
ISSAOUI FAKHRI and BOUSSIF TORKIA

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BOUSSIF TORKIA

Institut Supérieur des Etudes Technologiques de Siliana

ISSAOUI FAKHRI

Ecole Supérieure de Science Economiques et Commerciales de Tunis

Abstract

The principal aim of this paper is to present the problematic of the asymmetric power effect on public-private partnership. To do this we have mixed the works on PPP and those focusing on asymmetric power on commercial negotiation. This methodology allows us to determine the theoretical variables (in the form of hypothesis) which can be linked to the asymmetric power effect, on PPP negotiation.

Keywords: PPP, negotiation, asymmetry, power
1. Introduction

Faced to increasingly investment needs and in an unfavorable global economic condition, budgetary resources become scarcer and more likely to not cover necessary expenses for sustained and sustainable economic growth. Therefore, to reduce the charge of the public sector, governments have begun, since the turn of the 80's, to rethink, firstly, their development strategies for their public sectors, and secondly to entrust some or all of the private sector (privatization). This second alternative has taken various forms, ranging from the simple sale of some elements of public assets to the sale of public actions and concessions of public services.

In other words, the recourse of the majority of governments to public-private partnerships is mainly due to the problems and difficulties known by the standard models of governance and the traditional modes of ownership (perfect private property, attenuated private property, communal property and the public property). Also, the relative failure of structural adjustment plans applied in most developing countries, namely the countries of sub-Saharan Africa, Central Africa and the countries of Latin America forced the international financial institutions (like the International Monetary fund and World bank) to encourage governments to act in partnership with the local private sector and/or with abroad to burden-sharing and the expected gains of public investments.

Theoretical arguments extolling the use of PPPs are multiple. For illustration and not exclusion we can cite the optimization of the cost/income, the distribution of risks between the public authority and the private operator, the retention by the public entity's strategic control of the service, and finally the gain whom benefits the public sector in dealing with the private sector. Interest in a State or a local authority is to "develop an economic infrastructure to ensure the development of a country, while reducing their debts and risks."

Therefore, this new form of partnership has become more and more important in the development strategies of countries both developed and developing. For example, we can refer to statistics from the World Bank stating that between 2000 and 2010 more than 29 governments in Latin America and the Caribbean sponsored 688 infrastructure projects in partnership with the
private sector for a capital worth 191 billion of US dollar. Thus, during the same period, 17 governments outside the countries of East Asia have implemented 908 infrastructure projects in the form of partnership with the private sector for a capital worth 154 billion of US dollar.

In the case of Europe, the same observation prevailed because the PPP market, has known, in the last two decades, a remarkable boom. Indeed, the number of PPP project has increased from 80 in 2004 to 120 in 2005 to its maximum level of 135 in 2007 before declining to 60 projects in 2012 and 65 in 2013. This decline was mainly due to the climate of pessimism that prevailed in the subprime post-crisis period in 2007.

In Tunisia, the PPP, despite it being adopted as one of indirect forms of privatization, it remains far shy in terms of number (9 cases of partnerships) or in terms of invested capital volume or concerned services (these include road infrastructure projects, railways, public facilities, and hydrocarbons). Beyond the evolution of this type of partnership exists a plurality of advantages, of objectives and of mutual exchange of interests between the public sector and the private sector.

However, it should be noted that, like any type of partnership, decisions will inevitably be taken after negotiations between the various parties and actors. Through these negotiations the stakeholders discuss, the optimal contract allowing them to sign a contract. In general, according to the stylized facts, the said negotiations take two forms: the integrative form or distributive. An integrative strategy refers to negotiations in which the focus is on non-coercive tactics such as recommendations, requests or information exchanges. Nevertheless, Distributive strategy refers to a negotiation based on coercion such as the use of threats, promises, recourse to legal arguments (Frazier and Summers (1986), Fisher and Ury (1981); Pruitt, (1981); and Litterer Lewicki (1985)).

Moreover, it should be noted that negotiations in the context of PPP are inherently different from negotiations resulting from the trade process. Indeed, commercial negotiation is a relationship between two private operators in which each one tries to maximize its own interests. The trade negotiation between two private actors generates some gains and losses on each of side
and leads finally to Pareto optimum (setting a consent price) that satisfies the buyer, and maximizes the seller’s profit. As part of this relationship, despite the existence of asymmetry at the bargaining power, we can achieve a fair contract in which each of the contractual parties maximizes their utility function explicit.

