't resist asking the lawyer what he remembered from the negotiation workshop years back. After thinking for a couple of minutes, the former student said he had learned and still remembered three important lessons:

Prepare.

Prepare.

Prepare.

He was a wise student. Too often we fail to maximize the benefits of our thoughts and our emotions because we fail to prepare.

There are two basic reasons why even experienced negotiators are often ill prepared. First, they may have no structured way to prepare for their negotiation. They assume that preparation entails

reading case files, discussing when to set the meeting, and how much money to demand or offer. Getting to know a case file, however, does little to prepare a negotiator for how to establish an effective negotiation process, how to learn about each side's interests, and how to deal with each side's emotions.

Second, negotiators often have no routine for learning from their past negotiations. Old habits are hard to break. Whether dealing with a boss, a colleague, or a spouse, negotiators tend to repeat unhelpful behaviors that elicit problematic emotions in themselves and others. Some negotiators walk into a meeting feeling fearful and anxious; others arrive overly confident. Some negotiators clam up if an offer is rejected; others storm out of the room. Whatever the circumstance, negotiators often fail to learn from their interactions and to put those lessons to use. If a meeting goes poorly, a negotiator rarely assumes blame; rather, he or she justifies the failed meeting by the conduct of the other side.

With careful preparation, you can stimulate positive emotions that enhance the effectiveness of your negotiation. To those ends, this chapter offers advice on how to structure your preparation and how to learn from past negotiations.

PREPARE IN ADVANCE OF EACH NEGOTIATION

There are three areas of a negotiation on which to prepare: on process, on substance, and on emotion. Being well prepared on the substantive issues that might come up in a negotiation and on the process for dealing with them will do a great deal to reduce emotional anxiety. Emotional preparation involves thinking carefully about steps to build good rapport and taking steps immediately prior to the negotiation to calm your anxiety.

On Process, Develop a Suggested Sequence of Events

A basic part of preparation is on the structure of the negotiation process itself. Much of the anxiety that any negotiator feels comes from the fear of being called on to make an important decision and not

knowing what to say. Therefore, it is a good idea to prepare a negotiation process that will make you feel at ease.

Preparing a good process for your meeting entails thinking, alone and then with the other side, about three subjects: purpose, product, and process.

- Purpose: What is the goal of this meeting?
- Product: What piece of paper would best serve that purpose?
- Process: What sequence of events will produce a *product* that meets our *purpose*? For example:
 1. Clarify interests of each side.
 2. Generate a range of possible options to meet those interests.
 3. Select an option to recommend.

Canvassing the seven elements in preparation will raise both issues of process—improve communication, build a good relationship, clarify interests early, generate options before making any commitments—as well as issues of substance: What are the interests of the parties? What are persuasive criteria of legitimacy, such as precedent, laws or market value? What are some realistic commitments that each side might make? What is each side’s Best Alternative to Negotiated Agreement (BATNA)? We have found that the risk of a disconcerting—and sometimes disastrous—surprise can be substantially reduced if, before a negotiation begins, each negotiator has gone through the seven elements from their own point of view *and* from the point of view of the other side.

To see how persuasive your substantive arguments sound to the other side, try a variation of the role reversal exercise (discussed in chapter 3). Enlist a colleague to play the role of someone on the “other side” of your negotiation. You explain your side of the negotiation. Your colleague listens and takes notes. Then, you both switch roles. Your colleague plays you, the negotiator. You play the person on the other side. Your colleague repeats what you had said to him

TABLE 11
USING SEVEN ELEMENTS TO PREPARE

1. Relationship. How do we see the existing relationship between the negotiators? Are they adversaries or colleagues? How would we like that relationship to be? What steps might we take to build a better relationship? Sit side by side? Use the language of colleagues? How might we build rapport and stimulate a favorable response?
2. Communication. Are we listening? For what should we be listening? What points do we want to communicate?
3. Interests. What, in order of importance, are some of our interests? What do we think are their primary interests? Which of our interests could be made compatible? What interests may necessarily be in conflict?
4. Options. What possible points of agreement might be acceptable to both sides?
5. Criteria of fairness. What precedents or other standards of legitimacy might be persuasive to both sides?
6. BATNA (Best Alternative to a Negotiated Agreement). If we fail to reach an agreement with them, what are we really going to do? If they should walk away without reaching an agreement with us, what good walk-away alternative do they have?
7. Commitments. What are some good commitments from the other side that we might realistically try for? What commitments are we prepared to make if necessary in order to reach agreement? Try drafting some potential commitments for each aisle.

or her moments before. You, in turn, take on the role of being the person from the other side so that you hear your own words coming back at you. Note how it feels to be in another person's shoes at that moment and what their likely response might be. Then, compare observations with your colleague to gain insight into how the other side may perceive your argument. It is often highly illuminating and gives you a chance to rework your argument with the benefit of hindsight—before a negotiation even begins.

Once, when Gerhard Gesell, a Federal District Court judge, was a practicing lawyer, he told his younger associates that the firm had just been hired by the plaintiff in a big antitrust case. He asked them

to take a week in the library, study the precedents, and outline the arguments that the firm could make on behalf of the plaintiff.

The following week the young lawyers came in, happy and optimistic. They told Gesell that it was a great case, that the plaintiff had strong arguments, and that they would surely win.

After he had heard a summary of the strong arguments on behalf of the plaintiff, Gesell told the younger lawyers the truth: The firm had actually been hired by the defendant. The young lawyers screamed in disbelief, protesting that the defendant had a terrible case. Gesell told them not to worry. They would soon talk themselves into believing that the defendant had a wonderful case, but he wanted them first to understand the strength of the plaintiff's case.

