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# Why *A Behavioral Theory of Labor Negotiations* Remains a Triumph at Fifty but the Labels “Distributive” and “Integrative” Should Be Retired

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## **Introduction**

Being honored with offers to present at two events led me to re-read *A Behavioral Theory of Labor Negotiations* published in 1965 by Richard Walton and Robert McKersie. Appropriately, this classic work was a focus of the January 2015 meeting of the Labor and Employment Relations Association, a group that represents Walton and McKersie’s original target audience. Even more appropriately, the celebration of the book’s first fifty years in March 2015 by the Program on Negotiation exemplified its impact well beyond the field of labor relations to disciplines and areas of interest ranging from psychology, economics, and international relations to law, business, and public policy.

One of the pleasures of re-encountering this classic was realizing just how much I missed the first time I read it in the early 1980s. In retrospect, I see four ingredients that combine to ensure the broader power and relevance of *A Behavioral Theory of Labor Negotiations*. These characteristics distinguish it from the work of such well-regarded labor relations scholars of their day as John Dunlop (1958), Ann Douglas (1962), Carl Stevens (1963), and Edward Peters (1952, 1955) — scholars whose influence remains mainly limited to their initial labor-oriented audience.

By contrast, the analysis in Walton and McKersie’s book reflects (1) immersion in the actual phenomenon that motivated the work, in this case labor relations; (2) deep behavioral insight from the authors’ disciplinary

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training in economics, psychology, and organizational behavior; (3) their engagement with the sophisticated theories of decision analysis and strategic interaction of such scholars as Thomas Schelling (1960) and Howard Raiffa (1968), which had scarcely penetrated mainstream behavioral disciplines at the time; and finally (4) an evident drive to abstract and generalize from the particulars of the authors' world of collective bargaining. In particular, the authors' closeness to practice, their disciplinary rigor, and their search for generalizations strike me as guides to this day for intellectual work that aspires to lasting impact.

Although Walton and McKersie were prescient analysts who uncovered and explicated some fundamental processes of negotiation, their labels for these processes, I argue, have obscured as much as they have enlightened. Ironically, some of their most awkward labels — “attitudinal structuring” and “intraorganizational bargaining” — failed to adequately capture some of their most interesting and original work. By contrast, some of their most widely adopted labels — “distributive” and “integrative” bargaining — have generated ongoing analytic and practical confusion despite the exemplary sophistication of the authors' underlying work.

Terminological case in point: what does “attitudinal structuring” mean? At first glance, this term hardly focuses the reader or listener on the transformation of adversarial relationships into more constructive ones. (To the uninitiated, it may even suggest the “attitude adjustment” offered by “happy hours” at drinking establishments or even brainwashing.) More importantly, consider the puzzling phrase “intraorganizational bargaining.” Mercifully, almost thirty years after *A Behavioral Theory*, intraorganizational bargaining had morphed into “internal negotiation” in the 1994 book *Strategic Negotiation* by Walton and McKersie and co-author Joel Cutcher-Gershenfeld. As Joel Cutcher-Gershenfeld (2015) has convincingly demonstrated via painstaking citation and text analysis, neither attitudinal restructuring nor intraorganizational bargaining has had impacts comparable to other key ideas in the book, but as I will later show, even the *relatively* modest impact of “intraorganizational bargaining” has been considerable, well beyond the realm of industrial relations. “Integrative” and “distributive” bargaining, however, the authors' signature intellectual and marketing success stories, have also generated widespread misunderstanding, to which I first turn.

### **“Integrative” and “Distributive” Bargaining: Marketing Successes, but Sources of Persistent Misunderstanding**

As mainstays of negotiation theory and practice, the twin concepts of integrative and distributive bargaining, crystallized and made famous by Walton and McKersie, have long pedigrees. Mary Parker Follett's famous example (1937/1995) of the library window illustrates the integrative side.<sup>1</sup> (Walton and McKersie carefully and generously credited her with the term in their book.) By contrast, the experiments of Lawrence Fouraker and

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Sidney Siegel (1963) and the essays of Thomas Schelling (1960) exemplify the distributive aspect of negotiation. In a signal and influential contribution, *A Behavioral Theory of Labor Negotiations* conceptualized and analyzed integrative and distributive bargaining as distinct processes. In fact, the authors went so far as to highlight these concepts in separate chapter titles: the “Distributive Bargaining Model” (Chapter Two) in contrast to the “Integrative Bargaining Model” (Chapter Four).

