PREFACE
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This study seeks to examine and analyze contemporary far Asian international business negotiations to develop a theoretical perspective--a subject which has received growing importance in the years since the Second World War.

The classic state-centric paradigm assumes that states are the only significant actors in world politics, and that they act as units. It is maintained that diverse governmental interests have effect on international politics only through government-to-government channels. Intersecting interests and interactions are relegated to a category of secondary importance--the 'environment' of international politics.

This model was approximated in the early twentieth century when foreign policy decisions were taken by small groups of persons, often with an environment that was less autonomous and complex than the present one. Today, many new kinds of parliaments, international businesses, institutions, and alliances are being formed between transnational actors and between these actors and governments.
and segments of governments and international organizations. These are beginning to be recognized as substantial by students of international relations.

A sophisticated analysis of contemporary international politics cannot ignore this variety of bargaining situations or the differences in outcomes among issues' areas. The state centric view--often fails to forecast outcomes correctly, and state centric theories are not very good at explaining such outcomes even when the forecasts are correct.

Foreign policies of nations are formulated and implemented to secure and promote national interest. The economic component of national interest, obviously, is of fundamental importance. It may even be argued that the strategic interests focus on protecting this. The economic dimension of diplomacy may be further subdivided in the twin inter-related realms of aid and trade. While aid has been the domain of inter-governmental negotiations, trade (including trade terms and technology transfers in the corporate sector) have remained comparatively neglected. This work strives to make a modest contribution in this direction.
The subject is of great interest and importance. At the level of participation, there is a great variety of actors—both governmental and non-governmental. Concerns of international business impinge on almost all definitions of national interest. From purchase of weapons systems to transfers of technology, from tariff barriers, price control and quotas to non-tariff barriers, impending the free flow of capital and goods like dumping, issues of dominations and dependence are inextricably involved in contemporary business negotiations. It may be reasonably suggested that international business and international political negotiations deal increasingly with the same basis/economic issues. Even if this is not conceded, the overlap is too obvious and influential to overlook.

International business negotiations today are not confined merely to routine matter of legitimate or unfair trade practices or the volume of trade, but are inevitably concerned with the issues of stability and security. It may also be argued that the international business often plays a decisive role in shaping the destinies of smaller nations and one should not think that the subject is of interest to super powers or major powers only.
The study of international business negotiations promises to afford many valuable insights into the nature of contemporary international negotiations (bargaining strategies and negotiating techniques). A comparative study through selected issue analyses and case studies would help us to understand better the linkages between pressure groups and governmental policies; individuals and organizations as well as the comprehend the manipulative potential of technology transfers. The relationship between private investment/merchant banking and mounting debt crisis in the Third World too would be better understood. Again, the efficacy or futility of international economic sanctions depends crucially on the co-operation or otherwise of multinational enterprises.

In countries like India where a mixed economy model operates, co-operation and conflict between the public sector and entrepreneurs in the private sector can put different emphasis and offer conflicting definitions of national interest. This may at times complicate the task of foreign policy formulation and outlining the goals and objectives. Without an objective study of contemporary international business negotiations, it would be difficult to devise an appropriate 'diplomatic strategy'.
Research Methodology

The methodological approach adopted in this study is empirico-analytical. Selected illustrated case studies have been combined with issue analysis. The texts of various agreements, reports, etc., have been examined in their context to assess the success or otherwise of a bargaining encounter. Some additional data has also been generated through interviews. The central focus is to review the international business negotiations since past second world war and distil the elements of diplomatic skill.

Chapter Scheme

This work is divided into seven chapters followed by a conclusion. It begins with a brief theoretical overview of international negotiations which provides conceptual framework.

The second chapter 'National Interest and International Business' seeks to examine the relationship between national interest and international business as external relations of state are guided by their national interests. Here, emphasis is on the post second world war era.
Chapter three deals with the general issues in international business negotiations. While the first part highlights the issues, in the second part issue based case studies have been undertaken.

For real understanding of the outcomes of negotiations one needs to analyse in terms of interests, structures, processes and resources. This is the theme of chapter four. After a brief theoretical background two cases of global business negotiations have been analysed. While GATT is regarded as 'rich men's club' UNCTAD is dominated by the developing countries. Tokyo Round and UNCTAD negotiations over Integrated Programme for Commodities (IPC) represent two parallel major events of global negotiations. A comparative study of the two provides important lessons for North-South dialogue.

Trade has vital linkage with debt crisis. A major cause of debt-crisis in most of the Third World countries is trade imbalance. Conversely, debt crisis has enduring effect on trade of the affected country as well as on international trade system. The largest concentration of debtor countries is in Latin America from where the present crisis started in 1982. Interestingly, most of their debt is owed to the private merchant banks. In the fifth chapter debt renegotiation in Latin
America has been discussed. Mexico, Brazil and Venezuela represent three different case studies. Their experience in debt management has many lessons for international debt crisis management.

Trade has been often used as bargaining chip for favourable policy change in the target states. In conflict resolution, economic sanctions have been used to induce a government to change its policies by exploiting its dependence on trade. The latest and most talked about case of economic sanctions is South Africa. Chapter six discusses the impact of economic sanctions on the apartheid regime in South Africa. Chapter seven deals with technology transfer in the non-military sector. In recent years, Japan has emerged as a major source of technology transfer. In the field of automobile industry, it has left the United States far behind. The case study of Maruti Industry strives to spell out the nuances of technology transfer negotiations between a developing and a developed non-western power.

In the concluding chapter an overall assessment of the preceding themes has been undertaken. It is aimed at drawing lessons for future international business negotiations.
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There should be no need to emphasize that I alone am responsible for the views expressed and the conclusions arrived at.

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(SURYA KANT TIWARI)