Following the Golden Rule and Finding Gold: Generosity and Success in Negotiation

Lela P. Love and Sukhsimranjit Singh

Editors’ Note: This chapter picks up where The Psychology of Giving and Its Effect on Negotiation (Chamoun and Hazlett 2009), Finding Common Ground in the Soil of Culture (Bernard 2009), and Re-Orienting the Trainer to Navigate – Not Negotiate – Islamic Cultural Values (Bernard 2010) left off earlier in the RNT series. The authors argue that principles of generosity are strongly supported by principles common to all the world’s major religions, and that it follows that precepts that are widely shared (in theory) might yet be taught to be actually followed in negotiation practice. This, they contend, would have major effects not only on the general level of cooperation vs. competition, but on the specific, material as well as spiritual, well-being of the negotiators as individuals. There is a paradox, though: the spiritual benefit inures to you only if you don’t strategize to achieve it.

“Wise souls don’t hoard; the more they do for others the more they have, the more they give the richer they are.”
(Lao Tzu)

Introduction

Our friend, who is a landlord, told us a curious story. He rented an apartment in a lovely old Victorian house to a couple, who were very

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happy with the arrangement. Happy, that is, until they discovered that a cat of the previous tenant had urinated for a period of time in an upstairs closet. The discovery led to uncovering a drenched carpet that needed to be replaced, a floor that was permeated with the odor of cat urine and affected floor moldings. It gets worse. When the carpet was pulled up in the closet it was clear that it couldn’t be replaced without replacing the carpet for the entire room. The landlord had to devote several weekend days to address the situation, as well as many thousands of dollars (he worked in another city during the week). He became increasingly irritated that the tenants made no week-time efforts to move the situation forward (e.g., applying coats of urine extractor and later floor sealer that required periods of time between applications), feeling that they could have been more proactive during the week when he was away. When the rent check arrived, the landlord reported that he held the envelope in his hands and thought, “If they deducted something from their rent, I will be annoyed and disappointed.” However, when he opened the envelope and found that the full rent was paid, he immediately returned one half of the rent to the tenants. Their generosity in not asserting an arguable claim begot his, creating an infection of generosity. The tenants gained a reduced rent and a top-of-the line new carpet – one much better than the old carpet. The tenants stayed patient and appreciative as repairs dragged on, and ultimately the landlord had an upgraded apartment and happy tenants.

One can only imagine the downward spiral that might have occurred if the tenants had made a grab for reduced rent.

This story suggests that one of the consequences of generosity may be that it creates generosity in others (or, conversely: grabbiness generates grabbiness) and, in the end, generosity may benefit all in terms of both material and emotional well-being, leading, as in this case, to cooperation and mutual benefit. The chapter examines generosity, a precept endorsed by major religions, as a good negotiation practice.

We recognize that most scholarly articles base their claims on quantitative or qualitative research whose methodology supports reliability. Certainly, such foundations are wise, given the potential for irrational and erroneous conclusions that behavioral economics has uncovered (Belsky and Gilovich 2009.) Yet not all subjects lend themselves equally well to such treatment; rigorous methodology is not the only source of human wisdom. Generosity, in particular, is a phenomenon people have been considering deeply for a very long time. Thus, undeterred by our admitted lack of science, our claims in this chapter will be based on the teachings of major religions, as well as our own life experiences.
Herb Cohen (1982) opened his best-selling book *You Can Negotiate Anything* with an inscription to his father, which read:

*In memory of my father, Morris Cohen, whose negotiating strategy was always to give much more than he received. His life spoke an eloquence of its own.*

In contemplating this tribute to Morris Cohen, we were struck by the generosity of the father’s approach to negotiation that, to us, seemed more enlightened (and potentially more profitable) than the son’s, which included many competitive and “tricky” strategies. Consequently, we ask: Is generosity a good negotiation strategy? The thesis that generosity is a good negotiation strategy is counterintuitive: when we think of negotiation we think of the enterprise as being about getting something we want or need – not about generously giving away things of value. So, how could generosity possibly be a successful approach?

