

Divorce Conflict Information Booklet Series¹
Section One: Planning the Solutions

Booklet VII
**Goal-based Planning with Game Theory
Principles**

By Kenneth R. Waldron, PhD and Allan R. Koritzinsky, JD²

Game Theory and Divorce Negotiations

Game Theory is both a branch of mathematics and a science. It began in the 1940's with the study of how and why people make the choices that they make in parlor games- thus, the name of "Game" theory. However, by the 1950's, Game Theory has become a serious subject of study.

Game Theory was first applied to war strategy and economics, but since then has been applied to other forms of law, such as insurance law, torts, and other legal disputes.³ Game Theory principles also are salt and peppered through the 101 chapters of *The Negotiator's Desk Reference*, written by some of the world's prominent negotiators. The book is edited by and includes useful annotations by Chris Honeyman and Andrea Kupfer Schneider. One of the chapters is written by a well-known game theorist. Game Theory has even been used in the design of nuclear power plants to minimize risks. Thirteen Nobel Prizes have been awarded to various Game Theorists.

¹ Our Divorce Conflict Information Series is organized into two Sections: Section One- Understanding the Problem and Section Two- Planning the Solution. Each of the Sections has six Booklets. This is the first Booklet in the second section.

² For more on the subject, you are encouraged to read the following two books written by your authors: "***Game Theory and the Transformation of Family Law: Change the Rules- Change the Game. A New Bargaining Model for Attorneys and Mediators to Optimize Outcomes for Divorcing Parties.***" Unhooked Books. Scottsdale, AZ 2015 and "***Winning Strategies in Divorce: The Art and Science of Using Game Theory Principles and Skills in Negotiation and Mediation.***" The latter is an online book only. See www.unhookedmedia.com.

³ *Game Theory and the Law*, by Douglas Baird, Robert Gertner and Randal Picker introduces the use of game theory in law, but does not include an application to divorce. The book presents the theory in principles, rather than the very challenging mathematics involved, and for that reason, is particularly helpful.

Game Theory is a science in the sense that many experiments have been done to test the predictions of Game Theory and to better understand how and why people make the choices that they make. One aspect of that research that has been thoroughly studied is why do people make choices that seem at first glance to be irrational and even self-destructive. The mathematics developed (or borrowed from other fields of mathematics) are a complex language in and of themselves. However, the principles of Game Theory are simple, perhaps even obvious. This Booklet will focus on the principles and rescue the reader from having to face the mathematics.

As the saying goes, "*All of life is a game.*" This saying has much more depth than might first appear. "Game" implies something light, even fun. However, the "game" in the Game Theory sense involves every situation in which people are strategically involved with one another, whether that be the competition between businesses, the insurance business, getting married, buying a car, war, government, etc. In all of these situations, people are making choices, with a certain amount of information, which they expect will lead to certain payoffs and constraints.⁴

The definition of a Game is supplied by its four components:

1. **Players:** there are two or more players who are strategically connected to one another (more on that below). In divorce, there are two players, the spouses, possibly one or two other players, lawyers, and perhaps others, for example, a mediator. One could describe the law and a judge as additional players. However, for simplicity we can call a divorce a two player game, when at times the two players might consist of a team of a spouse and an attorney. The players are strategically engaged because the outcome of the game will include the distribution of property, debt, future income, time with children and control over child-related decisions.
2. **Rules:** there are rules to the game. Some of those rules are inherent in the nature of the game. In divorce negotiations, law and professional standards provide some of the rules. However, and this is crucial, professionals or parties can add to the rules that can channel people into reaching optimal agreements. Lawyers can introduce formal and informal rules into the game of divorce. They can control the format for negotiations (i.e., lawyer to lawyer or four-way meetings including parties). Lawyers will often be able to introduce rules into the process, such as what topic to begin with and how to approach that topic.
3. **Choices:** the players make choices that affect the outcome of the game for both of them. It is in this way that they are strategically connected to one another. When a player makes a choice, all of the other choices in that matter disappear. Keep this in

⁴ See, Sowell, T. *Knowledge and Decisions*. Basic Books. (1980).

mind because in divorce negotiations, it can be helpful for lawyers to point out the lost choices, when a certain choice is made, might have had a much higher utility.

