A. COURSE OBJECTIVES

Negotiation is the process by which two or more parties with interdependent interests secure agreements. This course will cover the basic principles of negotiation and pay specific attention to the complexities that arise when negotiations take place across national boundaries. These complexities involve cross-cultural differences in beliefs and values, historical animosities, and linkages to negotiations with other countries, in addition to the standard complexities that arise in domestic negotiations. The objectives of this course are the following:

- introduce students to the analytical framework and concepts necessary to understand the dynamics of negotiation
- introduce students to a variety of negotiation strategies
- understand the factors that impede successful negotiations and what makes a negotiation “ripe” for resolution
- learn about cultural differences in beliefs and values and how they influence the negotiation process
- understand the factors that lead to the escalation of conflict and how to minimize them
- understand how to deal with the complexity associated with multiple parties, difficult issues, and the historical context
B. READINGS AND LECTURE NOTES

The texts for the course are Malhotra and Bazerman, Negotiation Genius; Watkins and Rosegrant, Breakthrough International Negotiations; and Noesner, Stalling for Time. The first two books are at the bookstore and the last book is available on Amazon.com (you can get it used for about $5.00 total or you can borrow a copy from me; copies are in the black bins outside my office). Additional readings will be posted to blackboard. The course outline below describes the reading assignments that are due for each class. Please come to class prepared! We will be discussing the readings and the cases in class. Negotiation cases will be handed out during the course of the semester. A course fee of approximately $30.00 will be charged to your Carnegie Mellon account to pay for the negotiation cases. Lecture notes for class will be posted on blackboard under “course documents”.

C. COURSE REQUIREMENTS

The final grade will be calculated out of 100 total points

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1. NEGOTIATION EXERCISES

In this course, you will be asked to participate in negotiation exercises to help you develop negotiation skills experientially. It is crucial for your learning that you spend adequate time preparing for the negotiations. Negotiation roles will be passed out in class but extra copies of the cases will also be available in the black bins outside my office.

We will conduct 6 in-class negotiation exercises (the Guatemala negotiation counts as two). If you participate in 5 or 6 of the in-class negotiation exercises you will receive the full 10 points to contribute to your final grade. If you participate in 4 exercises you will receive 5 points. If you participate in fewer than 4 you will receive 0 points. Please check blackboard periodically to make sure that your participation in the exercises is correctly accounted for.
2. PREPARATION PLANS

You are required to submit two preparation plans to be uploaded to Blackboard on September 28th (for Texoil) and October 21st (for Panda) by 1:30 PM. Plans should be no longer than 3 single-spaced pages for the Texoil plan and 4 single-spaced pages for the Panda plan. Your plans should be based on two sections:

a. This section contains all the analysis you need to conduct before you even decide on a negotiation strategy or approach. You should include the features of the negotiation environment and the negotiation parameters (BATNAs, RVs, AVs, interests, priorities over the issues if applicable) for all parties. See August 31st lecture notes. This section should be in bullet points.

b. Describe your negotiation approach and strategy (for example, how are you going to open the negotiation? What kinds of negotiation tactics will you be using?) For the Panda plan, please also address the questions at the end of the case.

In both sections, please detail how information from the readings guided you in the analysis. All plans must be submitted to Blackboard in advance of class. Late plans will not be accepted.

3. ANALYSIS OF NEGOTIATION IN THE NEWS

Analyze a negotiation taking place currently and being reported in the news and that involves negotiations across national boundaries. The first section of the paper should be a complete analysis (in bullet points) of the features of the negotiation environment (see August 31st lecture notes) and a brief description of all parties’ negotiation parameters (BATNAs, RVs, AVs, interests). The description of the negotiation parameters will be difficult since you will not have access to all of the parties’ private information – just do your best to think about how each side might view their parameters. The second section should be an ANALYSIS of what happened (rather than describing what happened). What to cover in this section will differ across topics but here are some of the things you should consider discussing: the types of strategies that each side is using (and why), the driving and restraining forces, analyze how the parties might negotiate more effectively (that is, what advice would a negotiation genius give them?), what “breakthrough negotiation principles” are relevant, what are the barriers to agreement and how they might be lessened or removed, how you expect the negotiation to be resolved, and any other type of analysis you deem relevant. Assignment should be no longer than 4 pages single-spaced. Analysis is due on Blackboard on November 18th at 1:30 PM.

4. PREPARATION WORKSHEET

To get ready for the Guatemala negotiation, I will post to Blackboard a preparation worksheet regarding your role, your beliefs about the other participants in the negotiation, and your strategy for the negotiation. This is due at the beginning of class on November 30th (please upload to Blackboard).

5. QUIZZES

There will be two in-class quizzes (October 14th and December 9th).
6. CLASS PARTICIPATION

When you actively participate in the class discussion of the negotiation exercises and the historical cases, you will develop a deeper understanding of the course concepts and you will become more effective in concisely articulating your point of view. To encourage you to participate, you can earn up to 10 points of class participation that will count towards your final grade.

7. EXTRA CREDIT

The content for this class relies heavily on experimental negotiation research. To “give back” to the research community you can participate in experimental research at Carnegie Mellon for three hours over the course of the semester to earn up to three extra credit points to count towards your final grade. Details about how to sign up will be provided during the second week of classes.

D. LAPTOP POLICY

I don’t allow the use of laptops, iPads, PDAs, iPods, or phones during class. If you would like an exemption to this rule, please see me to discuss.