Experience tells us it feels better to be generous than to be defensively competitive, especially when the generosity is reciprocated, and often even when it is not. In addition, and more to the point of this chapter, as in the landlord-tenant story, we have noticed that the people to whom we are generous tend to give a lot back. Habib Chamoun and Randy Hazlett (2009: 152) note in their historical review of lessons to be learned from the ancient and long-successful Phoenician trading culture that, “[g]iving generates great feelings, positive energy and powerful emotions on the other side of the table that can include gratitude and reciprocity, leading the other party to be more open and flexible in future negotiations with the giver.” This suggests that generosity actually “pays.” In the segments that follow we will explore how generosity “pays” in multiple ways: in the increase of actual or material wealth, the increase in the perception of being wealthy, and the increase of spiritual well-being. As we consider how generosity pays, we will think about it in a broad context: that is, from bazaars to boardrooms, to dealings with family and with strangers.

**Generosity Defined**

In the six short segments that follow, we will very briefly explore what major religions have to say about the desirability of generosity. “Generosity” as used here refers to giving that includes, and goes beyond, money. Generosity is about sharing what you have, be it energy, food, good humor, time, listening, a smile, an embrace – or money. As such, it is the “greatest expression of one’s gratitude to others” (Chamoun and Hazlett 2009: 152). True generosity is marked by an
open mind and heart. Generosity includes elements such as kindness, patience and compassion (Dalai Lama 1997). It includes presence: a complete undivided attention, to our children, to our friends, to our families and to our colleagues (Thich Nhat Hanh 1973). Others have called it the joy of giving time, talent, treasure and touch (Blanchard and Cathy 2002; Chamoun and Hazlett 2009).

We look at generosity through the lens of six religions and find commonalities in all. Karen Armstrong (2010: 3-4), a scholar of comparative religion, broadens this commonality by noting:

All faiths insist that compassion is the test of true spirituality and that it brings us into relation with the transcendence we call God, Brahman, Nirvana, or Dao. Each has formulated its own version of what is sometimes called the Golden Rule, “Do not treat others as you would not like them to treat you,” or in its positive form, “Always treat others as you would wish to be treated yourself” (emphasis added).

The Golden Rule is, in essence, urging generosity – not a calculated quid pro quo, but the giving to others as one would like to receive; or, as discussed later in this chapter, giving to others without expectation of reciprocity.

The widely endorsed wisdom emanating from religious traditions may play a critical role both in negotiation, as well as spiritual advancement. As Jeffrey Seul (2006: 331) offers, “[r]eligion may very well be the primary lens through which one sees oneself and the rest of the world.” Religious meaning systems, as Seul notes, define the broadest possible range of relationships – to self, others, the universe and God (2006: 324; see also Seul 1999). Consequently, religion, for many, shapes both identity and relationships with others, influencing the course of negotiations, as well as other human affairs. Ignoring religious precepts may involve peril: peril to our soul and, perhaps, to our pocketbook. Indeed, as Phyllis Bernard suggested in Volume I of the RNT teaching series, “A next generation negotiator seeks to include faith-based values without forcing agreement on religion itself” (2009: 39). Toward that end, we next, in alphabetical order, examine the precepts on generosity from six major religions.

In the Bahá’í Faith
One of the youngest religions, the Bahá’í Faith addresses generosity under the concept of the relationship between good and evil in man. Abdul’l-Baha describes it as follows:
If a man is greedy to acquire science and knowledge, or to become compassionate, generous, and just, it is most praiseworthy. If he exercises his anger and wrath against the bloodthirsty tyrants who are like ferocious beasts, it is very praiseworthy, but if he does not use these qualities in a right way, they are blameworthy (Hatcher and Martin 1994: 110).

So, being greedy to be generous is praiseworthy. But being generous to gain personal advantage is not. In Baha’i teachings, Shoghi Effendi Rabbani, the first and only Guardian of the Baha’i Faith, strongly condemns anything suggestive of psychological manipulation. Talking about giving, Shoghi Effendi, in a 1942 letter to the National Spiritual Assembly of the Baha’is of the United States, said, “We must be like the fountain or spring that is continually emptying itself of all that it has and is continually being refilled from an invisible source. To be continually giving out for good of our fellows undeterred by the fear of poverty and reliant on the unfailing bounty of the Source of all wealth and all good: this is the secret of right living.”

