

Interest-based Negotiation over Natural Resources: Experimental Evidence from Liberia*

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Abstract

We experimentally evaluate whether an interest-based negotiation (IBN) training for community leaders in Liberia improves their ability to strike beneficial deals related to their land and forests. We use environmental assessments, lab-in-the-field, and surveys and find that trainees are 27% more likely to reach a beneficial agreement, and when they conclude deals, their payoffs are 37% larger. Our exploration of mechanisms indicates that the training increases trainees' capacity to identify valuable deals, but does not improve their appraisal of their outside option. We find a reduction (0.27 standard deviations) in the exploitation of communal forestland in treated communities.

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1. Introduction

Across the Global South, the demand for land and timber is increasing, and rural communities have new opportunities to negotiate with outside investors over natural resources (Davis, D’Odorico, and Rulli 2014). While initially hailed as opportunities for rural development, there is concern that these investments can detract from communities’ well-being. A report from the World Bank warns that “instead of generating sustainable benefits, [many land investments] contributed to asset loss and left local people worse off than they would have been without the investment” (Deininger and Byerlee 2011, 71). Similar issues arise in negotiations between rural communities and small-scale logging operators (known locally as “pit-sawers”): in Liberia a majority of community members surveyed in USAID (2017) view pit-sawing unfavorably, with conflicts emerging around whether the royalties paid to communities offset the costs of deforestation.

Where communal land is implicated, community leaders help negotiate the terms of natural resource extraction with concessionaires and, more frequently, pit-sawers (Christensen, Hartman, and Samii 2021b). A prominent explanation for disadvantageous agreements is that these leaders cannot effectively negotiate.¹ The UN’s Special Rapporteur on the Right to Food argues that “strengthening the negotiation capacity is vital. And that capacity cannot be of governments alone. Local communities must also be empowered” (Lashley 2009).

This paper uses a randomized controlled trial (RCT) to evaluate whether interest-based negotiation (IBN) training changes the deals community leaders strike. While more research in behavioral economics documents individuals’ struggles to solve constrained maximization problems, a smaller body of work considers why people fail to reach mutually beneficial agreements due to self-serving biases (e.g., exaggerated assessments of one’s outside option) that impede negotiations (e.g., Babcock and Loewenstein 1997; Bazerman et al. 2000; Tsay and Bazerman 2009). Yet,

1. Other explanations focus on agency problems: leaders conclude deals that generate large side payments but offer little to constituents (see Christensen, Hartman, and Samii 2021a, for a discussion of accountability issues). These agency problems notwithstanding, we show below that many leaders in rural Liberia lack the negotiation skills needed to reach agreements that benefit themselves or their constituents.

the problem in Liberia and elsewhere is not a bargaining impasse. Agribusiness and timber deals are getting done, but some of these agreements leave communities worse off. In negotiation simulations, community leaders in rural Liberia frequently agree to deals even when they would have been better off walking away: in our control group, nearly half (47%) never reach a deal worth more than their outside option; over one-quarter (27%) agree to deals that, on average, pay them less than their outside option.² This behavior betrays two mistakes that are common among untrained negotiators (Fisher and Davis 1987). First, they think of negotiations as zero-sum interactions, in which the goal is to maximize their position along a single dimension (often a sale or rental price). Second, they fixate on reaching the agreement that pays them the best price, overlooking that they may be better off walking away.

IBN is an approach taught to thousands in business, law, and policy schools around the world (Murray 2011), which tries to correct common negotiation mistakes. IBN training stresses that parties should focus on their interests (and not specific demands), which can reveal opportunities to reach multi-dimensional agreements that benefit both parties. It also teaches individuals to prepare for any negotiation by carefully appraising their outside option (i.e., their best alternative to a negotiated agreement or BATNA), so that they do not agree to a deal that leaves them worse off than simply walking away.

