Volume 4, Issue 4, April 2012

THE indian arbitrator

THE INDIAN ARBITRATOR

IN THIS ISSUE:

EDITORIAL :

Publisher:
Indian Institute of Arbitration & Mediation

Address:
G-209, Main Avenue,
Panampilly Nagar,
Cochin 682 036, India.

www.arbitrationindia.org
Tel: +91 484 4017731 / 6570101

EDITOR'S NOTE

Many international ADR practitioners are skeptical about the effectiveness of shifting the venue of international arbitration to India. The apprehensions are diverse, ranging from Court interventions, governmental restrictions on visas, rigidity of customs etc. etc. On the contrary many highlights are also given about the advantages of having India as the venue. The International Master Conference and Workshop at Bangalore on the 31st of May and 1st of June 2012 would provide a venue for discussing and debating the pros and cons of India as a venue for international arbitration. More details about the conference can be seen in the News & Events page. Hope to see you at Bangalore.

For previous editions of The Indian Arbitrator, log on to http://www.arbitrationindia.com/htm/publications.htm

Impact of Culture on Negotiation

: GARGI PAIGUDE

Culture is an integral part of conflict resolution. The way each party in a dispute thinks, behaves, reacts in front of the other in the negotiation can be attributed to the culture that the party carries within itself. The author makes an attempt to study the various factors surrounding and influencing it and then highlight the importance of the same in negotiation, so as to provide an insight into the aspects of cross-cultural negotiation thereby preventing the reader from underestimating the importance of culture in any negotiation.

"Juror #11: I beg pardon –
Juror #10: "I beg pardon?" What are you so polite about?
Juror #11: For the same reason you are not: it's the way I was brought up"[1]

"12 Angry Men" happens to be one of the most apt examples for understanding the cultural diversity of a particular group. Twelve men from totally diverse backgrounds come together to give their verdict on a case and it has to be a unanimous decision. In the end, they do reach a consensus. But what is interesting for our study is the process through which they pass to reach this consensus. The dialogue quoted above is one of the many clashes that occur between the jurors before casting the final vote. The process reflects the conflict between the cultures of the twelve jurors as clearly, culture of each juror did not match with that of the others[2].

Introduction:

Culture is an integral part of conflict resolution. The way each party in a dispute thinks, behaves, reacts in front of the other in the negotiation can be attributed to the culture that the party carries within itself. In certain cases, culture can be the deciding factor as to whether the conflict resolution will work or not[3]. Amidst all issues connected with the international negotiations the one that has been attracting the most attention has been the influence of culture on negotiation[4]. This essay makes an attempt to study the various factors surrounding and influencing it and then highlight the importance of the same in negotiation. The ultimate aim of this essay is to try and provide an insight into the aspects of cross-cultural negotiation thereby preventing the reader from underestimating the importance of culture in any negotiation.

(Footnotes)

[1] A dialogue from the film, "12 Angry Men" (1957)
[2] Hackley, S. (2007) p. 463 - 468; 463
[3] El-Jamal, Amira; Hoang, Nhuhuyen; Rost, Shannon; Shepard, Kate and Wilson, Megan – "China-Tibet Conflict". Source: https://sites.google.com/a/pdx.edu/china_tibet_conflict/conflict-resolution
[4] Source: Lewicki, Saunders, Minton, and Barry (2006) p. 413

Factors Surrounding and Influencing Culture:

Normally, the most instant thought that occurs in one's mind when he or she thinks of culture is the national identity. Horacio Falcao is of the opinion that people underestimate cross-cultural negotiation[5]. They tend to only look at national culture when they go to international negotiations[6]. There is also educational culture, race culture, gender culture, religious culture and these cultures also impact the way people behave, think and communicate[7]. There are numerous other factors which form a part of the culture or invariably affect the way a cultural pattern is developed in a person. Although the pace of cultural change naturally varies from one group to another,[8] cultures evolve in reaction to many factors, from trends such as urbanization, globalization, or modernization to specific historical experiences, including the influence of other cultures, and even, occasionally, government policies[9].

Each individual has a culture[10]. In fact, each individual has potentially several cultures[11]. Cultural groups may share race, ethnicity, or nationality but they also arise from cleavages of generation, socioeconomic class, sexual orientation, ability and disability, political and religious affiliation, language and gender – to name only a few[12].