I have frequently observed, however, that for students, negotiators, and even some academics, the concepts of integrative and distributive bargaining produce three kinds of lingering and persistent confusion. Such confusions do not result from Walton and McKersie’s analysis or exposition; indeed, a careful (re-)reading of the book makes evident their sophistication with respect to these fundamental aspects of negotiation. They did not suffer from the same conceptual confusion around these issues that some others, even fifty years on, display.

I believe that these misunderstandings, which I will shortly describe, arise from two choices Walton and McKersie made in this book: (1) the decision to identify *individual issues* as “distributive,” “integrative,” or “mixed,” and (2) the decision to treat distributive and integrative bargaining as separate “models,” highlighted in part by how they titled the relevant chapters.

### ***Classification of Individual Issues as Distributive, Integrative, or Mixed***

To this day, I often hear statements such as “that is an integrative issue,” by which the speaker means that a mutually preferred resolution of that agenda item is possible. Similarly, it is common to hear a negotiation agenda item described as a “distributive issue,” meaning that any change in a proposed resolution of that issue that helps one side will necessarily hurt the other.

Such common statements follow the usage of Walton and McKersie’s usage in *A Behavioral Theory of Labor Negotiations* (1965: 127–128), in which they focused on the nature of different types of individual agenda items. “The subject matter of distributive bargaining . . . involve(s) a fixed total objective value which can be allocated between the parties in various shares or proportions.” And “for distributive issues, gains to one side tend to involve corresponding sacrifices for the other.” Similarly, the “subject matter of integrative bargaining . . . [involves] agenda items which contain possibilities for greater or lesser amounts of value which can be made available to the two parties.”<sup>2</sup> Finally, they defined a “mixed agenda item as one in which there are both significant [distributive] aspects and [integrative] aspects.”

Walton and McKersie went on to divide types of collective bargaining issues encountered in practice according to their “integrative potential.” Unsurprisingly, they indicated that “agenda items involving strictly

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economic values are much less likely to contain integrative potential than are items referring to rights and obligations of the parties". "It is just a fact of economic life," they emphasize, "that 'money is money.' With money, one side's gain is the other side's loss." Pause for a moment over that last phrase, which may sound innocuous and self-evident, but turns out to be incorrect as I will shortly demonstrate.

***First Source of Confusion: Can Purely "Distributive" Issues Admit Joint Gain?***

Let me start by discussing the minor confusion that has arisen from Walton and McKersie's classification of individual issues according to their integrative potential.

Classifying *each issue by itself* as integrative or distributive or mixed — a practice I frequently still encounter — can be misleading. As the authors stressed (Walton and McKersie 1965: 127) with money as the salient example, "[distributive] issues are those items in which gains to one tend to involve corresponding sacrifices to the other." One might quite reasonably read *A Behavioral Theory of Labor Negotiations* to suggest that bargaining over "distributive" issues, especially ones with crystal clear monetary implications, can't lead to joint gains.

If one analyzes this belief for a moment, however, one realizes that this logic does not hold (as the authors seem to have themselves observed elsewhere, at least implicitly). Take a trivial example of a negotiation that includes two individually "distributive" issues: money and intellectual property (IP) ownership. Say that Party A owns IP rights that A could exploit for a five million dollar gain. Party B, however, has access to a wider set of possibilities for the IP, which B could use to generate ten million dollars in value. If, during negotiation, B simply asks A for the IP rights, A should refuse because agreement would cost A five million dollars no matter how it benefits B. In this case, IP ownership by itself is an unambiguously "distributive" issue — a shift in ownership by itself benefits B and hurts A.

