**Cross Cultural Management**

**Unit-3**

**(Conflict and Negotiation)**

**Gender, Gender Differences**

**Gender**

Gender is the range of characteristics pertaining to, and differentiating between, masculinity and femininity. Depending on the context, these characteristics may include biological sex (i.e., the state of being male, female, or an intersex variation), sex-based social structures (i.e., gender roles), or gender identity. Traditionally, people who identify as men or women or use masculine or feminine gender pronouns are using a system of gender binary whereas those who exist outside these groups fall under the umbrella terms non-binary or genderqueer.

Sexologist John Money introduced the terminological distinction between biological sex and gender as a role in 1955. Before his work, it was uncommon to use the word gender to refer to anything but grammatical categories. However, Money’s meaning of the word did not become widespread until the 1970s, when feminist theory embraced the concept of a distinction between biological sex and the social construct of gender. Today, the distinction is followed in some contexts, especially the social sciences and documents written by the World Health Organization (WHO).

**Gender Differences**

Gender differences have been much in the news lately. It’s a topic that exerts a powerful attraction, beguiling scientists and lay people alike.

Those of the opinion that the abilities – and thus the responsibilities – of women and men are innately different have been encouraged. Asserting that “males have better motor and spatial abilities, whereas females have superior memory and social cognition skills”, that the explanation lies in the different ways in which the brains of men and women are wired. And as usual with such research, it’s assumed that differences discovered with a brain scan are innate.

For example, though we seem content to speculate over which sex is more adept at “multi-tasking” or “spatial awareness”, when it comes to mental health differences a baffling silence has prevailed. And yet our analysis of the international epidemiological data indicates that in any given year rates of psychological disorders are 20-40% higher in women than men, with the discrepancy especially marked for common problems such as anxiety, depression and insomnia.

**Multiethnicity, Religion, Geography Body Language**

**Multiethnicity** is that dream, that ideal put in practice, that all of God’s people – of every tribe, tongue, and nation – are welcome and cherished in God’s kingdom. It is the hope and vision of a community of Christ followers that represent the diversity of God’s creation. It is the belief that, indeed, all men and women, are created equal and have value before God and value to the rest of the Body of Christ. It is understanding that all of who we are – our ethnicity and culture – matters to God as valuable parts of our identity. It is the vision that here, in our diverse context, we can honor, celebrate, and utilize the diversity God has given us for the sake of His Kingdom, reaching people of every ethnicity and culture.

Multiethnicity is the task of learning about ourselves and learning about others. It is the hard work of understanding what makes us tick and what makes others do the same – or different. It is the work of loving each other and working together despite our differences. It is creating safe places within the Body of Christ where people of all ethnicities can feel at home and worship God in a way that feels both natural yet stretches us to know more about a God who is Lord of all peoples. It is the work of contextualizing ministry and approach in order to reach people of all types. This includes thinking hard about how we do “fellowship”, how we evangelize, how we lead, how we care for one another. It is the task of fostering open and honest communities that can talk about race and ethnicity in a way that leads to wholeness and reconciliation.

**Religion**

Religion is a cultural system of designated behaviors and practices, morals, worldviews, texts, sanctified places, prophecies, ethics, or organizations that relates humanity to supernatural, transcendental, or spiritual elements. However, there is no scholarly consensus over what precisely constitutes a religion.

Different religions may or may not contain various elements ranging from the divine, sacred things, faith, a supernatural being or supernatural beings or “some sort of ultimacy and transcendence that will provide norms and power for the rest of life”. Religious practices may include rituals, sermons, commemoration or veneration (of deities), sacrifices, festivals, feasts, trances, initiations, funerary services, matrimonial services, meditation, prayer, music, art, dance, public service, or other aspects of human culture. Religions have sacred histories and narratives, which may be preserved in sacred scriptures, and symbols and holy places, that aim mostly to give a meaning to life. Religions may contain symbolic stories, which are sometimes said by followers to be true, that have the side purpose of explaining the origin of life, the universe, and other things. Traditionally, faith, in addition to reason, has been considered a source of religious beliefs.

There are an estimated 10,000 distinct religions worldwide, but about 84% of the world’s population is affiliated with one of the five largest religion groups, namely Christianity, Islam, Hinduism, Buddhism or forms of folk religion. The religiously unaffiliated demographic includes those who do not identify with any particular religion, atheists, and agnostics. While the religiously unaffiliated have grown globally, many of the religiously unaffiliated still have various religious beliefs.