The most widely recognised and discussed components of a cultural pattern are beliefs, values and norms. According to Myron W. Lustig and Jolene Koester, "Culture is a learned set of shared interpretation about beliefs, values and norms, which affect the behaviours of a relatively large group of people"[13]. Norms are the outward manifestations of beliefs and values; they are evident through behaviours and can be readily observed[14]. While beliefs tap on "what is true", values tap on "what is important"[15]. Geert Hofstede is of the opinion that mental programs can include a lot of things, from religious beliefs, food preferences, and aesthetic choices to attitudes toward authority[16]. He has categorised these things under symbols, heroes, rituals and values in which symbols are the most specific and values are the most general components[17]. He also suggests that values are the innermost core of an individual's culture as symbols, heroes and rituals represent the layers of culture that are visible to outsiders[18].

(Footnotes)

[5] Falcao, Horacio INSEAD Professor - Source: http://www.youtube.com/watch?v=-4GjC0ipJIA
[6] Ibid
[7] Ibid
[8] Faure, G.O. and Sjöstedt G. (1993) p. 3
[9] Bunck, J. (1994) p. 220
[10] Avruch, Kevin (2002) p. 4
[11] Ibid
[12] LeBaron, Michelle (2003) p. 1
[13] Lustig, Myron W. and Koester, Jolene p. 30
[14] Liebsch, Ursula p. 10
[15] Bond, M.H. & Smith, P.B. (1996), p. 47, 205-35
[16] Hosftede, Geert (1998) p. 6
[17] Ibid
[18] Hofstede, Geert (1991) p. 8 and p. 9 (Fig. 1.2 Onion Diagram)

Raymond Cohen understands culture by addressing three key aspects which are widely quoted and recognised:

1) It is a societal and not an individualistic quality[19],
2) It is acquired and not genetic[20], and
3) Its attributes cover every area of social life[21].

Hence, we can see that culture is not just surrounded by national identity or a certain geographical background but other more profound and intangible factors like values, beliefs, ideas also play an equally significant role in developing a culture.

How Cultures Affect Negotiation:

Every negotiation is a "cross-cultural exercise"[22]. Each of us belongs to multiple cultures that give us messages about what is normal, appropriate and expected[23]. When others do not meet our expectations, it is often a cue that our cultural expectations are different[24]. This is where the actual conflict arises.

Several anthropologists and sociologists have written extensively about the effect that culture has on negotiation. We will look at the prominent work by a few of them.

Robert Janosik has derived four distinct approaches to understand the impact of culture on negotiation. First, culture is a learned behaviour[25]. It focuses on actions without giving much attention to the reasons behind those actions. Second, culture is a matter of shared basic values[26]. This approach assumes that "thinking precedes doing" and that one's thinking patterns derive from his cultural context. Third, culture is shaped by the dialectic tension between paired, opposing values like individualism and collectivism, idealism and pragmatism, etc[27]. And fourth, culture draws on a systems theory and offers multi-causal explanations of negotiation behaviour[28].

Jeswald W. Salacuse has discussed the ten most important elements of a negotiating behaviour that constitute a fundamental structure for spotting cultural differences. They are: Negotiating Goal, Negotiating Attitude, Personal Style, Communication, Time, Emotionalism, Form of Agreement, Building of Agreement, Team Organization and Risk Taking[29]. Thus, Jeswald Salacuse suggests that if these ten elements are considered, studied thoroughly then a person would be able to negotiate more smoothly in spite of the cultural differences.

Geert Hoftsede and his five dimensions on which country cultures differ are discussed extensively in many subsequently published papers and books. According to him, these five dimensions reflect basic problems that any society has to cope with but for which solutions differ[30]. These five dimensions are:

1) **Power Distance**: This dimension is explained by emphasizing on human inequality. Power distance is the degree of acceptance of the unequal distribution of power which can vary among different cultures. According to the study[31], cultures with a low power distance index (PDI) prefer small power distance while, the cultures with a high power distance index prefer large power distance. Three factors, namely climate, population size and wealth strongly influence the PDI[32].