However, in the context of PPP, the relational schema between different stakeholders is much more complex. The said complexity, is due to the fact that the government (state) conducts a succession of delegations through the appointment a person or group of people to negotiate, on its behalf, with the private partner. Therefore, more the delegations are multiple, more the informational distances and asymmetries are important. This, can probably, creates divergent interests between partners since the public partner defends public and collective interests while the private partner defends its proper private interests. This bargaining is characterized by the use of a series of distributive and integrative strategy of negotiation by both sides which continues until a Pareto optimum will take place leading to the maximization of individual gain of each part.

In addition, in the context of a partnership contract negotiations, there is a set of constraints and problems facing the negotiators such as: the frequency of asymmetric information (adverse selection), the moral hazard, the post opportunism contract, the divergence of interests, negotiators limited rationality... present the source of power asymmetry between partners negotiators of PPP contracts.

Thus, according to (Gumnesson, 1996), most of the negotiations took place in a situation of power asymmetry, and even if the symmetry is desirable for the partners, it is difficult to maintain (Yovovich 1991). The asymmetry of power, which is the difference between the power held by each party, has a crucial influence on the negotiation process (Kim, (2000); Kumar, Scheer, and Steenkamp (1998), Lawler (1986) ; Dwyer and Walker, (1981); and Bacharach Lawler, (1981)). According to (Bacharach and Lawler (1981)), though the importance of the power asymmetry in a trade negotiation has already been well studied, the role of its perception (perception of differential power) is still largely unknown and deserves to be analyzed for its impact on the negotiation of PPP contracts.
Thus, in this general context we develop our paper which will try to answer the following question: what is the effect of power asymmetry on PPP contracts negotiation? Specifically, our research examines the impact of perceived power differential on the strategies and the results of negotiations in a situation of power asymmetry between public and private parties. This research aims to better understand and detect the issues of negotiation process taking place between high and low power part.

Through this research, we will be able to determine the selection criteria for public and private negotiators and formalize the logic of negotiations in a situation of power asymmetry. We first present the theoretical foundations of the research. Then we propose a set of hypotheses about the negotiation process in a situation of power asymmetry.

### 3. Basic concepts: PPP, negotiation and asymmetry

To better conduct the rest of work, it should, first, to define the key concepts inherent in this research, mainly the PPP, negotiation and asymmetry of power.

**a. The PPP:**

According to Hall (2015), a public private partnership PPP is a contract between the government and a private company by which the private company finances, builds and operates some elements of a public service. Then it will be paid over several years, either through fees paid by the users (we often talk about concession) or through payments paid by the public authority, or a combination of both.

For further details, according to Ruegg, Decoutere and Mettan (1994), the PPP term involves process where the public and private sectors have to work together to research, develop and especially implement solutions that would not have reasons to be or likely to exist or, more simply, that does not present the same quality, whether the public sector and the private sector were confined in a solitary way. Thus, the PPP can be implemented through a contractual agreement between public and private partners, which stipulates the setting of mutual results and targets for improving the delivery of public services. This agreement establishes a real sharing of responsibilities, investments, risks and benefits so as to provide mutual benefits that promote the achievement of results.
According to Belhocine and Mazouz (2005), the PPP suppose the signing of a contract which is, as defined in the ordinance of June 17, 2004, included in Article L. 1414-1 of the General Code of local collectivity (CGCL), "an administrative contract by which the public body entrusts a third party for a determined period, based on the amortization period for investments or the financing arrangements chosen, a global mission relative to the financing of immaterial investments, structure or equipment necessary to the construction or the transformation of structures and equipment, and to their maintenance, exploitation or management and, where appropriate, to other services contributing to exercise, by the public entity, the public service mission which it is charged.

