
Mock Pseudo-Negotiations With Surrogate Disputants

Howard Raiffa

Some heated disputes are never negotiated and never resolved—they just roll along. It is my contention that individuals, corporations and nations involved in such disputes often settle for outcomes that are far from efficient,¹ and that includes maintenance of the status quo. Why else do we currently have 40 or so small “hot” wars and a potential massive one looming on the horizon?

Disputants often do not try to negotiate themselves out of undesirable situations because they can easily imagine their plight becoming even worse than it is. They cannot conceive of a brighter world for themselves that would also be acceptable to the “other sides.”

It may be possible, however, for an outside intervenor to demonstrate the value of negotiations to immovable disputants by developing a mock negotiation scenario involving situations not unlike those found in the real dispute. The outside intervenor I have in mind would be an analyst who is knowledgeable about negotiation and conflict resolution—possibly an academic researcher or a doctoral student. The intervenor would contribute to the resolution of the dis-

pute by writing a highly structured report on mock, pseudo-negotiations involving surrogate disputants that is designed to influence the subsequent behavior of the real disputants. The five-part structure I propose for such a report is as follows:

Part 1: History of the Dispute

The analytical intervenor (the AI, henceforth) will attempt to describe past facts in a way that portrays the history of the dispute as neutrally as possible. The AI will obtain the facts from published documents and from interviews with experts unofficially representing each side. A preliminary copy of the AI's historical report will be discussed with representatives of each side and their comments and reservations will be duly recorded for all to peruse.

A real mediator or arbitrator might attempt to ferret out the facts of a case in a similar manner. However, in real negotiations, the intervenor would have access to the principals and would not usually codify his or her understanding of the facts in a document that the principals could critique. Furthermore, in real disputes, the fact finder will often ob-

Howard Raiffa is Frank Plumpton Ramsey Professor of Managerial Economics at Harvard Business School and the Kennedy School of Government. His most recent book is *The Art and Science of Negotiation* (Cambridge, Mass.: Harvard University Press, 1982).

tain strategically biased accounts of the past history. And, since these are not reviewed formally by the other side(s), egregious misperception might persist. There is no guarantee that this will not happen in Part I of the AI's report, but the distorting tendencies will be less. Of course, this may not be to the liking of the real disputants.

Part 2: Analysis of the Interests of the Disputing Parties

The AI will first identify the relevant parties to the dispute. If a major disputant represents disparate factions it may be necessary to identify subparties of that party. Parties should be identified who, in the opinion of the intervenor, would ideally be included in normal, collegial negotiations if only they could be conducted—which we are assuming is not the case.

Part 2 is then divided into several sections, one for each identifiable disputant. Each section will map the underlying interests of one of the disputants. It may not be sufficient merely to identify what these interests are; it may be necessary to examine, in a quantitative sense, various tradeoffs, such as: "How much would you be willing to give up of attribute number six for an increase of one unit of attribute number two?" In short, a multiple-attribute utility analysis will be constructed to represent the values of that disputant as gleaned by the analytical intervenor from published sources and from extensive interviews with the disputant or, more likely, a surrogate or proxy representative. If the disputant is an elected official, the surrogate may be a person who formerly might have held a similar position. At other times, the surrogate might consist of a panel whose

members will be asked to provide information collectively about their perceptions of the disputant's values.²

In real negotiations, collegially-inclined, non-adversarial protagonists may divulge some of their interests to each other in an attempt to solve a mutual problem together. However, they seldom divulge to the other side(s) their own underlying interests that involve intricate, multiple tradeoffs and attitudes towards risks. In fact, they rarely articulate these values and beliefs to themselves. This task usually requires professional help.

Part 3: Analysis of the No-Agreement State

This section of the proposed report may prove difficult to complete. And, although not critical to the exercise, it would be instructive to attempt to do.

For each disputant, what would the future be like with no agreement? What is his or her utility evaluation for the best alternative to no agreement? A ball park figure for each disputant would be helpful to have in order to assess potential improvements.

Part 4: Devising Efficient Contracts

The AI, with advice from a panel of surrogate disputants and other devisers, should generate a host of creative alternatives. Many of these alternatives will involve dynamic strategies that exploit the role of time. What is needed are creative ideas without commitments. In real integrative negotiation situations there is a tension between creating and claiming. By using surrogates in brainstorming sessions it may be

possible for the discussants to create without the burden of staking out claims.

After devising an appropriate set of potential contracts, the problem can then be formulated as a complex mathematical programming problem: given utility functions for the surrogate disputants and given the set of alternative contracts, the task is to identify and characterize a set of efficient contracts (i.e., contracts that do not leave potentiality for joint gains on the table). In order to be efficient, contracts must exploit differences among the negotiating parties—differences in probabilistic perceptions and beliefs about future events, in attitudes towards risk, in temporal tradeoffs (e.g., discount rates), in needs for symbolic achievements and, most importantly, in tradeoffs among diverse attributes.