(Footnotes)

[19] Cohen, Raymond (2005) p. 11
[20] Ibid
[21] Ibid
[22] Falcao, Horacio INSEAD Professor. Source: http://www.youtube.com/watch?v=-4GjC0ipJIA
[23] LeBaron, Michelle (2003) p. 1
[24] Ibid
[25] Janosik, Robert (1991) pp. 235 - 246
[26] Ibid
[27] Ibid
[28] Ibid
[29] Salacuse, Jeswald W. (2004) p. 1
[30] Hofstede, Geert (2001) p. xix
[31] Ibid. p. 79 -143
[32] Ibid

2) **Uncertainty Avoidance**: This dimension regards the way a particular culture adapts to change and tolerates uncertainty. The Uncertainty Avoidance Index (UAI) shows that countries with a relatively low UAI have high tolerance towards uncertainty and vice versa[33].

3) **Individualism and Collectivism**: This dimension portrays that a culture either has an individualistic attitude i.e. prefers self-sufficiency or a group attitude i.e. prefers working in harmony with other people. It is closely related to power distance. Cultures with low power distance tend to be individualistic and the high power distance ones tend to be collective[34].

4) **Masculinity and Feminity**: This is the degree to which a culture values the men-prone behaviour as against the female-prone behaviour. Some characteristics in a person are categorised as masculine or feminine irrespective of the person's gender. This categorisation becomes very important in analysing the tendencies of attaching values to certain traits of a particular culture in a negotiation.

5) **Long-term and Short-term Orientation**: This dimension was added later after a Chinese Value Survey (CVS) was conducted. Based on the teachings of Confucius, long-term orientation (LTO) refers to a positive, dynamic and future-oriented culture linked with four "positive" Confucian values: persistence, ordering relationships by status and observing this order, thrift, and having a sense of shame[35]. Short-term orientation represents negative, static, traditional, and past-oriented culture linked with four "negative" Confucian values: personal steadiness and stability, protecting your face, respect for tradition and reciprocation of favours, greetings and gifts[36].

Thus, Hofstede has shown through his extensive surveys that these five dimensions cover the cultural sphere of every society which can possibly enter into a negotiation.

(Footnotes)

[33] Ibid. p. 145 - 199
[34] Ibid. p. 209 - 273
[35] Fang, Tony (2003) p. 2
[36] Ibid

Interested to contribute Articles?

We would like to have your contributions. Articles should be in English. Please take care that quotations, references and footnotes are accurate and complete. Submissions may be made to the Journals Division, Indian Institute of Arbitration & Mediation, G-209, Main Avenue, Panampilly Nagar, Cochin - 682 036 or editor@arbitrationindia.com.

Publication of the Article will be the discretion of IIAM and submissions made indicates that the author consents, in the event of publication, to automatically transfer this one time use to publish the copyrighted material to the publisher of the IIAM Journal.

Shakespeare.....

"Never Play With The Feelings Of Others
Because You May Win The Game
But The Risk Is That You Will Surely Lose
The Person For A Life Time".

"Laughing Faces Do Not Mean That There Is
Absence Of Sorrow!
But It Means That They Have The Ability To
Deal With It".

Although the national culture and its elements have been mentioned above, the factor of language deserves to be noted separately. The language of an individual significantly influences his or her perceptions and thinking[37]. Certain ideas or concepts are linguistically culture-bound in that no equivalent exists in other languages[38]. Literal translation of terms from one language to the other can lead to grave miscommunication and can affect the whole interaction between the negotiating parties deeply. For example: When Chevrolet introduced the Nova in South America, they were apparently unaware that in Spanish "No va" means "It won't go"[39]. Needless to say, they had a tough time promoting the car!

Culture affects different varieties of negotiation differently depending on such factors as the particular objectives, the number of parties, and the extent to which the cultures clash or complement one another[40]. The manner in which culture affects negotiation is further complicated since individuals differ in the extent to which they exhibit cultural influences[41]. Since personalities, training and other variables independent of culture come into play, people reflect to varying degrees certain of the values, attitudes, and beliefs of their ethnicity, nationality, religion, profession, or occupation[42]. The extent to which cultural factors are likely to pose additional obstacles for an international negotiation will depend upon the individuals involved as well as the cultures and circumstances at issue.

