Simulation Overview

Target audience: The *Negotiation Mandate for a Free Trade Agreement (FTA) with Tradeland* simulation-game is constructed as a teaching-tool for high-school, undergraduate and graduate courses on such topics as European Union studies, international organizations, international relations, conflict analysis and resolution, negotiation, mediation, international law, and international political economy. The simulation can be used successfully in introductory courses (e.g., Introduction to the European Union, Introduction to International Relations, Introduction to International Organizations, Introduction to Economics) but it may reap higher benefits in a mid-level course for 2nd or 3rd year students who have taken introductory courses on one or more topics such as European government, negotiation, international relations, or economics. It can be used to prepare, train, and test the negotiation skills of groups of students in preparation for Model European Union and Model United Nations conferences. This simulation can also be used for conducting a 1-2 day(s) Model European Union conference.

Topic: The simulation focuses on the issue of trade with a third party, but it can serve as a model for developing simulations on other policy areas such as agriculture, consumer protection, employment, fisheries, security and defense, foreign affairs, and international relations.

Simulation method: The simulation is set in a scenario that is primarily fictitious – yet still blends in and incorporates real events, history and detail, forming a "pseudo-reality": a situation familiar and compelling enough to spark interest, motivation and identification, yet controlled and constrained through incorporating fictitious elements to allow for maximum learning and skill-building.

Simulation synopsis: The simulation is a multi-party negotiation at a meeting of the Council of the EU (Foreign Affairs Council – Trade) to determine the mandate (called the 'negotiating directives' by the European Union) that the Council of the EU will give to the European Commission to negotiate a free trade agreement (FTA) on behalf of the EU with the fictional country of Tradeland. Tradeland is a close ally of the European Union and one of the EU's largest trading partners. Participants are tasked with designing a mandate for the Commission. This is currently a 'hot' topic on the EU agenda and is likely to remain so for the foreseeable future. Participants are not tasked to negotiate with Tradeland, but rather to represent the interests of their country or of their institution (for the European Commissioner for Trade) in the negotiations taking place within the Council of the EU regarding *what should be included in the negotiation mandate* given to the European Commission. **Given that the simulation cannot address *all* of the issues covered in a free trade agreement, Member states of the Council are tasked with forwarding only 3 main policy objectives to the Commission negotiators to focus on in the negotiations with Tradeland.**

There are 28 parties participating (27 EU Member states, plus the European Commissioner for Trade). All parties receive private information describing their interests and positions. In deciding the policy of the Council of the EU, it is up to participants to decide whether they wish to act in a competitive manner - or if they prefer to use collaborative approaches seeking win-win, integrative solutions for the overall benefit to the European Union.

Learning goals: Through taking part in this simulation, participants will:

●   Deepen their understanding of the European Union and its decision-making processes;

●   Understand the dynamics of negotiation and alliance-building within the Council of the European Union;

●   Experience the pathways to deciding an agenda item discussed at a Council of the EU meeting; and

●   Apply negotiation skills in a multi-party setting.

Roles: Structure and balance: There are five major groups of countries in the simulation. While there are some differences between internal members in each group, with regards to specific interests, their overall approaches to trade issues are similar. The push and pull between these five groups provide the central dynamics of the simulation. Some countries[12] belong to more than one of these groups, given their multiple interests and alliances. Instructors should familiarize themselves with the groupings in order to follow the simulation and guide any interventions they choose to make (below). Participants are provided with a description of these groups, but not with a detailed breakdown of the countries in them; they will need to discover allies and adversaries on their own. The five groups are:

Reluctant to form an FTA: This group includes those who believe that a free trade agreement with Tradeland may negatively impact their economy, overall, in the sense that more sectors/businesses would lose out as a result of an FTA than would benefit from it. These countries think that some of their economic sectors are not prepared, at this stage, to face the new competition that the FTA would enable, particularly owing to the uneven playing field in terms of social, fiscal, and environmental norms that exist in the EU and in Tradeland. They are therefore reluctant to open trade negotiations; they may seek to obtain gains in other policy areas in return for supporting these trade talks, and they may seek to impose limitations on the scope of this trade agreement in return for supporting it at all. Countries: **Austria, Czech Republic, France, Hungary, Malta, Slovakia, Slovenia.**