Efficient contracts can be generated for a very simple class of negotiations where multiple-attribute utility functions are additive and where the contract outcomes are themselves the attributes of concern.³ In more complicated cases the mathematical programming problem for generating efficient contracts, though considerably more complex, is still manageable with the aid of modern analytical programming techniques and the use of modern computers.

A display of several efficient contracts should act as a lure to entice real disputants to engage in real negotiations. At least, that's the hope!

Part 5: The Creation of Single Negotiated Texts

The set of efficient contracts using the utility functions of the surrogate disputants may not be quite appropriate for the real world of the real disputants. The assessed utility functions might be distorted and some

promising compromises may not actually be feasible. In addition, other possible types of contracts may have been overlooked by the AI and the panel of devisers. The real players, once they become involved, may be even more creative. So the generation of efficient contracts signifies only a suggestion of what might be possible rather than an accurate representation of what is actually achievable.

Part 5 of the AI's report is designed to help a real mediator in possible real negotiations with the real disputants. It develops one (or more) single negotiating texts (SNTs) that could be used as starting points in those subsequent negotiations.⁴

Part 5 (or Part 6) would conclude with helpful suggestions about possible first steps that could be taken to bring the disputants to the negotiating table.

* * * *

Why go through all the effort involved in doing an in depth analysis of mock pseudo-negotiation with surrogate disputants? The analytical intervenor may be motivated by two different types of reasons: to do right by the world and to do challenging, methodological (and publishable!) analyses.

Let's consider the second reason first. Valuable information and techniques about real interventions might be learned from analyses of mock pseudo-negotiations. The state of the science of intervention might be advanced by the vicarious experience we could gain from mock pseudo-negotiations. Such analyses might be fascinating not only as methodological challenges but also because they might elucidate substance: they might reveal the essence of a given dispute.

Now for the main reason for such an activity: to do right by the world. In some circumstances, compromise solutions that would be jointly acceptable might not exist; in this case, mock pseudo-negotiations might only help to clarify this negative conclusion. Even that might be a help. But other times, jointly acceptable solutions might exist but not be imaginable; other times they might be imaginable but not politically attainable; other times they might be foreseeable as being politically feasible but other, less desirable outcomes might also be feasible and the risk may not be worth taking; other times acceptable compromises might be seen as achievable but it might require too high a level of entrepreneurship to sell to others; other times one side might be convinced, "but it takes two to thaw." In all those "other times," mock pseudo-negotiations might be of positive benefit.

A completed study of mock pseudo-negotiation might raise aspirations, might convince skeptics, might undercut the power of blocking coalitions. If real negotiations were to start with a single negotiating text that initially was better than the alternative of no agreement for each disputant, then the parties might at least feel obligated to try to see if they could do better.

Now for a bit of reality on the negative side. The research task for an AI might be formidable and time consuming. Who is to support such analytical interventions and how should these AIs be selected? An AI

might be biased but still do a professionally neutral and honest job. After all, the product of the research is to be exhibited for all sides to see and criticize. But still, a disputant might be suspicious that the activity is merely a propaganda ploy of the other side and the report may be read with a jaundiced eye. The biggest deficiency of the procedure, however, is lack of commitment. The report is based on someone else's ideas; it also did not build up any commitment from the disputants that stems from their active participation in the process of discovery. As the saying goes, "The disputants don't *own* the solution."

Analysis of pseudo-negotiations by surrogate disputants has drawbacks. It may not be as good as the real thing but it may be an alternative if the real thing is not possible.

There is also the possibility of mixtures between reality and fiction. For example, the real disputants might commission, or at least be kept abreast of, the analytical intervenor's report of the pseudo-negotiations. And, unofficially and at-arms-length, they may peruse the report as it unfolds. The real disputants might then help to coach their surrogates and, if things work out well, they can take credit for contributing to the product.

All the preceding is intended only as a suggested agenda for practical research. What is desperately needed are a few success stories of analytical interventions in some not-too-horrendous conflicts.

NOTES

1. An outcome is "efficient" only if there does not exist an alternate outcome that is preferred by each disputant. An "inefficient" outcome can be improved upon in a way that gives each disputant more satisfaction; an inefficient outcome leaves potential joint gains for all on the table.

2. For an extensive discussion of the techniques of Multiple-Attitude Utility Theory (MAUT), see Ralph Keeney and Howard Raiffa, *Decisions with Multiple Objectives: Preferences and Value Tradeoffs* (New York: John Wiley, 1976).

3. See Raiffa, *The Art and Science of Negotiation* (Cambridge, Mass.: Harvard University Press, 1982), esp. pp. 251–255.

4. See Raiffa, *The Art and Science of Negotiation* and Roger Fisher and William Ury, *Getting to YES* (Boston: Houghton Mifflin, 1981) for an explanation of the rationale for the use of SNTs—Single Negotiating Texts.