Getting to Yes, and Other Negotiation Skills

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Overview

- *Getting to Yes*
- Practice Makes Perfect
- Variations on the Prisoner’s Dilemma
- Some Additional Ideas
- Wrap-Up
Getting to Yes

• Four Key Ideas
  – Separate the People from the Problem
  – Focus on Interests, Not Positions
  – Invent Options for Mutual Gain
  – Insist on Objective Criteria

• The Idea of a BATNA
  – Best Alternative to a Negotiated Agreement

Multiple-Play Negotiations: Prisoner’s Dilemma

• Begin With Classic Prisoner’s Dilemma
  (Dixit and Nalebuff 11-13)

<table>
<thead>
<tr>
<th>Player 1</th>
<th>Player 2</th>
<th>Keep Quiet</th>
<th>Confess</th>
</tr>
</thead>
<tbody>
<tr>
<td>Keep Quiet</td>
<td>-3</td>
<td>-25</td>
<td></td>
</tr>
<tr>
<td></td>
<td>-3</td>
<td>-1</td>
<td></td>
</tr>
<tr>
<td>Confess</td>
<td>-1</td>
<td>-10</td>
<td></td>
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<tr>
<td></td>
<td>-25</td>
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</tbody>
</table>
### N-Person Versus 2-Person Multiple-Play Negotiations

#### Ease of Monitoring

<table>
<thead>
<tr>
<th>Number of Players</th>
<th>Easier</th>
<th>Harder</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small</td>
<td>Tends Toward Cooperation</td>
<td>Cooperation Requires Norms: Eternal Vigilance, Massive Retaliation</td>
</tr>
<tr>
<td>Large</td>
<td>Cooperation Requires Norms: Punish Cheaters</td>
<td>Competition Almost Impossible to Prevent</td>
</tr>
</tbody>
</table>

### N-Person Versus Two-Person: Applications to Real Life

#### Ease of Monitoring

<table>
<thead>
<tr>
<th>Number of Players</th>
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<th>Harder</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small</td>
<td>Cartels</td>
<td>“The Mob”</td>
</tr>
<tr>
<td>Large</td>
<td>Ostrom’s “commons successes”</td>
<td>Perfect competition, “commons problems”</td>
</tr>
</tbody>
</table>
A Couple of Other Negotiation Ideas

- Self-commitment as Leverage
  - If back yourself into a corner, hard to concede
  - “If I do it for you I’d have to do it for everyone”
  - Contrary to *Getting to Yes*, but can be effective
- Risky Behavior in Multi-Play Games
  - If I know you’re playing “Tit for Tat”, I can exploit you
  - Some randomization of strategies fosters caution
  - Examples: bluffing in poker, gambits in chess
- Focal Points as Basis for Agreement

Wrap-Up

- Negotiation Ubiquitous in Policy-Making
- *Getting to Yes* Ideas Good Start
- Strategy Depends Somewhat on What Game You’re Playing
  - Do I play hardball/maximize short-term advantage?
- But Remember That Other Players May Not Be Playing the Same Game
Further Reading

• (Axelrod, *The Complexity of Cooperation*, 1997.)

A Final Thought

“The essence of a President’s persuasive task… is to induce them to believe that what he wants of them is what their own appraisal of their own responsibilities requires them to do in their interest, not his.”