However, according to Beaussée and Gonnet (2012), PPP contracts are not subject to strict legal definition. The Green Paper of the European Commission (30 April 2004) defines four basic criteria qualifying the PPP contracts:

- The relatively long duration of the relationship, involving cooperation between the public partner and the private partner on different aspects of a project to be realized;
- Project financing mode, ensured in part by the private sector, sometimes through a complex financial arrangement between the various actors, the public financing may be added to the private financing;
- The important role of the economic operator, who participates at different stages of the project (design, realization, implementation, financing), the public partner focus essentially on defining the objectives to be attained in terms of the public interest, the quality of offered services, the price policies, and ensuring the control of compliance with these objectives;
- The allocation of risks between the public partner and the private partner based on the respective capacities of the parties concerned to assess, control and manage them.
b. The negotiation:

According to Alaoui (2004) Negotiating is the art of dialogue and to discover what the partner search in order to reach a common interest agreement. To achieve this goal, we must choose a communication type and a type of negotiation. In its commercial vocation, negotiation arises, according to the same author, as a communication approach in which the parties concerned seek an agreement by mutual concessions to reach a common goal: buying for one party and selling for the other.

Thus, commercial negotiation is intended as one of the major determinants of firm performance (Anderson and Weitz (1989) and Lax Sebenius, (1995)). According to Bagozzi (1975), negotiation is based on the exchange between the Parties and constitutes one of the key concepts of all marketing approach as long as it affects the nature of the relationships between sellers and buyers. According to Guicherd et al (2014), the nature of relationships allows to distinguish the "classic" commercial sale in which conditions are set by the seller (the buyer cannot discuss these conditions), from commercial negotiations during which held a discussion on commercial terms.

However, it must be said that the negotiation needs a very particular strategy to achieve its goals. Indeed, the negotiating strategy is defined as the program, the game, the plan or the tactics used by negotiators to achieve their objectives (Putnam and Jones (1982)). It, therefore, varies according as it is integrative or distributive. An integrative strategy refers to negotiations in which the focus is on non-coercive tactics such as recommendations, requests or information exchanges. Distributive strategy refers to a negotiation that focuses on coercion such as the use of threats, promises and recourse to legal arguments (Frazier and Summers, 1986; Fisher and Ury, 1981; Pruitt, 1981; Lewicki and Litterer, 1985).

c. Power asymmetry:

Power is often seen as a relationship between social actors (individuals, social groups or social classes). As stated by Max Weber (1922): "the power relationship is observed when an individual accomplishes (or fails to accomplish) in accordance with the desire of another individual, an action he would not have accomplished (or have accomplished) spontaneously ".

However, according to Emerson (1962), Power is defined as the ability to evoke a change in another’s behavior. Also, Gaski and Nevin (1985) consider that the power refers to one’s ability to persuade someone else to do something he/she would not have otherwise done.

Traditionally, the negotiation process was assumed to be based on the nature of the interdependence of the parties interacting (Cadotte and Stern, 1979; Rinehart and Page, 1992). Each negotiator aims to influence the course of the relationship to increase their relative benefit from the negotiation (Anderson and Narus, 1990). A negotiator’s power is crucial to his/her degree of success, because it influences the allocation of rewards in an agreement (Kim, 1997; Kim, Pinkley, and Fragale 2005).

According to Guicherd (2014), power is influenced by the context in which companies and negotiators evolve (competitive situation, reputation, expertise, trust). Understanding power positions of negotiators is essential in comprehending the negotiation process. Power is perceived and some negotiators are more sensitive to it than other. When the power is erroneously evaluated, the high power party may underestimate its power and overestimate the power of the other party. Meanwhile, the low power party may overestimate its own power or underestimate the power of the high power party. Thus, negotiation strategies and the results depend on how power is perceived, exercised and accepted by the negotiators.

The concept of asymmetry of power in negotiations has always attracted the interest of researchers in negotiation. According to the theorists of negotiation, power appears in the negotiation process and enables changing the behavior of the other by influencing its values, preferences and its interests in the desired direction (Kremenyuk and Sjöstedt and Zartman (2000)).

Thus, after having introduced the key concepts of this research, we will present a literature review examining the various previous studies that treated the above notions.

2. Literature review:
After defining the PPP concept, we will present the studies that treated the problematic related to the concept of PPP. Thus, without being exhaustive, we can say, according to Perrier et al. (2014), that the literature review related to the public-private partnership concept is focused mainly on eight principal themes.