It follows that an insincere display of generosity – as a negotiation ploy like hiding your bottom line or playing good cop/bad cop – would be a mistake.

In Buddhism
As a variant to the Golden Rule, Buddhists urge: Hurt not others in ways that you yourself would find hurtful (Udana-Varga 5,1).

In Buddhism, generosity (or dana) is of one of the Ten Perfections that lead to Buddhahood. Giving leads to happiness as well as to material wealth. Conversely, the lack of generosity leads to unhappiness and poverty. Thus, the more one gives without seeking anything in return, the wealthier one will be (Stone 2008). This point is exemplified by a recent talk in New York City by a Buddhist lecturer at the Kadampa Buddhist Mediation Center, advertised as revealing the secret of wealth. The speaker, Kadam Morten, a well-respected local Buddhist teacher, promised to let the audience in on how to acquire worldly well-being. It turned out his secret was generosity. He explained that the mind of generosity is an intention, a wish, to give. The person with such a wish already experiences what he or she has as wealth. Conversely, a billionaire with a miserly, hoarding attitude towards his or her money is experiencing it as poverty. His point was that actual money or goods may be unrelated to the experience of wealth in a meaningful way. A generous poor person can feel wealthy in giving away half of their only loaf of bread.

Additionally, the Buddhist idea of karma posits that all of our actions – good and bad, generous and selfish – plant seeds that blossom and will return to us. So, there is a practical element to a spiritual
practice. If you do something good to others, as noted above – something generous – some day, in this life, or another life, that good deed will flower and your “good karma” will return with blessings for you. The same is true for bad karma. This idea of karma suggests that it is worthwhile to be generous because it will come back, like a boomerang, with blessings or with curses – a form of active cosmic justice.

So, generosity leads to the experience of feeling wealthy. And it leads to good karma being in store. In other words, generosity will pay.

**In Christianity**
The New Testament of the Bible advises following the Golden Rule. *So in everything, do to others what you would have them do to you, for this sums up the Law and the Prophets* (Matthew 7:12).

Why this advice? A general social and psychological principle of reciprocity suggests that what we do for others will come back to us (see Cialdini 2006). Sometimes it comes back amplified. The Biblical commandment, however, is notably NOT: Do unto others so that they will give unto you. There is no calculated quid pro quo in the admonition. In the Bible, the Golden Rule is meant to be heeded in human intercourse for spiritual, rather than monetary, wealth. Nonetheless, we believe a link between spiritual and material advantage makes doing the generous deed prudent on multiple levels.

**In Hinduism**
According to the Hindu vision of karma, there are necessary and sufficient conditions that account for the successes and misfortunes in the life of every living being. The individual reaps only what he sows, no more, no less. Every act is both the result of forces set in operation by previous acts and the cause of the future actions (Organ 1974).

For a Hindu, one’s attitude towards a possession has equal or higher significance than the mere possession itself. An attitude of a generous mind brings happiness. Like Christianity and Sikhism, the Hindu religious text *Isa Upanishad* says that true enjoyment and peace lie in detachment from wealth.

Another famous Hindu text, the Bhagavad Gita, speaks of three types of giving: “A gift that is given without any expectation of appreciation or reward is beneficial to both giver and recipient. A gift that is given reluctantly and with the expectation of some advantage is harmful to both giver and recipient. A gift that is given without any regard for the feelings of the recipient and at the wrong time, so causing embarrassment to the recipient, is again harmful to both giver and recipient” (Bhagavad Gita 17.20-22).
In addition, in Hinduism, any giving that is motivated by selfish considerations loses its value from the spiritual point of view, and generosity (dana) includes physical, intellectual and spiritual service (Sugirtharajah 2001).

**In Islam**

Islam provides extensive guidelines for its adherents pertinent to generosity. The Qur’an, in verses 2:272, reads, Whatever they expend, it reverts to yourselves and Those who…spend…from what He has provided for them hope for a business that will never slacken (35: 29). The Qur’an also outlines the benefits of generosity. Such benefits are others’ affection, respect, popular support, and freedom from any rage (Tabataba’I 2000: 183).