On the other hand, if the ("distributive") IP ownership issue were *linked* with the ("distributive") money issue, then B could get the IP rights while granting A, say, \$7.5 million (or any amount larger than \$5 million and less than \$10 million). Relative to no deal, in which A has the rights and B has money, the suggested agreement leaves *both* A and B \$2.5 million better off. It is not that money and IP rights ownership aren't each "distributive" issues, which they are, but rather the *package* contains the potential for mutual gain — enabled by differential opportunities for the IP rights, but the "price" is still "distributive."

The broader point is simple: classifying *individual* issues as distributive, integrative, or mixed can be intellectually and practically misleading. Such classification does not in general indicate whether a bargaining situation contains integrative potential. Integrative potential inheres — at least

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in part — in the *mix* of items, the packages of possibilities, in which heterogeneous valuations across issues contain joint gain potential in analytically precise ways that go far beyond Walton and McKersie's formulation.

Indeed, for precisely probing and even mathematically characterizing the manifold underlying sources of joint gain in negotiation — as David Lax and I have done in several works — classification by individual issues (e.g., as distributive or integrative) is the wrong analytic focus. By themselves, individual issues constitute but one input into the potential for joint gains. Not only does the integrative potential of a negotiation — technically measured by most economists and game theorists as “expected utility” or the sum of the subjective probability of each possible consequence multiplied by its valuation — depend on the nature of the issues, singly and taken together, but also on non-issue factors such as probabilistic beliefs and forecasts, on whether the parties are risk averse or risk prone, on time preference/discount rates, and on a multitude of other factors (Sebenius 1984; Lax and Sebenius 1986, 2002).

An alternative and precise measure of what Walton and McKersie loosely call “integrative potential” was axiomatically and geometrically characterized by Robert Axelrod (1970) using a measure he called the “conflict of interest” in a negotiation. This measure implicitly also measures value by expected utility. Low (down to a minimum of zero) “conflict of interest” by Axelrod's measure corresponds to high integrative potential, while high conflict of interest (up to a maximum one-half) corresponds to negotiations with stronger distributive aspects (or, equivalently, with fewer joint gains). But Axelrod's measure, as with the sources of joint gain that David Lax and I characterize, is not necessarily driven by whether individual issues — Walton and McKersie's focus — are “integrative,” “distributive,” or “mixed.”

***Second Source of Confusion: Do the Terms “Integrative” and “Distributive” Refer to Behavior or to Underlying Structure?***

When Walton and McKersie classified issues as distributive or integrative, they referred to the underlying issue structure. This is a *substantive* classification. Along with chapters describing each separate model (Chapter Two: “Distributive Bargaining Model”; Chapter Four: “Integrative Bargaining Model”), they analyzed *behavioral* approaches and tactics commonly associated with those models (Chapter Three: “Strategies and Tactics of Distributive Bargaining”; Chapter Five: “Integrative Bargaining Tactics”). The authors, in other words, clearly distinguish “behavior” from “structure,” but this is often not true of many who discuss and analyze negotiation.

The term “integrative bargaining” has come to be associated with an overall approach to negotiation, a behavioral style that is interest-based, joint gains-focused, and problem-solving in orientation. It is collaborative, cooperative, “win-win,” and entails efforts to “expand the pie.” For example,

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many people associated with the Program on Negotiation at Harvard Law School would characterize their preferred approach to virtually any kind of negotiation, without respect to its underlying structure, as interest-based and oriented toward joint problem solving.

By contrast, “distributive bargaining” has often come to be associated with an antithetical approach to negotiation, a behavioral style that is positional, individualistic, competitive, contending, and “win-lose.” This approach entails efforts to “divide the pie” advantageously. Countless seminars, trainers, and popular books regard this approach to negotiation as old-school, greedy, and unenlightened relative to adherents of the “win-win revolution” heralded by the publication of *Getting to Yes* nearly thirty-five years ago (Fisher and Ury 1981; Fisher, Ury, and Patton 1991).

