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ECONOMIC POWER OF NEGOTIATION

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Abstract. The referential framework of the given study is determined by the increasingly concentrated interest in the characteristics as well as the forms of manifestation of power both in individual and a collective projection. The definitional profile of collective power, as a unit of measure of identity sufficiency, has an essential complement in the context of economic interdependence. Semantic dilation occurs with the recognition of the economic component in order to create a decision-making and influence model inside and outside. The model summarizes a strategic construct of legitimizing a power in an adjusted and balanced negotiation process that produces long-lasting advantages and benefits at low cost. Power becomes a micro and macroeconomic indicator since it provides a desire for recognition.

Keywords: *economic independence, economic sensitivity and vulnerability, international negotiation, economic power, negotiating power.*

Rezumat. Cadrul referențial al studiului dat este determinat de interesul tot mai concentrat pentru formele de manifestare a puterii atât într-o proiecție individuală cât și una colectivă. Profilul definițional al puterii colective, ca unitate de măsură a suficienței identitare, cunoaște o completare de esență în contextul interdependenței economice. Dilatația semantică se produce odată cu recunoașterea componentei economice în vederea realizării unui model decizional și de influență în interior și exterior. Modelul rezumă un construct strategic de legitimare a puterii într-un proces de negociere ajustat și echilibrat ce produce avantaje și beneficii de lungă durată cu costuri reduse. Puterea devine un indicator micro și macroeconomic din moment ce asigură o dorință de recunoaștere.

Cuvinte-cheie: *interdependență economică, senzitivitate și vulnerabilitate economică, negociere internațională, putere economică, putere de negociere.*

1. Introduction

The platform of positivist philosophy increases the phenomenon of power to the limit of the temptation to give in the connotation of an indecipherable mystery. The statement is supported by the phenomenology of the experiences we have lived when we have allowed ourselves to be engaged in a field of influence that does not have the form of the concrete, in other words it is not quantified or tangible. And yet it produces its invisible effect on us

and, as a result, what we generate consequently. It is easy to understand why societal activity perceives this experience as a Power Game, infusing the idea that „power is the ability to influence people’s behavior” [1, p. 6]. The guideline directs us to those who have ability to carry out actions, activities that generate a necessary change in the behavior of others. Since the negotiation process is a way „by which we get what we want from a person, in exchange for satisfying a need belonging to the negotiation partner” we consider it appropriate to carry out a discursive brainstorming session whose thematic target refers to the way power is represented in negotiation framework to generate efficiency [2, p. 2].

The purpose of the elaboration is to demonstrate that the request for a broad and ramified discussion on the concept of power coincides with the contemporary trends related to the globalization process, the foreshadowing of which implies in a general approach the reconfiguration of the pattern of exercising the power of a sovereign territorial state, with its distinct borders. As a result, globalization is interpreted in the new modern formula of global coexistence as the reconstitution of the power of the nation-state through the identification and exploitation of new patterns of manifestation and measurement of power. For context, we recall that some researchers object that in current conditions „economic productivity” along with „the will of the people and diplomatic skills” would be among those relevant factors of power [3, p.14]. Consequently, we assume that the necessary support in the equalization of a balance of power is development of the exercise of power that would create fertile conditions for the optimization of national competitive advantage. In the other words, the authority of power is directly proportional to the quality of communication in a negotiation to get others to comply with the thematic content of the national agenda. Decisions, the attribute of a power in a negotiation process, are connected to the negotiators own specific sources and resources, as well as to the sources and resources on whose behalf they negotiating. The impact of the decisions will influence the social, economic, political course and not only in several regions of the world, especially 80% of the world’s population lives on developing countries [4, p.33]. So, the key hypothesis from which we start in our research is that a developing country will be able to show negotiating power in a global interdependence framework, assuming its existing resource vulnerabilities and turning them into sources for reducing economic asymmetries.

2. Materials and Methods

The framework of the exploratory study for the cited case included an extensive and intensive approach, as a result the research expansion surface demonstrates the emergence of the concept of power. The perception of power, as an empirical source for the elaboration of hypotheses, connected with the philosophical, physical/ metaphysical, social-historical interpretation generated a multi-axial profile of investigation and offered the marking of a reference line for another framework for the use of power, the negotiation. Traditional methods such as observation, comparative discrimination of the effects that a discourse of power has, have facilitated the description of power according to the economic results it generates. As a result, the multi-aspect analysis of the concept of power develops a platform for verifying working hypotheses that demonstrate that economic status is acquired through coherent decisions in negotiating process. At the same time, the Venezuela folder is a case study method allowed the highlighting of evidence in order to create a platform for validating working hypotheses with reference to the retaliation of power as a paradigm of economic efficiency.