**Geography Body Language**

Geographical research about “the body” started to develop in early 1990s when feminist geographers highlighted the ways in which bodies are important sites that enable a disruption of masculinist thought through the consideration of all matters “bodily” as important to the production of knowledge. This was initiated, in part, by the cultural turn which, as argued in Feminism and Geography: The Limits of Geographical Knowledge (Cambridge, UK: Polity, 1993), allowed for scientific and positivist ways of thinking to be challenged, opening up disciplinary borders. The definition of the “the body” is often contested: it is understood as a material, fleshy, and corporeal object made up of organs, bones, and skin, but also as a social, cultural, and discursive construction that comes into social existence through relations of power and language. Geographers bring a unique spatial contribution to bodies, arguing that they are places where discourse and power relations are simultaneously mapped, embodied, and resisted, and where identities are performed and constructed. Geographers also argue that bodies are spatially contingent; in other words, the ways bodies are performed shift in and across space (and time), with readings and understandings of such embodied performances simultaneously varying spatially. Geographical work on the body has since expanded, providing rich conceptualizations of bodies and embodiment. These include identity intersections of gender, sexuality, fatness, size, shape, religion, race, ethnicity, age, class, health, and (dis)abilities. It also includes bodies in their everyday spaces such as the street, home, and places of work; some recent work has started to think about bodies as central to geopolitics at multiple scales. Other work has engaged with the messy materiality of bodies that have biological and physiological requirements and productions in the context of geographies of Consumption and bodily fluids.

**The Culture of Poverty**

The culture of poverty theory states that living in conditions of pervasive poverty will lead to the development of a culture or subculture adapted to those conditions. This culture is characterized by pervasive feelings of helplessness, dependency, marginality, and powerlessness. Furthermore, Lewis described individuals living within a culture of poverty as having little or no sense of history and therefore lacking the knowledge to alleviate their own conditions through collective action, instead focusing solely on their own troubles. Thus, for Lewis, the imposition of poverty on a population was the structural cause of the development of a culture of poverty, which then becomes autonomous, as behaviors and attitudes developed within a culture of poverty get passed down to subsequent generations through socialization processes.

The **culture of poverty theory** has had a tremendous impact on U.S. public policy, forming the basis for public policy toward the poor since the early to mid-1960s and strongly influencing President Lyndon Johnson’s War on Poverty. In 1965 Senator Daniel Patrick Moynihan authored a report entitled “The Negro Family: The Case for National Action.” In the report Moynihan stated that poor blacks in the United States were caught in a “tangle of pathology,” the core reason for which was the breakdown of the black family—specifically the decline of the traditional male-headed household, resulting in a deviant matriarchal family structure. In Moynihan’s conception, this family breakdown was responsible for the failure of black males to succeed, both in school and later in jobs, and that this failure was transmitted down generations. Moynihan argued that the origins of this deviant family structure lay in slavery, where the destruction of the “**traditional**” family “broke the will of the Negro people,” particularly black males. This sense of powerlessness led to, in essence, a culture of dependency.

**Hofstede’s Cultural Dimensions**

Psychologist Dr Geert Hofstede published his cultural dimensions model at the end of the 1970s, based on a decade of research. Since then, it’s become an internationally recognized standard for understanding cultural differences.

Hofstede studied people who worked for IBM in more than 50 countries. Initially, he identified four dimensions that could distinguish one culture from another. Later, he added fifth and sixth dimensions, in cooperation with Drs Michael H. Bond and Michael Minkov. These are:

1. Power Distance Index (high versus low).
2. Individualism Versus Collectivism.
3. Masculinity Versus Femininity.
4. Uncertainty Avoidance Index (high versus low).
5. Pragmatic Versus Normative.
6. Indulgence Versus Restraint.

**1. Power Distance Index (PDI)**

This refers to the degree of inequality that exists – and is accepted – between people with and without power.

A high PDI score indicates that a society accepts an unequal, hierarchical distribution of power, and that people understand “their place” in the system. A low PDI score means that power is shared and is widely dispersed, and that society members do not accept situations where power is distributed unequally.