The first theme focuses on risk assessment and cost of a PPP project. Indeed, studies have attempted to count the risks faced by a PPP project and their apportionment between the public entity and the private operator (Li et al. (2002), Grimsey and Lewis (2002 -2005), Jin and Doloï, (2008), Satish and Shah (2009), yuan et al. (2009), Pindzo, (2010), Rebeiz (2011), Ke et al., (2011), Regan et al., (2011 ), Hwang et al. (2013)).

The second theme has examined the PPP and sector studies in which the authors tried to study their effects on topics sectors partnerships (the field of public health, infrastructure, transportation, mining, the agriculture, etc.). An illustration, we can cite the work of Widdus (2005), Hodge and Greve (2009), imparato (2010), Lousberg (2011), Tang (2011), of pinho campos et al. (2011), Agyemang (2011) and macartney and Poulton (2012).

The third theme, tried to analyze the different models and methods which have been developed to formalize, analyze and estimate risks and results inherent in PPP projects. Studies made in this context have shown the importance and supremacy of game theory, property rights, positive agency theory, simulation and network theory as theories that explain and describe more the rationality of public and private actors acting within a PPP (Ho, Zitron (2006), Medda, Ng et al., (2007), Ke et al. (2008), Cheung and chan, Hui, Pantelias and Zhang, Takashima et al., Vasilescu et al. Yuan Skibniewski, Li and Zheng (2010), chowdhury et al. (2011)).


The fifth theme examined the multi-case studies in which comparative studies were made according to differentiated criteria (efficiency, risks, constraints, objectives etc.). For illustrative

The sixth theme, which was interested in legal and governmental issues, tried to expose the PPP development strategies that provide partners with a regulatory, legal and institutional framework taking into account the interests of the partners and ensuring transparency in the contract (and Essaouabi Khalifa (2003), Sahooly (2003), Koch and Buser (2006), and Medda Galilea (2010), Verma (2010)).

The seventh theme tried to find the PPP determinants of success by identifying the key and failure factors influencing the use of PPPs by proposing a management model and performance measurement (Weiermair et al. (2008), Aulich (2010), Wu (2010), Abdul-Aziz and Jahn Kassim (2011), Yuan et al. (2011), Ahmadjian and Collura (2012), Ashuri et al. (2012), Sharif (2012), Xu et al. (2012), Yuan et al. (2012), Nisar (2013)).

The eighth theme covers the statistical analyzes that were developed in the PPP project and leading to results of some surveys made on the customer satisfaction in PPP context and proposing a prediction conflicts model between partners in a PPP project (Schobener et al. (2007), Jamali (2007), karl-Michalski et al. (2009), Rangel et al. (2012), Tang and Shen (2013)).

Thus, we note that, despite the plurality and diversity of themes discussed, the literature review which examined the effect of the power asymmetry on negotiating public-private partnership contracts is relatively rare. This may be due to many reasons: The first is that the majority of the works done have a consequentialist character so that they were interested in the results of PPP regardless of the nature of the negotiations and the character of asymmetries that occurred and which may produce unjust and ineffective PPP. The second is that the study of power asymmetry in bargaining often has empirical problems in the evaluation of that asymmetry and the revelation of its existence.
However, few studies have attempted to converge to our problematic what we will try to present in the following. Glumac et al (2015) attempted to examine the behavior and interaction that can take place between the public partner (the municipality) and the private operator. The authors started from the hypothesis of the divergence and asymmetry of interests that may occur between the two partners. The authors assumed that these asymmetries are the result of asymmetries in negotiations concerning the formation of a public-private partnership. to detect these asymmetries, the authors used a survey to collect the necessary data that were used to estimate the variation in gains between the two parties in the negotiating games mentioned.

Baarveld et al (2015) assume that negotiation is an inevitable approach when planning partnership projects in the field of urban redevelopment. Insight into the negotiation process contributes to current planning practice as negotiation provides a strong basis for addressing conflicts and satisfying both individual and common interests. In this paper the concepts of integrative and distributive negotiation are explored and analyzed in two urban redevelopment projects involving cultural heritage buildings in the Netherlands. The paper shows the negotiation dynamics over time and argues that openly formulating joint ambitions and making strong statements to fulfill individual interests are both essential in coming to a mutually beneficial agreement.

