Complete thru week 8

Frequent negotiations between governments, international organizations, companies, and other nongovernmental actors are central in determining what globalization and global governance mean for people. But what happens in these negotiations? What determines their outcomes? Could the negotiators do better? In this seminar you will study diverse theoretically-oriented research on the process of international negotiation over economic issues and will practice generating your own hypotheses and designing projects. Most of the analytical ideas studied and skills developed also apply to negotiations outside the economic realm. This is an arena in which to improve both theory and practice of international relations.

The seminar assumes prior study of undergraduate economics, the doctoral Politics and IR core curriculum, and IR 541. If you have not taken these prerequisites, please speak to the teacher. As you read, look for ideas you might use in your course project or later. The major assignment is to submit a research paper or advanced proposal at the end of the term. While this seminar is designed primarily for doctoral candidates, an MA candidate may opt to submit a different type of research paper. In the final grade, short assignments will be weighted 15% and the final paper 85%. Papers will be accepted up to one week late but penalized one letter grade. Supplementary readings are not required. To find periodical articles in full text on line, view the USC home page; at the bottom click Library Resources; on left margin click e-resources; on right margin click full text resources; search or browse for the title of your periodical; and search the database for the article. A network of researchers writing about this subject, with some of the latest papers, can be found at www.usc.edu/enn.

SCHEDULE OF ASSIGNMENTS

I. INTRODUCTIONS

1. 1/12 The negotiation analysis tradition

Supplementary:
*International Negotiation* 9 (2004) and 10 (2005), 2 special issues on methods of negotiation research
J. Lax and J. Sebenius. 1986 *The Manager as Negotiator*
Zartman, I.W. and M. Berman. 1982. *The Practical Negotiator*

2. 1/19 Ideas from game theory

A. Many IPE specialists have not read the negotiation analysis literature. Say “bargaining” to U.S. economists or political scientists and a majority will think “game theory.” This week samples from studies that rely on this method in some way to introduce the way of thinking about process associated it. Most IR applications have been to security rather than economic bargaining, paradoxically. Schelling is foundational for all IR. Prepare to report orally on the main points of each required title, with your evaluation of its strengths and shortcomings. For greater depth, consult supplements and Professors Todd Sandler and Peter Rosendorff.


B. Review or read Odell, “Case Study Methods in IPE,” on my home page under “publications,” for ideas about possible research methods to use in your proposal exercises. Note that selecting one or a few cases and rejecting many other candidates is a decisive step in any research design using case studies.

C. Turn in a one or two page proposal (to be graded) for a new concrete empirical research project about the economic negotiation process. Either choose a hypothesis from this week’s readings, or show otherwise that you understand the basic reasoning
about strategic interaction that is illustrated in these works. As for form, all your proposals should provide (a) a specific research question about negotiation, (b) some specific recognized method to answer it (from “Case Study Methods” or any other source), (c) some specific empirical domain (place, time, issue area) from which to gather information; and (d) a provisional hypothesis (a generalization) that you think might be confirmed. Assume a team of assistants and all the resources you need. An illustrative proposal will be distributed in class.

Supplementary:

Raiffa, H., J. Richardson, D. Metcalfe. 2002. Negotiation Analysis. How NA differs from most game theory, according to one of the founders of GT and of NA.


Conybeare, J. 1988. Trade Wars


3. 1/26 A synthetic framework for economic negotiation theory

Study J. Odell, Negotiating the World Economy (ordered at the bookstore). What are two (or more) ways in which this book could have been better or a subsequent one could be better? Write 1 to 2 pages on these questions and turn them in at class (graded).

II. THE NEGOTIATORS’ PROCESS

4. 2/2 Subjective barriers and processes: psychological and constructivist theories

A. Read or review:


B. Turn in a one-page research project outline beginning from an idea in or stimulated by something you read for this week.

Supplementary:


5. **2/9 The distributive strategy and process.** Which tactics and conditions are most favorable for gains from this strategy? What falsifiable hypotheses have been proposed? What environmental conditions condition the choice and payoff of this strategy?

A. Review Malta & the UK, and *Negotiating the World Economy*, chap. 6.
B. Study the following:


C. Turn in a one-to-two page comparative research project outline beginning from an idea in something you read for this week.

Supplementary:

L. Shoppa. 1993. Two-level games and bargaining outcomes: why gaiatsu succeeds in Japan in some cases but not others. *IO* 47: 353-86


Yoffie, David. 1983. *Power and Protectionism*


6. 2/16 The mixed-integrative strategy and process, including mediation. What are some concepts for describing this process and which tactics and
conditions are most favorable for gains from a mixed-integrative strategy? What falsifiable hypotheses have been proposed?

A. Review the Jönsson 2002 essay and read:
   1. Walton and McKersie 1965. *A Behavioral Theory of Labor Negotiations*, chs. IV & V (what do they mean by integrative bargaining, what is the process, what are the dilemmas?)
   6. Zartman, I.W. and M. Berman 1982. *The Practical Negotiator*, chap. 1, skim chaps 4-6 to grasp the main ideas of their 3 stage process; also in *NWE*, p140.

B. Do psychological findings by Bazerman, Neale and Thompson suggest any moves or process that could reduce conflict and expand joint gains?