Culture may deeply affect the dynamics within a negotiating team – whether formal or informal, egalitarian or highly conscious of rank[43]. It may affect the team's propensity to share information directly, avoid disclosing it, or reveal it only indirectly, for instance, through communicating multiple offers through which preferences and priorities might be inferred. Ethical norms associated with negotiation frequently vary among cultures, with lies and deception, bribery and bluffing viewed quite differently[44].

Conclusion:

Just like Geert Hofstede's Onion[45] where value lies at the extreme core of culture, culture happens to lie at the extreme core of negotiation. Even if we were to assume a perfect situation where both the parties have favourable interests in each other and are willing to seal the deal, the cultural mishap can turn out to be a deterrent in calling the negotiation successful.

It is worth reminding here that merely these dimensions, their results or accepting a certain "trend" in the countries with respect to these dimensions cannot be the absolute guide to have a presumption when a party enters into negotiation. Considering a person has multiple cultures within himself[46], the other party can be caught unaware of the response received.

To be successful in the international negotiation arena, negotiators need to develop high sensitivity to cultural factors, identify and pursue a culturally responsive strategy most appropriate in a given negotiation setting but at the same time acknowledge and consider also individual and structural aspects occurring in this setting[47]. In addition, we must also remember that the meaning of culture, factors influencing it and the discussion on its impact on negotiation is not restricted to international negotiation under any circumstances. All these indicators are equally relevant in the case of domestic negotiations.

There has been a deliberate effort to avoid the mention of any particular country and its cultural traits. As mentioned earlier, the purpose of this essay is to make the reader aware that cultural differences need to be recognized at the time of the negotiation. It is submitted that acknowledging the aspect of cross-cultural

(Footnotes)

[37] Faure, G.O. and Sjöstedt, G. (1993) p. 4
[38] Fisher, G. (1972); Fisher, G. (1980)
[39] Lewicki Roy J, Barry, Bruce and Saunders, David M. (2010) p. 458
[40] Wesley-Smith, P. (1981) p. 3
[41] Avruch, K. (2000 16: 339–345
[42] Ibid
[43] Adair, W., Brett J., Lempereur A., Okumura T., Shikhirev P., Tinsley C., and Lytle A. (2004) 20: 87–110
[44] Argyle, M. (1982); Faure, G.O., and Sjöstedt, G. (1993); Ware, G.T, and Noon, G.P. (2003)
[45] Supra
[46] Supra. p. 5
[47] Smolinski, Remigiusz p. 8

differences is more vital and primary than understanding the individual cultural tendencies of a country, which is an important but secondary process. A person would be able to negotiate and persuade the other negotiating party better if he is aware of the cultural difference that both of them might have.

There is no one right approach to a successful cross-cultural negotiation. There are only effective and less effective approaches and these vary according to each negotiation. Spreading the awareness of the importance of culture in negotiation can reduce the severity of the clashes to a great extent. The study of culture and its impact on negotiations will be a constant process as just like everything else, cultures are changing. Negotiation has also undergone an evolution[48] and in future also, the combination of culture and negotiation will have to be studied in consonance with the changing circumstances and preferences of each country.

To conclude, we must realise that culture is an indispensable element of a negotiation. The differences are bound to exist and the clashes are bound to occur. However, just like the end of "12 Angry Men", cultural differences would not be a barrier if the differences are understood and dealt with cautiously thereby yielding positive results.

(Footnotes)

[48] Lakhani, Avnita (2010) p. 14

(Author: Gargi Paigude is an LLM graduate from King's College London, UK for the academic year 2010-2011 and a Fall Semester Graduate in Negotiation and Dispute Resolution from Harvard Law School, USA for 2011)

Think ... Rich or Poor?

One day a father of a very wealthy family took his son on a trip to the country with the firm purpose of showing his son how poor people can be. They spent a couple of days and nights on the farm of what would be considered a very poor family. On their return from their trip, the father asked his son, "How was the trip?"

"It was great, Dad."

"Did you see how poor people can be?" the father asked.

"Oh Yeah" said the son.

"So what did you learn from the trip?" asked the father proudly.

