Interest groups and the public

Negotiations seldom take place in a vacuum. Even in the simplest of situations the two parties need to take certain considerations into account: their positions, objectives, strategies or conduct are in part determined from outside of them, so to speak. If I want to buy a new car, my wife’s preferences will automatically be a part of the equation – she may even want to be present when the choice of model is made, that is to say at the negotiation at the motor showroom. And while such situations can be difficult enough in the private sphere, they become much more complicated at the business level. The buyer for a chain of stores doesn’t purchase 5,000 pairs of trainers on his own account, but on behalf of the company he works for. As such, the freedom of movement he is given by the store will have certain limitations. The more important the business at hand, the higher the level at which he needs to consult the decision-makers, and first sell them his ideas at the internal level. This is also true for the diplomat involved in preliminary negotiations for a free trade agreement, say, who will need to consult with his superiors every step of the way (while the latter have to do the same with respect to their respective governments). Even the president or chief executive officer of a company cannot act completely independently of his board of directors or the company’s shareholders. Depending on their degree of involvement, these groups will attentively follow the course of business and the market quotations and intervene as they think fit – at the very least the managing director must reckon with this as a possibility. So in the private economy, too, important agreements very often involve internal negotiations with major interest groups or mandators in the same camp. Figure 10-1 shows how these double-edged interactions effectively consist of at least two different sets of negotiations, one against the other side, and the
other with and sometimes against the internal constituencies. Thus both principal negotiators might have to negotiate internally with their respective mandators or interest groups (e.g. other government ministries or other company business units).

The need to take all these additional people and groups into account has a considerable impact on the situation of the negotiator. Bilateral negotiations can take on a multilateral air even when no other parties are officially involved. The nature of such negotiations changes, too: it is as though suddenly additional participants had come to the conference table. All this makes for considerably more complex and difficult negotiations.

Any negotiations that have social, political or economic significance will of course come under the spotlight of public opinion and the media. As a result, the mandators and the constituent members of the opponent’s camp can be specifically targeted and influenced. We shall deal with these later in a separate section. The main purpose of the present chapter is to give an indication of the enormous impact that stakeholder groups can exert on the negotiators’ behaviour and the course and outcome of their negotiations.