Marcus and Bowles (2004) had shown that despite the growing popularity of the use of public-private partnership concept as a strategic market, it is often noticed the existence of many problems related to different stages underlying the PPP process. It is indeed high transaction costs (call for offers, contract and pre-contract costs and time exceedances are mainly due to the nature relatively long of negotiations process). The empirical research, conducted by the abovementioned authors, in the UK focused on the extent and the intensity of these pre-contractual time and cost overruns. The authors also showed that the efficiency of PPP depends on several variables including the nature of the project, the role of the public sector in the control and regulation of the project and the financial power of the private partner which may influence contract terms during negotiations. However, the authors noted that the financial capacity of the public sector has no significant influence on the award of the contract to the private sector which
means that the power asymmetry in negotiation makes the dominant party (private operator) tries to turn contract terms in its favor so that to maximize its expected actual earnings of the project.

Medda (2007) has developed a model based on the game theory to analyze the negotiation process and the allocation of risks between the private sectors in the transport infrastructure projects in PPP context. The results show that, in the case when the guarantee value is higher than the financial loss linked to the risks covered by the guarantees, regulation is recommended, rather than an arbitration agreement, to avoid ethical problems.

Moreover, Ho (2006) examined how governments and project promoters can act in various situations of renegotiation when PPP project is in trouble by analyzing the impact of the rescue measures taken by governments on the management projects. The author has developed a renegotiation model based on the game theory from which establishes the guidelines and administrative policies that can better manage and reduce problems in the renegotiation of PPP projects. For example, during the implementation of projects, the government should recognize the possibility of opportunism and have a reasonable doubt on the proposal provided by the proponent.

After presenting the literature review on the negotiation of PPP contracts, we will, in the following, focus on the commercial negotiation research that has treated the issue of power asymmetries between the co-contracting parties, and its effect on the progress of negotiation. Dwyer and Walker (1981) and Rinehart and Page (1992) emphasize that the interest of studying negotiation from a Source/Target perspective lies in the fact that it represents the power position of the negotiators, and brings new insight to the negotiation process compared to the regular Buyer/Seller perspective. The term “Target” refers to the negotiator in a low-power position, and “Source” to the negotiator in a high-power position. Source/Target is more pertinent than buyer/seller as terminology in the study of negotiation processes in asymmetrical power situations.
Recently, Kim, Pinkley and Fragale (2005) have questioned and debated power in negotiations. They offered a new theoretical framework distinguishing between the power of each negotiator, and emphasizing power interactions at each step of the negotiation process.

Moreover, Prefetch and Landau (2000), focused on the properties of symmetry and asymmetry between trading partners and their relative influences on the process and results of negotiation. First, they describe the potential relative power and strength of negotiating parties and they don’t just indicate the differences and similarities between the negotiating partners, but also they determine the eventual negotiation process. Second, while asymmetric parties seek to reach a consensus in the negotiating process by introducing a third person (who commits to mediate the negotiation process). Third demonstration, concerns the symmetry of the instruments used in negotiation. Finally, the outcome of the negotiating process expressed utilities perceptions for both parties. Therefore, the symmetry / asymmetry may exist in all stages of the negotiation process.

We notice by the above that the majority of PPP studies and negotiation research did not give particular importance to the effect of the power asymmetry in the negotiation of PPP contracts. This research will aim to verify, in the context of PPP, the relationship between the power asymmetry and negotiation. To conduct this research, we will be inspired by the model of Guicherd et al. (2014) which connects the power asymmetry, with negotiation strategies and individual gain. Thus, we will adopt this model and test its hypotheses in the negotiating framework of PPP contracts.

4. The research hypotheses:

From the conceptual frameworks, on the power dynamic (Kim et al (2005)) and the power asymmetry (Dwyer and Walker (1981) and Rinehart and Page (1992)), we propose to study simultaneously the negotiation process from the source (the strongest power party) and the target (the lowest power party). Although, the model of Kim, Pinkley and Fragile (2005) on the dynamics of power has not been validated by empirical research, it has the advantage of studying the different stages of negotiation process simultaneously (for the target and the source) instead of studying separately the source on one side and on the target on the other side. The strength and
interest of this model lie in the fact that it takes into account the complexity of the negotiation process on both sides of the negotiation simultaneously.