The son answered "I saw that we have one dog and they had four, We have a pool that reaches to the middle of our garden and they have a creek that has no end, We have imported lanterns in our garden and they have the stars at night, Our patio reaches to the front yard and they have the whole horizon, We have a small piece of land to live on and they have fields that go beyond our sight, We have servants who serve us, but they serve others, We buy our food, but they grow theirs, We have walls around our property to protect us, they have friends to protect them."

With this the boy's father was speechless.

Then his son added, "Thanks, Dad, for showing me how poor we are."

Too many times we forget what we have and concentrate on what we don't have. What is one's persons worthless object is another's prize possession. It is all based on one's perspective. Makes you wonder what would happen if we all gave thanks for all the bounty we have instead of worrying about wanting more. Take joy in what you have and see the treasure in it.

Article

Delay in Pronouncement of an Award:
Not Against Public Policy of India

: RUSTAM SINGH THAKUR & DIVYA SONI

The Delhi High Court in "Peak Chemical Corporation" case, held that in-ordinate delay in rendering the award would not by itself result in the Award being set aside on the ground of being in conflict with the public policy of India. The factors which the courts would consider would include as to whether the award is a reasoned and comprehensive award and also whether setting aside an award would result in further hardships upon the parties in terms of time and money. The author analyses the judgment.

INTRODUCTION:

The Hon'ble Delhi High Court ("DHC") vide its judgment dated February 7, 2012, in the case of *Peak Chemical Corporation Inc. vs National Aluminium Co. Ltd.*[1] has held that delay in pronouncing the Award would, in itself not result in the award being vitiated as being "in conflict with the public policy of India" within the meaning of Section 34 (2) (b) (ii) of the Arbitration and Conciliation Act, 1996 (Act).

FACTS OF THE CASE:

Peak Chemical Corporation Inc ("PEAK" and /or "Petitioner") was engaged in the supply of various chemicals including caustic soda lye to various companies around the world. On November 19, 1993, National Aluminum Co. Ltd ("NALCO" and/or "Respondent") floated a global tender for supply of 50,000 dry Metric Tons of caustic soda lye for its M&R complex at Damanjodi, Orissa.

On December 21, 1993, the technical bids were opened and on February 17, 1994, NALCO opened the financial bids. PEAK was found to be the lowest bidder and a contract was executed between PEAK and NALCO for the supply of caustic soda lye.

PEAK claimed that by May 1994, the market availability and price of caustic soda underwent drastic change globally. A large number of units manufacturing caustic soda were either shut or had reduced their production because of which there was a world-wide shortage of caustic soda. It claimed that the price of caustic soda soared to 1000% above the normal price, which had a cascading effect on the availability of caustic soda and that in view of large scale plant shutdowns and explosions in the plants of major manufacturers of caustic soda in June 1994, there was a world-wide shortage of caustic soda.

(Footnotes)

[1] O.M.P. No. 160/2005; [http://indiankanoon.org/doc/9109979/2]

By letters dated June 7, 1994 and June 30, 1994, PEAK informed NALCO that caustic soda was a difficult commodity to be sourced in future and that most producers had resorted to order control. PEAK stated that in view of market conditions, it was not possible for it supply to NACLO at prices as agreed to between the parties.

NALCO pressed certain claims against PEAK for failure to fulfill its agreed obligations which PEAK refuted. NALCO then appointed a former Chief Justice of India to act as the Sole Arbitrator to adjudicate upon the disputes which had arisen between NALCO and PEAK.

The Ld. Arbitrator reserved his award in the arbitral proceedings on August 6, 2000 and the Award was pronounced more than four years later on February 16, 2005.

While passing the award, the learned Arbitrator considered PEAK's plea of force majeure and held that PEAK cannot take advantage of the force majeure clause (under the agreement) unless it established that the events as claimed by PEAK resulted directly in PEAK being unable to acquire the supplies covered by the contract with NALCO. It was held that PEAK had failed to prove conclusively that the goods which it had sought to purchase for sale to NALCO were to be acquired from identified manufacturers who were affected by the events as contended by PEAK such as world-wide shortage of Caustic Soda.