With that understanding, the young lawyers went to work on the defendant's side of the case. The defendant eventually won: The lawyers' arguments for the defendant had been fortified by their full understanding of the merits of the plaintiff's case.

A final substantive preparation activity is for you and those on your side to try to draft a public announcement that negotiators for the other side could make to their constituents if they were to accept your suggestions. This activity often demonstrates how unrealistic our own demands may be. It also reminds us of the importance of the other side's core concern for affiliation with their own constituents.

On Emotions, Consider Core Concerns and Physiology

An important part of preparation involves facing your own emotions and getting ready to deal with the emotions of those with whom you will be working. Emotional preparation requires you:

- (1) to have a clear understanding of each party's core concerns and how to satisfy them
- (2) to feel calm and confident enough that you will be able to maintain a clear focus during the negotiation.

Use the core concerns as both a lens and a lever. As you prepare for your upcoming negotiation, take a few minutes to consider each of the core concerns. As discussed in chapter 2, you can use the core concerns both as a lens to understand what issues might be sensitive in the interaction and as a lever to improve the situation.

As a lens to understand. Consider which core concerns might be sensitive for others in the upcoming negotiation. Run down the five core concerns. Jot down those that are likely to come into play. Will the fact that you work for a more prestigious company make them feel demeaned in status? Will the other's tendency to assert his or her autonomy make you feel disempowered?

As a lever to improve the situation. Think about ways that you can stimulate positive emotions using the core concerns. Might you begin the meeting by recognizing the particular status of the other negotiator as an expert in the substantive field being negotiated? Might you suggest to others a process for negotiating that ensures each party will have the autonomy to voice their interests without interruption?

The more clearly you can recall what happened to your core concerns and those of others in prior negotiations, the easier it will be for you to become emotionally prepared for an upcoming negotiation. The emotions that arise in your negotiation will be less likely to surprise you.

For most of us, however, recalling our feelings during a past negotiation is extremely difficult and highly unreliable. When we think how difficult it is for us to remember what we had for dinner last Wednesday, we realize how difficult it is to recall past experiences and how vulnerable memory is to error.

To reduce the errors of memory, jot down notes during your interaction about times when someone says or does something to appreciate or devalue the core concerns of another. After the session ends, get the perspectives of colleagues. Whose core concerns did they think were respected or trampled upon? Why? While the negotiation is still fresh in your mind, record these observations, as well as some ideas about what might be done differently in future negotia-

tions. You can create a long-term record that can be used over time to tease out key behavior patterns of negotiators.

Before your next negotiation, pull out your notes. Read them and let yourself recall how you and others felt and what you learned. Think about how to put those lessons to use to improve the upcoming interaction.

Visualize success. Before professional skiers start down a steep slope, they often try to visualize themselves skiing beautifully down the hill, skillfully avoiding trees, rocks, and other skiers. The same approach can work for you as you visualize yourself negotiating. Picture yourself at ease, setting a positive tone, seeking to build rapport, picking up on another's cues, and moving toward a productive working relationship.

Imagine yourself at the beginning of your upcoming negotiation—right as you greet the other negotiator. How are you likely to react if the other negotiator treats you as an adversary, holding you at a distance? Are you prepared to reframe your affiliation as colleagues working together on important issues? How do you want to introduce yourself to set the right emotional tone for the meeting while acknowledging status concerns? Try out different lines to see what feels right.

"Jan! Good to see you again. How have you been?"

"Dr. Jones? I'm Professor Smith. Please call me Melissa. May I call you Tom?"

"Happy to meet you. I have heard good things about you. I am looking forward to getting your ideas about how we should go about settling this problem."

You also may want to do some preparatory work on how to enlist helpful feelings in the other party. Prepare and rehearse a few good lines that ask for their advice, demonstrate appreciation for their contribution to the negotiation, and acknowledge the other roles they play. Whatever approach you take, make sure your questions and comments reflect an honest interest without being too intrusive.

Keep your physiology in check. The core concerns will be of little help to you if your anxiety, fears, or frustrations overwhelm your ability to think clearly. Thus, take some time immediately before a negotiation to soothe premeeting jitters and other strong emotions.

Use relaxation techniques to calm your nerves. A few minutes of deep breathing can help you relax and focus your efforts. Another exercise that can help soothe your emotions before a negotiation is progressive muscle relaxation. This activity can last about fifteen minutes. Start by sitting in a comfortable position, perhaps in your car before the meeting. Breathe deeply. Focus on your feet. Curl your toes and feel the tension. Hold it for a second and then relax. Working your way up, tighten each of your muscles as you would clench your fist and then relax, letting the tension disappear. Concentrate on tightening and relaxing every muscle from the back of your calves to your shoulders.

When you have finished, put your chin down and roll your head slowly to the right until your ear is above your shoulder and hold for a second or two. Roll your head back and around so that the left ear is above your shoulder and hold the position for a moment. Lift your head, square your shoulders, and you should feel more relaxed and ready to go.

Prepare an emotional first aid kit. As you learned in chapter 8, strong negative emotions can overwhelm your ability to think clearly. To keep your physiological arousal in check, remind yourself of the symptoms that indicate your emotional temperature is rising. Bring to mind a single behavior or two that you plan to use to keep your cool. If you feel increasingly upset, is your plan to count to ten or suggest a short break?

Check your mood. It is important to stay aware of your mood—whether you are generally feeling positive or negative. What feelings might you bring into the room? Despite your proactive emotional preparation, a bad mood can raise your level of physiological arousal and make you more likely to lose control of your own behavior.

