Ethical Bargaining

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1. Jeff Gillan, Garage sale treasure: Local bargain hunter buys Dali original (3 News, June 15, 2015)

How's this for a return on your investment? Spend \$5 at a Henderson garage sale, and walk away with a piece of art worth thousands.

"Not last Saturday, the Saturday before," says Dave Shaw, telling News 3 about the neighborhood sale he visited late in the afternoon. Shaw is a treasure hunter, for lack of a better term. He buys and sells stuff on EBay, enlisting the help of his wife, who also helps him with research.

But back to that one Saturday in Henderson. "He had quite a lot of good stuff there. A lot of it was expensive, " Shaw said. "And then I looked to my left and saw the painting and picked it up and said 'how much is this?' and he said ten dollars, and I said 'well, I have five', and he said 'OK."

What he walked away with he later found out was an original 1977 print by Salvador Dali titled "Reflection." Shaw is not an art novice. He has an eye for things like this. He suspected this could be the real deal, so he called, friends, who put him in contact with friends in the art world. He called an expert in Washington State...

Opening gambit: Flattery

- 2. Rabbi Dr. Aaron Levine, Moral Issues of the Marketplace in Jewish Law, pg. 46
 Not wanting to end his response to the union's demands on a sour note, Pelt ended his presentation with a quip. Looking at Wineman with a mischievous twinkle in his eye, Pelt said, "Professor Wineman, you're trying to extend your famous law of household consumption to new frontiers."
- 3. Rabbi Ephraim Luntschitz (16th century Poland), Kli Yakar Commentary to Numbers 35:33 הנותן דבר מה זהו נקרא חנופה בלתי ראוי לו כדי שיחזור גם הוא ויתן לו דבר מה זהו נקרא חנופה "And you shall not corrupt [tachanifu] the land" One who gives something to a person who doesn't deserve it, so that the recipient will then give him something, is performing an act of chanufah.
- 4. Rabbi Dr. Aaron Levine, Moral Issues of the Marketplace in Jewish Law, pg. 53-54

[Speaking one way while thinking another] is prohibited because such conduct sends out a false signal. In the case at hand, no false signal is sent out by the pleasantries Pelt and Wineman exchange before the bargaining session begins. This is so because each party does not mistakenly take his opposite number's inquiries about family as a gesture of friendship. Instead, these inquiries are taken as conversation for the sake of signaling to each other that they desire to be on speaking terms.

Calculating its worth: Concealing information

5. Brian Cathcart, *The Rothschild Libel* (The Independent, May 3, 2015)

In the summer of 1846, a political pamphlet bearing the ominous signature "Satan" swept across Europe, telling a story which, though lurid and improbable, left a mark that can be seen to this day.

The pamphlet claimed to recount the history of the richest and most famous banking family of the time – the Rothschilds – and its most enduring passage told how their vast fortune was built upon the bloodshed of the battle of Waterloo, whose bicentenary falls this year.

6. Talmud, Pesachim 113b

שלשה הקב"ה שונאן: המדבר אחד בפה ואחד בלב והיודע עדות בחבירו ואינו מעיד לו והרואה דבר ערוה בחבירו ומעיד בו יחידי Gd despises these three: A person who speaks one way with his mouth and another with his heart; one who knows testimony on behalf of another and does not testify; and one who witnesses impropriety by another and testifies alone.

7. Talmud, Ketuvot 97a

ההוא בצורתא דהוה בנהרדעא זבנינהו כולי עלמא לאפדנייהו לסוף אתו חיטי אמר להו רב נחמן דינא הוא דהדרי אפדני למרייהו There was a famine in Neherda'a, and the population sold its great houses [for food]. In the end grain arrived, and Rav Nachman ruled that the purchasers had to return the great houses to their owners. 8. Rabbi Shemuel di Medina (16th century Greece), Responsa of Maharashdam, Choshen Mishpat 379 הלכה רווחת שכל הנושא ונותן סתם על מנהג המדינה הוא סומך, וא"כ אם יתברר שהמנהג פשוט בנושאים ונותנים בדבר זה שבין מוציאין מזה מוכר, אין מוציאין מוכר, אין מוציאין מוציאין כסף הרבה יותר על שתותו שאז נתאנה מוכר, ובין שאינם מוציאין אלא פחות יתר משתות שאז נתאנה מוכר, אין מוציאין מוחלי זה לזה ואין להם אונאה.

The law has spread, that all who engage in commerce rely on local practice, unless they specify otherwise. If so, then if it is clear that the practice of merchants is that whether they spend much more than 1/6 beyond the value such that the seller [buyer?] is abused, or far less than 1/6 below the value such that the buyer [seller?] is abused, they still don't claim the *ona'ah* from each other, then we certainly should say that they entered this deal on that basis, they forgave each other, and there is no claim of *ona'ah*.

9. Tosafot (12th-13th century Western Europe), Ketuvot 47b

ואם תאמר אם כן כל אדם הלוקח פרה מחבירו ונטרפה או מתה אנן סהדי שלא על מנת כן לקחה וי"ל דהתם אנן סהדי שבאותו ספק היה רוצה ליכנס.

If you will ask, "We could testify regarding anyone who buys a cow that he didn't intend for it to die or be killed right away," we could answer that the purchaser is willing to accept that risk and enter the transaction.

Making your offer: Bluffing

10. Marty Latz, https://www.expertnegotiator.com/tip/negotiation-bluff-when-where-and-how-do-it

In "The Negotiator," actor Samuel Jackson plays a police hostage negotiator who takes his own hostages to prove his fellow officers framed him for murder. During an incredibly tense scene, Jackson drags one of his hostages from view while screaming into the phone. We then hear a gunshot followed by dead silence. Everyone, especially the police barricaded outside, believes Jackson has murdered the hostage. This is critical.

Why?

Because Jackson – in what we later found out was a bluff – just established his credibility. If the police didn't believe Jackson would harm a hostage, then little would prevent them from storming the place.

11. Mishnah Nedarim 3:1 (20b-21a)

נדרי זירוזין כיצד? היה מוכר חפץ ואמר 'קונם שאיני פוחת לך מן הסלע' והלה אומר 'קונם שאיני מוסיף לך על השקל', שניהן רוצין בשלשה דינרין

What are "vows of goading"? He was selling an item and he said, "May this be consecrated if I would sell for less than a *sela*," and the other said, "May this be consecrated if I would offer more than a *shekel*," both of them intend to meet at 3 *dinar*.

12. Tosafot (12th-13th century Western Europe), Nedarim 21a

מתחלה כשנודרים היו רוצים בג' אלו שהיו ואנן סהדי דדעתן לכך הלכך לאו נדר הוא כלל

From the start, when they vowed they wanted 3; we can testify that they intended this. Therefore, it is no vow at all.

Negotiating: Diversionary tactics

13. Talmud, Bava Metzia 80a

המוכר פרה לחבירו ואמר לו "פרה זו נגחנית היא, נשכנית היא, בעטנית היא, רבצנית היא," והיה בה מום אחד וסנפו בין המומין, הרי זה מקח טעות. מום זה ומום אחר אין זה מקח טעות.

If one sells a cow and says, "This cow gores, bites, kicks and sprawls," and it only has one of those defects, which he included among these defects, that is grounds for claiming it was an erroneous purchase. If he names this defect and one other, it is not an erroneous purchase.