4. **Payoffs:** payoffs are what the players receive or do not receive as a result of the choices that they make. There are two extremely important facets to payoffs that are a little technical.
 - a. “Payoff” is your authors’ word because it is less “jargony”. The Game Theory words are “expected utility.” Regardless of the name use, the payoff can be positive or negative. For example, a poker player might stay in the game with a good hand. The expected utility is to receive the winnings. However, a poker player can fold a bad hand. In that case, the expected utility is to diminish losses. In a divorce, a spouse might offer a spousal support amount that is lower than what might be expected if litigated.
 - b. The second technical aspect of payoffs is that there are objective payoffs, and there are subjective payoffs. An objective payoff is measurable and obvious. Playing a hand of poker has the obvious objective payoff of getting the money. However, there are subjective payoffs that do not lend themselves to measurement and might not even be obvious.

Having a Friday night poker game tradition with a group of friends might largely ignore the objective payoff of winnings and losses, because the subjective payoffs of the fun with friends, including snacks and a beer, might be highly valued.

What Game Theorists have done is nominalize subjective payoffs. In the poker example, the players might be asked on a scale of 1 to 10, how important is the ratio of winnings to losses? The next question is on a scale of 1-10, how would you rank the importance of being with those friends? There might be others, like how important is sharing snacks and a beer? Once subjective values are nominalized, the Game Theorist can apply mathematical models and draw conclusions. We will be revisiting this latter technical side of payoffs a number of times in this Series. However, keep this concept in mind because in the Divorce Game, the choices might be dominated by subjective *expected utility*, that is, the expected subjective payoffs for those decisions.

If possible, it would be clearer, once understood, to think in terms of *expected utility* because that clarifies that the expected utility does not necessarily mean getting something, but could be limiting loss. Also,

“expected” often means that the player is working with uncertainty and also possibly with fantasy. It might be that the fantasy of what an expected utility is an empty promise.

For example, a player, say a father, might have an expected utility that if he gets more parenting time with a child, he will have a stronger and more positive bond with the child. In a vicious battle with the mother, even if he prevails, he might pay the price of being left out of the child’s life half of the time. Also, research on parent-child relationships clearly indicate that the **type of time spent** with a child is much more important than the **amount of time**.

A critical benefit of surfacing the subjective payoffs, the expected utility of making certain choices, in divorce negotiations, is because the party might be “barking up the wrong tree” altogether. Lawyers can provide information that redirects the party to a utility that is much more likely to lead to goals. In our example, less time with the child, but with flexible involvement with the child when with the mother and focusing on quality time, is much more likely to lead to strong father/child bonds.

Now that we have defined Game Theory, the definition of which is the four components of a game that is being played, we can begin to look at some of the principles, techniques and strategies that lawyers can use to help parties achieve optimal agreements for both of them.

Lawyers already have the training required to learn and apply the Game Theory principles, techniques and strategies presented in this Booklet. We summarize them in advance and introduce them below as a roadmap of what is to follow:

1. Lawyers can make rules for the negotiation and mediation process.
2. Lawyers can manage information to ensure it is public, verifiable, complete and perfect.
3. Lawyers can insert Axioms that an ideal agreement *should have* in the final version of the document.

When applied effectively, lawyers have the perfect opportunity to make a big difference when leading the Goal-based Planning during the divorce negotiations.

Goal-based Planning: Principles, Techniques and Strategies

A divorce is a major life event, not a failure. One might see it as a failure and assume that one or both spouses failed in some way that led to the divorce. Divorcing spouses almost always see it as a failure, because it is not the preferred outcome intended at the beginning of the marriage. As we have written in prior Booklets, divorce is normative, at least in the sense

that the divorce rate has been substantial throughout history. While it fluctuates with cultures, different times in history and with different definitions of what it is to marry, social anthropologists tell us that the average rate has been about 30 percent.

However, it is a painful and disappointing event for spouses, although by the time of a divorce, it might also promise relief and opportunity. Other life events can also be frightening and painful, such as the loss of a job, a serious illness with a child, death in extended families, a failing grandparent who needs care and so on. In all of these situations, initial reactions might be strongly emotional, requiring some emotional resolution, but then the task is to take a look at the current situation, realign long-term goals, and begin planning how to proceed from the current situation in order to reach those goals.

Professionals (especially lawyers) can play crucial roles in helping parties make choices that optimize their chances of having a good divorce plan. The power of the professional lies in facilitating the parties to make rules for the negotiations, manage information well and take (in Game Theory terms) an axiomatic approach to the negotiations. Please see later in this Booklet where the Axiomatic Approach is presented.

