Negotiating Deals and Settling Conflict Can Create Value for Both Sides

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Abstract

Conflicts are mostly wasteful, and deal-making is often not optimal. Yet agreements in international relations, business, and personal relationships show that people can regulate their conflicts of interest and ideology constructively and sometimes to mutual benefit. When individuals, and their groups, create such mutually beneficial, integrative agreements, they promote economic prosperity, stabilize society, and reduce conflict. Key insights from social-psychological science show (a) when and why people initiate negotiation, (b) how negotiators' cognitive strategies manage complex and uncertain information, and (c) how their goals and motivations can release their capacity to create value in conflict and deal-making. These integrative agreements grow from both concern for own interests and respect for the other side. Reaching integrative agreements is cognitively taxing and difficult, yet facilitated when negotiators adopt long-term perspectives focused on own and others' interests rather than immediate competing positions. Institutions can help negotiators to seek integrative agreements that benefit all rather than some by nurturing mutual respect and promoting benign, low-pressure environments.

Tweet

In negotiating deals and settling conflict mutual respect and lack of pressure grows the pie and helps both sides' long-term interests.

Key Points

- People initiate negotiation to escape stalemates, avoid catastrophe, and seize opportunities.
- Multi-issue negotiations can create value through integrative agreements that benefit both sides in different ways.
- Negotiators manage complex and uncertain information, so they often take shortcuts and fill in the gaps from their own egocentric perspective, limiting everyone's options.
- Negotiators' dual concerns for self and other reflect crucial goals, motivations, and personality traits that benefit outcomes.
- Power differentials and constituency pressures often block rather than boost creating mutual value in negotiating deals and settling conflict.

Introduction

Individuals, groups and institutions, and even entire societies waste valuable time, money, and energy when protecting against security risks, regulating political conflict, striking business deals, or divorcing one's high school sweetheart (Bowles, 2006; De Dreu, 2010; Pruitt, Rubin, & Kim, 1994). Major conflicts sweep through the Middle East and Africa, with millions of death collectively. In industry, hostile take-overs and poorly executed mergers more often destroy rather than create shareholder value (Rehm, Uhlaner, & West, 2012), and (like the United States), an estimated 10% of all divorces in the Netherlands involve law suits and litigation that span years and tax ex-partners and their children both financially and emotionally (Kluwer, 2013).

In many cases, regulating conflict constructively can substantially reduce the waste of time, money, and energy. Better still, decades of work in social-psychological and decision sciences reveals how to offset such waste and how individuals and their groups can create rather than destroy value in conflict and negotiation. Such knowledge could equip politicians and diplomats, leaders and employees, and parents and their children to regulate their disputes. They could negotiate agreements in ways that use rather than waste their talents

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and faculties to mutual benefit. Psychological science offers some key insights: (a) why people initiate negotiation, along with the basic elements of negotiations; (b) how negotiators' cognitive strategies manage complex and uncertain information; (c) what are negotiators' crucial goals, motivations, and personality traits; and (d) how power differentials and constituency pressures may block rather than boost creating value in negotiating deals and settling conflict.

Initiating and Structuring Negotiation

Negotiation is the communication among two or more parties aimed at settling their perceived conflicts of interests and divergent perspectives (Carnevale & Pruitt, 1992). Other forms of dispute settlement include avoiding and moving away from the other side, subordinating and giving in to an opponent, and forcefully dominating the other side (Deutsch, 1973). Negotiation—sometimes referred to as problem solving or collaborating—differs from these alternatives in that negotiation cannot be unilateral and requires both parties to commit to negotiation as their preferred mode of dispute resolution (De Dreu, Giacomantonio, Shalvi, & Sligte, 2009; Pruitt & Rubin, 1986). In addition, negotiation is the only form of conflict regulation that allows protagonists to create value and generate surplus that benefits both (Bowles, 2006). If negotiators create value, they not only boost economic prosperity but also create relatively long-lasting agreements and reduce future conflict (Pruitt & Rubin, 1986).