The Ld. Arbitrator then considered whether the agreement made between the parties was defeated by frustration. After referring to Section 56 of the Indian Contract Act, 1872 it was held by the Ld. Arbitrator that despite the abnormal rise of price in labour and materials, the contract could not be said to have suffered frustration. PEAK had depended upon spot supplies for discharging its obligations to NALCO and, therefore, assumed the risk of the market rising steeply. PEAK had, therefore, failed to prove that the rise of prices in the market made it impossible for it to effect supplies required by the contractor. Moreover, the evidence led by NALCO showed that the suppliers continued to supply the commodity notwithstanding the tight market. It was, therefore, consequently held that PEAK had committed a breach of contract and its plea of justification with reference to force majeure was not tenable.

ISSUE:

- Whether the delay in the pronouncement of an Award after final arguments have concluded vitiates the Award as being contrary to the Public Policy of India?

PEAK'S SUBMISSIONS:

Peak, while placing reliance on Section 56 of the Indian Contract Act, 1872, contended that the Ld. Arbitrator had erred in holding that the contract entered into between PEAK and NALCO had not become void. Relying on *Harji Engineering Works Pvt. Ltd. v. Bharat Heavy Electricals Ltd.*[2] as well as the decisions of the Supreme Court in *R.C. Sharma v. Union of India*[3] *and Kanhaiyalal v. Anupkumar*[4] PEAK further claimed that the extra-ordinary delay in pronouncement of Award by itself was a sufficient reason for setting aside the impugned Award. PEAK further claimed that on account of the delay, certain facts and submissions were not noticed or dealt with in the impugned Award and the Award was therefore contrary to the public policy of India.

DECISION AND RATIONALE:

While deciding the objections relating to the plea of PEAK under section 56 of the Indian Contract Act, 1956, the DHC held that the reasons given by the learned Arbitrator for rejecting the plea of PEAK on the basis of the doctrine of frustration and force majeure are based on a correct appreciation of the evidence on record and consistent with the law on the subject.

The DHC followed the ratio laid down in *Alopi Parshad and Sons Ltd. v. Union of India*[5] and held that for the plea of frustration to succeed, in terms of Section 56 of the Indian Contract Act, 1872, the mere fact of increase in prices of the commodity contracted to be supplied may not suffice. In its judgment the DHC also referred to the case of *Badri Narain v. Kamdeo Prasad*[6] wherein the Court had observed that "the decrease in the amount of remuneration has the effect of rendering the contract more burdensome. But, to attract the doctrine of frustration, burdensomeness is not the necessary consideration; the impossibility of performance contract is the true criterion".

To maintain the defense of force majeure, PEAK had to prove that events subsequent to the contract entered into between PEAK and NALCO, directly resulted in PEAK being unable to make the supplies covered by the contract and that the said burden had not been discharged by PEAK.

On the issue whether or not the delay in the pronouncement of an Award after final arguments have concluded would vitiate the Award, the DHC observed that the same would depend on the facts and circumstances of each case. The decisions relied upon by PEAK turned on their peculiar facts and no two cases are the same. The DHC noted that delay has not been specified as one of the grounds under Section 34 of the Act for setting aside an Award and held that it would be straining the language of that provision to hold that delay in the pronouncement of an Award would by itself place it in "conflict with the public policy of India" within the meaning of Section 34 (2) (b) (ii) of the Act.

(Footnotes)

[2] 2008 (4) Arb LR 199 (Del).
[3] (1976) 3 SCC 574.
[4] (2003) 1 SCC 430.
[5] AIR 1960 SC 588.
[6] AIR 1961 Patna 41.

The DHC further held that since, (a) the impugned Award sets out comprehensively the facts as pleaded by the parties, the evidence, the submissions of counsel, the analysis of the facts and evidence, and the detailed reasons issue-wise; and (b) the dispute between the parties has been pending since 1996; it would not be in the interests of justice to set aside the impugned Award only on the ground of delay and remand it for a fresh determination and since the learned Arbitrator who passed the impugned Award has since expired, a fresh arbitration before another arbitrator would not be justified considering the time and money already spent in the arbitral proceedings thus far.

CONCLUSION:

Principle enshrined in this case is that an in-ordinate delay in rendering the award would by itself not result in the Award being "in conflict with the public policy of India" within the meaning of Section 34 (2) (b) (ii) of the Arbitration and Conciliation Act, 1996.

The factors which the courts would consider while determining the above would inter-alia include as to whether the award is a reasoned and comprehensive award passed after analyzing facts and the evidence led by the Parties, the submissions of Counsel and whether setting aside an award on the grounds of delay would result in further hardships upon the parties in terms of time and money already spent in the Arbitration proceedings.