In favor of an FTA: A second group is formed by countries which have a strong trade surplus and an economy that is largely export-driven. These states think that their companies could gain major markets in Tradeland, should a free trade deal be concluded. They believe that *laissez-faire*

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[12] The membership of these groups does not necessarily represent the views of the governments of the EU Member-States on free trade. As this is a fictitious exercise, in this simulation some Member-States may hold views that may be contradictory to the views on free trade of those Member-States' real governments at the time when the

policies spark innovation and prosperity. Countries: **Estonia, Germany, Ireland, Lithuania, Latvia.**

In favor of an FTA, but with sectoral exceptions: A third group of states includes those which support the notion of a free trade agreement but wish to exclude specific sectors to protect their economic stakeholders, cultural diversity, or culinary heritage. Countries: **Greece, Italy, Netherlands, Poland, Portugal, Spain.**

In favor of an FTA, but with concerns about standards and regulations: A fourth group of states favor promoting free trade, yet are concerned that an agreement with Tradeland could negatively impact well-established European ideals and practices, such as consumer rights, labor unions, welfare systems etc. - given the fact that Tradeland is a far less regulated environment supporting a production-oriented economy. Similarly, states might raise objections regarding public health issues, especially foodstuffs including genetically manufactured organisms (GMOs) which are unregulated in Tradeland. These states support forming an agreement regarding free trade and the removal of tariffs, yet oppose the harmonization of regulations between Tradeland and the EU. Countries: **Belgium, Denmark, Finland, Luxembourg, Sweden.**

Neutral, but taking advantage of potential side benefits: A final group of countries are largely neutral towards the notion of an FTA; however, they are expected to make the most of the situation by seeking payoffs in return for their giving the FTA negotiations a green light. Such payoffs might include, for example, demanding visa liberalization on Tradeland's part (currently, Tradeland does not apply a uniform visa policy towards all EU Member states). **Countries: Bulgaria, Cyprus, Croatia, Romania.**

Simulation dynamics and outcome: **Ultimately, the decision-making mechanism in the Council of the EU for the purposes of this simulation is reaching an agreement through qualified majority voting, following the rules laid down by the EU Treaties (see Section I).** Power imbalances and time pressure will require participants to create alliances and think quickly, with regards to protecting their country's individual interests as well as promoting the EU's interests as a whole.

Setting, timeframe, and interventions: This guide assumes that the simulation will be played in a face-to-face environment, with full monitoring by an instructor. The instructors should provide time for preparation and debriefing, before and after the simulation, respectively. The simulation can be adapted to be conducted in as little as 1 ½ hours, or played out over the course of three full days. One method for achieving this versatility involves the instructor intervening with 'breaking news' which require participants to either re-assess and prolong the simulation, in the unlikely situation that there is overly or artificially rapid agreement, or provide them with opportunities and assistance for moving past 'stumbling blocks,' speeding up the process.

Logistics, Setup and Simulation Management

Number of participants: This simulation is ideally designed for use with a group of 28 participants.

Physical surroundings and props: The simulation requires a large room, to accommodate participants' sitting around a large rectangular table (which can be formed of regular desks placed side by side), or in seats placed in a large circle. It would be helpful to have a map of Europe and

its surroundings handy, as well as a whiteboard or flipchart. As negotiations between smaller groups are likely to develop, try to provide a second room, or an adjacent hallway (one in which the participants will not disturb other activities), for conducting such caucuses.

To add a sense of reality to the situation, instructors should consider asking participants to dress up formally for the occasion, and (as resources permit) add touches to convey a sense of the real-life setting (such as by providing name tags for the countries, placards with countries' flags printed on them, actual miniature flags on the table in front of the country's seats, etc.). Conditions permitting, follow the seating order dictated by protocol, which can be found here: http://publications.europa.eu/code/pdf/370000en.htm. The representative of the Member-State holding the rotating Presidency of the EU, and the Commission representative, take the central places at the table. To the left of these central positions sit the countries which previously held the rotating presidency of the European Union. To the right of these central positions sit the countries who will be the next to hold the rotating presidency of the European Union.