3. Results and Discussion

3.1. The theory of power

Despite the technological „virtues” that human civilization enjoys, the Power still remains the phenomenon that evokes the scaffolding experience. The intention to research Power requires a multi-paradigmatic approach, an additional pretext to give it a special status. Thus, the „processing” of the phenomenon requires a threefold approach: 1. Historical/social paradigm; 2. Philosophical paradigm; 3. The physical/metaphysical paradigm.

There is complete unanimity among researchers regarding its profound social character. Any social „becoming” in the long history of human civilization has taken care to protect itself against „external conditions by creating a defensive mechanism. Power thus appropriates the role of responsible leader of group resulting from the common social demand, which can simultaneously be interpreted as „accepted inequality” [5, p.12]. This performance consequently triggered a non- univocal perception of power: on the one hand what presupposes a condition of order, on the other hand what insinuates a relationship of forces with a specific indictment of manipulation, domination, coercion. Power has become a part of the culture, and the lens of promoting this culture sets the limits of our „freedoms” as well as our willingness to surrender them to the ones we have identified to represent us as well as defend us against any danger. The constitution of this relationship of interdependence between individual power and group power also projects a reasoning that tends to unlock the secrets of real versus potential power: you can have freedom without having power and have power without having freedom. The axiom leads to certain typology of power, which, in the view of some scholars, is divided into „the power to do” also called concrete power as well as „power over to someone” or in the other words social power [5, p. 36].

The first variety invokes results acquired from the reservoir of personal qualities, the second makes use of much more complex process. To understand *the mechanism of power in society*, we conclude from cited source, we must understand the interest of endogenous/exogenous individuals and social groups, derived from their motivational structure. In the other words, the behavioral method, based on the theory of action by knowing the individual’s choice situation, will allow the ordering of objectives, without which there is no exercise of power as manifestation of order and not only. The logical suspense that interferes slips into area of maximum responsibility of the power „given” by society. The exerting of power simultaneously involves the distribution and administration of resources. The final conclusion clearly establishes the costs and benefits of knowing the mechanism of access to social-power, by agreeing to the problems of collective supply and demand [5, p. 59-79]. We hypothesize that whoever cultivates a behavioral pattern in a choice situation will end up holding power of power.

The traditional of classical German philosophy, for example Nietzsche, the concept of power joins with the historical paradigm of interpretation. Spotted as the will of power, it is seen as an immanent appropriation of the universe, of organic life. The finding brings us closer to understanding power as a cause of our existence, which validates another hidden truth, namely that power is a manifestation of the will to be. The certainty of the above comment is found in the sequence „life is a form of processes of establishing strength, processes in which different combatants in turn develop unequally” [6, p. 395]. The modern option of the given philosophy is found in the words of Metzeltin Michel „every individual tends to make constant proof of the fact that he enjoys some power, in order to affirm and

confirm his vitality” [7, p. 33]. Therefore, the purpose of knowledge, as the law of the progress, is to master. Even if the instinctive struggle of the individual promulgates the idea that power is the emanation potency of his energy, the philosopher is inclined to distinguish between the mediocre and exceptional specimen. The distinction has as its argument the morality of power. The last remark easily transcends another truth we are witnesses: true power is deciphered precisely in the refusal to resort to power, as the first proof of its sufficiency. Without ignoring the importance of quantum in the awarding of power, its testing in the modern world is perceived rather as a sign of the potency to negotiate creating the premise of the guarantee of group continuity.

The physical/metaphysical paradigm of the concept of the power is proof of this. It would be enough to recall the formula of power in the theoretical physics to reinforce a desire that power is primarily an energy that is measured in the change resulting from released energy. The reference requires clarifying some important aspects, and the first realization follows the theory of attractors designed by Rupert Sheldrake, from chaos theory. The research of biochemist advanced the concept of the morphogenetic field that influences the process of learning and memorizing experiences by developing certain cognitive and behavioral patterns that will be activated at the moment of impact with reality. In the other words, the attractor „causes the behavior of system to fall into a certain generic pattern”, distinguishing one from another by its *radius of influence* [8, pp. 29-34]. At the individual and group level, this *influence* stimulates a behavior of attraction in a *force field*, and we see the manifestation of this law of „seduction” in their commitment, with only one condition: the weakening of the power weakens the commitment.