These labels are often applied independent of the underlying issue structure, which can lead to problems and confusions. For example, in bargaining situations that *structurally* have no integrative potential (beyond the value of agreement relative to impasse), an unconditional commitment to a joint gains-focused *behavioral* approach will prove unproductive. By contrast, in a situation that structurally has large integrative potential, the parties may nonetheless behave in a canonically “distributive” fashion. Of course, the structural potential for joint gains is often hidden from the parties, whose tactics may facilitate or prevent its recognition.

These observations hardly invalidate Walton and McKersie’s analysis. They do, however, argue for greater clarity of analysis and usage. Do “distributive” and “integrative” refer to a negotiation’s underlying issue structures (preferably not at the individual issue level, as discussed above) or to the negotiator’s behavioral style?<sup>3</sup> Or to both structure and style?

In an analytic scheme that rectifies this confusion, David Lax and I (2006) made the distinction between structure and behavior explicit in our “3D” analysis of negotiation. Our three “dimensions” comprise “setup” (the third dimension), “deal design” (the second), and “tactics” (the first). The second dimension, “deal design,” explicitly refers to the *substantive* aspect of the negotiation. Our first dimension, “tactics,” whether cooperative or competitive or something else, refers to the *behavioral* aspects of the negotiation. Whether one finds our 3D schema more broadly useful or not, by conceptually disentangling deal design (structure/substance) from tactics (behavior) it potentially provides greater clarity in both analysis and prescription relative to the terms “distributive” and “integrative.”

***Third Source of Misunderstanding: Are Integrative and Distributive Bargaining Processes Separate or Inherently Linked?***

By presenting the “Distributive Bargaining Model” in one chapter and the “Integrative Bargaining Model” in another, Walton and McKersie

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inadvertently gave rise to a persistent confusion among many who discuss and analyze negotiation. It is common to hear these processes discussed as if they are distinct, even mutually exclusive — one commonly hears overly simplistic arguments about why “win-win” negotiation is more effective than or even morally superior to its “win-lose” alternative or why “expanding the pie” is better than “dividing the pie.”

In a slightly more sophisticated take, integrative bargaining is presented as the enlightened successor to distributive bargaining, remnants of which may unfortunately be necessary at the tail end of a negotiation. Behind these discussions often lies the inchoate presumption that “cooperation is better than competition.”

Of course, these are more social and ideological perspectives than analytic ones. In a negotiation, the pie, if you will, *is* expanded to whatever extent, if at all. And the pie *is* divided, in whatever proportions. Both processes are inherently involved, although the tactical emphasis may vary.

To their credit, the authors are quite clear about the false dichotomy between integrative and distributive bargaining. Some of the richest and most insightful elements of Walton and McKersie’s analysis consist of a series of “dilemmas” associated with each kind of bargaining as well as with the “mixed” version. In these dilemmas, the tight behavioral links between these two processes are insightfully explored in some depth. An illustrative excerpt of their exposition merits direct quotation (Walton and McKersie 1965: 182):

Generally speaking, the tactics appropriate for pure distributive bargaining conflict with those appropriate for pure integrative bargaining. At virtually every turn, the negotiator finds himself in a dilemma: Should he conceal information in order to make his tactical commitment more credible, or should he reveal information in order to pursue integrative bargaining; should he bring militant constituents into the session to affirm feeling, or should he use small subcommittees in which new ideas can be quietly explored; etc.?

While it may be useful for pedagogical purposes to conceptually disentangle these processes, they are inherently linked in both theory and in practice, especially in situations in which information is asymmetrically held, which occur frequently. At least some degree of information sharing is typically required to realize joint gains. And yet, for one side to share information with the other risks exploitation. If Party A knows what something is worth to Party B, A can potentially force B to “pay” full price. Hence B may then hold back or distort that information. And individual overreaching by, say, making a too-aggressive commitment to a position may well prevent otherwise mutually beneficial agreements from being reached at all.

