

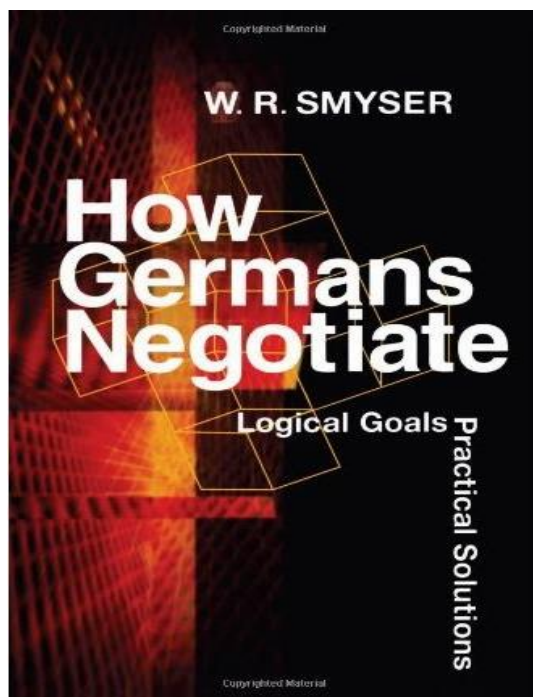
## HOW GERMANS NEGOTIATE. LOGICAL GOALS, PRACTICAL SOLUTIONS

**Ciprian-Beniamin BENEĂ**

University of Oradea, Faculty of Economics, International Affairs Department  
1 Universităţii St., 410087, Oradea, Romania, e-mail: [c\\_benea@yahoo.com](mailto:c_benea@yahoo.com)

**Adina SECARA-ONITA**

University of Oradea, Faculty of Economics, International Affairs Department  
1 Universităţii St., 410087, Oradea, Romania, e-mail: [oadina@yahoo.com](mailto:oadina@yahoo.com)



It is a book published by United States Institute of Peace (USIP); it belongs to a series of volumes issued by USIP about the negotiating styles of different countries. There were published volumes about Chinese, Russian, North Korean, Japan, France, and United States negotiating behavior. But Germany is a EU member, a key-member state in this union, whose influence has been rising constantly in latest decades.

Germany is *das Land der Mitte*; it is in the middle of the European continent, and due to its size, population, and economy, its influence can well be felt beyond Europe. It is a state which a lot of states are doing business with, being well connected to world economy, and international diplomacy. Furthermore, Germans are well aware of climate changes and their effects, and they

are leaders in the fight carried against climate changes.

These being said, the effort of W. R. Smyser – a well-known analyst of German culture and state – is more than welcome; to know Germany and the Germans, and how they think, act, and negotiate, in the context of the evolution of world economy, the European and international diplomacy, and climate changes, is an endeavor which worth to be made.

“*How German Negotiate*” has 213 pages, written in a very logical and purposive manner. Even the way book is written reflects German thinking:

Germans are always aware of the context; which are its peculiarities, actors, their interests, and where stands, or should stand Germany in this context. The introduction of the book is exactly the context's role in German actions.

Then follow the presentation of the four elements which helps and determine Germans' actions – geography, history, philosophy, and economics. Chapter one is focused on them. All of them are important factors in determining German negotiating style, but the greatest impact upon Germans' cultural traits is history.

Geography constrains German state and German nation – they cannot escape from the center of Europe; they have the greatest number of neighboring states than any other European state, and its size makes it an important player on European continent. This location impels Germany to look constantly in at least two directions – east and west – seeing dangers and opportunities in both. This geographical peculiarity compels Germany toward diplomacy and negotiations, because the time when conflicting interests were solved using force has passed. For Germany diplomacy has become its main instrument of foreign policy; and negotiations have become an essential part of German security and stability.

History – is the most important single factor which shapes Germany's negotiating style and its culture of diplomatic policy. Germans were a nation located at the center of Europe for more than a millennium, but they formed a state only in 1871, before being under various forms of outside rule and suffered from divisions within their own nation. It was the last major European nation to form a united state and an independent government. The origins of Germany are to be found in the Holy Roman Empire. The greatest part of this empire was formed by German nation, but it consisted of a jigsaw puzzle of aristocratic and ecclesiastical possessions, running well into hundreds. As the Reformation started, a strong German national sentiment could have emerged in opposition to the Catholic Holy Roman Empire, it didn't spread over all of Germany. Although these administrative and religious divisions were core elements of German history, constant contact among them remained a constant and a guiding principle. In this context, the search for social peace and consensus permitted agreement even among widely differing nationalities and faiths, this becoming an important element of German cultural traits. This aspect only highlights the importance of hierarchy in German society, as an individual, or as an organization. Each knew where he or it belonged.