One example. A financial advisor can design the process of ferreting out details in the current situation, translate long-term goals into numbers and help make a financial plan for the clients. Attorneys and mediators in divorce cases can do the same, including making rules for the negotiations. In the remainder of this Booklet, we are going to flesh out that power.⁵

Making Rules

The most powerful rule, of course, is that the lawyers choose the topics for discussion. If a party jumps the gun and introduces a topic, one or both of the lawyers (or a mediator) can put a stop to it by saying something like, *“We will get to that later, but for me [for this meeting] to be helpful, we need to start with . . .”* The lawyers can introduce topics in an order that has the best chance of getting to optimal solutions. For example, the planning can begin by having a *“getting to know you”* segment, rather than focusing immediately on the legal tasks, or even worse, starting with a discussion of an already existing dispute.

One of the benefits of beginning with a *“getting to know you”* segment is that it can change the emotional tenor of the process. For example, starting with *“Tell us how you met”* is another easy way to connect with the loss and sadness, rather than the pain and frustration. Another example is to begin with *“We will be designing a life for your children for after the divorce. Tell us a bit about what your children are like.”* This also gives the attorneys an opportunity to model and teach skills to parties that will help in the negotiations, but more importantly, can be taken into their post-divorce life as co-parents.

⁵ For simplicity, we will treat the divorce as having two attorneys, who might at some point bring in other professionals, but remain in charge of the process.

By getting to know the relationship history, which can be done in a half-hour or so, the attorneys can learn much about the relationship obstacles and the presence or absence of core emotions [more about this is later Booklets] contributing to conflict. The attorneys then can take steps to help process those emotions to diminish their ability to block agreements.

For example, the attorneys might see that the parties are very disappointed in their marriage because they had very high hopes for providing a good family for their children. An attorney can then say something like, *“It sounds like you both really love your children and are sad that you are not going to provide them with a family with married parents. Keep in mind, though, that about half of divorced parents have children who turn out as well as children from intact marriage families. It all depends on how well you co-parent with one another.”*⁶ With this little redirection, the attorneys are helping the parties resolve their fears that they are inevitably hurting their children by not reaching the vision they had of a good family experience. This should provide them encouragement that they can still provide a healthy family experience.

This might sound like the attorneys are stepping out of their role. However, remember that divorce lawyers are not only in a legal business, they are also a people business. Remember that the question, *“What is involved in getting a divorce?”* includes both the legal steps and developing a plan for a divorced life. In a step-by-step approach, the attorneys are identifying and diminishing the obstacles to reaching an agreement. This is because the attorneys have the power to make a rule: e.g., *“Can we agree that XX is what we are going to talk about first, and this is the order in which we are going to talk about it...”*

Another rule might be to treat each other respectfully by modeling respectful treatment and by explicitly stating the consequences of a rule breach if one of the parties is being disrespectful. This rule is a must condition to having negotiations reach optimal agreements, and attorneys must be able to confront parties if they are breaking a rule. People sometimes mistake “confront” for being bossy.

Confrontation simply means stating a fact. For example, an attorney can say to his or her client, *“We will fail in our efforts here if you keep interrupting. The only way to be successful is if both of you are given a chance to express what is important to you. Please wait your turn to speak. I will make sure that you get that chance.”* If the person keeps interrupting, it might be time to end a joint meeting and reschedule, after an opportunity to talk more to the client. The desire to have successful negotiations can sometimes include getting a little fuzzy on tolerating conditions that will likely lead to an unsuccessful outcome. This is a display of referent authority. Parties need to believe that the attorneys know what she or he is doing and is clear about what conditions (rules) need to be in place to be successful.

⁶ Ken has published a *CoParenting Training Workbook for Separating or Separated Parents*, that can be purchased for a modest cost from our publisher, Unhooked Media. unhookedmedia.com.

In other Booklets in this Series, we will revisit making rules a number of times using Game Theory principles and techniques. Here we want to emphasize that this is a powerful advantage that attorneys have and can use to channel people into optimum outcomes.

Managing Information

Game Theory research instructs us that managing information properly can greatly affect negotiation outcomes. Managing information simply means that all of the relevant information is “on the table”. In a later Booklet, we will introduce Bayes Rule, which explains in detail, and with mathematical logic, why this is so important. Game Theory identifies four characteristics of managing information properly: the information is public, verifiable, complete and perfect.:

Public. Information is public when everyone playing the game has the same information. We have not fully expressed this yet, but the lawyers are players in the game, although in special roles. As we have seen and will see through the remaining Booklets in this series, the lawyers have rules to follow, have choices to make, and there are both objective and subjective payoffs [expected utility] at play for the lawyers as well.