Reasons to Initiate Negotiation

Parties initiate negotiations to (a) escape a hurting stalemate, (b) avoid an impending catastrophe, or (c) realize a mutually enticing opportunity (De Dreu, 2010). A hurting stalemate occurs when at least one party in an ongoing conflict realizes it cannot beat the other side, yet continuing the conflict is harmful and excessively costly (Zartman, 1991). This happened, for example, when the Irish Republican Army (IRA) and the British Government negotiated an end to decades of bloodshed and terrorist attacks in Northern Ireland (Pruitt, 2007). Alternatively, parties may initiate negotiations to avoid an impending catastrophe that they cannot avoid without the assistance of the other side. An example is the intensified trade negotiation in 1984 between the former USSR and the United States following a period of severe drought and crop failure in the USSR. Finally, parties may initiate negotiations because of a mutually enticing opportunity—when a deal can provide greater profit than parties could achieve otherwise. For example, the owner of a few acres of land in an expensive part of town meets the owner of a chain of luxury hotels, who is scouting for locations to build. By joining forces, they may be able to create something neither of them could achieve alone.

Regardless of the reason(s), parties initiate negotiation when they believe that agreement could improve their current situation—agreement is better than no agreement—yet also believe that some agreements may be better for them personally than others: Both businessmen in the above example will benefit from a transaction, yet the landowner wishes to sell at the highest price possible, whereas the hotel owner seeks the lowest price possible. Scientists refer to this as the "mixed-motive" nature of negotiation—parties have the cooperative incentive to reach agreement, and the competitive incentive to seek the personally most profitable agreement (Carnevale & Pruitt, 1992; Deutsch, 1973; Schelling, 1960/1980).

Creating Value in Multi-Issue Negotiation

Some deals and some conflicts involve only one single issue, and its value needs to be distributed among the parties (Guth, Schmittberger, & Schwarze, 1982; Kelley, Beckman, & Fischer, 1967). Most of time, however, multiple issues are involved. Recurrent negotiations between Israel and the Palestinian Authorities, for example, not only involve settlements in the Territories but also access to water, humanitarian aid, economic trade, and security. Along similar lines, a typical divorce negotiation may include issues around child care and education, food and health care, real estate, savings, and retirement funds. In fact, a working assumption in psychological science is that negotiation most often is a multi-issue endeavor. What begins as a single-issue negotiation may turn into a multi-issue negotiation by breaking up that single issue into multiple subissues, by including a temporal dimension (e.g., who assumes the short-term, and who the long-term risks involved), or by adding issues to the agenda prior to or during the negotiation (Raiffa, 1982).

Multi-issue negotiations allow parties to create a surplus because more issues make it less likely that parties (a) disagree on each and every issue, (b) see all issues as equally important, and (c) have the same rank-order of issue importance (Raiffa, 1982). For example, minimizing long-term risks may be more important to the landowner than to the hotel owner, who values a quick deal more than a low price. An agreement that minimizes long-term risk to the landowner yet assures quick delivery to the hotel owner may thus be more interesting to each side than a deal in which parties meet each other halfway on each issue.

Settlements that create value are called "integrative agreements" (Pruitt, 1981). Social psychology has identified five broad strategies that encourage integrative agreements. First, creating value benefits from tactics that "expand the pie," for example, breaking issues into several smaller issues, or adding issues to the negotiation agenda (Raiffa, 1982). Second, negotiators can aid value creation by making package offers that address many issues at once (Weingart, Bennett, & Brett, 1993). Addressing many issues at once can take into account differences in priorities better than when negotiators engage in sequential bargaining (i.e., when parties seek to settle one issue and only then move on to the next). Third, and relatedly, negotiators generate surplus when they engage in "logrolling"—making large(r) concessions on issues of small(er)

importance and remaining firm on issues of vital importance to their needs and interests (Pruitt & Lewis, 1975). Fourth, value creation benefits from honest exchange of information about what is more, and is less, important to each side.