**Application:** According to the model, in a high PDI country, such as **Malaysia**  (100), team members will not initiate any action, and they like to be guided and directed to complete a task. If a manager doesn’t take charge, they may think that the task isn’t important.

| **PDI** | **Characteristics** | **Tips** |
| --- | --- | --- |
| **High PDI** | · Centralized organizations.    · More complex hierarchies.  · Large gaps in compensation, authority and respect. | · Acknowledge a leader’s status. As an outsider, you may try to circumvent his or her power, but don’t push back explicitly.    · Be aware that you may need to go to the top for answers. |
| **Low PDI** | ·  Flatter organizations.    ·  Supervisors and employees are considered almost as equals. | · Delegate as much as possible.    · Ideally, involve all those in decision making who will be directly affected by the decision. |

**2. Individualism Versus Collectivism (IDV)**

This refers to the strength of the ties that people have to others within their community.

A high IDV score indicates weak interpersonal connection among those who are not part of a core “family.” Here, people take less responsibility for others’ actions and outcomes.

In a collectivist society, however, people are supposed to be loyal to the group to which they belong, and, in exchange, the group will defend their interests. The group itself is normally larger, and people take responsibility for one another’s wellbeing.

**Application:** Central American countries **Panama** and **Guatemala** have very low IDV scores (11 and six, respectively). In these countries, as an example, a marketing campaign that emphasizes benefits to the community would likely be understood and well received, as long as the people addressed feel part of the same group.

| **IDV** | **Characteristics** | **Tips** |
| --- | --- | --- |
| **High IDV** | · High value placed on people’s time and their need for privacy and freedom.    · An enjoyment of challenges, and an expectation of individual rewards for hard work.  · Respect for privacy. | · Acknowledge individual accomplishments.    · Don’t mix work life with social life too much.  · Encourage debate and expression of people’s own ideas. |
| **Low IDV** | · Emphasis on building skills and becoming master of something.    · People work for intrinsic rewards.  · Maintaining harmony among group members overrides other moral issues. | · Wisdom is important.    ·  Suppress feelings and emotions that may endanger harmony.  ·   Avoid giving negative feedback in public.  · Saying “No” can cause loss of face, unless it’s intended to be polite. For example, declining an invitation several times is expected. |

**3. Masculinity Versus Femininity (MAS)**

This refers to the distribution of roles between men and women. In masculine societies, the roles of men and women overlap less, and men are expected to behave assertively. Demonstrating your success, and being strong and fast, are seen as positive characteristics.

In feminine societies, however, there is a great deal of overlap between male and female roles, and modesty is perceived as a virtue. Greater importance is placed on good relationships with your direct supervisors, or working with people who cooperate well with one another.

The gap between men’s and women’s values is largest in **Japan**  and **Austria**, with MAS scores of 95 and 79 respectively. In both countries, men score highly for exhibiting “tough,” masculine values and behaviors, but, in fact, women also score relatively highly for having masculine values, though on average lower than men.

**Application:** As we’ve highlighted, Japan has the highest MAS score of 95, whereas **Sweden** has the lowest measured value of five. Therefore, if you open an office in **Japan**, you should recognize you are operating in a hierarchical, deferential and traditionally patriarchal society. Long hours are the norm, and this, in turn, can make it harder for female team members to gain advancement, due to family commitments.

At the same time, Japan is a culture where all children (male and female) learn the value of competition and winning as part of a team from a young age. Therefore, female team members are just as likely to display these notionally masculine traits as their male colleagues.

By comparison, **Sweden** is a very feminine society, according to Hofstede’s model. Here, people focus on managing through discussion, consensus, compromise, and negotiation.

| **MAS** | **Characteristics** | **Tips** |
| --- | --- | --- |
| **High MAS** | · Strong egos – feelings of pride and importance are attributed to status.    · Money and achievement are important. | · Be aware of the possibility of differentiated gender roles.    · A long-hours culture may be the norm, so recognize its opportunities and risks.  · People are motivated by precise targets, and by being able to show that they achieved them either as a group or as individuals. |
| **Low MAS** | · Relationship oriented/consensual.    · More focus on quality of life. | · Success is more likely to be achieved through negotiation, collaboration and input from all levels.    · Avoid an “old boys’ club” mentality, although this may still exist.  · Workplace flexibility and work-life balance may be important, both in terms of job design, organizational environment and culture, and the way that performance management can be best realized. |

**4. Uncertainty Avoidance Index (UAI)**

This dimension describes how well people can cope with anxiety.