Thus, we expect that using this model in the power asymmetric situations (with a source-target approach) might explain more the respective influence of perceived power differential between source and the target.

On these theoretical foundations, we propose to establish a model built around a three steps negotiation process: the pre-negotiation stage, which corresponds, ex-ante, to the evaluation by each negotiator of the differential of perceived power. The second step is dependent on the first and concerns the way in which the negotiation was conducted. In other words, the main matter in this step is the negotiating strategies implemented during the interaction between the different actors. Negotiation strategy refers to integrative or distributive Source and Target reaction behaviors. The third step, which is dependent to the two first, concerns the outcome of the negotiations, also called "realized power" by Kim, and Pinkley Fragale (2005), corresponding to the results of the negotiations. These are represented by the individual gains of the source and the target. Based on this model, we will expose a set of assumptions which we will try to test and validate.

a. Perceived power differential and the negotiation strategy
The trading strategy in general, is influenced by the perceived power differential between negotiators (Zartman and Rubin (2002); Rokkan and Haugland (2002); Kumar, Scheer, and Steenkamp (1998)). In a PPP negotiation, each party, to assess the respective powers of the negotiators, takes into account information it has on its own power level (its competitiveness level, market positioning etc.). Several studies (Hornstein (1965); Michener and Cohen (1973); Dwyer and Walker (1981)) show that in a context of asymmetrical power, the source is more likely to use threat tactics than the target. Schurr and Ozanne (1985) show that source prefers the distributive strategy when it expects difficult negotiations.

However, the target opts for an integrative strategy to avoid that the other party requests more, or hardens its requirements. In this case of partnership, the conflict is costly in terms of
time and money and may end with the breaking of relations between parties. In practice, several cases describe this situation for example we can cite the case of the PPP negotiation for the development of the Nefidha-Monastir airport. We therefore propose the following assumptions:

**H1a:** More than the perceived power differential of the Source party (assumed as having the highest power) is favorable, the less he/she will use an integrative strategy during the negotiation.  
**H1b:** As much as the perceived power differential of the Target is unfavorable (party having the lowest power), as much as he/she will use an integrative strategy during the negotiation.

**b. Perceived Power Differential and Negotiation Outcomes**

The results of the negotiation reflect the power realization (Kim, Pinkley and Fragale, (2005)) and can be measured by gains negotiators from this partnership (Clopton, (1984); Dwyer and Walker (1981); Graham, (1983)). In Management field, the individual gains were often used as bargaining outcomes (Clopton, (1984); Dwyer and Walker (1981), Graham (1983)). However, it was shown that the degree of the existing power asymmetry between the parties influences the results of trading (Zartman and Rubin (2002)). According to Dunbar (2004), the perception of owning of power leads to a great influence on the negotiation results.

The perception by the negotiators of their own contribution to the wealth creation, allow them to set their targets. For example in public-private partnership, the party which perceives as producing two-thirds of the wealth will tend to place the breaking point at this level and seeks often more in terms of earnings. The theory of negotiation (Fisher and Ury (1982)) is based on the precise analysis of this breaking point, referred to as the Best Alternative to Non-Agreement. When the opposite party has an advantage, the low power part must determine the level of minimum gain it accepts to avoid engaging in a worse position than a lack of agreement. Some authors have also shown that the results tend to match the prior objectives of the negotiators (Huber and Neale (1986); McAlister, Bazerman and Fader (1986)). The difference between the individual earnings of the negotiators is assumed to be proportional to their perceived power differential. This allows us to establish the following assumptions:
H2a: More than the perceived power differential of the Source party (assumed as having the highest power) is favorable, the greater his/her individual gains are highest.