The trigger of a bad mood is often hard to identify. It may be caused by someone's mistreatment of you, by the fact that it is a Monday morning, or by neurochemicals that "decided" to affect you today.

Whatever the cause, becoming aware of your mood allows you to moderate its impact on your behavior in the negotiation. If you are in a negative mood, you might let others know so that they do not misattribute your mood to something they said or did. You might say to a colleague, "These Monday morning meetings always put me in a bad mood. My apologies in advance if I'm a little on edge." At the least, you can monitor your own behavior to make sure that you do not say or do things that will sidetrack the negotiation.

If you realize you are in a negative mood, decide to improve it. You often have the power to break out of your current mood rather than a prisoner to it. Simple things like making sure to get adequate sleep and a good meal can be extremely helpful. Before walking into the negotiation, you might take a few minutes to recall pleasant memories, walk outside, or talk with a friend who can elevate your mood. During the negotiation, you can model a calm, confident mood—by sitting up in your chair, talking with confidence, and comanaging the negotiation process. After a while, you may feel more confident.

Review After Each Negotiation

Spending time in the school of hard knocks can be an excellent learning experience for every negotiator. If you pay attention, you can learn as much from failures as you can from your successes. Like other forms of on-the-job training, negotiation is greatly helped by a conscious effort to put what you are learning into practice.

Unless negotiators develop a habit of reviewing their negotiations and consciously articulating lessons that are there for the taking, most of that hard-earned knowledge fades away. The wisdom that is buried in your brain becomes unavailable unless you bring it out as a guideline for action. By reviewing a negotiation promptly after the fact, you can convert an implicit understanding of what happened into an explicit guideline for the future. You can consider how to apply that guideline in your interactions with your spouse, boss, colleagues, negotiating counterparts, and others. Although the context of your negotiations may vary, your ability to achieve your goals will consistently improve.

Set aside thirty to sixty minutes following a negotiation session for review. A partner in a Washington law firm took this advice to heart and was able to convince her partners and associates to try it out. After every negotiation, her firm's lawyers would come back to the office and meet for an hour to review. Instead of having the usual bull session about the negotiation that had just ended, they put that time to good use in an organized examination of what had taken place. The lawyers found that purposeful review was far more valuable—and even more enjoyable—than just blowing off steam.

You can review with your fellow negotiators, a colleague, or by yourself. If there were several negotiators on your side, it is a good idea to invite them all to participate. The value of their involvement stems from the fact that different participants observe and recall the same events in distinctly dissimilar ways. In a multiparticipant negotiation, there are so many things happening so quickly that it is often like the fable of the blind men and the elephant. Touching different parts of the elephant, each blind man had a completely different picture of what the animal looked like. Getting the varied perspectives of several people is likely to make each one a little more humble about "knowing" what happened, and each will have a better sense of the interaction.

If you have difficulty in persuading your colleagues to join you in reviewing a negotiation, do not pass up the chance to make the most of immediate hindsight. Reviewing a negotiation, even by yourself, is an invaluable opportunity to learn as you go along. On your drive home from work, for example, you might take a few minutes to review your day's negotiation.

Determine WW and DD—What Worked Well and What to Do Differently

Some people avoid reviewing the negotiation because they are afraid that they will be judged and criticized. It should be made clear that the purpose of a review is to help people learn from their experiences in the negotiation. A simple and powerful way to review a negotiation is to consider WW and DD: what Worked Well and what to Do Differently next time.

To start your review, good questions to ask are: "What did the negotiators on the other side do well? Why?" You may be able to learn something from the other negotiators by reviewing what they said or did to improve the negotiation process. Did they ask questions that got everyone talking about their interests? Did they propose an informal lunchtime meeting before your next negotiation to build affiliation?

Conversely, during the negotiation what did the other party do that was probably a mistake on their part or something that could have been done more effectively? If you were going to share honest advice, what could you suggest they might want to do differently next time? Why?

Having reviewed what worked well for the other side and what they might want to do differently, you can go through the negotiation asking the same questions about your own performance. During the negotiation, what specific things did your team do that appeared to work well?

And finally, what mistakes might you have made? Why? Can you now turn these into a few guidelines for the future? What will you want to repeat and what will you want to do differently? After creating guidelines, imagine how they might be applied in different cases, whether with family members, colleagues, or representatives of other organizations with whom you deal.

Focus on Core Concerns, Process, and Substance

As you review what worked well and what might have been done differently, focus on three important subjects: emotions, process, and substance. What worked well with how you and the other party managed each of these issues? What might be done differently?

Check your memory for the emotions that each of you appeared to experience. Think about what seemed to annoy you, excite you, interest you, or anger you. What kinds of things might you do next time to soothe escalating negative emotion?

The easiest emotions to recall may be the ones that arose from expressions of appreciation—or lack thereof. Run through your core

concerns to consider what emotions may have been generated in you and in others:

1. Appreciation

Did you feel understood, heard, and valued for your point of view?

Did the other side feel appreciated?

2. Affiliation

Were you treated as a colleague? (or as an adversary?)

Do you think they felt treated as a colleague?

3. Autonomy

Do you feel that your autonomy was impinged upon?

Do you think they felt their autonomy was being respected?

4. Status

Do you feel they respected your status in areas where it was deserved?

Did you respect theirs?

5. Role

Did you feel satisfied with the activities you performed within your role?

Did you adopt temporary roles that felt fulfilling and useful?

Did you broaden their role by asking for their advice or recommendations?

With regard to process, you may want to recall whether an agenda was set, how it was set, and by whom. To what extent was the agenda followed? Did it streamline or impede the progress of the negotiation? Throughout the negotiation, how did people decide what to talk about and how forthcoming they would be? What worked well, and what might be done differently in the future?