In societies that score highly for Uncertainty Avoidance, people attempt to make life as predictable and controllable as possible. If they find that they can’t control their own lives, they may be tempted to stop trying. These people may refer to “mañana,” or put their fate “in the hands of God.”

People in low UAI-scoring countries are more relaxed, open or inclusive.

Bear in mind that avoiding uncertainty is not necessarily the same as avoiding risk. Hofstede argues that you may find people in high-scoring countries who are prepared to engage in risky behavior, precisely because it reduces ambiguities, or in order to avoid failure.

**Application:** In Hofstede’s model, **Greece** tops the UAI scale with 100, while **Singapore** scores the lowest with eight.

Therefore, during a meeting in Greece, you might be keen to generate discussion, because you recognize that there’s a cultural tendency for team members to make the safest, most conservative decisions, despite any emotional outbursts. Your aim is to encourage them to become more open to different ideas and approaches, but it may be helpful to provide a relatively limited, structured set of options or solutions.

| **UAI** | **Characteristics** | **Tips** |
| --- | --- | --- |
| **High UAI** | · Conservative, rigid and structured, unless the danger of failure requires a more flexible attitude.    · Many societal conventions.  · People are expressive, and are allowed to show anger or emotions, if necessary.  · A high energy society, if people feel that they are in control of their life instead of feeling overwhelmed by life’s vagaries. | · Be clear and concise about expectations and goals, and set clearly defined parameters. But encourage creative thinking and dialogue where you can.    · Recognize that there may be unspoken “rules” or cultural expectations you need to learn.  · Recognize that emotion, anger and vigorous hand gestures may simply be part of the conversation. |
| **Low UAI** | · Openness to change or innovation, and generally inclusive.    · More inclined to open-ended learning or decision making.  · Less sense of urgency. | · Ensure that people remain focused, but don’t create too much structure.    · Titles are less important, so avoid “showing off” your knowledge or experience. Respect is given to those who can cope under all circumstances. |

**5. Pragmatic Versus Normative (PRA)**

This dimension is also known as Long-Term Orientation. It refers to the degree to which people need to explain the inexplicable, and is strongly related to religiosity and nationalism.

This dimension was only added recently, so it lacks the depth of data of the first four dimensions. However, in general terms, countries that score highly for PRA tend to be pragmatic, modest, long-term oriented, and more thrifty. In low-scoring countries, people tend to be religious and nationalistic. Self-enhancement is also important here, along with a person’s desire to please their parents.

**Application:** The U.S. has a normative score. This is reflected in the importance of short-term gains and quick results (profit and loss statements are quarterly, for example). It is also reflected in strong normative positions politically and socially.

| **PRA** | **Characteristics** | **Tips** |
| --- | --- | --- |
| **Pragmatic** | · People often wonder how to know what is true. For example, questions like “What?” and “How?” are asked more than “Why?”    · Thrift and education are seen as positive values.  · Modesty.  · Virtues and obligations are emphasized. | · Behave in a modest way.    · Avoid talking too much about yourself.  · People are more willing to compromise, yet this may not always be clear to outsiders; this is certainly so in a culture that also scores high on PDI. |
| **Normative** | · People often want to know “Why?”    · Strong convictions.  · As people tend to oversell themselves, others will assess their assertions critically.  ·  Values and rights are emphasized. | · Sell yourself to be taken seriously.    ·  People are less willing to compromise as this would be seen as weakness.  · Flattery empowers. |

**6. Indulgence Versus Restraint (IVR)**

Hofstede’s sixth dimension, discovered and described together with Michael Minkov, is also relatively new, and is therefore accompanied by less data.

Countries with a high IVR score allow or encourage relatively free gratification of people’s own drives and emotions, such as enjoying life and having fun. In a society with a low IVR score, there is more emphasis on suppressing gratification and more regulation of people’s conduct and behavior, and there are stricter social norms.