Complementing all this is the cognitive focus on each other's underlying needs and interests, rather than the short-term positions protagonists advance when negotiating (Giacomantonio, De Dreu, & Mannetti, 2010; Henderson, Trope, & Carnevale, 2006). For example, when the Palestinian Authorities' basic interest is increasing autonomy and self-reliance, they may strive for solid economic trade agreements and access to water, more than for increased humanitarian aid. Self-reliance may benefit also from investments in education and vocational training, and adding this to the negotiation agenda increases the pie, provides additional means to cater for basic needs and interests, and might enable the Palestinian Authorities to make important concessions on issues less important to them but crucial to Israeli needs—thus creating value through logrolling.

Even with these five strategies in mind, reaching integrative agreements is not easy. Dealing with several issues at once is cognitively taxing: In most multi-issue negotiations, parties have some insight into their own preferences and priorities, and how particular agreements cover their personal needs and interests, but they lack such insight into the other side's preferences and priorities. That is, negotiating an integrative agreement requires parties to communicate, to integrate new information, to assess the validity of the information provided, to continuously update their understanding of the task, the various preferences and priorities, and their other side's needs, interests, and goals. There is much room for noise, misinterpretation, misunderstanding, and missing out. There may be errors in appreciating the costs incurred by the other side when making a concession or rejecting an offer. And there is room for cheating and deception, and thus for suspicion and distrust. In short, initiating multi-issue negotiations holds great promise for ending a hurting stalemate, avoiding disaster, or realizing an enticing opportunity, yet also is difficult and provides ample opportunity for parties to develop distrust rather than respect, to overlook integrative potential, and to reach an impasse and resort to less constructive forms of conflict regulation.

Cognitive Barriers: Loss-Framing, Prominent Solutions, and Egocentrism

Because multi-issue negotiations are cognitively taxing and difficult to oversee, parties often engage cognitive heuristics and fill in the gaps by making assumptions about the task and their other side. This helps to negotiate swiftly and confidently, but relying on heuristics and gap-filling often prohibits negotiators from detecting integrative potential and creating value (Bazerman, Curhan, Moore, & Valley, 2000; De Dreu & Carnevale, 2003).

Focal Points and Prominent Solutions

In reducing complexity and uncertainty, negotiators rely, first, on focal points such as their level of aspiration (the ideal outcome) and their lowest acceptable limit (Pruitt, 1981; Raiffa, 1982). Offers above one's limit or aspiration may be coded as "good" and perceived as gain, and outcomes below one's limit or aspiration as "bad" and perceived as loss (Kahneman, 1992). As such, a settlement offer from the other side that falls somewhere in between one's aspiration and limit can be framed as either a gain (more than one's limit), or as a loss (less than one's aspiration). An objectively identical outcome may be seen as gain, or as loss. Experiments in social psychology and behavioral decision making revealed that (a) people more quickly frame outcomes as a loss rather than a gain, (b) offers framed as a loss are rejected more often than identical offers framed as gain, (c) framing outcomes as a loss leads to tougher demands and smaller concessions, and lower settlement rates, and (d) loss-framing makes settlements less integrative (Kuhberger, 1998). Political scientists analyzing negotiations among diplomats also saw framing effects, suggesting that loss-framing hurts settlement and value creation in relatively simple as well as more complex negotiations and in both nonexperts as well as in seasoned professionals (Farnham, 1994).

In addition to focal points, individuals intuitively determine whether settlements are fair and reasonable, and thus acceptable. Something deemed fair by both parties often serves as a prominent solution on which people coordinate their activities (Messick, 1993; Schelling, 1960/1980). Prominent solutions include equality (both parties get the same amount), equity (each party receives a share proportional to his or her input), and need (the party that needs it the most gets the greatest share). Less well-known, but sometimes relevant, are fairness heuristics such as opportunities, which state that the party who can make most use of a reward should therefore get the largest share of the reward, and the historical precedent, which defines the parties' entitlements (Pruitt, 1981).

