# *Trade, Conflict, and Cooperation:*
## *How IOs affect Domestic Support for International Agreements*

Ryan Brutger, University of Pennsylvania

# Overview

- Domestic constraints in international bargaining

  - Public opinion

- Negotiation process impacts domestic support

  - Proposal power of leader and IOs

- Who is moved?

  - Well informed, fairness focused, etc.

# Theory

- Role of domestic constraints in int'l bargaining

  (Putnam 1988, Milner 1997, etc.)

  - Enhance leverage

  - Limit win-set and ratification potential

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- Public takes cues from leaders and process

  - Leader's proposal power enhances support

  - IO's proposal power (may) enhance support

# Theory - IO's proposal power

- Procedural Fairness Hypothesis

  - IO enhances legitimacy by working through institution

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    (Endorsement by experts)

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  - IO signals quality of the agreement (Endorsement by experts)

- Cheap Talk Hypothesis

  - IO proposals should have no effect

# Methods

- Difficult to measure proposal power, since proposals change the proposer *and* the policies

- Survey Experiment (913 respondents – mTurk Oct. 2015):

  - Real news report about TPP negotiations

  - Three treatments of interest
    - U.S. Proposes
    - Foreign (Japan) Proposes
    - IO (WTO) Proposes

  - Also varied substantive focus – no effect

# Methods

- ## The experiment - US Proposes

**Everything you need to know about the Trans Pacific Partnership**

**1. What is the Trans-Pacific Partnership?**
It's a free trade deal proposed by the U.S. and involving Japan, Canada, Korea, Australia, Brunei, Chile, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam. It's expected to eliminate tariffs on goods and services, tear down a host of non-tariff barriers and harmonize all sorts of regulations when it's finished. The countries are some of the U.S.' biggest and fastest-growing commercial partners...

# Methods

- ## The experiment – U.S. Proposes

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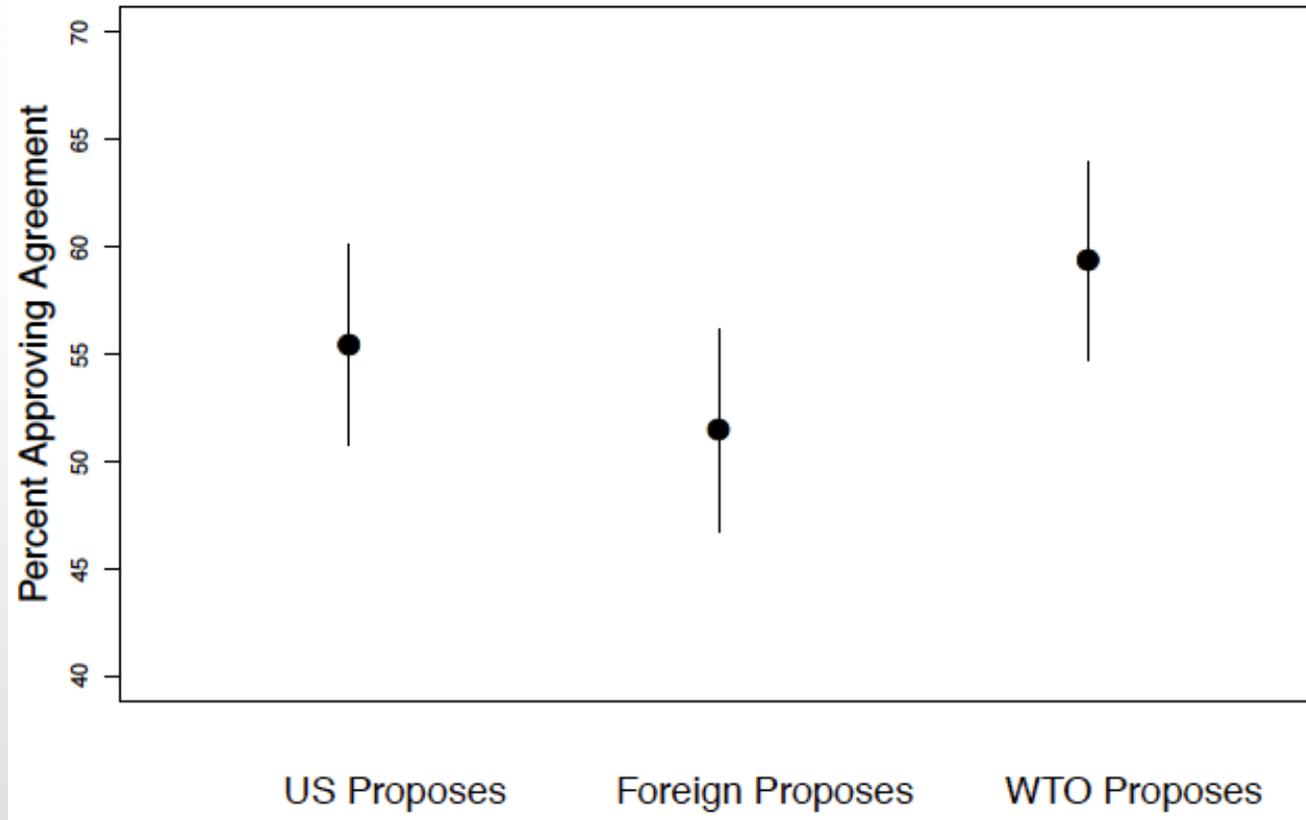
- ## Main DV:

  To summarize:

  The Trans-Pacific Partnership is an international trade deal proposed by the U.S. that is expected to reduce tariffs and improve intellectual property rights.

  Do you approve, disapprove, or neither approve nor disapprove of the trade deal?

# Results

- The experiment − U.S. Proposes



7.9% increase from Foreign to WTO Proposing (p= 0.05)

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  - Fairness & honesty scale − high/low personal value

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- Procedural fairness hypothesis:

  - Expect heterogeneous effects

  - Fairness & honesty scale – high/low personal value

- High value fairness:

  - 12.4 percentage points higher support for WTO vs. Foreign (p=0.04)

  - 9.6 percentage points higher support for WTO vs. U.S. (p=0.09)

  - Diff-in-diff between high/low respondents WTO vs. U.S.
    17.1 percentage points (p=0.07)

# Results

- Information transmission hypothesis:

  - Expect IO proposal to inhance beliefs about value

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    "How good for you is the trade agreement?"

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  - No support for hypothesis

    No main or mediating effect of treatments

# Conclusion

- IO proposal power impacts domestic support

  - Shift from ~50% support, to ~60% when IO proposes

- Support for procedural fairness hypothesis

  - Further analysis of mechanisms is needed

- Some support for leader's proposal power

- IO's influence domestic win-set and likelihood of cooperation

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