Consider how the agenda might be improved and turned into a possible standard agenda. This revised agenda could be the basis of an agenda for the next negotiation.

To review substantive success, simply consider what worked well and what to do differently regarding each of the seven elements

discussed earlier in this chapter. For example, what questions did you ask that worked well in helping you discover the interests of the other side? What might you do differently next time? In the future, how might you encourage more creative brainstorming of options?

Keep a Journal of Lessons Learned

Create a journal to record what you learn from your negotiations. Write down your thoughts in a bound notebook or put them on your computer. Record what you have learned from your own successes and mistakes as well as from the skills and missteps of those with whom you have negotiated. Over time, you will have your own personal negotiation guide.

As you articulate the lessons you learn, your brain will tend to store that information and have it ready for use. The more often you recall and use those ideas, the more you will find them at your disposal.

In a class we teach on the role of emotions in negotiation, students are required to keep a weekly journal about their experiences in dealing with the core concerns. We spend two weeks exploring each of the core concerns, starting with autonomy. During the first week, students are asked to observe and document the ways that their concern with autonomy had an emotional impact on them during their daily interactions with others. Throughout the second week, the role of students becomes more active: They are asked to appreciate their autonomy and that of others in their day-to-day interactions. They write about what worked well and what they might do differently in the future to appreciate that core concern more effectively.

As the weeks progress, students learn to observe and appreciate core concerns, and they develop skills in learning from their negotiation experiences. At the end of the semester, we ask students to review their journal entries and to write a final paper on what they think they have learned. Reflecting upon their thoughts, feelings, and actions helps their learning stick in their heads.

SUMMARY

Preparation improves the emotional climate of a negotiation. A well-prepared negotiator walks into a meeting with emotional confidence about the substantive and process issues, as well as with clarity about how to enlist each party's positive emotions.

There are two important activities involved in effective preparation:

1. *Establishing a routine structure of preparation.* You want to prepare in terms of the process of the negotiation, the substantive issues, and the emotions of each party.
2. *Learning from past negotiations.* Experience is of little future value unless you learn from it. After a negotiation, review the interaction in terms of process, substance, and emotions. Ask yourself what each party did that worked well and what could be done differently in the future.

CHAPTER 2

Can You Put These Ideas into Practice? Yes.

*The Ecuador–Peru Boundary Dispute
A Personal Account by Jamil Mahuad,
President of Ecuador (1998–2000)*

A fifty-year boundary dispute between Ecuador and Peru ended through the successful negotiation between Jamil Mahuad, president of Ecuador (1998–2000) and Alberto Fujimori, president of Peru (1990–2000).

President Mahuad has taken two negotiation courses at Harvard University—one several years ago with Roger and a seminar more recently with Roger and Dan that explicitly articulated the core concerns framework. During our seminar, President Mahuad realized the extent to which he intuitively had used the core concerns to help resolve the Peru–Ecuador border dispute. We invited him to contribute this chapter to share with readers his creative use of the core concerns.

I took office as president of Ecuador on August 10, 1998, after serving six years as mayor of Quito, my country's capital.

The main motivation for entering the presidential race was to alleviate poverty and to reduce inequality in my Nevada-sized Andean country of 12 million people. My political strategy was to replicate at a national level the successful formula that I had used while mayor of Quito's 1.2 million people. My formula was: "Promise attainable projects, deliver on my promises, and stay close to the people." While I was mayor, *Fortune* magazine considered Quito one of the ten Latin American cities that greatly improved the quality of life of its citizens.

As I took office, however, the Ecuadorian economy was spiraling into—arguably—its worst economic crisis of the twentieth century. Simultaneously, political, military, and diplomatic experts foresaw an imminent and perhaps unavoidable new armed conflict with Peru.

THE PERFECT STORM

If you have read *The Perfect Storm* or have seen the movie based on the book, you'll have the right mind-set to understand Ecuador's situation in 1998 and 1999. The film depicts how, in October 1991, the unique combination of three immense meteorological events produced a storm stronger than any in recorded history. A hurricane from the Caribbean and two fronts from Canada and the Great Lakes converged and fed each other in the Atlantic. The storm trapped a small fishing boat from Gloucester, Massachusetts, and doomed its entire crew.

Here's where the analogy comes through. In 1998–1999, Ecuador was suffering from the once-in-a-century combined effects of:

- The destruction left by El Niño floods (the largest in five hundred years)
- Record low-level oil prices (oil then accounted for around half of the Ecuadorian exports and the government's revenue)
- The Asian economic crisis (the first global economic crisis)

These factors came on top of a fiscal deficit of 7 percent of the GDP; the final puffs of a crashing financial system; and a physically destroyed and paralyzed private sector. The inflation rate was 48 percent and the debt to GDP ratio was more than 70 percent—both the highest in Latin America.

Consequently, international creditors—mistrusting Ecuador's capacity for servicing its debt—were demanding full repayment of loans at maturity and closing their lines of credit.

This economic meltdown demanded immediate attention. My top short-term priorities were to reduce the fiscal deficit and consequently decrease the inflation rate; to reconstruct the Pacific coastal area of the country recently devastated by the flood; and to restore the country's credit worthiness through a program with the International Monetary Fund that would get new financing for my social programs, mainly health and education.

Nevertheless, an unexpected twist in the international front forced me to change priorities and work first to avoid a war with Peru. I considered this situation to be my first and most important responsibility morally, ethically, and economically. An international war would have escalated our already critical situation into a desperate one. How could Ecuador face an international war with the economy already in shambles? I needed a definitive peace accord with Peru in order to reduce the military budget, to dedicate our scarce resources to invest in social infrastructure, and to focus our attention and energies on growth and development.