Prominent solutions (equality, equity, need, opportunities, precedents) often develop into norms that have an aura of morality, and therefore strongly guide behavior (Tyler, Lind, & Huo, 2000). Using prominent solutions as a guide can be efficient and intuitively appealing. In multi-issue negotiations, however, it also leads parties away from value creation, and some prominent solutions serve the personal interests of one party more than those of the counterpart, so which fairness rule to use may become a source of conflict in itself (Thompson & Loewenstein, 1992).

Egocentrism and Naïve Realism

In addition to focal points, negotiators quickly navigate their complex and uncertain world by filling in the gaps rather

than seeking new information and scrutinizing its implications for their accurate understanding of the task, and their other side. In doing so, negotiators usually proceed in an egocentric way. They behave as "naïve realists"—they assume that the world is exactly as they see it, that other rational perceivers will therefore share these perceptions, and that those who fail to see the world as they see it either lack information, are lazy, or are biased by ideology or self-interest (Ross & Ward, 1995).

Naïve realism creates several problems. First, it leads to a fixed-pie perception (Thompson & Hrebec, 1996)—in the absence of information about another's preferences and priorities, negotiators assume that the other wants the same, and values the same things in the same way as they do. The size of the pie thus is perceived to be fixed, with own and other's preferences being diametrically opposed. Fixed-pie perceptions lead negotiators to rigid rules for sharing (called "distributive, value claiming" behavior) and away from the possibility of value creation (De Dreu & Carnevale, 2003; Thompson & Hrebec, 1996).

The second problem created by naïve realism is that negotiators engage in "confirmatory" information search—that is, they frame questions in ways that could only support their hypotheses. Confirmation bias exacerbates the problems associated with building a strategy on inadequate assumptions (Morris, Larrick, & Su, 1999; Neale & Bazerman, 1991). For example, Diekmann, Tenbrunsel, and Galinsky (2003) found that negotiators who expect their counterpart to be competitive gave up; they set lower limits and began with less competitive claims than negotiators who expect their counterpart to be not so competitive. Diekmann and colleagues found evidence for a "self-fulfilling prophecy"—the more competitive they expected the other to be, the lower their own demands, and the more competitive their counterpart's demands became.

The third and final problem created by naïve realism is that it often leads to "reactive devaluation." Negotiators underestimate the costs incurred by the other side making concessions and thus feel no need to reciprocate such supposedly "cheap" concessions with their own truly costly concessions. This creates misunderstandings, hurt feelings, and possible disparities among the parties, a bag of ingredients that blocks rather than promotes value creation and integrative agreements (Ross & Ward, 1995).

Motivational Barriers: Cooperative and Cognitive Motivations

What strategy negotiators select and what type of information about their goals, interests, and positions they share depend on what negotiators are trying to achieve. Negotiators motivated by greed—trying to create as much revenue and profit for oneself and one's constituency—engage tough negotiation, exemplified by high claims, small concessions, bluffing and cheating, and little sharing of information about

underlying needs and interests. Relatedly, negotiators may be motivated to protect themselves and their constituency against exploitation by the other side, and to reduce possible loss and harm as much as possible (Coombs, 1973). Because such fear of exploitation associates with suspicion and distrust, and the expectation that the other side will not reciprocate and abuse one's cooperation, negotiators motivated by fear may not share information, and any new information may be dismissed rather than used.

Cooperative Motivation

Greed and fear may be forcefully counteracted by the cooperative motivation to reach an agreement that is fair and accommodates the other side (Deutsch, 1973). Cooperative motivation captures a class of social preferences identified in the psychological and economic sciences, including inequity aversion (avoiding unequal distribution of outcomes), and positive other-concern and other-regarding preferences (concern for other's needs, interests, and outcomes; De Dreu, Weingart, & Kwon, 2000; Pruitt & Rubin, 1986; Van Lange, 1999). How fear and greed interact with cooperative motivation is explained well in Dual Concern Model (Pruitt & Rubin, 1986). As shown in Figure 1, the model distinguishes between self-concern (viz., fear and greed) and other-concern (viz., cooperative motivation) and proposes that strategic preferences are largely determined by the interaction of self-concern and other-concern. When, for example, self-concern is high and other-concern is low, negotiators prefer forcefully dominating their other side, whereas they engage in cooperative information exchange and problem solving when both self- and other-concern is high.

