We begin integrative (multiple issue) bargaining with a series of two-party negotiations, the first of which is MAPO.

Preparation will be done on two fronts: readings in both Thompson and in Raiffa. Raiffa’s FOTE (Full Open Truthful Exchange) paradigm complements Thompson’s down to earth, pragmatic advice about how to prepare and what to do during the course of negotiations.

READ:
Reread Thompson’s *Chapter 2, Preparation: What to Do Before Negotiation*.

Reread Thompson’s *Chapter 3, The Conduct of Negotiation: What to Do at the Bargaining Table* and read *Chapter 4: Integrative Negotiation: How to be Strategically Creative*. You may want to reread sections of these two chapters before each of the succeeding integrative bargaining exercises.

Compare what Thompson has to say about preparation with Raiffa’s comments about preparation in *PART ONE: INTRODUCTION Section B* of *Lectures on Negotiation Analysis* by Raiffa. *PART TWO: ONE ISSUE WITH MANY RESOLUTIONS* of Raiffa is a clear explanation of what we mean when we say that a contract is efficient. The concept of efficiency drives our analysis of class performance in all subsequent negotiations. That is, we will compare class performance with the set of Pareto optimal or efficient contracts that can be achieved when parties openly share all information. Of course, you individually do not possess confidential information for both sides of a negotiation, but I do! If you want to know how I arrive at a description of the efficient frontier read this part of Raiffa as well as *Lecture Two: Two Parties, Many Issues, Many Resolutions*, pp. 43–78 where Raiffa shows how to find efficient contracts in more complex integrative bargaining situations. Again, we will use Raiffa’s methodology to benchmark class performance. I will not give a formal lecturette on this material in class.

PREPARE:

Begin preparation of MAPO by *reading MAPO Administration General Information* in your course reading packet. You will receive confidential information for your assigned role to prepare before negotiating with your assigned negotiating partner.

This negotiation will unfold OUTSIDE class. You will be assigned a role and a negotiating partner. Hand in your results at the beginning of class.

If your instructions require that on a certain issue you must get “…at least X,” and if you do not get “…at least X” you and your counterpart have no agreement. If, by mistake, you turn in a form that yields no agreement, you will either re-negotiate outside of class or both parties will get no agreement (BATNA) payoffs.