THE CURRENT SITUATION

The long, tough, disappointing history of armed conflict with Peru represented for Ecuadorians a painful wound. Ecuadorians felt abused, stripped of their legitimate territories by the force of a powerful neighbor supported by the international community.

Here was the scenario the moment I took office:

- “The oldest armed conflict in the Western Hemisphere.” The United States State Department called the Ecuador–Peru

border dispute the “oldest armed conflict in the Western Hemisphere.” Its roots can be traced back at least to the discovery of the Amazon River in 1542 by the Spanish conquistador Francisco de Orellana or, even before that, to the 1532 precolonial Indian war for the control of the Inca Empire between the Quiteño Atahualpa (now Ecuador) and the Cusqueño Huascar (now Peru).

- The largest land dispute in Latin America. The territory historically claimed by both Ecuador and Peru was bigger than France. It constituted the largest disputed territory in Latin America and one of the largest in the world.
- Numerous attempts to resolve the conflict had failed. Since the early nineteenth century attempts to reach a solution consistently failed. The countries had tried war, direct conversation, and amicable intervention by third parties, mediation, and first-class arbiters including the King of Spain and President Franklin Roosevelt. None yielded a positive result.

The last period of this conflict started in 1942. After an international war between Ecuador and Peru in mid-1941 and following the Japanese attack on Pearl Harbor in December 1941, the United States pressed Ecuador and Peru to end definitively their land dispute. In 1942 in Rio de Janeiro, the two countries signed a treaty called the Protocol of Peace, Friendship and Limits. Known in short as the Rio Protocol, this treaty was guaranteed by Argentina, Brazil, Chile, and the United States.

The Rio Protocol established that part of the boundary between Ecuador and Peru would be a watershed (a ridge of high ground) between the Santiago and Zamora rivers. It turned out, however, that between these two rivers there was not a single watershed, but a third river, the Cenepa. As a result, out of a 1500 kilometer-long block of land marked frontier, approximately 78 kilometers remained an “open wound.”

Armed conflict erupted in 1981 and again in 1995, but did not settle the issue. On the contrary, more bitterness and mutual mistrust

developed. This zone was epitomized by the outpost of Tiwintza, a small area of land where soldiers from both countries had been killed and buried. Tiwintza became a heroic symbol to each country.

The post-1995 negotiation process had advanced important agreements regarding future joint projects, mutual security, trust, commerce, and navigational rights over some tributaries of the Amazon. Nonetheless, all this progress was contingent on a final agreement over Tiwintza.

As an almost final effort to overcome entrenched positions, Ecuador and Peru asked a special commission for a nonmandatory but morally important opinion (*a Parecer*) on the issue. The special commission was known as a Juridical-Technical International Commission and included representatives of Argentina, Brazil, and the United States. The opinion of the commission was released a few weeks before I was elected president. It expressed the view that Tiwintza was part of the sovereign territory of Peru. That opinion, contrary to the situation on the ground where Ecuadorian troops had been for decades, stirred up escalating hostility between the two countries.

By the time I took office, the troops from Ecuador and Peru had occupied the previously agreed upon demilitarized zone. They faced one another so closely that, in some places, they could shake hands and say *Buenos días* before raising their rifles. The Ecuadorian military command briefed me that a Peruvian invasion starting a few hours after my inauguration was a likely scenario. Peru would most likely provoke not a localized but a generalized armed conflict. The magnitude of this risk was perceived only by the most informed echelon of society. The rest of the country was immersed in their struggle to survive the economic difficulties and was distracted temporarily by the new president's inauguration.

THE CHALLENGE: AGAINST ALL ODDS

Upon stepping into office, pursuing peace with Peru would require:

- Belief. There would have to be the popular belief that the war *could* be resolved. Myths are almost impossible to debunk;

the intractability of the problem with Peru had deep roots in Ecuadorians' flesh and souls.

- **Civic participation.** Making peace between Ecuador and Peru would have to be a "people's project," not a government issue. There would need to be a boost in participation of the people represented by any legitimate organization or group.
- **Trust.** Cooperation and mutual trust would need to be elicited from all sectors in this fragmented country.
- **Political support.** A formula for peace would need to be created. It would have to be acceptable for both countries and for many different sectors in each country.
- **Economic stability.** There would need to be ways to bring economic stability to a country on the verge of war. In such a moment of distress, how could the government go about dictating badly needed, but unpopular, economic adjustments that would compromise the national unity and governability of Ecuador?
- **A clear, coherent, comprehensive action plan.** The resulting plan would need to be not only military but also economic, political, and international in scope.

PREPARING FOR PEACE

Since the purpose of this chapter is showing the core concerns in action, I'll focus my attention on the negotiation strategy of the border conflict and some interactions with my colleague, President Alberto Fujimori of Peru, while ignoring the complications of the economic situation in Ecuador.

I needed a talented governmental cabinet to carry out peace efforts. Dr. Jose Ayala, allegedly the most respected Ecuadorian diplomat, had been minister of foreign affairs and had conducted peace

negotiations. I asked him to remain in his role. General Jose Gallardo had been minister of defense during the most recent armed conflict in 1995; that conflict had ended with an Ecuadorian military victory. I appointed General Gallardo to be minister of defense. In short, I appointed the chancellor of peace and the general of war as members of my cabinet. This was done to send a clear signal: Although Ecuador was openly inclined to a peaceful solution, we were ready to defend ourselves fiercely if necessary.

Chancellor Ayala informed me of the general perception that nearly every contentious issue had been agreed upon by the two diplomatic delegations. The remaining point, the territorial dispute of the zone symbolized by Tiwintza, was something that only the presidents themselves could decide. It required a final stage of diplomacy at the highest level—"Presidential Diplomacy" as the press labeled it.