C. Turn in a one to two-page comparative research proposal beginning from an idea in something you read for this week.

Recommended:
Raiffa, Richardson and Metcalfe. 2002. *Negotiation Analysis*, parts III and IV
Rhodes, C. 1989. Reciprocity in trade: the utility of a bargaining strategy. IO

III. THE NEGOTIATORS’ CONTEXT

7. 2/23 Markets and the official negotiation process

This family of hypotheses implies that in international economic negotiations, exogenous market conditions of several types will drive states’ domestic politics, their policies, and in turn their external demands, reactions to others’ positions, and negotiated outcomes.

A. Review Negotiating the World Economy, chap. 3. Recall writings on changes and differences in world markets, including globalization and sectoral differences, from IR 541 and other courses.

B. To go deeper, choose two of the three sections below. In those sections read each title marked with an asterisk. Also read one supplementary article from any section or a required one from the third section. The supplementary article will be selected in class. Prepare to summarize its findings and your evaluation orally for your classmates (not graded).

C. Turn in a proposal (graded) for a new research project investigating a link between market conditions of some type and an aspect of either an international negotiation process or an outcome. This week, select from this literature a hypothesis that uses an economics idea, or invent a hypothesis using another economics idea. Make this a comparative project that uses quantitative data and statistical methods. If you are not sure whether needed data on the process or outcomes exist, spell out briefly what data you would like someone to create for this project.

I. Macroeconomic & monetary issues


right, what external negotiating positions should we expect different governments to take?

Supplementary:


Katada, S. 2001. *Banking on Stability*


II. Investment regulation issues: the MNC and the state


Supplementary:


III. Trade policy issues:


Supplementary:
9

J. Goodman, D. Spar and D. Yoffie. 1996. Foreign Direct Investment and the Demand for Protection in the United States. *IO*


8. 3/2  **Domestic political institutions, processes, and tactics**

Recall relevant background material from your earlier courses.

A. Read or review:

   2. *Negotiating the World Economy*, chaps. 6, 7 and 8, and Mansfield, Milner, Rosendorff (2000) from week 3 (game theory)


   3. Two articles from part I and two articles from part II below, to be selected in class. Outline one of these articles and bring one copy of the outline for each classmate.

B. Turn in a one or two page proposal for a new *comparative* research project on domestic institutions or domestic politics, in the same format as week 2. Choose a hypothesis from the readings or invent one. Think especially about ideas linking DI or DP and elements of the international process (e.g., strategies used by the parties, likely reactions to a distributive strategy, coalitions most likely to be formed, persuasion attempts most likely to be effective)--rather than links directly between DI/DP and the outcome ignoring the process. Use either qualitative or quantitative methods.

   I. Differences or changes of domestic institutions affect external negotiating positions, responses, and outcomes

II. While institutions are constant, domestic political processes (group pressures, bureaucratic politics, the media and public opinion, elections) and negotiators’ domestic tactics affect the external negotiation process.

Winham, G. 1980. Robert Strauss, the MTN, and the Control of Faction. *Journal of World Trade Law*

9. 3/9 The international organization as context, issue, and party

A. Re-read *Negotiating the World Economy,* pp. 186-194 and 197-201. Review your earlier studies of international regimes plus what you have learned in this course about the cases of NATO and Mintoff, Breton Woods, the ITO, the UN, the European Union, NAFTA, AFTA, and the WTO.

B. The following articles sample research on the effects of regimes as contexts for subsequent negotiations.


?Steinberg, R. *IO* 2002. In the Shadow of Law or Power? Consensus-Based Bargaining and Outcomes in the GATT/WTO.


C. Turn in a one-page proposal for a comparative project investigating the negotiation process in the context of some international organization.

Supplementary:


Spector, B. and W. Zartman, eds. 2003. *Getting It Done: Post-Agreement Negotiation and International Regimes*


Chasek, P. 2001. *Earth Negotiations: Analyzing Thirty Years of Environmental Diplomacy*


Hampson, F. O. 1994. *Multilateral Negotiations*
Zartman, ed. 1994. *International Multilateral Negotiation*
Martin, L. 1992. *Coercive Cooperation*
Benedick, R. 1991. *Ozone Diplomacy*

**RECESS.**

**10. 3/23 Individual meetings.** Bring a 1 or 2 page memo proposing your own research project, using the same format as earlier proposals. If you plan case studies, it should say which cases you have selected and why not others. Take a preliminary look at possible sources of evidence before our meeting, since I will ask you whether you think you can get enough evidence to make the project feasible.

**11. 3/30 The cultural context**

Study the following:


Supplementary:
Solomon, R. 1999. *Chinese Negotiating Behavior*
Faure, G. & J. Rubin, eds. 1993. *Culture and negotiation*
Young, H. P. 1991. *Negotiation Analysis*
Ogura, Kazuo. 1979. How the 'Inscrutables' Negotiate with the 'Inscrutables: Chinese Negotiating Tactics Vis-a-vis the Japanese. The China Quarterly

12. 4/8 Individual meetings; report your research accomplishments and raise questions. Circulate 2 papers.

13. 4/15 Circulate and discuss student papers

Please read your colleagues’ papers and write a page or two of reactions and constructive suggestions on one of the papers. Give copies to the author and the professor (graded). You are exempt from this writing requirement the day your paper is discussed.

14. 4/22 Circulate and discuss student papers

15. 4/29 Discuss student papers