German philosophy, lacking political focus, concentrated on the internal process of the mind, and on the logical rationalism. The most important philosopher which mad a synthetic correlation was Hegel, which saw the movement of the spirit and the whole progression of human history as an advance dominated by the dialectic, the notion that every idea (or thesis) contains within itself the seeds of its own contradiction (antithesis). Heine said that France and Russia controlled the land and England the seas, and that Germans owned “the realm of dreams”. This only underscores the importance of idea in German culture, and as a consequence the role of *Gesamtkonzept* in any German action and negotiation. The nine centuries of German existence within Holy Roman Empire, and the legacy of the dialectic logic reinforced one another, sinking deeply into the German unconscious and the culture of German diplomacy and negotiating behavior.

German history with its peculiarities left Germans with a sense of structure and order, as well as a faith that diverse institutions could find ways of

working together; in the same time, constant cooperation with others and an accurate understanding of what might or might not be possible became a strong aspect of German character. And the role of multilateral diplomacy is a very important one in German national character.

German economy was an important center for production of high quality manufactured goods, Germans developing in time strong mercantilist leanings, always looking to export more than they imported, with the aim of making their trade profitable, a key-element for today's position in world economy.

As a consequence of these four elements, Smyser sums up 7 elements which are peculiar to any German negotiating process: three are *aims* such as rehabilitation (and a honorable place for Germany), security and stability, reliable associations and a sense of community; and four are means used to reach these aims: conceptual logic, tenacity and persistence, logically framed compromises, use of economic assets.

Chapter two presents the principal elements of a negotiation with Germans. The preparation for negotiation is a very tedious process, but it is heading to a very precise aim. The understanding of the context of an impending negotiation is a starting point in such an endeavor. After analyzing the points of view of those which would be involved in a negotiation, and even of those which would have an indirect interest in that peculiar negotiation, German government will define its own position, and the goals it wants to achieve in the negotiation.

Germany is a federal state, and in their way of organizing the state, Germans think it is for the better if there is created a collective body, which represents an important shield against an excessive accumulation of power by any single individual, or party. The structure of the German state is so made that each ministry functions in accordance with the *Ressortprinzip*. The foreign minister bears direct responsibility for foreign policy, or at least shares it with the chancellor, which has a very close interest in foreign policy, too. The federal structure of the state means that German lands have a voice in foreign policy, especially when their interests are at stake; they want to have some control upon what a chancellor or foreign minister does.

This chapter is divided in four parts. The preparation phase describes how a negotiation is prepared, which is the context in which that negotiation would evolve, which would be the interested parties in such a negotiation, and who will coordinate preparation and negotiation phases. Here it could be mentioned that there could be present over the minister responsible for guiding the negotiation process a lot of economic, environmental, military, diplomatic interests, and their representatives, and those from German lands, too.

Then follows the opening phase, which is usually regarded as the most important one – presentation. Presentation follows a methodical path, that moves coherently and logically from the beginning to the end; the first element is the philosophical basis for their position, which provides the foundation for a German negotiating position. It incorporates the essence of Chancellery, Foreign Office, government, lands, and other interested parties views. And the negotiation proceeds as German *Gesamtkonzept* is advancing, and this is the third part of a negotiation process. Germans do not abandon the conceptual objective, but they are ready to negotiate aspects of secondary importance more flexibly, in order to obtain agreement on the basic objective. The middle phase, or revision is needed as negotiation proceed; Germans do not seek agreement for its own sake, but through a negotiation they intend to establish, or to deepen a

relationship. Thus they try to avoid any breakdown in a negotiation. They are ready to make concessions or to arrive at compromises, but they are doing these not in a bazaar spirit, but measuring each concession against the total concept, and their basic objective.

The last phase – cutting a deal and implementing it – could come often long after it would appear that a deal should have been cut. On implementation, Germans take pride in being as good as their word; they carry out their agreements fully to the letter. They respect agreements, and they do not constantly reinterpret agreements in ways that appear intended to reopen or invalidate previous negotiations.

Chapter three deals with Germans' and personality and tactics which they use during negotiation; it goes into more detail about the process of a negotiation with Germany.

The negotiator (or the negotiation team) works under direct instruction emanated from Foreign Office (or other ministries which can have an authority concerning the matter which is debated).

Usually, German professional diplomats do the main negotiation effort, negotiate precise and painstakingly, but they do not seek dramatic breakthroughs; they pay careful attention to the needs and interests of other ministers or interested lands. They are dedicate and very serious and they rarely make mistakes.

It is presented the pipeline through which German diplomats come into German diplomatic service starts with a high school, pass through university (many have studies for a year or two in American or British universities, or in France or Italy). They pass into the senior years of their carriers with well-established and easy relationships across ten or more different countries or UN specialized agencies. But all German professional diplomats pass through the German Foreign Office diplomatic training academy (*die Aus- und Fortbildungstatte des Auswertigen Amtes*); each must take a two-year course there at the beginning of his or her career.

They do not encourage formality during negotiation process, and especially during opening phases of negotiations. And Germans do not usually use private and secret channels; but sometimes they initiate such contacts. And if there are used such channels, they would be used in contacts with Russia, than with the West, or especially with the leak-prone Americans.