In Islamic teachings, generosity provides for cooperation – the basis of human society. Under Islam, generous hospitality is treated as a desired value, even in business negotiations. In Middle Eastern culture, hospitality is more than mere courtesy; “it is an expression of sacred obligations dating to times that some believe even predated Islam” (Bernard 2010). In Islam, like other religions, generosity is not just limited to money; as one Islamic scholar puts it: “one must not suppose that the holy faith of Islam asks our beneficence only through sacrifice of wealth” (Mohammad 2000: 184).

Among other benefits, Islamic teachings emphasize, long-term relationships are established through generosity.

**In Judaism**

The Torah’s commandment “Love thy neighbor as thyself” (Leviticus 19:19) is a reflection of the Golden Rule. Indeed, the mandate, mizvah, of performing acts of loving-kindness, gemilut hasadim, is one of the highest priorities in the Jewish tradition. Imitating God’s ways, imitatio Dei, is at the highest level of religious practice, and, since the Jewish faith views God as a performer of acts of kindness, doing such acts is a form of imitating God’s ways. This concept forms one of the pillars of Jewish ethics (Harvey 2009). The Torah commands acts of generosity towards both an enemy and a brother: “If thou meet thine enemy’s ox or his ass going astray, thou shalt surely bring it back to him again” (Ex. 23,4); “Thou shalt not see thy brother’s ox or his sheep go astray, and hide thyself from them, thou shalt in any case bring them unto they brother” (Deut. 22, 1-3). This commandment requires unilateral acts of generosity.

Judaism’s take on generosity is also reflected in the principle of tzedakah, or the obligation of charitable giving. For adherents, tzedakah is a weighty responsibility that should be discharged with great care
and thought (Dosick 1995). In the words of Rabbi Yitzchok Adlerstein, “The Torah regards us as custodians of money for the poor. We can take chances with our own funds, but not those that belong to others” (Adlerstein 1999: 59). The quality of our *tzedakah* is more important than its quantity. Being in accord with this imperative for charity and generosity is a requisite of spiritual well-being.

**In Sikhism**

A major teaching of Sikhism, a relatively young (15th Century) religion, includes *Kirt Karna* (earning honest livelihood), *Naam Japna* (meditation) and *Vand Ke Chakna* (sharing with generosity). A thread that connects all three values of Sikhism is generosity or “dya” (as said in Punjabi). A Sikh’s daily prayer *Japji Sahib* promotes the importance of generosity by saying “without generosity there is no religion” (Randhawa 1970: 63).

A common practice among Sikh Gurudwaras (Sikh Temples) is the service of *langar* (a free community kitchen), which serves food to others – sometimes to hundreds and thousands – every day. The concept of *langar* started from the first Sikh Guru, Guru Nanak, and the tradition is to spread equality among all (by making attendees sit on the same ground and by sharing a meal together; by treating class, caste, religion, and gender with indifference) and to distill the importance of *sewa*. *Sewa*, loosely translated to English, means service – though a deeper translation symbolizes generosity from *tann* (body), *mann* (soul) and *dhann* (time and money).

Generosity from *tann, mann and dhann* signifies something important for negotiators. Like all major spiritual traditions, Sikhism teaches its adherents to share with heart, mind and other resources. It also teaches against having big expectations. A calm and fulfilled mind, as per Sikhism, does not expect or seek reciprocity. Such a mind should foster trust in business or personal relationships through right intentions and equanimity.