H2b: As much as the perceived power differential of the Target is unfavorable (party having the lowest power), as much as his/her individual gains are lowest.

c. Source and target negotiation Strategies

Negotiators with a strong power (sources) can choose their strategy (Kim and Pinkley Fragale, (2005); Dwyer and Walker (1981); and Page Rinehart, (1992)). Thanks to their weak stakes and independence, Sources do not fear the consequences of their interlocutors’ reactions, despite the risk of dissolution of the partnership (Dunbar, 2004). So, the source, certain of its power, can exert pressure on its partner. Dwyer and Walker (1981) and Cook and Emerson (1978) show that power asymmetry leads to an asymmetry in the negotiation which is then dominated by the person who has a higher power (source). The source will have a greater capacity to impose its strategy, while the target will tend to match that of his partner. In fact, when the source adopts an integrative or distributive strategy, it is very difficult for the target to use a different strategy because of its dependence in partnership with the source. This means that the target must follow the same strategy as the source in order to preserve its interests. So we can consider the following hypothesis:

H3: As much as more the source strategy is integrative and distributive more than the target strategy is integrative and distributive.

d. Negotiation strategy and individual gains

The performance of a negotiation can be analyzed in different ways: by the quality of relations between the partners, the manner of sharing of risks, the evaluation of individual earnings and the valuation of collective gains. As we are separately investigating Source and Target negotiators, we have selected individual gains. Of course, joint gains analysis could be also interesting and might be a potential avenue for future research.
Concerning individual earnings, Adler, Graham and Schwarz (1987) show that the negotiators get higher profits when using distributive negotiation strategy. Indeed, the negotiators who opt for a distributive strategy should therefore get higher individual earnings if they use an integrative strategy. So we postulate:

**H4a:** more the strategy of the Source is integrative (the highest power party), more less his/her individual gains.

**H4b:** more the strategy of the target is integrative (the lowest power party), more less his/her individual gains.

A negotiator should also make strategic decisions that are more or less favorable to the other party. In practice, however, friendly attitudes and cooperative behavior from a negotiator can ultimately reduce his/her power as perceived by the other party, thus increasing opportunistic behaviors and the possibility of individual gains for the other party (Guicherd et al., (2014)).

Neale, Northerraft and Huber (1987) show that framing bias influences the negotiation results. Other research has focused on the influence of the requested task (Bazerman, Magliozzi and Neale (1985); Eliashberget al, (1986)). The perceived power is another source of framing bias. The prediction is that the negotiator who has a positive frame (expertise and domain knowledge, access to information,...) should be a risk averse (the highest power party) while that which has a negative frame should have a tendency to take more risks (the lowest power party) (Neale, Huber and Northerraft, (1987)). Negotiators who have a negative frame should be more efficient in terms of individual earnings than those with a positive frame (Thompson, 1990). Thus:

**H5a:** more the source strategy is integrative (the highest power party), more than the individual gains of the Target are highest.

**H5b:** more the target strategy is integrative more are the individual gains of the Source.
e. The source and target gains

Although the partners interests are not systematically opposed (Thompson, 1995), they diverge necessarily on various points including the distribution of earnings. In practice, there are some domains where the benefits of a party cannot occur only on the detriment of the other party. While the partnership is built with more or less success in the situations winner / winner (Rinehart and Page, 1992), a punctual situation is more likely to be built in the situations loser / winner (Dwyer and Walker, 1981). Dwyer and Walker (1981) have stated that "in situations of asymmetrical power, the Strong negotiator gets a favorable deal at the expense of overall profits for all partners: This means that the negotiator who has the strong power can maximizes individual earnings instead of joint gains. Furthermore, Gaski (1984, 1986) shows that source gets higher gains than the target negotiator. Therefore, the individual gains will be negatively correlated with those of the source and those of the target. So we postulate:

**H6**: As much as the individual gains of the Source are high as much as the individual gains of the Target are low

Thus, we summarize the Assumptions of this research in The Following conceptual model:

<table>
<thead>
<tr>
<th>Negotiation determinants</th>
<th>The source</th>
<th>The target</th>
</tr>
</thead>
<tbody>
<tr>
<td>The perceived power differential of the Source</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Source Strategy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Target Strategy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Negotiation result</td>
<td>Source Individual Gain</td>
<td>Target Individual Gain</td>
</tr>
</tbody>
</table>

**Source**: According to the work of Dwyer and Walker, 1981
**Conclusion**

As a conclusion we can say that this work has allowed us to determine the main variables which govern the public-private partnership. Indeed, in the context of this PPP we have noted that there exists a game type (principal/agent) and a succession of negotiations established between them and which can lead, probably, to some money transfers (from the weak party to the strong one).
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