There are differences in the game that the lawyers are playing, but it is also a two-person game. In the two-person game that the parties are playing, the parties are the two players. In the lawyer game, there are four games: each lawyer is playing a two person game with his and her client; and the lawyers are playing a two person game with one another. The implication is not only that the information be public between the parties, but also that the information be public in the lawyer games. This can create wrinkles in the divorce game. For example, a party might inform the lawyer that she is planning to move out of the area, but not want the other party to know that. Information that is not public can interfere in the negotiation process and disrupt the effort to make optimal agreements for both parties.

There is another tricky aspect to having information be public. We return to our description of payoffs earlier in this Booklet. The payoffs that the parties are playing for also need to be public. The objective payoffs will likely come up in the discovery step, but what might not be obvious, even to the parties, are the subjective payoffs at play. In order for the information to be public, the subjective payoffs also need to be public. This places an additional demand on the lawyers to question the parties carefully to make public all of the payoffs for which they are playing.

For example, a mother and father have a dispute about the parenting time schedule.⁷ The father wants the schedule to be half of the time with each parent. The mother asserts that she wants the stability of having the children in her home on all school days. Her reasoning is that a stable home during the school week means that the children will have the books that are

⁷ Different jurisdictions have different terms for the schedule. Physical custody is one. Physical placement is another. There is a trend to calling it parenting time and that is what we will use.

needed, routines for homework and school mornings, an expected location for their friends, no confusion about which school bus to take, and so on. She is also more available after school because she is a teacher. She has the goal of the children doing well in school, academically and socially, and to be with a parent after school, not in afterschool care. The father also wants the children to do well in school, but believes that his involvement with them on half of the school days will also be beneficial. He will know their teachers, be able to be an intelligent participant in parent/teacher conferences, know the children's friends and balance the influence of the mother in helping the children with homework and social problems. He also asserts that the children will be with some of their friends in after school care.

The lawyers might ask more questions about the expected utility of their positions. Sensing something more with the mother might say, *"It sounds like the stability of one home during school weeks is important to you. Then it would not matter if it is your home or dad's home. Do I have that right?"* The next moment, the mother looks like a deer in the headlights and then breaks into crying, saying that she could not go more than a day or two without seeing the children. Now the mediator has made a critical subjective payoff public. It might even be that the mother was unaware consciously of that payoff, but the subjective payoff undergirded her position. Now the issue can be resolved, taking her payoff structure into consideration.

This is, by the way, a real case. The mediated agreement in this case maximized the payoffs for both parents, partly because we had a little luck with the mom being a teacher. They developed an equal schedule, but the children went to their mother's house every day after school on the school bus, and the father drove them to school so there was no bus confusion. The father picked them up from the mother after work. This solution had another benefit: it required them to cooperate actively with one another, design good child-focused transitions, and actively share information about school and the children. A key to reaching optimal agreements is to make information, especially information about subjective payoff values, public.

Verifiable. Trust is important to reaching optimal agreements. Parties come to negotiations with different levels of trust in one another. Some trust each other by reputation. In Game Theory, reputation means that by experience, parties trust the other party be honest. Some parties come to mediation with low to no trust. In all cases, the lawyers must make information verifiable, whether by proofs or by reputation.

For example, a party asserts that her or his boss informed all of the workers that there would be a cut back in wages in order to keep all of the employees on the job. In a high trust environment, this statement might be acceptable as verified. In a low to no trust environment, the lawyer must ask for proof of the assertion.

In a sense, insisting that information is verifiable, either by proof or by reputation, is another rule imposed on the process by the lawyers.

Complete. Here we get a little technical. In Game Theory, having information complete means that all of the players know the structure of the game, which includes the expected utility at play for the parties. It also includes knowing the strategies available to both parties.

For example, two parents have been equally sharing the children since their separation. A mother asserts that she is fine continuing with that, but she would like to have an agreement in the court order that she is designated as primary parent by having more time with the children than will actually happen. She claims that this will allow her to receive certain benefits, such as housing assistance. She is represented by an attorney, but the father is not. Nevertheless, he did not want to do what she proposes because he was afraid to lie to the court. In negotiations, he agrees to a minimal change in the schedule, on paper, that could be construed as the truth, if tested in court. Three months after their final judgment, the mother proposes to move away and take their child with her. This is a real case, although not involving your authors until the move-away dispute came up, and Ken was hired to do a custody evaluation.