**Generosity in Practice: An Example from Istanbul**

In Turkey, ignoring all the advice in this chapter, Lela tried her wings as a competitive bargainer in the Eastern bazaars. She was operating, however, on what proved to be an erroneous assumption that the negotiation exercise was comprised primarily of positional and competitive bargaining. Offer low, make few and small concessions, and – after a long time – pretend to walk out and (when that does not work) accept the lowest offer. Or, try to split the difference. But these tactics did not work. Despite being well-schooled in the “negotiation dance” and the ingredients of competitive bargaining, the use of extreme positions achieved indifferent responses. What was missing?
A particular incident in an Istanbul bazaar illuminated how generosity comes into play in supposedly “competitive” bargaining. Lela tells the following story:

I had only thirty minutes to stay in the bazaar, as my ship was leaving port, and I felt quite pressured about time. I was tired of trying to bargain for everything – nor was it particularly fun. My last item to procure was a small charm to ward off the Evil Eye for my daughter’s charm bracelet. I went into a shop and the merchant asked $20 for a charm that was the correct size, promising at the same time to get it properly attached to the bracelet I carried. I said “Done!” thinking I would make the merchant happy and knowing that the charm was probably worth a quarter of that. No whittling away at the offer, simply a resounding “OK.” The deal was sealed but the merchant was sour. It was not a fair price, and I had done something wrong by accepting it. So, to try to make amends, I looked at him and said, “I am in a great hurry. If you can get this charm soldered onto my charm bracelet in fifteen minutes (he had to take it to a shopkeeper some distance away), then I will happily pay you $20. If it takes you sixteen minutes, though, I’ll only pay you $15. If it takes you eighteen minutes, I’ll only pay you $10. If it takes you twenty minutes, you’ll give me the charm for free AND promise to have my bracelet back – whether or not the charm is soldered onto it, as I will be anxious about missing my ship. Deal?” The merchant was ecstatic and accepted the deal. A stop watch came out. His fastest son was put into action. His friends gathered to monitor the race against time. In the meantime we discussed politics and gold charms. Fifteen minutes later (the bracelet with attached charm came back in under ten minutes) the merchant was giving me his card, wanting to see me again in Istanbul or in America, and also giving me other trinkets to supplement the gold charm. Everyone had had a good time.

Bazaar (or any) bargaining is about both a transaction and a social interaction – and a generosity of spirit that ultimately will result in a fair price. Play with your bargaining counterpart, have a good time, accept his offer of tea and talk, and you both will find an acceptable exchange. What you give is your time, energy and good humor. Yes, there is a “negotiation dance” around extreme positions and denigrating and aggrandizing remarks about the wares at issue. But eliminate the generosity of spirit and the deal will not prosper.

The Importance of Sincerity
Generosity must be perceived as such by the receiver. If the receiver perceives a gesture as an attempt to buy them off, if they sense a trick
or a manipulative move, an otherwise generous gesture can have the opposite of the intended consequence. For example, take the following scenario:

Imagine you arranged over the internet to rent an apartment in Berlin to attend a two week course at Humboldt University. You also arranged to share the apartment with a colleague from Italy who is also taking the course. The apartment cost 450 euros for two weeks, as it is a thirty-minute bus ride from the Mitte (the center of town) and Humboldt.

When you arrived in Berlin, the apartment was fine, but your roommate never appeared. She was, however, at the program on Monday morning, and she told you that her plans changed when her boyfriend decided to come with her to Berlin. She tried to call you but never got an answer. She left a voicemail message for you, but you did not get it because you don’t check voicemail. She simply forgot to send an email or a text, which is how you always communicate.

It seems that everyone in the program has housing, though you haven’t asked about other Humboldt students, as you don’t want an absolute stranger for a roommate.

You would like her to pay you 225 euros, her share of the apartment cost. She says she cannot afford that, but is willing to pay seventy-five euros. You don’t want to have bad feelings with another student, but you don’t know if you can find someone acceptable to take her place. You do enjoy having more space to yourself, but you’re paying more than you planned. Would you accept the seventy-five euros?

We asked one of two versions of this question to fifty-seven students in a negotiation and mediation course at Humboldt University in Berlin in the summer of 2011 (see Appendix). The question immediately above was posed to the first group of students. Approximately sixty-eight percent of this group of students accepted the offer of seventy-five euros to resolve the situation – or nineteen out of twenty-eight.

Another group was given a questionnaire with the same language as above, except that one additional paragraph was included at the end of the hypothetical. It said:

You [the offeree] went to coffee with her to discuss this and she generously offered to pay the bill for coffee and pastry, which you appreciated and accepted. You also felt good that she was concerned that the situation was difficult for you. You did not accept her proposal for seventy-five euros at the
time. You told her you would think about it. Do you accept her offer?