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David Lax and I (1986, 2006) carefully analyzed the close, inherent relationship between (1) the cooperative moves necessary to share information and solve the joint problem in order to realize joint gains, and (2) the competitive moves useful to advance one's own interests and prevent exploitation. The "negotiators' dilemma" we derived and elaborated showed how competitive moves tend to drive out cooperative ones, leading to suboptimal agreements, impasses, and conflict escalation. From a formal, strategic standpoint, Roger Myerson and Mark Satterthwaite (1983) demonstrated that, in a wide class of bargaining situations, *ex post* efficiency (realization of all possible joint gains) is incompatible with *ex ante* incentive compatibility (economic motivation for true revelation of information as opposed to distortion for individual gain).

More broadly, the path-dependent process by which value is generally created can heavily affect its ultimate division between the parties. In tandem, jockeying for advantage in the battle over dividing the potential value in a deal can sharply limit how much value is ultimately created. As such, the common prescription — to expand the pie, then divide it — is in general naïve and analytically flawed.<sup>4</sup>

The centerpiece of our investigation examined how this inherent cooperative-competitive tension could be productively managed by a number of individual and joint approaches. What could not be done in an analytically legitimate fashion would be to separate these two processes entirely — or worse, proceed as if it were possible to choose "distributive" or "integrative" bargaining as a preferred approach and eschew the other. But a superficial reading of *A Behavioral Theory of Labor Negotiations*, or exposure to the folklore it inadvertently spawned, has encouraged many a student, negotiator, corporate trainer, and academic to the flawed belief that integrative and distributive bargaining are separate and separable in general. In what should have been an intellectually embarrassing manifestation of this view, I understand from a participant that an Academy of Management panel several years ago actually debated whether it was even ethical to teach about distributive bargaining. By these lights, there is the bad old "distributive bargaining model" versus its enlightened alternative, the "integrative bargaining model." Rather than struggle with this analytically and practically incoherent "choice," it would be better, I think, to question that assertion — and re-read Walton and McKersie, carefully.

### **Revisiting Terminology: Integrative and Distributive Bargaining**

As Joel Cutcher-Gershenfeld's (2015) analysis makes clear, the terms "integrative" and "distributive" have passed into widespread use and are cited with great frequency in scholarly outlets. Indeed, they have become "terms of art" among those who study negotiation. In this sense, the two terms, as



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well as the fundamental concepts to which they refer, represent a remarkable academic success story.

Yet, in my experience, these terms tend, at least on the first few hearings, to be more obscure to students, practitioners, and the uninitiated: “integrative” may sound like something suppressed from a calculus course and “distributive” means exactly what? While negotiation jargon has its place — “BATNA” to refer to one’s best alternative to a negotiated agreement and “ZOPA” to refer to the zone of possible agreement come to mind — my general presumption is against the use of jargon. I largely pass over, in silence, the importance and wisdom that obscurantist language may seem to confer on the insecure instructor.

After roughly a twenty-year lag, Walton and McKersie wisely shelved the mouthful, “intraorganizational bargaining,” in favor of the far better “internal negotiation.” In my view, a relabeling of these two bargaining processes would make the authors’ achievement even greater.

Our deep appreciation for the concepts of integrative and distributive bargaining, but dissatisfaction with the terminology, led David Lax and me (1986, 2006) to a search for accurate but more evocative terminology. Rather than “integrative bargaining,” we finally settled on “creating value,” a phrase directly meaningful to a broad audience. Moreover, this term is consistent with standard usage in economics, business strategy, and marketing. Making a value-creating move in negotiation is readily understood as coming up with an outcome that, relative to an existing or reference deal, is simultaneously better for both sides — in terms of how well interests are served — at no cost to either.

Somewhat more controversially, we settled on “claiming value” as superior to “distributive bargaining.” It is a minor plus that this term resonates with standard usage by economists, business strategy, and marketing scholars who routinely focus on creating and “capturing” value. Some who study negotiation, however, seem uncomfortable with “value claiming,” perhaps concerned that even using this phrase legitimates greedy behavior. They may prefer the detachment of more even-handed terms such as “allocating,” “distributing,” “apportioning,” or even “sharing” value. But unlike these seemingly neutral, above-it-all labels, the phrase “claiming value” generally resonates with practitioners, in part because it accurately describes what many see themselves or others doing when pressing for a better deal.

