HARBORCO

Full materials for the scenario are available from the Harvard Law School Program on Negotiation <u>Clearinghouse</u>. The following abstract is taken from this website.

SCENARIO: Harborco is a consortium of development, industrial, and shipping concerns interested in building and operating a deep draft port. It has already selected a site for the port, but cannot proceed without a license from the Federal Licensing Agency (FLA). The FLA is willing to grant Harborco a license, but only if it secures the support of at least 4 of 5 other parties: the environmental coalition, the federation of labor unions, a consortium of other ports in the region, the Federal Department of Coastal Resources (DCR), and the Governor of the host state. The parties have several issues to negotiate before deciding whether or not to approve the port, including the types of industries that will be be permitted to locate near the port, the extent to which environmental damage be mitigated, the extent to which organized labor will be given preference in hiring during construction and operation of the port, the amount of any federal financial assistance to Harborco, and the amount of any compensation to other ports in the region for potential economic losses?

MECHANICS: This game is best played with 12 people (2 per role) although 6 people also works. A game manager is needed to conduct periodic votes and to answer questions. Game instructions require at least 30 minutes to read; more preparation is helpful. Negotiations require a minimum of 2 hours. However, the more time allowed for negotiation, the better.

PROCESS THEMES: Agenda control; Authority; BATNA; Bluffing; Caucusing; Coalitions; Commitment; Communication; Competition v. Cooperation; Constituents; Delay tactics; Information exchange; Joint gains; Media; Mediation; Meeting design; Misrepresentation; Monolithic vs. non-monolithic parties; Objective criteria; Offers, first; Pareto optimization; Political constraints, dealing with; Pressure tactics; Reservation price; Systems of negotiation; Time constraints; Utility analysis

MAJOR LESSONS:

When the game is played by several groups at the same time, the comparison of outcomes is instructive. Typically, some groups will reach agreement and some will not. Very few groups will reach unanimous (6-way) agreement.

Players are exposed to elementary utility analysis in the point scoring scheme. The importance of pre-negotiation analysis in evaluating options is illustrated. The players can then explore how and why different negotiating strategies led to different outcomes.

Multi-issue, multi-party negotiations tend to involve the formation of coalitions--especially blocking coalitions. This game provides an instructive context for exploring coalition strategies.

Parties that reveal their true interests do not necessarily do better than those who remain silent or bluff. The advantages and disadvantages of revealing all one's concerns are illustrated in this game.

Pareto-superior and Pareto-inferior agreements are illustrated by the scores.

When 12 players play the game (2 per role) they have an opportunity to explore the special difficulties of negotiations involving non-monolithic parties.

The need for a neutral "process manager" of some sort is also illustrated, as the parties struggle to structure their discussions.

The advantages of caucusing can be explored. In some cases, players will initiate caucuses; in others, they will avoid private caucusing.