They do not use delay for its own sake, even if they work slowly; but this is because they are thorough. And Germans use the press in order to influence any negotiation and to push forward for a successful result. And even they cannot proud themselves with the tradition of a remarkable cuisine, they use successfully what they have: wine, beer, food, and music. But they keep a very distinctive line between negotiations and entertainment.

Furthermore, Germans are committed to community: they work smoothly inside EU, NATO, UN, G8, OSCE. Here is important to be mentioned that using international forums Germany promote its interests in a strong and decisive manner. As German internationalism continues to develop, an international purpose can become a national purpose to a degree that is inconceivable for any other major state. This king of dialectic logic emerges out of Hegelian philosophy, which in its turn reflects German cultural traits, and which only reinforces it.

If the first three chapters are focused upon German society, and its organization, chapter four is focused upon how Germans are doing business and

German management style, and how those involved in business negotiations behave. There are presented two types of German business negotiating styles: the traditional one, with its characteristics, and the new and modern one, but which retains the core elements of traditional German negotiating style.

Main points are presented, which deal with three characteristics of German management style and business culture: Germans proud themselves that they deliver a high-quality product; they are focused always upon low production costs; and they provide excellent and reliable service. These characteristics made German companies and products globally sold and competitive.

In the same time, German employees avoid mistakes, looking for incremental improvements rather than dramatic solutions. The business structures are hierarchical and bureaucratic, but Germans are expected to commit themselves to one company for life.

A good recommendation point regards the fact that those who encounter German negotiator should be aware of the negotiator type which is involved: the old type is characterized by thorough preparation, considerable persistence, a desire to make a deal on the basis of *Gesamtkonzept*, and readiness to commit resources as necessary, but within well calculated limits.

The new type of German negotiator embraces somehow the “MBA culture”, being prone to making more profits for the shareholders than in the past, but they are more risk-prone; they start to think less in collectivistic terms than their predecessors. This new situation can create or destroy careers overnight, which mean that this new type on negotiator embraces British or American style more – much of the negotiators belonging to the new type have studied in USA or Great Britain. The examples in the book (Daimler-Chrysler business; BMW-Rover; Deutsche-Dresdner; and Deutsche Telekom) only highlight these characteristics.

Chapter five is focused upon German official economic negotiations carried in EU family, the role Germany and France play in EU, how they use EU for promoting their policies (the agricultural one in the case of France and the industrial one, in Germany’s case). One important presentation concerns the way Germany wanted to maintain stability for *Deutsche Mark*, the core idea backing this desire emanating from *Bundesbank* which had a firm belief that a stable currency is the best foundation for investment and growth. It could easy be observed that this aspect only reiterates the German desire for stability.

The aim of using economic incentives by Germany was the increase of Germany’s influence is another aspect presented in the book. Aid and trade are the most important ingredients Germany can bring to a negotiating table, and it uses them very efficient without any hesitation.

Chapter six regards the future of German negotiating behavior. If there is to make a list of German agenda, it is easy to observe that it has grown larger, and it will expand in the future. The main points are the management of Europe, the management of transatlantic relations, the management of world economy. The latest point on Germany’s agenda is fighting climate changes, where it stands very well, and has a very much respected position (in Bonn are located institutions concerning climate changes which are directly connected to UN system).

Furthermore, of all European and Atlantic states, Germany has the widest range of contacts and activities throughout all of historical and geographical

Europe. As European integration process evolves, the European organizations will wrap around Berlin, creating in the long run the prerequisites to make this city the center for communications, conferences, and diplomacy in Europe.

Looking at Germany's evolution after 1945 there could be noted some more and more distinctive traces in German strategic thinking: Germany wants stability; they promote multilateralism, using a network of cooperating organizations; influence – they want to have some weight in such frameworks, but they hesitate to occupy the most visible and important positions in such multilateral forums; they are striving for normalcy; and acceptance

The last point in the book concerns advices for how to negotiate with the Germans. There is mentioned the importance of the essential preparation, and basic strategic and tactical points which are the core elements of each German negotiation. The argumentation made in logical terms is very important, backed by seriousness and respectfulness, careful listening and avoiding emotionalism, while trying to well understand what matters most for German negotiators. But always the context in which a negotiation process evolves is important, and there is needed an awareness of bureaucratic, political, and international pressures.

Some practical advices for those involved in a negotiation process with Germans regard: not asking for too much or too little, the attachment to formality, knowing the best moment to use social occasions, while always looking at the age and type of German negotiator is at the table.

As a conclusion, even the book was published ten years before, it is very actual; furthermore, it will help future negotiators which will be involved in negotiations with Germans to better understand the way a state which clearly will gain more influence at European level and globally, works and acts, and which motivations push Germany's actions and German negotiators behavior. It demands constant alertness and a readiness to pursue interests with the sense of purpose. And the negotiator should always be well prepared and logical, never weak and unfailingly polite.

Submitted:  
November 8, 2013

Revised:  
February 17, 2014

Accepted:  
May 1, 2014

Published online:  
May 1, 2014