In this case, the information was incomplete. The father was not aware that by designating the mother as primary parent, she gained an enormous advantage in a move-away case. In other words, he was unaware of one of the strategies in the game. It is the responsibility of the lawyers to make sure that information is complete. This is a major advantage of having both parties represented.

A more common threat to having information be complete involves situations in which a parent or parents think that information from the child or children should be a consideration in designing a parenting time schedule or a major decision is on the table in a case in which the parties share decision-making authority. The challenge to the lawyers is to decide if and how to include that information. The lawyers might suggest having children meet with a child expert familiar with divorce research and then report relevant information to the lawyers and the parents, including how much weight should be given to the children's input.

Another common problem in having information be complete is when the issue for negotiation is parenting time, and one or both parents believe that the real issue is child support. At the risk of stereotyping, this comes up mostly in cases in which the father wants more time with the child and the mother accuses him of wanting to pay less money in child support.

Child Support Guidelines exist in most jurisdictions tying child support directly to the proportions of parenting time (generally overnight time). It costs a certain amount of money to raise children, generally regardless where the child resides overnight. If a parent gets more overnight time with the children, they pay less in child support, but the net total expense of

supporting the child is about the same. The critical difference is because the one parent pays less child support to the other parent, but pays more direct costs of raising the child.

Sorting all this out, especially when complicated by the emotional and control issues, is the challenge facing the parties and their lawyers in this situation.

As an aside. The IRS has a calculation of how much it costs a day for intangibles, like increased utility bills and food costs, if a child is in the home. A father might pay less support to a mother, but will pay more for food, the additional clothing needed, higher utility costs and so on.

When a concern is raised about the subjective goal of paying less or getting more child support, the lawyers have the task of getting the information complete, even though both parents might initially deny that child support is the issue. In a real case, when the father asserted wanting two more days every two weeks, the mother accused him of wanting to pay less child support. The father asserted he would continue to pay the same child support, but she distrusted that assertion. In an effort to make information complete, the mother finally admitted that she needed the current child support amount to continue to live the lifestyle that she and their children were living. That allowed them to agree to the change in the schedule and to have a pretty tight agreement prepared, confirming his commitment to pay the current level of support. By getting the information complete, they were able to focus on an agreement that accomplished the goals of both parents.

Making information complete, especially when there is a suspicion that it is not, is an important task in negotiations. Whether or not the information is complete can determine whether the negotiations reach optimal agreements.

Perfect. This is another somewhat technical side to information management. Information is perfect when the players know the complete history of the game, meaning the choices or series of choices already made.

Perhaps an analogy can make the point. In chess, the information is perfect because both players know the history of the game. When a player moves, he has a complete history to that point because he or she saw all the prior moves. When people are playing bridge (i.e., the card game), they have complete information but not perfect information. They know what cards have been played, but they do not know the strategies that led to those cards being played. They do not know if the player is playing their highest card, or deliberately playing a lower card in order to give them a later advantage.

An example in divorce might be the following. The extended family had put property in the name of the extended family. It was the family farm with the extended family to which the spouse owned a share, but there was a clause in the ownership partnership with regard to

distribution should any of the family members get a divorce. This real case illustrates how information can be imperfect because the other spouse did not know the complete history of the game, at least not until she included the share of the farm in the property of the marriage. In effective negotiations, one of the early steps in the process should include making the information perfect before beginning the planning process.

This can be challenging at times because one of the parties might have a secret that he or she is reluctant to share.

For example, a husband has kept the secret that he has a child from a prior relationship that the wife does not know about. It occurred with a prior girlfriend, and he and the girlfriend agreed that he would have no responsibility for in person involvement with the child, but he would pay child support. The agreement was not a court order, but both he and the girlfriend kept that agreement confidential. He owned his business and was able to secretly pay the support out of the business. When getting a divorce, he would have to lie to the court and also hide his expenses from his wife. The information is imperfect and raises serious risks for the husband. When he became aware that the negotiations were likely to produce better outcomes if information is perfect, he admitted to the secret.

Fortunately, the wife took it very well, even complimented him for fulfilling his responsibility to the other child. This increased the subjective value of the agreements because for the man, the dreaded secret was finally out and he greatly reduced his risks with the court.