Using behaviorally accurate and evocative terminology such as “claiming value,” it is easy to directly explain a common and important source of bargaining failure to both practitioners and academics. Specifically, when each negotiator too aggressively seeks to claim value — a widely acknowledged and readily understood dynamic — such actions may interact to produce inferior agreements, generate needless impasses, or result in conflict escalation. (For expositions, see Lax and Sebenius 1986, and Mnookin, Peppet, and Tulumello 2000).

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“Claiming value” thus has immediate and behaviorally descriptive power that points to a common and often counterproductive bargaining behavior. By contrast, it is hard to imagine negotiators critiquing their actions as too aggressively “allocating,” “distributing,” “sharing” value, or the equivalent. Even if one eschews using the term “value claiming,” it is possible to make the same point: when each side employs too-tough tactics in seeking an individually advantageous distributive result, the outcome may be suboptimal.

Of course, *claiming value* need not implicitly mean greedy or unfair any more than a legal “claim” should be automatically interpreted as baseless or unreasonable. An appropriate legal claim is fair and well supported by evidence. While a negotiator can certainly seek to claim excessive value by means of hardball and deceptive tactics, this need not automatically be the case. Effective negotiators can learn that claiming a full and fair share of the available value in a sustainable fashion has long-term benefits.

### **The Legacy of Intraorganizational Bargaining**

Unlike distributive and integrative negotiation, the term “intraorganizational bargaining” has not generated widespread misunderstanding, although its influence deserves wider acknowledgment. Terminology aside, *A Behavioral Theory of Labor Negotiations* was the first book to systematically explore this aspect of bargaining, carefully probed in a labor relations context. In exploring intraorganizational bargaining, Walton and McKersie unearthed and analyzed unexpected negotiation dynamics not only in the traditional location, “across the table,” but “behind the table” as well. Their work greatly enriched the highly stylized economic analysis of the “principal-agent” (Ross 1973; Pratt and Zeckhauser 1985) relationship that predominated at the time. Agents bargaining with other agents implicitly also have dealings with their principals back home, a relationship that presumably involves bargaining. Treaties negotiated by U.S. ambassadors, for example, require negotiations at home for Senate ratification. “Internal negotiations” and “behind-the-table” dynamics have since become central concepts in negotiation analysis (Mnookin and Susskind 1999; Mnookin, Peppet, and Tulumello 2000).

By the mid-1980s, David Lax and I were looking beyond traditional “external” deal making and turning a negotiation analytic lens on the challenges of organizational management (Lax and Sebenius 1986). Walton and McKersie offered us many rich and provocative internal examples of this from their study of labor negotiations. “External” contract negotiations clearly have “internal” negotiation components that extend well beyond labor contracts. When the idea of “command and control” became increasingly challenged because it offered a misleading and incomplete description of management action, we observed that, for example, a division head negotiates both “up” with superiors as well as “down” within her

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division. And even the chief executive officer works at the nexus of linked negotiations with the board of directors and various organizational players.

Indeed, on the basis of considerable observation and study, Lax and I came to the conclusion, reflected in Chapter Seventeen of *The Manager as Negotiator*, that the “manager is always in the middle” (Lax and Sebenius 1986). Yes, some managers give orders as if they are eighteenth-century British sea captains — “Do it or be flogged and keel hauled” — but such behavior is similar to ultimatum bargaining, with its associated costs. More often, in Howard Raiffa’s informal words, managers act like “interested and opinionated mediators, with clout.” How to productively synchronize internal and external negotiations in these settings became an ongoing challenge for both analysts and advisors. This rich and ongoing line of inquiry owes a great deal to Walton and McKersie.

Much of my work occurs in the domain of international relations, where negotiation abounds. After Thomas Schelling’s (1960) *Strategy of Conflict*, probably the most famous work on bargaining in the mainstream international relations literature is Robert Putnam’s 1988 article in *International Organization* entitled “Diplomacy and Domestic Politics: The Logic of Two-Level Games.” Until this article, the obviously important interplay between “domestic influences” and international negotiation had received only anecdotal notice and *ad hoc* analysis. In Putnam’s lightly analytical formulation of this “two-level” phenomenon, he appropriately credited *A Behavioral Theory of Labor Negotiations* as “strikingly applicable to international conflict and cooperation” (Putnam 1988: 433).