**Application:** According to the model, Eastern European countries, including Russia, have a low IVR score. Hofstede argues that these countries are characterized by a restrained culture, where there is a tendency towards pessimism. People put little emphasis on leisure time and, as the title suggests, people try to restrain themselves to a high degree.

| **PDI** | **Characteristics** | **Tips** |
| --- | --- | --- |
| **High Indulgence** | ·         Optimistic.    ·         Importance of freedom of speech.  ·         Focus on personal happiness. | ·         Don’t take life too seriously.    ·         Encourage debate and dialogue in meetings or decision making.  ·         Prioritize feedback, coaching and mentoring.  ·         Emphasize flexible working and work-life balance. |
| **High Restraint** | ·         Pessimistic.    ·         More controlled and rigid behavior. | ·         Avoid making jokes when engaged in formal sessions. Instead, be professional.    ·         Only express negativity about the world during informal meetings. |

**Cultural Aspects of International Business Negotiations**

The basis for much of this **international business** activity begins with agreements reached between firms. Reaching satisfactory agreements requires negotiation and give and take by representatives from each firm, so that any important differences between firms can be eliminated. One potential barrier to this process may come from the cultural uniqueness that is present in each country. These cultural differences can and do impact behavior and understanding.

When negotiating internationally, ideas, expectations, and behavior can be culturally unique. Discussion and communication may be impeded because two sides think and act differently. When two people who think and behave differently attempt to communicate, the potential for disagreement and misunderstanding is great. For example, members of different cultures may focus on different aspects of an agreement. The implementation of a business agreement may be stressed in one culture, while the prevention of practical problems emphasized in another culture. In some cultures the attention of people may be directed more towards the specific details of the agreement, while other cultures may focus on how promises can be kept. Culture may cause people to view, or to value differently, the social interactions inherent in fashioning a business agreement. Different cultural systems could produce divergent negotiating styles, styles shaped by a nation’s culture, language, geography, history, and political system (Herbig and Kramer, 1991).

**Negotiation Process**

**Negotiation** process permeates the interactions of almost everyone in groups and organizations.

In today’s loosely structured organizations, in which members work with colleagues over whom they have no direct authority and with whom they may not even share a common boss, negotiation skills become critical.

The 5 steps of the negotiation process are:



1. Preparation and Planning.
2. Definition of Ground Rules.
3. Clarification and Justification.
4. Bargaining and Problem Solving.
5. Closure and Implementation.

**1. Preparation and Planning**

Before the start of negations, one must be aware of the conflict, the history leading to the negotiation of the people involved and their perception of the conflict expectations from the negotiations etc.

Before starting the negotiation, it needs to do homework.

What’s the nature of the conflict? What’s the history leading up to this negotiation?

Who’s involved and what are their perceptions of the conflict? Moreover before any negotiation takes place; a decision needs to be taken as to when and where a meeting will take place to discuss the problem and who will attend.

Setting a limited time-scale can also be helpful to prevent disagreement from continuing. This stage involves ensuring all the pertinent facts of the situation are known in order to clarify own position.

It also needs to prepare an assessment of what the other parties’ negotiation’s goals are. What are they likely to ask for?

**2. Definition of Ground Rules**

Once the planning and strategy are developed, one has to begin defining the ground rules and procedures with the other party over the negotiation itself that will do the negotiation. Where will it take place?

What time constraints, if any will apply? To what issues will negotiations be limited? Will, there be a specific procedure to follow in an impasse is reached? During this phase, the parties will also exchange their initial proposals or demands.

**3. Clarification and Justification**

When initial positions have been exchanged both the parties will explain amplify, clarify, bolster and justify their original demands. This need not be confrontational.

Rather it is an opportunity for educating and informing each other on the issues why they are important and how each arrived at their initial demands.

This is the point where one party might want to provide the other party with any documentation that helps support its position.

**4. Bargaining and Problem Solving**

The essence of the negotiation process is the actual give and take in trying to hash out an agreement, a proper bargain. It is here where concessions will undoubtedly need to be made by both parties.

**5. Closure and Implementation**

The final step in the negotiation process is formalization the agreement that has been worked out and developing and procedures that are necessary for implementation and monitoring.

For major negotiations – this will require hammering out the specifics in a formal contract.

Negotiation Process has five stages. In all steps of a negotiation process, the involved parties bargain at a systematic way to decide how to allocate scarce resources and maintain each other’s interest.

**Negotiation Strategies**

When doing business we don’t have a choice as to whether or not we negotiate.  The only choice we have is how well we negotiate.  We all go through some sort of negotiation each day.  We promote products, services, thoughts: supervisors use negotiating skills to motivate employees, set budgets and timelines, employees negotiate for promotions and raises, parents negotiate with their children to clean up and spouses negotiate each time they decide how to manage their time or finances.