I phoned Professor Roger Fisher at his Harvard Law School office and invited him to come to Quito and join the Ecuadorian government team to analyze the current situation, brainstorm possible approaches, and prepare a negotiation strategy.

When Roger arrived in Quito, we worked on various fronts simultaneously. We carefully reviewed with the ministers of defense and foreign affairs the up-to-date military and diplomatic facts. To get everybody on the same page, Roger offered, for the benefit of some cabinet and staff members connected with the negotiation, a half-day presentation of his classic Seven Elements of Negotiation and some useful techniques for their application.

Due to the current tensions, a personal meeting of the two presidents was most unlikely to occur. However, in preparation for an eventual encounter with President Fujimori, Roger and I examined ways to start a personal working relationship.

The first two or three days in any new job can be hectic. A presidential office is no exception. Our meetings were frequently interrupted by urgent events. We had some of our sessions at odd times and places. I remember sneaking Roger into my office between two scheduled appointments and meeting him in the dining room of my residence in the palace after eleven at night.

KEY ELEMENTS IN BUILDING EMOTIONAL RAPPORT

In a negotiation process, the relationship among the negotiators is as important as the substance of the negotiation. My first strategic decision was to build upon the existing working relationship already established between the two national negotiation teams. My non-delegable, crucially important mission was to build personal rapport with President Fujimori, a man I had not met. It was a challenge to figure out how I would do that.

In my third day in office, I received an unexpected call from President Cardoso of Brazil. He invited me to a personal meeting with President Fujimori in Asuncion del Paraguay, where all three of us were scheduled to be thirty-six hours later for the inauguration of President Cubas.

Two facts were clear to me. I badly needed that first encounter. And I was not yet ready to tackle the substance of the problem. How could I communicate the seriousness of my intentions to President Fujimori without giving him the impression that I was just buying time and procrastinating?

Appreciation: Show Your Understanding of His Merits and Difficulties

Our team agreed to make it clear to President Fujimori that I appreciated his years of involvement in the boundary problem and the knowledge he must have derived from that experience. That assessment of President Fujimori's situation would have been plainly true for any dispassionate observer. I expected that such initial recognition would help us find an emotional common ground to serve as a basis for future conversations. My preparation with Roger started like this:

ROGER: What is the purpose of your first meeting with President Fujimori?

JAMIL: I see two purposes. I want to get to know him and his vision about the current situation. And I want to get his com-

mitment that we are going to exhaust dialogue before stepping into war. For these purposes, I would like to listen first and ask him questions.

ROGER: Great purposes. But if you go after him with a lot of questions, he may feel as if the FBI is interrogating him. He's likely to clam up. An easier and perhaps wiser approach would be to have President Fujimori come to feel that he knows *you*. Be open. Start by laying some of your cards on the table.

That was precisely what I did. Using stories, historical examples, and anecdotes, I explained to President Fujimori how I understood the difficult situation he was facing. I asked for his reciprocal understanding of the extremely complex scenario I was acting on. He responded well, although cautiously. In a soft, tranquil voice, he stated, "My three goals when I started my presidency were to eliminate hyperinflation, to dismember the Shining Path guerrillas, and to finish the border issue with Ecuador. I have accomplished the first two already. The third one must be concluded as well."

That gave me the opportunity to express frankly my admiration for his work on both of the first two issues, which was universally applauded, while adopting a wait-and-see attitude about the third.

Affiliation: Find Some Common Ground

A major task was to change the widespread perception of the bad relationship between the two countries. This task was faced by President Fujimori and myself, as well as by our staff and officials, the media, and the public at large. For years, each country had regarded the other as an enemy.

President Fujimori and I agreed that a goal should be to have the public in each country come to see that we were working together, side by side, toward the settlement of the centuries-old boundary conflict.

Since "one picture is worth a thousand words," Roger suggested that I arrange for a photograph to be taken of the two presidents. I

said that would not be a problem. The media would be present before and after our meeting. Rather than a picture of us shaking hands or standing next to each other, however, Roger wanted us to be sitting, side by side, each with a pen or pencil in his hand, both looking at a map or a pad on which there might be some kind of draft proposal. We would not be looking at the camera or at each other but rather working. Such a photograph might help convince third parties, the media, and the public that things had started to change for the better. The photograph would make clear that the presidents were in a collaborative effort, tackling the boundary problem together.

When I returned from Paraguay, I showed Roger a newspaper with a front-page photograph of the two presidents working together. The photograph is reproduced on page 201.

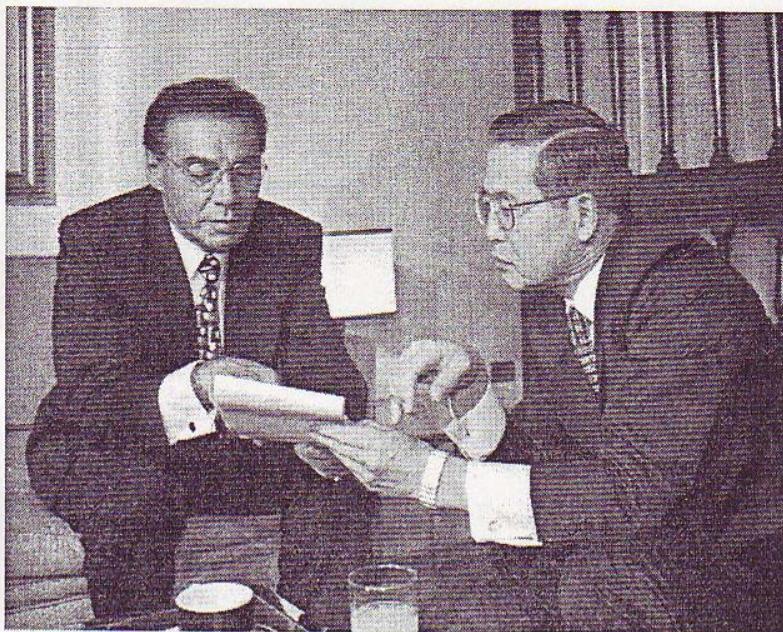
I told Roger that I knew the photograph was intended to influence the public. What surprised me was the extent to which the photograph also influenced the two of us. Looking at the photograph, President Fujimori said that the public in each country would now be expecting us to settle the boundary. We had publicly undertaken that task, and we owed it to the people in each country to succeed.