Putnam coined the useful terms “Level I negotiations” and “Level II negotiations,” but they correlate closely with ideas found in Walton and McKersie’s book. In the simplest version of Putnam’s conception, the Level I game comprises traditional “at-the-table” diplomatic agreements, while the Level II game comprises the formal and/or informal domestic ratification of such agreements “behind the table.” More broadly, Level I negotiations often refer to international/external/at-the-table negotiations and Level II negotiations refer to domestic/internal/behind-the-table negotiations.

In some cases, the Level II “behind-the-table” challenges can prove more formidable than those that occur “across the table” (Level I). With respect to the Israeli–Palestinian negotiations, Robert Mnookin and Ehud Eiran (2005) explained how settlers and their political advocates on the Israeli side, as well as diaspora Palestinians and militant Palestinian factions can, for separate reasons, make generally desirable deals impossible to reach — or for leaders to even propose publicly — because such deals would lack insufficient public support to overcome opposition to the compromises they would require.

The belief that, if a (Level I) deal is reached across the table, each side’s leadership is best positioned to manage its *own* internal (Level II) conflicts

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is often implicit in much of this two-level negotiation work. Traditionally, a negotiator accomplishes this by (1) pressing for deal terms that will attract sufficient internal support and meet internal objections, and (2) effectively “selling” the agreement to key constituencies.

Far less familiar — although Walton and McKersie provided numerous motivating examples — are the many ways that one side can meet its *own* interests by helping the *other* side with the other’s “behind-the-table” or Level II challenges (and vice versa). I have drawn on many examples to analyze this phenomenon both descriptively and prescriptively (Sebenius 2013, 2015), concluding these essays with an analysis of the remarkable strategies employed by former U.S. Secretary of State James Baker and President George H. W. Bush to help the Soviet Union address its own Level II issues during negotiations over German reunification within the North Atlantic Treaty Organization (NATO).

## Conclusion

Regardless of my surface quibbles over the authors’ terminology or the conceptual confusion that may have directly or indirectly resulted for some, my deep appreciation for the achievements of *A Behavioral Theory of Labor Negotiations* stands: “Walton and McKersie’s closeness to practice, disciplinary rigor, and search for generalizations strike me as useful guides to this day for intellectual work aspiring to lasting impact.” Independent of my preference for “creating and claiming value” over “integrative and distributive” bargaining, I wish them a pleasant and well-deserved celebration of the fiftieth anniversary of this important book — and many happy returns!

## NOTES

1. A man working near Follett in the library wanted a particular window opened, Follett did not. They realized they could both be satisfied if a window in an adjacent room was opened, providing the ventilation that the man sought without exposing Follett directly to a cool wind, which is what she hoped to avoid.

2. The careful reader will note that, rather than consistently referring to “distributive issues” and “integrative issues,” the authors (Walton and McKersie 1965: 127) initially defined two terms of art: “issues” as the subject of distributive bargaining, and “problems” as the subject of integrative bargaining. However, they soon unambiguously begin to refer to each type as an “agenda item” and associate agenda items with what would normally be called issues such as wages, work rules, job security, benefits, and so forth. In the discussion above, I’ve opted for the clearer usage.

3. With their inclusion of “mixed” in reference to issues that have both integrative and distributive elements, Walton and McKersie tend toward the structural meaning, although their tactical discussions clearly refer to behavior.

4. Of course, even if analytically problematic when asserted as a general proposition, urging initial cooperation before fixating on individual shares may be behaviorally useful. And in some special cases — for example, where money truly represents the full set of interests to the parties and is equally valued — agreeing *ex ante* on shares may lead to maximization of value. For example, once two parties agree on fixed shares of a venture’s profits, each should concentrate on maximizing the total. After all, abstracting from effort, one maximizes  $x$  percent of a total the same way one maximizes 100 percent of the total.

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