(Authors: Rustam Singh Thakur and Divya Soni are 4th year law students of Hidayatullah National Law University, Raipur (C.G), India)

The Lighter Side

Once upon a time there was a shepherd looking after his sheep on the side of a deserted road. Suddenly a brand new Porsche screeches to a halt. The driver, a man dressed in an Armani suit, Cerutti shoes, Ray-Ban sunglasses, TAG-Heuer wrist-watch, and a Pierre Cardin tie, gets out and asks the shepherd: "If I can tell you how many sheep you have, will you give me one of them?"

The shepherd looks at the young man, and then looks at the large flock of grazing sheep and replies: "Okay."

The young man parks the car, connects his laptop to the mobile-fax, enters a NASA weather satellite, uploads the exact location data using his GPS, opens a database and 60 Excel tables filled with logarithms and pivot tables, then prints out a 150-page report on his high-tech mini-printer. He turns to the shepherd and says, "You have exactly 1,586 sheep here."

The shepherd cheers, "That's correct, you can have your sheep."

The young man makes his pick and puts it in the back of his Porsche.

The shepherd looks at him and asks: "If I guess your profession, will you return my animal to me?"

The young man answers, "Yes, why not?"

The shepherd says, "You are a consultant."

"How did you know?" asks the young man.

"Very simple," answers the shepherd. "First, you came here without being called. Second, you charged me a fee to tell me something I already knew, and third, you don't understand anything about my business... Now can I have my dog back?"

Super-rich drawn to new Divorce Arbitration.

A new arbitration scheme which holds out the prospect of super-rich divorcing spouses squabbling over their wealth in private rather than in the full glare of the media is already attracting interest from couples wanting to use it, according to lawyers in England and Wales.

While arbitration is regularly used in commercial and civil disputes, this is thought to be the first time in England and Wales in which the process would be applied to financial disputes arising from divorce.

Chinese Awards made enforceable in India.

The Indian government has said it will recognise China and Hong Kong as territories to which the New York Convention applies, the Hong Kong Department of Justice announced.

Call for Papers for the 2012 ADR Conference

The Singapore Judiciary, the Law Society of Singapore, the Singapore Mediation Centre, the Singapore Academy of Law and the Community Mediation Centre of the Ministry of Law will be hosting the Alternative Dispute Resolution Conference: The 5Cs of ADR (Collaboration, Communication, Consensus, Co-operation and Conclusion) in Singapore from 4 – 5 October 2012.

The organisers welcome academics, scholars, researchers, practitioners and other interested individuals and organisations to present papers at the conference. The papers should cover ADR-related ideas, theories, practice or experience in your country that may be useful to developing ADR in other countries. Attendance at the conference is not a prerequisite to making a submission in response to this call for papers. Submission of abstract by: 27 April 2012 | submission of full paper and materials for printing by: 5 September 2012 | Submission of presentation slides by: 1 October 2012

If you are interested in presenting a paper at the conference, please contact dir@arbitrationindia.com for submission guidelines and deadlines.

Certificate in Dispute Management (CDM)

CDM is a distance learning course of IIAM, valid for six months from the date of enrolment. You can enroll at any time of year and you study entirely at your own pace, submitting your assignments when you are ready. Your tutor will be available to mark your assignments and give feedback on your progress for a period of six months from the date of enrolment.

You will be sent four 'reading and study assignments' with your course materials, and these form an essential part of your distance learning course. They are designed to help you to work through the course manual and understand the concepts. The course will provide a good basic knowledge of ADR – Negotiation, Mediation & Arbitration – in theory and practice. On successfully completing the assignments included in the course a certificate will be awarded. For more details on CDM, mail to training@arbitrationindia.com

Best Young Author 2012

With a view to promote and support students in developing the qualities of legal research and presentation, IIAM is providing opportunity to law students to publish original, innovative and thought provoking articles on arbitration, mediation, conciliation, dispute resolution and similar topics and critiques on judgments relating to the same topics. Selected articles will be published in the "Indian Arbitrator". From amongst the submitted articles, every year one student author will receive the "Best Young Author" certificate from IIAM.