The Dual Concern Model offers the intriguing implication that integrative agreements are more likely when protagonists combine high other-concern with high self-concern. The tension within each party to care for oneself as well as for the other side makes creative problem solving possible and more likely. A meta-analysis of the available evidence indeed showed that negotiators reach more integrative, mutually beneficial agreements when they combine high self-concern with high other-concern (De Dreu et al., 2000). In these studies, self-concern was higher when, for example, negotiators set more ambitious goals for themselves, had better outside alternatives, or were held accountable by constituencies. Other-concern was higher when, for example, negotiators expected future interaction with the other side, when they empathized with their other side, or when they perceived the other as part of their own group, rather than some rival out-group.

Note that self- and other-concern can be explicit and conscious. But more often than not, these goal-concerns are implicit, covert, and operating outside of awareness. In fact, self- and other-concern are often based on emotions and feelings, which provide covert cues that things are going well, or that self-interest is endangered, or that the other side feels
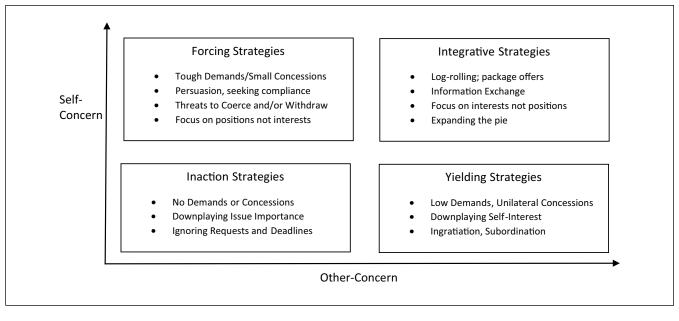
Figure 1. Dual concern model of strategic preferences in multi-issue negotiation and examples of prototypical tactics.
Note. Based on Pruitt and Rubin (1986).

happy, is in need, or is untrustworthy. Indeed, positive feelings promote trust and creative thinking and, accordingly, value creation and integrative agreements (Carnevale & Isen, 1986). The other way around, anger and frustration may reduce other-concern and fuel distrust, rigidity, and competition (Van Kleef, De Dreu, & Manstead, 2010). In short, affect and feeling states shape the negotiator's self- and other-concern, and thereby value creation and integrative agreements.

Finally, there is good evidence that people differ in their chronic disposition to value another's outcomes. Negotiators scoring high on the personality traits agreeableness and need for affiliation, for example, are more inclined to make concessions to satisfy their other side (Barry & Friedman, 1998; Graziano, Jensen-Campbell, & Hair, 1996; Morris et al., 1999). Individuals with a prosocial value orientation, who value other people's outcomes as much as their own, concede more and perceive their other side as fair and trustworthy (De Dreu & Van Lange, 1995; Trötschel & Gollwitzer, 2007). Individuals scoring high on these prosocial personality traits would thus be particularly good at value creation if, and only if, they also set high goals for themselves and ensure their self-concern is maintained and not sacrificed in the process of serving others' needs and interests (Amanatullah, Morris, & Curhan, 2008; Barry & Friedman, 1998).

Cognitive Motivation

The work on prosocial motivation showed that, in multi-issue negotiations, parties need not trade-off self-interest and other-concern. Value creation can cater to both own and other's interests. As noted, some first caveats to value creation

are tendencies to rely on focal points, prominent solutions, and naïve realism, and this tendency is stronger when (a) information is complex, ambiguous, and incomplete, or (b) negotiators lack the resources to seek and process information (Bazerman et al., 2000; De Dreu & Carnevale, 2003; Ross & Ward, 1995). To create value so that both self-interest and other's interests are catered for, negotiators should be willing and able to invest cognitive effort to reflect on their probably imperfect working assumptions about the other side's needs and interests, to seek new information, and to continuously update their understanding of the task, the possibilities for agreement, and the various alternatives that emerge.