The approach described juxtaposes another important debate on the dichotomy between power and force [9, pp. 91-94]. According to research expertise, power covets the whole, force only a part of the whole, as a result in contrast to force, power never justifies itself, power sets in motion without moving. The reasoning of force is gain, which leads to polarization and ultimately conflict. From this we conclude that force needs evidence, power is centripetal and tends to balance. Force therefore separates, suggesting that we are prepared for a defensive strategy, power is fed from the whole, following the strategy of attracting deformities or overcoming asymmetries.

It is increasingly easy to assume the answer to the question What costs do we have to face if the force still remains in the collective consciousness as the only evidence of power against the background of a framework of global cohabitation? How do we expand the culture of power in a negotiation framework to create benefits for all participating actors?

3.2. Power to negotiate or power of negotiation

The empiricism of the claim that the world has become smaller hides the increasingly advanced perception not only of the interconnectedness of countries, but also of interdependence. Experts warn that blurring the line between interconnectedness and interdependence could involve literal „costs”. Interdependence does not guarantee mutual costs and benefits, even if it increases the tendency to cooperate [10, pp.51-75]. Most likely, the asymmetries of interdependence (mutual dependence) will be used as sources of influence in the negotiation between the representatives of the power states, which often acquire economic connotations. The semiotics of the concept of power is thus completed with the remark „a control over resources or the potential to influence results” [11, pp.55-58]. The possibility of a quantitative estimate of resources versus the impossibility of an exact

measurement of the consequences determined by the influence of the actors involved in a ring of forces highlights the following: the negotiation process accumulates an added value in this deliberation, the estimation of economic power requires another approach, different from the political and military (a historical allusion to this is the functional break between military, political and economic power in the early 1970 s).

The specialized literature points even more precisely to the character of negotiations as „a way of translating potential into effects”. Thus, the definitional witticism directs us to look for the „potential” with which we are endowed starting from the awareness of the two economic dimensions present every time in a relationship of interdependence, sensitivity and vulnerability [11, p. 57]. Sensitivity is identified with the „degree of responsiveness in a strategic framework”, which is measured in the costly effects (how fast and how large) of changes in one country with causal repercussions on another. Specialists make a remark related to the need to estimate the costly effects determined by changes from the outside which will consequently cause policy changes inside. Policy changes in response must reduce externally imposed costs. Vulnerability, as an economic dimension in an environment of interdependence, allows reducing the costs of external influence, because it derives from the physical „dowry” of country. The alternative regime that creates the willingness to bear the costs sets the level of vulnerability elongation. Power, as a decision-making and influencing process in promoting decisions, is good to examine negotiation strategies that will undoubtedly be related to the interdependence relationship based on the level of vulnerability.

Returning to the human habitat, we must understand that interdependence can be an instrument of power, the limits of which are interpreted differently in an actuality of competition. The observation is substantiated by the statement „power measured in terms of resources or potential may appear different from that measured in terms of the influence of outcomes...we must consider in the negotiation process ... which translates power resources into power over outcomes” [11, pp. 62-64]. The last attention hides a confrontation of reality with reference to the situations when the actor, through the legitimacy of representing power, feels more dependent in this relationship of powers.

3.3. The „Venezuela” folder

The interest in the Venezuelan „case” increases with the discovery of some realities related to its energy resources (a subject that animates the discourses about the de-globalization process) and „the dexterity” with which they would have been distributed. The 50s of the last century almost tipped the balance of Venezuela’s transition from the category of second world countries to the elitist cohort, given its status as the largest supplier of oil in the region and not only. Also then, Venezuela redirected its strategic interest, abandoning the agricultural resource that exploited for centuries, once an economic pillar of the country in the production of crops: sugar cane, cocoa, coffee, corn, rice. Amidst the drop in oil prices in the 1980s, the 20th century saw a decline in production along with its disincentive effects: the disappearance of capital, the rise of the deficit and inflation.