**Essential Negotiation Strategies**

1. **You Can Negotiate Anything**

The first thing you should know about negotiating is that everything is fair game, not just cars and houses. At stores, we tend to look at price tags and presume that the offer is final. It rarely ever is. At the very minimum, you should always ask the clerk if they have any coupons available or if any other discounts apply.

1. **Ask to Speak With a Manager or Owner**

Most sales clerks don’t really care if you make a purchase or not. They’re getting paid minimum wage, and your purchases won’t put any more money in their pocket. So the second step is to find the person at the store who will directly benefit from the sale. Ideally, you will want to speak with the owner of a small store, but that is impossible with bigger retailers.

1. **Keep a Poker Face**

If you see an item you want and exclaim loudly that it’s perfect and that you’ve been seeking it for all of your life, there is little incentive for the other party to negotiate. Always keep your cool and don’t display any unusual interest in the item. When asked, limit your enthusiasm while unfavorably comparing it to other products. Then suggest that you might still be interested for the right price.

The strength of your negotiating position relies on your actual alternatives to this deal. As a buyer, you should never fixate on a single product; always shop around and keep your options open. As a seller, you should always be prepared to seek more potential buyers.

1. **Don’t Make the First Offer and Don’t Negotiate with Yourself**

Whether you are buying or selling, you never want to make the first offer. Why? Because the other party may offer a price that is a much better deal than what you initially had in mind. If you’re buying, consider the starting point to be the list price, but make it clear that the price is too high. From there, ask the seller if there is any flexibility and force the seller to offer you a lower price. It is only at that point you should make your first offer.

But once you have made your offer, do not volunteer another price unless and until the other party has responded with a counteroffer. Expect the negotiations to be a back-and-forth process, but remain confident throughout.

1. **Bundle**

A great way to augment your negotiation over price is to include other items. When you reach an impasse in your negotiations, an offer to purchase multiple quantities of the item or additional items might trigger flexibility on the part of the seller.

The seller may be willing to lose a customer if it’s a single item. But when a seller has the opportunity to make a much larger transaction, there is a much greater likelihood he will be amenable to a lower price.

1. **Barter**

Do you have any items that might be of interest to the seller? Could you offer some services that would be of value to the seller? Consider making a trade to eliminate or significantly offset the need for actual dollars in a transaction. The idea is to use creativity in order to reach a deal that might otherwise not come to fruition. As a starting point, you can find many bartering websites online.

1. **Use Silence and Time as a Tactic**

Never respond too quickly to an offer. Pausing or even suspending negotiations can convey that you’re not desperate to close the deal and that you have other options. Silence can force a surprising amount of pressure on the other party as well.

1. **Be Willing to Walk Away**

Even if it’s the car, television, or house of your dreams, if the seller won’t come down to the maximum price you have set for your budget, force yourself to walk out of the store or away from the deal. This strong stance more often than not will get you the price you’re looking for, as the seller doesn’t want to lose the sale. In flea markets and overseas, for example, I often get my best price only as I am literally walking away from the shop.

1. **Keep It Light**

You never want to let negotiations become too tense. Always feel free to smile and inject some humor in the conversation. Lightening up the mood can ingratiate you with your opponent while also conveying your negotiating strength. If you do not appear to be taking the negotiation extremely seriously, your opponent may conclude that you are ready to move on if you don’t get the price you want.

1. **Use Written Communication If Possible**

In foreign markets, it’s common to negotiate in writing on a pad using just numbers. This solves language barriers while producing a record of the negotiations. Furthermore, it’s just easier to communicate non-verbally when negotiating back and forth. Non-verbal communication strips away all of cues that one’s body language and tone of voice can give away – which is why most real estate deals are made through realtors and in writing.

Outside of foreign markets, you will find it easier to negotiate back and forth over email or even through an online chat for customer service. Email is a great medium for negotiating the purchase or sale of a car or other household goods on websites like Craigslist. Email also provides you with the time to analyze the situation and make an educated, non-panicked counteroffer.

1. **Practice**

The only way to become an expert negotiator is to practice a lot. In the United States, the closest things we have to traditional markets are flea markets and garage sales. Spending a day or two bickering over t-shirts or used furniture will improve your negotiating skills and give you the confidence that will be valuable when you purchase a car or a house. It’s also a great idea to practice in foreign countries, where bargaining is much more widely accepted and even expected.