Offerees who were treated to coffee tended to decline the offer: only eleven accepted the offer and eighteen declined, an acceptance rate of thirty-eight percent. We did not ask for an explanation, but we suspect that the generosity was not generous enough — or, perhaps, was insulting under the circumstances, or perceived as manipulative. Or, perhaps, giving the offeree time to think about the offer might have meant that the phenomenon of loss aversion does not influence the immediate response, as it might for the first group.

The numbers tested are too small to say anything conclusive, except perhaps that generosity, like apology, is not simple. Drawing the analogy with apology further and comparing the research on apology (see, e.g., Brown and Robbennolt 2006), one might venture that it may be essential that the generosity be perceived as sincere and as in keeping with the overall situation. Here, where the offeror “owed” 225 euro, the coffee and pastry might have seemed paltry.

We also understand that generosity may be experienced and be received differently depending on the culture of the people involved. In some cultures, for example, acts of generosity are the norm. In Middle Eastern cultures, for example, negotiations often begin with generous hospitality, which is “not merely secular but also sacred” (Bernard 2010). However, the discussion of generosity and culture are beyond the scope of our present chapter.

The Right Thing for the Wrong Reason
What if you became persuaded by this essay, but misread it, and regularly engaged in acts of generosity as a negotiation ploy to get a better deal for yourself? Would such calculated generosity work in the same way that true generosity might? The experiment above is one cautionary example.

We suspect that anything disingenuous can be ferreted out for what it is, and ultimately will not work. Real generosity lies not in asking for anything in return, and further, not offering something in expectation of a *quid pro quo*. It is the experience of being on the receiving end of real generosity that triggers generosity in return.

On the other hand, various religious traditions counsel doing good deeds *even if* the doer’s heart is not in the right place. The correct state of mind may then follow from the good acts, and, in any case, the good karma created will someday rebound to bless the good actor.
The Risk of Exploitation

In the Prisoner’s Dilemma game, it is now well known that the best strategy over time is Tit-for-Tat. Following that strategy, a negotiator is cooperative (generous) to begin with – but when their counterpart is competitive (greedy) the negotiator reciprocates in kind. After this exchange the negotiator once again signals cooperation. The most effective negotiator is willing to suffer some losses (as compared to the negotiator who exclusively claims value) in order to change the overall game to cooperation (Axelrod 1984). One way of looking at this is that there is a price for being generous, when generosity is exploited.

Generosity responded to by relentless greed will ultimately be withdrawn, however, as in the Tit-for-Tat strategy. In the world of negotiation, it would be unwise to give away the store. Nonetheless, the initial display of a generous intent should, on average, have better consequences.

In Howards End, E. M. Forster (2000) described an incident in which a character leaves his umbrella in a theater, and it is taken by another. After the incident, the character regrets that he did not jealously guard his property. Forster, through another character, comments that some losses will be incurred by adopting a more trusting attitude towards human nature, but that if your trust is betrayed it is “rent to the ideal.” Where generosity is taken advantage of, at least the generosity was not exercised in expectation of reciprocity, and it can be seen as “rent to the ideal.”

Conclusion

Consider this real-life story. A U.S. company (“shipping company”) contracted to build and operate an offshore vessel which would process and store oil produced by an oil field in the Middle East. This was the largest vessel of its kind in the world and was specially designed for use at a particular oil terminal. The vessel left the shipyard where it was being constructed a few days late, and the terminal owner abrogated the contract “because of” the late delivery (as it was entitled to do under the contract) – and then renegotiated the contract with the shipping company to a much lower daily rate. In other words, the terminal owner perceived the game as one of “hardball”: because the vessel was specially built for the particular terminal and could not be used elsewhere in the world, the terminal took advantage of the late delivery to obtain a much better deal from the shipping company.

