1.1: Arguing Can Be Constructive

Ever make a bad decision?

In September of 2000, Mark Randolph and Reed Hastings, the co-founders of Netflix met with John Antico, the CEO of Blockbuster to see if Blockbuster was interested in purchasing Netflix for $50 million dollars. They made their argument and Mr. Antico didn't even consider the offer. He actually thought it was a joke.

Netflix had been losing money and was looking at a $5 million dollar loss that year. The founders of Netflix had been trying to get a meeting with Blockbuster for months and finally they had their chance to make an argument as to why it would be in Blockbusters interest to purchase Netflix.

In his book, That Will Never Work, Marc Randolph describes the encounter.

Hastings quickly ran over Blockbuster's strengths and then noted that there were areas where it could benefit from Netflix's market position and expertise. "We should join forces," he said. "We will run the online part of the combined business. You will focus on the stores. We will find the synergies that come from the combination, and it will truly be a case of the whole being greater than the sum of its parts."

Antioco's response is probably very high on his list of things-I-wish-I'd-never-said: "The dot-com hysteria is completely overblown." Blockbuster general counsel Ed Stead then explained how the business models of Netflix and just about every other online business were not sustainable and would never make money. The Netflix execs debated this point with him for a while, then Stead cut to the chase: "If we were to buy you, what were you thinking? I mean, a number."

"Fifty million," Hastings said.
Randolph writes that he’d been closely watching Antioco during this conversation. Throughout, the Blockbuster CEO appeared as a polished professional, leaning in and nodding and giving every indication of someone who was listening attentively. Now Randolph observed as an odd expression crossed Antioco’s face, turning up the corner of his mouth. It lasted only a moment, he writes. “But as soon as I saw it, I knew what was happening: John Antioco was struggling not to laugh.”  

As you can guess, the offer was turned down. The result? Blockbuster filed for bankruptcy in 2010 and the last corporate Blockbuster store closed in 2014. Netflix on the other hand has been very successful with $1.2 billion net income in 2018.

The people representing Blockbuster failed to use critical thinking skills when analyzing the argument to purchase Netflix.

Most of us will never be in a position to make a major corporate decision, but we will most likely be a participant in interpersonal arguments.

Former professional football player Chad Johnson seemed to have it all going his way. He was playing football for the Miami Dolphins, he had just gotten married and he and his wife had their own reality television show. Then it all fell apart.

Evelyn Lozada, Chad’s wife, confronted him about a receipt she had found for a box of condoms. The argument escalated and ended with Chad Johnson “allegedly” head- butting his wife. After being treated at the hospital, Evelyn filed for divorce.

The Miami Dolphins cut Johnson from the team and the reality television show was cancelled. To say the least, this was not what we would refer to as constructive conflict resolution. This was not how we use our critical thinking ability in an argument to resolve differences.

The goal of this text is to introduce you to your critical thinking skills that will lead you to a more positive conflict resolution strategy allowing you resolve differences with others more constructively.

Dr. Joyce Brothers recently reported that in relationships, both men and women tend to resort to tactics of manipulation in order to get their way in their important argumentative battles. But she was once quoted as saying, “Love comes when manipulation stops; when you think more about the other person than about his or her reactions to you. When you dare to reveal yourself fully. When you dare to be vulnerable.”

This book is not about how to win an argument, although you will become more skilled at argumentation. This book is about how to engage in constructive conflict resolution and thus gaining more confidence in your points of view. We will do this by exploring all types of arguments from interpersonal disagreements to major policy decisions. In this process, we will work at improving your critical thinking skills at decision-making.

Reference