Status: "I'll Recognize His Seniority"

President Fujimori and I met for the first time in Asuncion. We were in the presidential suite kindly offered by the Argentinean President Carlos Menem as a neutral territory. At that time, President Fujimori had been president of Peru for eight years and I had been president of Ecuador for four days.

"You can make a first impression only once," I reminded myself. "Stating the evident will not harm my position. Contrarily, it will convey the image of an open, objective person," I thought. "I'll recognize his seniority, a personal matter where there's no debate, and I will not accept his substantive proposals about delicate matters where there's a hot debate."

I said, "President Fujimori, you've been president for eight



This photograph on the front page of an Ecuador newspaper helped change the political climate in 1998 by showing presidents Mahuad of Ecuador and Fujimori of Peru working together side by side.

(Courtesy of AP/Wide World Photos)

years. I've been a president for four days. You have negotiated with four of my predecessors. I would like us to benefit from your extensive experience." I asked him, "Do you have ideas on how we might deal with this border dispute in a way that would meet the interests of both Peru and Ecuador?"

I recognized his seniority with courteous gestures, which were reciprocated by him. For example, I always made sure he entered rooms first as the senior president. In this way, I acknowledged and respected his seniority, a particular status of President Fujimori. I also acknowledged my own particular status as president and as a connoisseur of the Ecuadorian reality.

To recognize areas where President Fujimori held high status did not imply that I was agreeing with him or with his position. Contrarily, when combined with showing appreciation, honoring his

status gave me room to manifest my openly discrepant standings without endangering the relationship.

Autonomy: Do Not Tell Others What to Do

Autonomy is a core concern for human beings, particularly sensitive for figures like politicians who are in positions of authority. For many years, Ecuador and Peru refused to negotiate with one another, each fearing that they would be seen as “giving in” to the other’s demands. No politician likes to be seen as a puppet of anybody else, especially when each one is on a different side of a centuries-old conflict.

It would be dangerous for a president to do something that would make our constituents suspicious or otherwise put us in a difficult position in our own country.

In all our meetings, I was very conscientious to respect his autonomy and to ensure my own. It would have been deadly wrong, for example, to try to *tell* President Fujimori what to do. Rather I *asked for his perceptions and reactions* on how we two presidents might best settle this protracted and costly boundary dispute.

My personal respect for him did not imply that I was agreeing with him or with his demand.”I simply cannot ask Congress and the people to give in to the demands of Peru. I’m not going to do it. Were I to do it, Congress would never agree; nor would any Ecuadorian. That’s a dead-end road. What are your alternative ideas on how we might move forward toward a peaceful agreement?”

I asked President Fujimori to appreciate the fact that the Ecuadorian president, Congress, and people would never concede to this Peruvian claim. Our autonomy would be crushed.

Role: “Us” Means “Us” for Both Sides

Negotiators play multiple, simultaneous, sometimes contradictory, overlapping, or complementary roles. In an effort to settle this long-standing boundary dispute, each president would have a crucial job. Each would have the task of bringing his own constituents to accept a settlement of the boundary. I saw my role as leading two simultane-

ous negotiations. One role, obviously, was as negotiator with President Fujimori. The other role, not so obvious but equally important, was my role as a negotiator with the people of Ecuador, its institutions, and representative organizations.

I recognized that President Fujimori had the same two roles and faced the same tasks. Therefore, I proposed to him we not do anything to harm each other's legitimacy as authorized representatives of our peoples. For instance, it would have been self-defeating to claim that a treaty was good for Ecuador because it was bad for Peru—or vice versa.

On the contrary, I saw that the role of each president was to demonstrate that an agreement was good for both countries, good for the region, good for trade, good for economic development, and good for the alleviation of poverty. We needed a win-win proposition. In crafting that proposition, our roles were both stressful and full of personal meaning.

Too often in international affairs, the goal is seen as obtaining a commitment from the other side. The media keep asking: "Who backed down?" "Who gave in?" "Did you reach an agreement?" "No? So the negotiations failed?" They want to see us playing the role of the victorious hero defeating a deceitful enemy. But "us" means "us" for both sides. In a negotiation, the most useful and powerful outcome may be an emotional commitment to continue working together in order to implement a peace agreement after signing it. Working together did not suggest that either of us gave up our liberty, our discretion, or our autonomy.

Rather, we transformed a problem into an opportunity. That required a new conception of the roles we played: a shift from opponents to colleagues, from positional bargainers in a merely distributional zero-sum game to joint problem solvers inventing new options to increase the size of the pie and the scope of possible outcomes.