About sixteen months later, the terminal wanted some special equipment installed on the offshore vessel, as now legally required by the local environmental authorities. The terminal offered to pay the full cost of the installation, and also to pay the shipping company
an additional daily amount to compensate for the cost of operating the new equipment. While the shipping company believed the cost of operating the new equipment would be no more than a few hundred dollars per day, sensing that it had the terminal over a barrel, and in an effort to try to recoup some of the losses caused by the cancellation of the original contract, it requested an increase in the daily rate for the vessel in the amount of $15,000 per day.

The terminal viewed this as extortion. They found another way to comply with the environmental requirement, without paying the shipping company a single additional dollar.

A year later, the shipping company and the terminal met to discuss extending the contract. Each needed the other – the offshore vessel was essential for the success of the terminal, and the shipping company had no other opportunity for the vessel. Yet they could not close on certain key issues: the terminal recalled having been held up by the shipping company and vowed never to let it happen again, even though they were the original “hardball player” in the deal. In other words, the shipping company’s effort to extort $15,000 per day for something that was at best worth a few hundred dollars per day created a level of distrust which undermined the bargaining. At the same time, the shipping company never forgot that the terminal cancelled the original contract even though the vessel was only a few days late.

Is it fanciful to imagine what might have happened had the terminal been forgiving with respect to the relatively minor delay at the shipyard, or had the shipping company offered to operate the new equipment at no charge? We think not (and see Rose 2006 for practical support, in another industry where “hardball players” are not uncommon). Generosity here would have taken its inverse form, of not being opportunistic when an opportunity presents itself. We think the big contract, so crucial to both companies, would likely have been concluded without unnecessary transaction costs and delays. Instead, these very real companies are now mired in impasse over every small issue.

Why was generosity neglected by these negotiators? Beyond religious teachings, we believe generosity should be seen as a basic human value relevant in commercial, and other, dealings. As Robert Ashby, a well-known British humanist, said, “Our evolved history and moral sensibility have given us shared human values and the ability to empathize with others” (Ashby 2001: 59). Many of us are generous in our daily lives with our colleagues, family and friends. When we negotiate, should we lose this attitude of magnanimity, and raise our defenses? What pays off better – short term and long term? Ask the shipping company and the terminal owner.
So, what do you “know” about negotiation that you do not find in the books? Does a warm smile help lead to a good deal? Does “breaking bread together” help? By all means, study up on best alternatives to a negotiated agreement (BATNAs), zones of possible agreement (ZOPAs), and positions and interests. But do not neglect what you know in your heart and what you learn from religion. You might get the best deals, in the long run, if you are generous – and generous about not being too “strategic,” too.

Notes

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1 Cited in Baha’i Funds and Contributions, p. 16 (Also available at http://bahai-library.com/compilation_funds_contributions).

2 The authors thank Rabbi Adam Berner for his many insights.

References


Appendix

Imagine that the following has happened to you here in Berlin:
You arranged over the internet to rent an apartment in Berlin for the two weeks you are here. You also arranged to share the apartment with a colleague from Italy who is also taking the course at Humboldt University. The apartment cost 450 euros for two weeks, as it is a thirty-minute bus ride from the Mitte (the center of town) and Humboldt.

When you arrived in Berlin, the apartment was fine, but your roommate never appeared. She was, however, at the program on Monday morning, and she told you that her plans changed when her boyfriend decided to come with her to Berlin. She tried to call you but never got an answer. She left a voicemail message for you, but you did not get it because you don’t check voicemail. She simply forgot to send an email or a text, which is how you always communicate. It seems that everyone in the program has housing, though you haven’t asked about other Humboldt students, as you don’t want an absolute stranger for a roommate.

You would like her to pay you 225 euros, her share of the apartment cost. She says she cannot afford that, but is willing to pay seventy-five euros. You don’t want to have bad feelings with another student, but you don’t know if you can find someone acceptable to take her place. You do enjoy having more space to yourself, but you’re paying more than you planned.

You went to coffee with her to discuss this and she generously offered to pay the bill for coffee and pastry, which you appreciated and accepted. You also felt good that she was concerned that the situation was difficult for you. You did not accept her proposal for seventy-five euros at the time. You told her you would think about it. Do you accept her offer? Check one:

________ yes  __________ no

The second questionnaire was identical to the one above except that it did not have the highlighted paragraph.