Objectives: This course provides an overview of the political decision-making and negotiation as it takes place in multilateral and regional political institutions. We will explore theoretical explanations for how and why these institutions evolved, how they are created through negotiation, and look at several empirical cases—the WTO, the IMF, the EU, and the G8. Case studies and simulations are used to learn concepts and principles from theories of cooperation and bargaining and to develop negotiation skills. Teamwork and participation are important in this seminar. The course should be particularly useful for students who want to do graduate work in IPE, public policy or international law, or who want to pursue a career in international organizations.

Prerequisites: The course is an advanced seminar for honors students only. It assumes familiarity with the major schools of IR theory. No prior knowledge of economics is expected, but since the main focus are negotiations concerning economic policy, we will introduce several crucial concepts as they arise.

Requirements: The course has five formal requirements: a take-home midterm, class participation (including short negotiation exercises) and readings, preparation of and participation in the simulation of an international negotiation, a one-page paper proposal, and either a research or policy paper of about 15 pages in length.

Weight for grades: Take-home midterm – 20%
Class participation – 20%
Simulation exercise – 20%
Paper proposal – 10%
Term paper – 30%

Take-home midterm: The exam consists of short definitions of concepts and one essay questions. It will be available on WebCT—so you have to have internet at home during the days when the exam can be written or be prepared to work in the library. The best short definitions will be anonymized and made available for all seminar participants on WebCT after the exam has been marked, providing a useful resource for the papers. The midterm will be given out on Monday, February 16 at 9:00 and is due on Friday February 20 at 17:00 by email or as hardcopy handed in at my office.

Class participation: This is a seminar and as such, it depends on your and other students’ contributions, insightful comments, and probing questions that help everyone learn. Most useful is constructive critique of the readings—which must therefore be read ahead of time. As you do the readings, you should take detailed notes with page numbers. Our discussions will be introduced by student presentations in each week. We will allocate the presentations in our organizational session. Depending on how many students take the class, you are expected to present the readings of at least two, possibly three sessions. In addition to the group discussion, we will also conduct short negotiation exercises to gain practice for our final simulation. As active participation in the seminar is essential, you are not permitted to keep your laptop open during the seminar. Unexcused absences will be noted as a zero grade for that particular session.

Simulation exercise: we will conduct a three-hour simulation of a negotiation. The class will be divided up into several groups that are allocated randomly—negotiators, firms, unions, etc.—each with a specific set of instructions for what they are to achieve in the negotiation. The simulation involves writing up brief policy statements before the negotiations if you are representing an interest group, or a policy brief after the negotiations if you are acting as a negotiator. Detailed instructions will be given out in class.
Paper proposal: To prepare the final papers, you are required to write up a one-page proposal (12pt font, single-spaced, 2.5 cm margins) that presents the issue, your central thesis, a brief overview of the argument, and what evidence you plan to present and what material you will use. Short proposals are standard when applying for graduate school or scholarships, or when planning internal projects in the public and private sector. To discuss your proposal before the due date, you should come to speak to me at least two weeks before the due date. **The proposal is due on March 25th.**

Term paper: You are required to write either a policy paper or research paper of no more than 15 pages plus bibliography, 12pt font, double-spaced with 2.5 cm margins, or (better) single-spaced with 5 cm margins. Both types of papers require full citations according to an accepted style guide. Turabian or Chicago style with footnotes is preferred. **The paper is due on April 15th.** Late papers will only be accepted for medical reasons and require a doctor’s note.

**Research paper option:** The paper should contain all the elements of an actual research paper investigating an empirical problem—in other words, a paper asking a question like “why do we observe such a phenomenon.” To this end, you need to write an introduction, describe the problem, review the literature, develop a model or theoretical framework, state a hypothesis, and present evidence.