Core Concerns as a Bundle

At some moments, the situation called for intertwining different core concerns and reinforcing them at different levels. One particularly

challenging circumstance stands out. The nonbinding opinion (*Parecer*) of the international experts gave a big push to Peru's claim to Tintiwanta. It would have been impossible, however, for any Ecuadorian president to yield to the claim without losing legitimacy, demeaning his presidential status, betraying his role, and risking his people's appreciation and affiliation. I wanted to recognize the strength and merits of the Peruvian case, and at the same time to get appreciation for the Ecuadorian situation, my autonomy, and my role.

My sensitivity to these core concerns helped me navigate this difficult terrain. "President Fujimori," I said, "Peru has a strong claim to the disputed area. Because of the commission's *Parecer*, it may, in fact, be stronger than Ecuador's claim (*appreciating* Peru's point). If I were president of Peru, I'd have no other option than to seek to get every square meter of that land (*appreciating* merit in Peru's perspective). Yet, as president of Ecuador, I cannot agree to give Peru territory that every president and every Congress since Ecuador was born has insisted is part of Ecuador. (I was asking him to reciprocate by *appreciating* my situation and understanding my difficulties.) We are convinced that we have the moral and legal rights over the area in dispute, and we're not going to change that conviction because of a nonbinding technical opinion (or *Parecer*). One hundred more opinions like that one wouldn't be sufficient to change our centuries-old feelings of ownership over those territories. (As a country, we have our *autonomy*.) Hence, any president of Ecuador should say and do what I'm saying and doing. (Asking for his reciprocal *affiliation*.) Now, in our *role* as presidents, we can undertake our new mission, which is to find a formula acceptable for the peoples in both countries." (I was searching for an additional common ground of *affiliation* in fairness and justice).

This dialogue had the noticeable effect of committing us both to a joint problem-solving approach. Our predominantly rational, carefully prepared, goal-oriented initial steps were additionally fueled by the rapport built rapidly between us and among our delegations. Peace became a flashing beacon, a powerful magnetic force taking up most of our time and energy during my first seventy-seven days in office.

THE AGREEMENT

We kept the people of Ecuador permanently informed about the advance of our negotiation. As progress was evident, a virtuous circle replaced the old vicious one. Negotiation became popular and openly a part of our national objectives. Participation increased. Everybody wanted to be part of the process and to express their voices. Common goals enhanced trust. Political actors started giving support because they understood gains were larger than risks if they represented the now popular will for peace. Belief in a negotiated solution replaced the usual pessimism. Overwhelming support at all levels of society boosted the government's initial action plan. Although this peace process did not stabilize the economy, the menace of war no longer worsened the economic situation.

On October 26, 1998, in Brasilia, ten weeks after our first meeting, President Fujimori and I signed a final, comprehensive peace treaty that was ratified by the Congress of each country. The two countries agreed that the entire disputed boundary area would become an international conservation park in which there would be no economic or military activities except as the two governments might later agree.

Tiwintza itself required special treatment. We two Presidents agreed that if the representatives of the four countries that were helping us could concur on a recommendation for Tiwintza, we would commit ourselves to accept it. Congresses of both countries voted to give the representatives authority to arbitrate.

A creative agreement for Tiwintza was formulated. The representatives separated sovereignty rights from property rights over Tiwintza. Thus, the land is now within the sovereign territory of Peru. And one square kilometer of land around Tiwintza, just inside Peru and adjoining Ecuador, is now private property owned in perpetuity by the government of Ecuador (just as Ecuador might own some land in Lima, Peru). Neither country "gave up" Tiwintza. The government of Peru can say, "Tiwintza is part of our sovereign territory." The government of Ecuador can say, "We own Tiwintza forever."

A FINAL REFLECTION

I agree with Roger and Dan that negotiators often assume that the best way to negotiate is purely rational. To be sure, strong hostile emotions easily escalate and cause problems. Yet, more importantly, in my experience, emotions can be helpful. When going into negotiations, I was ready to take the initiative and act upon each of the core concerns—on appreciation, affiliation, autonomy, status, and role. In doing so, President Fujimori and I established good rapport, a strong working relationship, and a stable agreement.

The Ecuador-Peru negotiations of 1998 were in themselves a complete success. The boundary was settled and has remained so. Not a single border military incident has been reported since that time. Binational trade and cooperation have reached historical records, and peace has been praised, valued, and owned by governments and citizens alike on both sides of the border.

My major reason for wanting to establish peace between Ecuador and Peru was to give both countries the benefits that only peace could bring. Additionally, establishing peace with Peru would enable Ecuador to reduce its military budget. Those resources could then be devoted to programs to alleviate poverty. And that is what my administration did after the treaty was signed in 1998.

In January 2000, a military backed coup forced me out of office for reasons too complicated to go into in this document. This fate is one I share with many Latin American presidents.

That is part of the official side of the story. On the personal side, Alberto Fujimori and I gradually developed a personal friendship beyond the call of our duties.

In March 2004, over a cup of coffee in Tokyo's Royal Park Hotel, we reflected on the lessons we learned. Alberto said, "Peace is consolidated. Everybody respects it." In the beginning, few of us believed that peace was possible. Now it was owned by everybody.

Alberto and I remembered a conversation we had in Brazil during the peace process. After a press conference, I had told him: "Things are changing. The situation used to be pretty clear: Ecuador-

ian journalists on one side, Peruvian journalists on the other. Now they're mixed together. That's a good omen for the future."

Alberto had said, "Yesterday, while reading an article in a Lima newspaper, I felt as if you and I were on the pro-peace side, facing together some opposition to peace in both countries." I nodded in agreement.

Since the beginning, we had worked together to satisfy our core concerns for affiliation, appreciation, and autonomy. Our status was respected. And our roles were fulfilling. We had created an atmosphere to advance substantive content. As almost always happens, process and substance walked hand in hand.