When instructors take this kind of initiative, participants will often augment it through efforts of their own, such as by adding an element of national dress to their garb.

Convening an in-person/online meeting with a representative from the EU or a transatlantic expert at some point before the game may give an even more realistic dimension to the simulation.

Required / optional material: To conduct the simulation itself, all that is strictly required are the roles to be handed out to each team. Instructions to the group regarding procedural issues, decision-making, and timeframe can be imparted orally. Depending on preparation time and students' previous studies, teachers can consider assigning students to review the material found on some of the websites provided. Teachers might decide to add in material of their own, or ask students to conduct independent research.

Simulation setup role assignment, instructions and initiation: In this phase, you designate participants to their individual roles, and assign them the material they need to prepare. This can be done on the spot, by handing out roles to students and instructing them to be ready to begin the Council of the EU in one hour, or in the following class session. When circumstances allow it, or,

when you wish participant preparation to go beyond the role material provided in this guide, assign the material at least one day (or, one lesson) before the simulation is to take place, allowing participants to prepare themselves fully. Announce precisely when and where the Council of the EU is to take place, stressing that everybody must be present, prepared, and ready to begin the Council of the EU at that time. Stress that absences will threaten the success of the meeting. Give any group instructions you feel necessary to the group. At the designated starting time, gather the group, and announce that the simulation has begun; all their behavior, from now on, must be in-role.

MEU Rules of Procedure

The Council of the EU is chaired by the Minister (of Trade, for the purposes of this exercise), representing the Member-State holding the rotating Presidency of the European Union in the real world at the time of the simulation.[13] The minister chairing the meeting will present the issue on the agenda, based on the individual role provided to them as representative of their country. The Minister/chair should introduce the European Commissioner for Trade to the assembled representatives. These two participants should have a short conversation before the simulation to decide a plan for how the chair will facilitate the dialogue and what role the European Commissioner will take. The chair then proceeds to open the meeting for statements by those Member states who wish to state their opinions. At this starting point of the meeting, the chair should ask that participants' opening statements be limited to 2 minutes, and that speakers focus on substantive matters rather than issuing lists of demands. After opening statements, the chair can suggest structured or unstructured break-out meetings (to allow for informal negotiation) with just a few of the participants, or full plenary meetings, as they see fit for successful negotiations within the Council of the EU. The chair can facilitate dialogue, or allow participants to engage without facilitation/moderation. Instructors should be very mindful in assigning the role of the chair, and also that of the European Commissioner for Trade, as the way the simulation plays out depends to a certain extent on their ability to facilitate an effective group process.

The proceedings can be as informal or formal as the instructor desires based on the learning goals of the simulation. If you want the group to follow more formal proceedings, prompt the chair to use the Council of the EU's Rules of Procedure,[14] of which the following are a part:

● "8. At the start of a meeting, the Presidency [the chair] shall give any further information necessary regarding the handling of the meeting and in particular indicate the length of time it intends to be devoted to each item. It shall refrain from making lengthy introductions and avoid repeating information which is already known to delegations.

● 9. At the start of a discussion on a substantive point, the Presidency shall, depending on the type of discussion which is needed, indicate to delegations the maximum length of their interventions on that point. In most cases interventions should not exceed two minutes.

● 10. Full table rounds shall be proscribed in principle; they may be used only in exceptional circumstances on specific questions, with a time limit on interventions set by the Presidency.

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[13]A list of scheduled presidencies of the Council of the EU can be found here:
http://www.consilium.europa.eu/en/press/press-releases/2016/07/26-council-rotating-presidencies-revised-order/
[14]http://www.consilium.europa.eu/en/documents-publications/publications/2016/council-rules-procedure-comments/

● 11. The Presidency shall give as much focus as possible to discussions, in particular by requesting delegations to react to compromise texts or specific proposals.

