

---

# Gift Alert!

By Lothar Katz

---

*Germany is famous for its beers, premium cars, and cuckoo clocks. The first two being a bit hard to bring as carry-on luggage, German chancellor Angela Merkel decided to take one of the latter along as a gift to president Hu Jintao on her first trip to China.*

*It took many weeks until the Chinese media stopped reporting on the incident, the outraged reactions it triggered, and the apologies the country subsequently received from the German foreign ministry.*

Does this true story make any sense to you? It does? Congratulations, you obviously know a thing or two about the pitfalls of gift giving across cultures! For the rest of us, here's an explanation: In China, superstitious beliefs still matter a great deal. One of them is that clocks symbol the finite nature of life. No Chinese person would give a clock or watch as a gift, since doing so could be read as wishing for the recipient's demise. Merkel and her advisors were obviously unaware of this interpretation, so she ended up committing a major cultural faux-pas.

As is the case with so many aspects of working across cultures, gift giving requires knowing about practices and etiquette rules:

## **When to Give a Gift**

Whether or not gifts are exchanged in business settings depends on the cultural context. For example, in Australia, Northern Europe, Switzerland, or the United Kingdom it is usually best not to bring your business partners anything. In contrast, gift giving is common and helpful when doing business in most Asian countries and many others around the world. In Japan, Korea, Poland, or Romania, you may want to take something along for the initial meeting with a new business partner; in Malaysia, Singapore, or South Africa, it is better to wait until the business partnership is turning into a friendship. Good occasions for gift giving are important holidays, such as Christmas (Europe, North America), Epiphany (Latin America), or Chinese New Year, or company events like the opening of a new office or factory building.

## **What to Give**

Though chocolates or candy may be fine, the best choice is generally a non-food, non-alcoholic gift that is representative of your home country. Select gifts that allow the recipient to reciprocate; for example, don't give a very expensive item to an Indian colleague who could not afford buying a similar one. In countries with strict anti-bribery regulations, for instance Malaysia, pick a small promotional item or another gift of low value. However, in places like Italy, France, Spain, or Greece, presenting a gift that prominently shows your company logo may not be well received.

Pay attention to religious and cultural beliefs. Do not give alcohol to Muslims, leather products to Hindus, or knives to Chinese or Latin Americans, who may take them as a symbol of severed relationships. Refrain from giving items in fours in China or Japan, as

the number '4' is considered unlucky. You may not worry much about such aspects – but your counterparts might.

### **How to Give or Receive a Gift**

In China, Japan, and several other countries, the ceremonial act of giving a gift tends to be more important than the gift itself. How you wrap and present a gift could make a big difference, so pay attention to little things like the color of the wrapping paper: White and black are often associated with death, while red may be considered a “lucky” color.

Next, there is the question of when to open a present you received: Right away, as might be expected in Germany, Russia, or Saudi Arabia? Or should you keep the gift wrapped in the presence of the giver to avoid any potential loss of face, as is common in Japan, China, and many other countries? If in doubt, follow your host’s lead if that’s an option.

Can you refuse a gift, for instance because your company policy prohibits accepting individual ones? Yes, you can, but realize that doing so might offend the giver. It may be better to accept the gift on behalf of the company and then forward it to your company’s HR department to avoid getting in trouble. Lastly, what to do if a recipient refuses *your* a gift? In several Asian countries, it is customary to refuse three times before accepting a gift as a gesture of modesty, so keep insisting that your counterpart accepts it until he or she finally does.

### **The Bottom Line**

The most important rule for gift giving across culture is simple: Know before you go. Take a look at the book “Kiss, Bow, or Shake Hands” – it is a great resource for advice on this subject.

P.S.: Be careful when declaring gifts you are taking into Germany. Not all of the country’s Customs officers speak English well and the word “Gift” has a different meaning in German: It means “poison.” 😊

---

Lothar Katz is an International Business Advisor and the author of “Negotiating International Business – The Negotiator’s Reference Guide to 50 Countries Around the World”. He has a wealth of experience in achieving productive cooperation across cultures and driving business success on a global scale.

A seasoned former executive of Texas Instruments, a Fortune 500 company, Lothar regularly interacted with employees, customers, outsourcing partners, and third parties in more than 25 countries around the world. He teaches International Project Management at the University of Texas at Dallas’ School of Management and is a Business Leadership Center instructor at the Southern Methodist University’s Cox School of Business.

---