We study whether a 12-hour training in IBN enables leaders from 120 communities in rural Liberia to more effectively negotiate over their land and forest resources. In surveys and lab-in-the-field negotiation simulations administered six months after the training, we find that trainees recall and deploy key concepts: our mean effects indexes related to knowledge and use of IBN skills increase by over 0.2 standard deviations. Trainees are 20% more likely to correctly define IBN and recognize that negotiations can result in win-win agreements.³ Using our lab-in-the-field mea-

2. We find little evidence of self-serving biases leading to an impasse: our respondents virtually never refuse or let the clock run out on a deal that pays them more than the stated value of their outside option (see Appendix FigureA.2).

3. A shorter module in the training stressed maintaining a positive relationship with one's negotiating partner and provided strategies for diffusing conflict. We do not, however, find meaningful changes in trainees' interpersonal skills.

tures — three original incentivized negotiation simulations around potential land and logging deals — we find that trained leaders are 27% more likely to reach a beneficial agreement, and when they make a deal, they earn 37% more than leaders from control communities who did not participate in the IBN training.

We use both a mediation analysis and a structural model to assess whether trainees' success is attributable to two mechanisms. First, IBN may increase trainees' *capacity* to find a wider range of possible deals. Second, it may improve their ability to *appraise* their outside option, reducing the likelihood that they agree to a deal that is inferior to walking away. Both our mediation analysis and structural estimates indicate that the intervention increased trainees' capacity to identify more valuable deals. For the mediation analysis, we construct indexes of intermediate outcomes that capture a respondent's ability to recall concepts related to these two mechanisms. While the training increased knowledge along both dimensions by around 0.3 standard deviations, only the first dimension — knowledge related to identifying possible deals — appears to mediate the effect of the treatment. While trainees may learn what a BATNA is, they do not appear to apply this knowledge. These findings align with our structural model, which imposes a decision-theoretic framework to derive estimates of capacity and appraisal just from respondents' negotiation outcomes without relying on mediators constructed from survey outcomes. Our parameter estimates imply that the training improved trainees' capacity but did not improve trainees' assessment of their outside options. The structural results reinforce the mediation analysis, ruling out measurement error as an alternative statistical explanation for why we do not find a relationship between one of the mediators and negotiation success.

Finally, the improvements we uncover in our behavioral games carry over to real-world behaviors related to natural resource use. In treatment communities, we find increased engagement in forest management and reductions in external forest use (e.g., logging), with no decline in the benefits that flow from such investments. These findings are consistent with leaders in treatment communities demanding more of outside investors who want to exploit communal forestland for agriculture or logging, resulting in fewer deals, but ones that are higher-value.

We contribute to the literature in three ways. First, we expand the small existing literature on the effects of IBN and show that an IBN is effective in improving the community leaders' ability to negotiate over natural resources. Ashraf et al. (2020) find that IBN training for 8th-grade girls in Zambia increases their future school attendance by eight to ten percent.⁴ Participating girls can better convey to their parents why continued education can be a “win-win” for the girls and their parents, who may depend on their daughters in old age. Blattman, Hartman, and Blair (2014) show that training in alternative dispute resolution, which incorporates some elements of IBN, reduces violent land disputes in Liberia (see also Hartman, Blair, and Blattman 2021).

Second, our analysis of mechanisms helps explain why the IBN training improves negotiation outcomes. While the existing literature has focused on self-serving biases (Babcock, Wang, and Loewenstein 1996), IBN presumes two other mistakes made by untrained negotiators: first, haggling over a single dimension, they do not consider all potential agreements; and second, fixated on reaching an agreement, they effectively discount the value of walking away. Our mediation and structural analysis both indicate that the IBN training improved outcomes by correcting the first mistake, increasing trainees' capacity to identify valuable potential agreements. Our control-group data suggests the second constraint applies in our context: untrained negotiators frequently agree to deals worth less than their outside option. But we do not find that the IBN training is corrective. The IBN training emphasizes that win-win agreements often exist; it needs to better convey that not all deals are worth making.

Third, our study contributes to a broader body of work that evaluates the returns to business training. Policymakers spend over one billion dollars annually training businesses in low- and middle-income countries, yet rigorous evaluations of training show mixed results (for a recent meta-analysis, see McKenzie et al. 2020). Some training emphasizes relational skills, including “mindset” and personal initiative skills (e.g., Campos et al. 2017; Dammert and Nansamba 2019; Ubfal et al. 2020).