Such investment of cognitive effort, and concomitant value creation, is more difficult and less attractive to some individuals. For example, those with chronically high need for cognitive closure, are characterized by considerable cognitive impatience, rigidity of thought, and leaping to judgment on the basis of inconclusive evidence (Kruglanski & Webster, 1996). While need for cognitive closure is unrelated to intelligence, several studies documented that negotiators with high need for closure are, indeed, more likely to rely on cognitive shortcuts and less likely to create value in multi-issue negotiations (e.g., De Grada, Kruglanski, Mannetti, & Pierro, 1999; Ten Velden, Beersma, & De Dreu, 2010). Furthermore, and even among individuals with low need for cognitive closure, seeking new information and processing it is impeded by high time pressure, fatigue, and, as will be discussed in the final section here, strong power disparity among the negotiators. When these conditions are avoided or minimized, value creation and reaching integrative agreements become more likely.

Policy Implications: Creating Conducive Environments

When time pressure, fatigue, and power differences cannot be avoided, a possible solution is to adopt a long-term perspective in which one focuses on the "forest rather than the trees" (Giacomantonio et al., 2010; Henderson et al., 2006). Adopting a long-term perspective triggers global thinking, which is relatively effortless and makes it easier for negotiators to see interrelations among issues, to think outside of the box, and to understand how various issues together can serve basic, underlying needs and interests. For example, Henderson and colleagues (2006) showed that taking a global perspective facilitated the use of a simultaneous strategy and helped negotiators to create value through logrolling. In our own work, we saw that individuals anchored less on high-conflict issues, and were more likely to uncover integrative potential, when they adopted a long-term perspective (De Dreu et al., 2009).

A second caveat to value creation in negotiation occurs when individuals fail to pair high self-concern with high other-concern. They may become either too lenient (because of low self-concern), or too competitive (because of low other-concern). Maintaining high self-concern and high other-concern is difficult. To be successful, negotiators need to liberate cognitive and physical resources. Again, integrative negotiation benefits from an environment in which time pressures are mild and power differences are low, and from rested, rather than tired, negotiators who have low rather than high need for cognitive closure (De Dreu & Carnevale, 2003).

Structural Barriers: Power Differentials and Constituency Pressures

Two structural features of conflict and negotiation exacerbate these problems of information processing and motivation—power differences among negotiators and constituency pressures. Power allows negotiators to control the process and influence their other side; power rests on coercive capability versus dependency (Bacharach & Lawler, 1981). Coercive capacity refers to the possibility to inflict costs on the opposing party, for example, when the adversary fails to make concessions, or withdraws from the negotiation. In the USSR–U.S. trade negotiations, both sides had tremendous coercive capacity residing in their arsenal of nuclear weapons. In contrast, the two businessmen in the opening example probably have low coercive capacity. Their power may be dependence based, in that each depends on the other for reaching its goals. Thus, when there are no other lots in the neighborhood available, yet several hotel owners interested in building a new hotel, the landowner is less dependent on his partner, and has stronger power.

Power Differences Block Value Creation

Relatively powerful negotiators set higher goals and aspirations, and the quality of one's outside alternatives ups one's lowest acceptable outcome—one's minimum offer (Siegel & Fouraker, 1960). So powerful negotiators are more likely to frame possible settlements as a loss, whereas relatively powerless negotiators frame them as a gain. The powerless should therefore be more inclined to claim less, to concede more, and to more readily accept relatively unfavorable settlement proposals from their powerful protagonist. Indeed, relatively powerful negotiators demand more, concede less, issue threats more often, and obtain a relatively large share of the pie.