Summary of Information Management the “Game Theory Way” in Goal-based Planning

Creating an open information system from the beginning of the planning process, using proven Game Theory principles, makes reaching optimal outcomes for parties more likely. Those principles are that information is: **public** to all players, including the lawyers; **verifiable** by fact or reputation, to create trust; **complete**, where all players know the structure of the game, including the potential payoffs and strategies available to the players; and **perfect** where the players know the history of the game.

Especially important is that the players, particularly the spouses, reveal the subjective payoff values, because subjective payoffs often dominate the game. By revealing subjective payoff values on each issue of the divorce, planning can include agreements that not only maximize objective payoff values but also the subjective payoff values that are sometimes not obvious when addressing the legal outcomes that must be decided.

An Axiomatic Approach to Negotiations

There is another way that lawyers can have a positive influence on parties in planning. As we will discuss in a future Booklet in this series, the best proposals are those that emanate

from the parties. Toward this end, the lawyers can introduce Axioms in the bargaining, which are characteristics that an ideal or optimal agreement *should have*.

Here are some Axiom examples and might propose that the following be address in the final agreements:

- that the needs, interests and long-term goals of both parties will be addressed in final agreements.
- that both parents will be introduced to the structure of a functioning co-parenting relationship.⁸
- that the child(ren) will have a strong and meaningful relationship(s) with both parents.
- that each holiday will be arranged to maximize the value to the children and to both parents.
- that parents will inform one another before introducing a new romantic partner and listen to input from the other parent on how and when to do that.
- that the structure of the financial agreements will give both parties a good chance of reaching long-term financial goals.

By deciding on Axioms prior to planning, the proposals and counter-proposals must have characteristics that meet the agreed-upon Axioms.

Lawyers might have other Axioms that should be added. In addition, the specific facts of a case might suggest other Axioms that the lawyers or parties can add. By adding Axioms to the bargaining process at or near the beginning of the planning process, the lawyers can help shape an ideal agreement, even though not making specific proposals. This might also encourage the parties to propose Axioms that they believe might lead to an optimal outcome.

Summary

Goal-based planning using Game Theory principles has unique properties. There will be more about this in the following Booklets. In this Booklet, we proposed that a Game Theory approach to the planning negotiations can protect the process from mistakes the parties and sometimes their lawyers can make. We then defined Game Theory by its components:

1. Players
2. Rules
3. Choices that determine the outcome of the game
4. Expected utility (objective and subjective payoffs being played for by the players)

⁸ For your interest, on our publisher's website, one of the Workbooks authored by Ken and Allan is a research-based step-by step approach for parents to develop a functional co-parenting relationship in which they do the five procedures research finds are needed for a functioning co-parenting relationship (Co-parenting Training Workbook). The site is: www.unhookedmedia.com.

We mentioned that Game Theory is both a branch of mathematics which has received a great deal of attention in the world of mathematics and is also a science because there has been a great deal of research testing the predictions of Game Theory. This has led to the widespread application to government policy, war planning, nuclear power plant design, macroeconomic and areas of law other than family law. Thirteen Nobel prizes have been awarded for the application to those fields.

We briefly mentioned that planning using a Game Theory approach might involve very different ideas than traditional negotiations which will become increasingly apparent in this and future Booklets. That mindset might differ dramatically from the training of some lawyers, especially lawyer-mediators, whose training might seduce them into focusing on legal matters to the exclusion of human matters. One of the biggest mistakes Lawyers can make in this model of Goal-based Planning is to fall into the same traps in the traditional legal system detailed in Booklet III in this Series. Particularly, it is important that proposals and counter-proposals are made for steps to take from the current situation to the long-term goals of the parties. The legal outcomes demanded by law are only addressed to facilitate agreements that have been made on reaching goals. Understanding the mindset in Game Theory planning negotiations is a cumulative process which began in this Booklet and will continue in the Booklets in this Series to follow.

Most importantly, in this Booklet we focused on the important role the lawyers can play in channeling parties into making optimal agreements for themselves. The abilities of the lawyers to make rules for the negotiation process, manage information to be public, verifiable, complete and perfect, and to insert Axioms that an ideal agreement *should have* provides the lawyers an enormous amount of power and influence. This is true, especially if and when most or all of the proposals emanate from the parties themselves, which as we point out in the Booklet IX Creating a Convergence of Expectations, maximizes the value of the proposals.