**Policy paper option:** You are required to write a policy paper describing the problems, background, goals and strategies in an upcoming trade negotiation, directed at the chief negotiator of a country—usually Canada, although if you plan to work for a different country (e.g. if you hold a different citizenship), I encourage you to write the policy paper for this country’s negotiating team instead. The paper should contain all the elements of an actual policy paper: an introduction, an executive summary of one page, some background on the issues, possible demands of the other side, and clear goals and strategies to achieve them. In addition, you should include a two-page outline of the institutional context of the negotiations (WTO Ministerial? Bilateral agreement?), the issue area (services? agriculture?), and what agencies and bureaus are involved on your side.

**Course reader:** the reader will be made available for purchase at the bookstore.

**Books:** they are available at the bookstore for purchase and on 3 hour-reserve at the library, both of them much cheaper than your average textbook, and standard readings in various courses, so you may be able to sell your used copy later.


**Plagiarism:** McGill University values academic integrity. Therefore all students must understand the meaning and consequences of cheating, plagiarism and other academic offences under the Code of Student Conduct and Disciplinary Procedures (see http://www.mcgill.ca/integrity for more information). Be it further resolved that failure by an instructor to include a statement about academic integrity on a course outline shall not constitute an excuse by a student for violating the Code of Student Conduct and Disciplinary Procedures.
Session 1: Introduction (January 7)

Explanation of the aims and structure of the seminar, and allocation of topics of student presentations among participants. Get started by reading BW pp. 1-19 and 43-61.

Session 2: Theories of international negotiation and cooperation: Rationalist approaches (January 14)

What are the main building blocks of rational-choice explanations of state behaviour in the world economy? Which factors promote or hinder agreements according to rationalist approaches? What determines the distribution of the gains of agreement among negotiators?


BW pp. 21-42.


Session 3: Theories of international negotiation and cooperation: Domestic politics approaches (January 21)

Why and how do international negotiators play ‘two-level games’? How do domestic institutions affect international negotiations?


Dür, Andreas and Dirk De Bièvre: Constituency Interests and Delegation in European and American Trade Policy, Comparative Political Studies, 2005: 38, 1271-1296

Session 4: Theories of International Negotiation and Cooperation: Constructivist Approaches (January 28)

How can culture, values and ideas affect the practice of international interaction? Do arguments and persuasion play a role in economic diplomacy?


Session 5: The G8 (February 4)

Why and how do governments make commitments through the G8? What has the G8 achieved in specific policy areas (for instance, debt relief and funding global health initiatives)?

BW pp. 93 -105.


Website of the G8 Research Group, [www.g8.utoronto.ca](http://www.g8.utoronto.ca).

Session 6: The WTO (February 11)

What explains the pattern of progress and deadlock in the Doha round? What are the causes and consequences of coalition-building among developing countries?


Session 7: The European Union (February 18) (Midterm given out on Feb 16, due on Feb 20 at 17:00).

The European Union as a forum: what are the features of negotiation within the EU? The European Union as an actor: how does the EU’s multilevel system affect its trade policies?

BW pp. 221-240.


Session 8: The International Monetary Fund (March 4)

Who controls the IMF? How does the IMF interact with its debtors?

BW pp. 297-313.


Momani, B. and A. F. Cooper, Negotiating Out of Argentina’s Financial Crisis, New Political Economy. 10, 3 (September 2005).


Session 9: Major developing countries and their foreign economic policy (March 11)

What are the similarities and differences among large developing countries in terms of domestic structures and foreign economic policies? Has the global balance of economic power shifted in favour of large developing countries? If so, has that changed economic diplomacy?

BW, 201-221.


Session 10: US Foreign Economic Policy (March 18)

How do U.S. political institutions and agencies interact to produce foreign economic policies? How do U.S. negotiators decide when, where and how to negotiate with other countries?


Session 11: NAFTA (March 25)


Session 12: Negotiation Simulation (April 1)

Session 13: Debriefing—Simulation Experience (April 8)

Debriefing and discussion of the simulation.