Second, high-power individuals are less likely to engage in thorough and deep processing of information, and are more likely to rely on stereotypic impressions of others, protagonists included (Fiske, 1993; Magee & Smith, 2013). Thus, relatively powerful negotiators are more likely to think as naïve realists when filling in the gaps. For example, they ask more confirmatory and less diagnostic questions and are less inclined to take another's perspective (Magee & Smith, 2013). Because egocentric thinking and naïve realism lead away from searching for new information, and reduce the motivation to truly understand the powerless opponent's needs and interests, power disparities undermine the negotiators' ability and motivation to create value and seek integrative agreements.

Constituency Pressures

Conflict regulation and deal-making often not only involves principal parties but some constituency on one or both sides as well. This is clear in international dispute resolution, and often applies to deal-making in business. But even in mundane conflicts and negotiations, parties may feel accountable to some constituency, and oftentimes colleagues, spouses, friends, or some unknown bystanders look over parties' shoulders, comment on the process, provide unsolicited advice, and evaluate agreement options and settlements.

The mere presence of a constituency adds informational complexity to the negotiation, and makes it more difficult for negotiators not to rely on focal points and egocentric thinking. Especially, given within-constituency disagreements over how to proceed with the negotiation, negotiators may (have to) turn their attention to their constituency and away from the negotiation table. Constituency presence makes value creation more difficult, and lowers the likelihood of reaching integrative agreements (Carnevale, Pruitt, & Seilheimer, 1981; Halevy, 2008). Accordingly, seasoned negotiators try to keep their constituency at some distance and negotiate in private.

With constituencies looking into the negotiation, negotiators tend to become more competitive with their opponent and such competitive motivation undermines value creation and striking integrative deals. Sometimes, negotiators simply assume that their constituency wants them to be competitive, and this happens especially in Western, individualistic societies (Gelfand & Realo, 1999). Because competing against other groups is such an implicit but powerful norm,

representatives also lean more on hawkish compared with dovish advice and compete against the rival out-group even when the majority of their in-group constituency wants them to be cooperative (Steinel, De Dreu, Ouwehand, & Ramirez-Marin, 2009).

Policy Implications: Managing Constituents and Power Differentials

Constituency pressure can render negotiators competitive and concerned with winning rather than creating value and seeking integrative agreements. The same applies to situations in which negotiators are more powerful than their opponent. Science offers two solutions. The first is to undo the negotiation from these structural features—keep constituencies away as much as possible, and try to level any power differences among parties. Although this is something parties may not be motivated to do, or can do, others may have the ability to create more benign circumstances for negotiations to take place and lead to integrative agreements. Third parties, such as mediators, may find remote places where opponents can negotiate without the media and their constituencies being present and they can sometimes level power differences among opponents by helping the weaker party a bit more, by using their network to provide the weaker party with more power or to weaken the power of the stronger opponent.

The second possible solution to constituency pressures and power differences is to actively promote other-concern and cooperative motivation. Positive other-concern counters powerful negotiators' tendency to act in an egocentric way, relying on their power to subordinate their opponent. It helps negotiators to resist hawkish minorities in their constituency, and to create integrative agreements that not only serve their opponent but their own constituency as well. When opponents work constructively toward integrative agreements, intergroup relations may relax as well, thus creating an upward spiral of constructive interactions with more benign perceptions and less conflict (Kelman, 2006).

Coda

Although most conflicts are wasteful, the myriad of agreements underlying international relations, business deals, and personal relationships shows that people can regulate their conflicts of interest and ideology constructively and to mutual benefit. Indeed, as shown here, such agreements can be integrative and when they are, create rather than destroy value and contribute to economic prosperity, stable relationships, and reduced conflict. Social-psychological and decision sciences highlight how value creation benefits from benign environments, that is, when pressures are low, negotiators adopt long-term perspectives focused on enduring interests rather than short-term positions, and pair high concern for their own needs and interests to positive concern for the other. By designing and promoting such benign environments, institutions may enable and motivate their members seek integrative agreements that benefit all rather than some.

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