The escalation of the consequences led to the impoverishment of the population. Even if the primary needs of the citizen reinvigorated the discourse of power, the policies to influence the desired results on the economic segment were fertile only in some places or not at all. As evidence, the initiative to replace private property with state control, as well as other government initiatives (sponsored loans, food distribution networks, preventive

medicine programs) have largely failed to change the situation. Moreover, the departure from a perfect competition had consequences. Even though annual revenues of 20 billion are accumulated from the sale of oil during the period 2000-2005, the GDP remained at half its level since 1954, an investigative source documented [12, pp.135-138]. All these deformities connected to the information about the potential reserves of 300 million barrels of unrefined oil highlight the importance of the subject of resource rationalization and strategies for harnessing the economic power derived from natural potential.

The message of the power from Caracas abroad during the years 2002-2013, was for the union of resources between the countries of South America and their management based on the barter system between all states that would allow the capitalization of the capital of natural resources until the energy autarky of South America. The exploration of the future in which South America was seen as an economic, social and also bloc power, which would have the scope of a power in a global balance, was fueled by an increasing demand for the resources at its disposal. The offer of Venezuelan oil found the buyer benefiting from a protectorate of China, which invests in the construction of wells, increasing the exploitation capacity, ensuring the transportation of oil across the Pacific with the help of cargo boats sold for this purpose. Thanks to China's involvement, Venezuela has benefited from the construction of an irrigation system, a communication network based on optical fiber and, last but not least, thousands of social housings. *And yet the Venezuelan miracle has not reified into a successful model even though it is the country with the largest oil reserves in the whole world* [13]. The economic indicators for the year 2021 still report on the vestiges of the crisis with its roots in 2014. Venezuela has the highest inflation in the world 1588,5% continuously being „exhausted” by an exodus of the population which during the years 2017-2021 has shrunk by another 2 million, in total 5,6 million since 2014. The Gross Domestic Product in 2017, having a numerical configuration of 127 billion, reaches 39 billion in 2021, and the figure of imports for practically all products is much higher than the figure of exports [14, 15].

The digital profile of economic indicators raises the question Why the low vulnerability of economic interdependence did not generate the effect of efficiency, on the contrary, it did not at least manage to decrease the level on sensitivity with its multiple effects due to the increase in imports (increase in the unemployment rate, decrease in the volume of domestic production, protectionism, social unrest, massive population exodus, etc.) [16, 17]. We try to unravel what we set out to find out by remembering the rhetoric of power in Caracas.

The „discourse” of power in Caracas has always had a ceremonial manifestation of Freedom's hegemony outside, which has generated a pattern of unilateral, random and almost silent negotiation with the world's most powerful. The indictment of the power in Caracas promoted policies of autonomy over the distribution of resources as a result of which the exposure to an economic dependence would have increased. Although power has been responsive to increasing indicators of economic well-being, the costs of „random” international economic relations outweigh the benefits of autonomy. The most „sensitive” resource, difficult to reconcile in order to further legitimize the power in Caracas, remains the trusted capital of the population that has entered a process of erosion. When we talk about Venezuela we are actually referring to the axiom between the external projection of power begins with its internal consolidation.

The „Venezuela” folder claims the justice of some truths and structures an axiom with reference to the market of Global Power in which there is an increased demand for economic prosperity alongside the recognition of the authority and dignity of the other.

The trine offers a progression towards power and its legitimization, therefore any imbalance in favor of a single variable marks a fragility in the face of the ever-increasing conditions of uncertainty we are all witnessing.

4. Conclusions

The primacy of power requires a certain attention for this subject, especially in the specialized literature there is a plurality paradigmatic interpretation with reference to the concept of power. Some believe that power implies a positional approach, others, on the contrary, *are adherents of seeing* in power the construction of a position that offers the adjustment of common interests. The approach of the latter is supported by the idea of efficient utilization of power sources.

In this order of stated assumptions, negotiation power resides in all the assets, positions, conjunctures, instruments that one of the parties uses to attract advantages that densify the fulfillment of its interests. The way in which „power attractors” harness this resource attracts the effect of joint efficiency, an immanent moment for the act of manifesting power.

As result, the accomplished exploratory demarcates the importance of cognitive tribulations about the Economy of power, or by conceptual similarity, about the power that would generate low-cost benefits and advantages and satisfying recognition goals both within and outside a group. And this presupposes an economic culture of power.

Conflict of interest. The author declares no conflict of interest.

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