Does the obligation to bargain make you stick on your guns? An experimental analysis.

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Abstract

In a lot of real-life legal disputes, the parties have the obligation to negotiate before an external solution is imposed to them. We investigate theoret- ically and experimentally the impact of such a constraint on the behavior of bargainers and on the outcome of this bargaining. Individuals initially choose whether to bargain over the division of a pie, and if one of them refuses, then the bargaining may be imposed to them with some probability. We show that individuals who are forced to bargain are significantly more aggressive than those who initially choose to bargain, and this behavior is indeed partly due to the constraint. This implies that the fact to be constrained does not bring individuals to behave as if they had freely made this decision, which proves that the way the bargaining process is enforced is not neutral, and affects the outcome of this process. This feature should be taken into account for the design of legal procedures of resolution of individual and collective conflicts.

Keywords: Bargaining, Conflicts, Enforcement, Forced negotiation

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