● 12. During and at the end of meetings the Presidency shall refrain from making lengthy summaries of the discussions and shall confine itself to concluding briefly on the results (substance and/or procedure) achieved.

● 13. Delegations shall avoid repeating points made by previous speakers. Their interventions shall be brief, substantive and to the point.

● 14. Like-minded delegations shall be encouraged to hold consultations with a view to the presentation by a single spokesperson of a common position on a specific point.

● 15. When discussing texts, delegations shall make concrete drafting proposals, in writing, rather than merely express their disagreement with a particular proposal.

● 16. Unless indicated otherwise by the Presidency, delegations shall refrain from taking the floor when in agreement with a particular proposal; in this case silence shall be taken as agreement in principle."

Participant-driven simulation conduct: Make sure that the chair of the Council of the EU meeting (referred to as the Presidency in the rules of procedure above) is aware of the simulation's ending time. Other than that, the simulation design allows for the entire process to be driven, from start to finish, by participants, without instructor guidance or intervention.

Instructor interventions: During the simulation's run-time, the instructor's task is largely to be attentive to the proceedings and discussion, noting interesting elements to raise for discussion in the post-simulation debrief session. There are three situations in which instructor intervention is desirable: Students will sometimes pose questions to the instructor – for example, about Council of the EU procedural rule, the simulation storyline, information they see as 'missing,' or how they should be playing their role. When possible, the instructor would do best to point participants towards sources for procedural rules or the information provided in their roles. Sometimes, however, the instructor needs to take on the responsibility of clarifying a point or explaining something in the instructions. To this end, teachers should review the simulation before engaging in it so they will be able to clarify or adjust details without upsetting the fundamental balance between participants. A second – fairly rare - trigger event for instructor intervention is disruptive behavior on the part of participants. This might be unusually inappropriate or abusive behavior by participants in-role, but will more likely be occurrences of participants suddenly slipping out of role during the course of the simulation, and engaging in discussion that bursts the 'bubble' of simulated reality. This often happens for short moments, with the simulation self-restoring; however, if things get out of hand in this regard, the instructor can encourage participants to regroup and restore the simulation bubble. Finally, instructors may intervene to add in news of new information or events that they wish to introduce into the simulation.

Final stages and simulation ending: A non-intrusive intervention, such as a note to the chair of the Council of the EU meeting, or catching their eye whilst tapping one's watch, should be enough to help participants keep their eye on the clock as the deadline approaches. As it does, the chair of the Council of the EU with the help of the European Commissioner for Trade together with leading Member state representatives should work on drafting the language of any agreement parties have

come to. When there is a written draft agreement the chair of the Council of the EU meeting distributes it to all parties, and calls for a vote. If it passes[1], the chair of the Council of the EU meeting announces the negotiating directives for the FTA that will be passed along to the European Commission. If it does not, and there is time remaining, negotiations can resume with the hopes of achieving agreement, drafting it and voting on it anew. If time runs out with no solution being passed by vote, the Council of the EU ends without a negotiation directive for the European Commission regarding the FTA. Of course, if parties realize they are not going to reach agreement on all the issues, they can attempt to carve out issues for which there is sufficient agreement to vote on, and agree to attempt to settle the rest at a later date.

Transitioning from simulation to debrief: If the meeting has ended with an agreement, or a successful vote, you might ask parties to sign it, or stage a group photo, to provide a moment of celebration during which participants will shift slowly back into their natural selves. Continue this by announcing that in a couple of minutes all representatives will be leaving back to their embassies, and they can use the time to say goodbye to other representatives. Then, announce the end of the simulation, and ask participants to return to their seats to discuss what happened.

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[1] **55% of Member states vote in favour** - in practice this means 15 out of 27

The proposal is supported by Member states representing **at least 65% of the total EU population –** see threshold for 65% here: https://www.consilium.europa.eu/en/council-eu/voting-system/voting-calculator/

The **blocking minority** must include at least four Council members representing more than 35% of the EU population.(Source: http://www.consilium.europa.eu/en/council-eu/voting-system/qualified-majority/)