E. CHEATING AND PLAGARISM

In case of cheating or plagiarism the instructor will make full use of University and School policies and regulations.
F. COURSE OUTLINE

8/31 Introduction to the course
Class activity: Introduction (download Introduction lecture notes and syllabus)

9/2 Complex Negotiations
Class activity: watch film, Final Offer
Readings due today: Raiffa, pages 7-25

9/9 Complex Negotiations
Class activity: Final Offer discussion
Readings due today: Negotiation Genius (NG) Introduction
Handout: Mapletech/Yazawa case (also in bins outside my office)

9/14 Distributive Negotiations
Class activity: lecture on distributive negotiations (download Distributive Negotiation lecture notes)
Readings due today: NG chapter 1 and Raiffa pages 35-43

9/16 Distributive Negotiations
Class activity: negotiate Mapletech/Yazawa and discuss
Readings due today: Shell pages 3-21 and appendix A
Assignments due today: Be ready to negotiate Mapletech/Yazawa

9/21 Distributive Negotiations
Class activity: discuss Malta case (download Malta lecture notes)
Readings due today: Wriggins, Up for Auction: Malta Bargains with Great Britain

9/23 Difficult Negotiations
Class activity: discuss Cuban Missile Crisis (download Cuba lecture notes)
Readings due today: read through the entire timeline of the crisis at http://www.cubanmissilecrisis.org/background/timeline/, read the history. Watch the videos at http://www.cubanmissilecrisis.org/for-educators/video-resources/: “Foreign Affairs Focus On Nuclear Lessons: The Cuban Missile Crisis With Graham Allison,” “JFK50 – His Finest Hour,” and “Sergei Khrushchev on the Cuban Missile Crisis”
Handouts: case for Texoil (also in bins outside my office)
9/28  **Difficult Negotiations**

Class activity: negotiate T Texoil

Readings due today: Shell pages 22-38

Assignments due today: Be ready to negotiate T Texoil and submit preparation plan #1 for T Texoil (upload to blackboard)

9/30  **Difficult Negotiations**

Class activity: discuss T Texoil

Readings due today: Shell pages 76-88

10/5  **Preparing and Assessing Barriers**

Class activity: assessing the bargaining environment in North Korea (download North Korea lecture notes)

Readings due today: Watkins and Rosegrant pages xvii-xxii and 1-55

10/7  **Integrative Negotiations**

Class activity: lecture on integrative negotiations (download Integrative Negotiation lecture notes)

Readings due today: NG chapters 2 and 3 and Raiffa pages 131-147

Handouts: case for NBT vs. AGMA (also in bins outside my office)

10/12  **Integrative Negotiations**

Class activity: negotiate NBT vs. AGMA and discuss

Readings due today: Fisher and Ury, pages 3-14 and pages 40-80

Assignments due today: Be ready to negotiate NBT vs. AGMA

10/14  **Quiz**

Class activity: quiz #1

10/19  **Difficult Negotiations**

Class activity: discuss Stuart Eizenstat, Negotiating the final accounts of World War II (download Eizenstat lecture notes)

Readings due today: Eizenstat case
10/21 **Negotiating with Low Power**

Class activity: discuss Panda Part A

Readings due today: Panda Part A; Lax and Sebenius 7-34, 53-68

Assignments due today: Preparation plan #2 for Panda Part A (upload to Blackboard)

10/26 **Cognitive Biases and Ethical Issues**

Class activity: discuss biases and ethics (download Biases lecture notes)

Readings due today: NG chapters 4-6; Shell pages 201-234; Bazerman and Tenbrunsel, chapter 1; Foreign Corrupt Practices Act

10/28 **Stalling for Time**

Class activity: discuss strategic delays in negotiations (download Stalling for Time lecture notes)

Readings due today: Noesner, preface and pages 1-93 (buy book or borrow from me).

11/2 **Stalling for Time**

Class activity: discuss Beagle Channel Negotiations (download Beagle lecture notes)

Readings due today: Beagle Channel negotiations parts A, B, and C

11/4 **Ripeness and Intermediaries in International Negotiations**

Class activity: discuss Oslo negotiation (download Oslo lecture notes)

Readings due today: Watkins and Rosegrant pages xviii-xxii, 133-177

11/9 **Intermediaries**

Class activity: discuss Carter’s intervention in the North Korea talks (download Carter lecture notes)

Readings due today: Watkins and Rosegrant pages 56-108

Handouts: Pepulator Pricing Exercise

11/11 **Long Term Relationships**

Class activity: Pepulator Pricing Exercise

11/16 **TBA**
11/18 Building Coalitions

Class activity: discuss Gulf War coalition case (download Gulf War lecture notes)
Readings due today: Watkins and Rosegrant pages 178-227; Thompson pages 218-257
Handouts: background and confidential information for Guatemala negotiation
Assignments due today: Negotiation in the News Analysis (upload to Blackboard)

11/23 Multi-party Negotiations

Class activity: meet in within-role groups to prepare for Guatemala negotiation and work on preparation worksheet (download Preparation Worksheet and bring to class)
Readings due today: Read “Historical Background and General Instructions” and “Confidential Instructions” for your role for Guatemala negotiation
Assignments due today: be ready to discuss your role in groups in preparation for the Guatemala negotiation

11/30 Multi-Party Negotiations

Class activity: Begin Guatemala negotiation
Readings due today: Ury pages 31-104, Lewicki, Saunders, and Minton pages 167-178
Assignments due today: preparation worksheet for Guatemala negotiation (upload to blackboard)

12/2 Multi-party Negotiations

Class activity: Finish up Guatemala negotiation
Readings due today: Lewicki, Barry, and Saunders pages 304-310; Lax and Sebenius pages 99-116

12/7 Multi-Party Negotiations

Class activity: discuss Guatemala case
Readings due today: Lytle, Brett, and Shapiro article

12/9 Quiz

Class activity: Quiz #2