4. Hardy, Kagy, and Song (2021) also study negotiation. However, their focus is not on negotiation skills, but rather on how the parties' endowments affect their ability to extract value in market transactions.

Most of these studies find statistically insignificant effects on profit (McKenzie et al. 2020). Other interventions focus on “harder” business skills such as accounting, management, marketing (e.g., Dimitriadis and Koning 2020; Williams et al. 2020). Again, most studies cannot reject the null of no change in profits, though a meta-analysis of these studies reports 12% improvement (McKenzie et al. 2020). Focusing on one specific element of a business curriculum (negotiation), as opposed to a bundle of skills, we show that relatively low-cost training (less than \$200 per trainee) transmits valuable knowledge and skills. We expect such training to be valuable in settings where, first, would-be trainees have neither been taught, nor otherwise learned, to avoid common negotiation mistakes and, second, where neither party can use (the threat of) coercion to insist upon a certain outcome.

2. Intervention and Conceptual Framework

2.1 IBN Training

Many people — and economic models of bargaining — approach negotiation as an adversarial and often zero-sum exercise (Osborne and Rubinstein 1990). Parties focus on a single dimension (e.g., sale price) and attempt to reach an agreement, with each party trying to maximize their payoff. This type of negotiation is referred to as positional: parties stake out positions along whatever dimension is being bargained over. Some negotiations are invariably positional, such as haggling over food prices at a market. But many bargains could be multi-dimensional: when a concessionaire wants to lease land from a Liberian community, negotiations need not restrict attention to the annual lease payment but could cover investments in infrastructure and amenities, training and employment opportunities, or royalties.

In regarding all negotiations as positional, people tend to make two mistakes. First, they do not seize opportunities to negotiate over multiple dimensions and, in doing so, realize beneficial agreements that advance their interests. Second, they fixate on reaching the agreement that maximizes their position, forgetting that they can, and sometimes should, just walk away (Fisher 1981). In our control group, over one-quarter of untrained community leaders reach agreements in simulations that, on

average, pay them less than the stated value of their outside option. These leaders would have been better off had they never sat down to negotiate.

IBN training works to correct these mistakes. First, it challenges individuals to enumerate their interests and recognize that many different agreements can advance those interests. For example, in negotiating with a concessionaire, a community may want to increase wage labor. This might be achieved through employment on the concession, work for subcontractors building the infrastructure or amenities, or education and training programs that increase employment in other sectors. Demanding that the company provide a certain number of jobs — a common position — may not maximally advance the community’s interest, especially if it is cheaper for the company to provide other types of employment opportunities that the community values. Second, IBN also asks individuals to appraise their best alternative to a negotiated agreement (BATNA) before entering into any negotiation. This reminds individuals that the payoff to walking away can be substantial, and they are better off refusing agreements that are inferior to this outside option. A concession agreement may, for example, promise some new jobs but still be inadvisable if it displaces agricultural activities that many more households depend on.

To understand how IBN affects negotiation outcomes, we study an intensive 12-hour IBN training provided by a Liberian NGO, Parley Liberia. The curriculum is adapted from courses taught in business, law, and policy schools.⁵ The training consists of three modules: (1) preparing to negotiate, particularly identifying one’s interests and BATNA; (2) identifying potential agreements and evaluating whether these advance one’s interests relative to that BATNA; and (3) building and maintaining a positive relationship. Most of the training (roughly 80 percent) is devoted to teaching the first two modules. Staff from Parley Liberia tailored the content to the Liberian context, integrating familiar examples, adjusting terminology, and teaching the course in Liberian English. On average, sessions included twelve trainees per trainer.

5. The training draws on the widely taught *Getting to Yes* from Fisher (1981), but also integrates concepts from other texts that repeatedly appear on syllabi from major business, law, and policy schools in the US (see Christensen et al. 2021, for a full listing).

2.2 Conceptual Framework

IBN can increase individuals’ payoffs through two mechanisms: first, it enlarges the set of deals they consider; and second, it increases their disagreement payoff, reducing the likelihood that they agree to a deal that leaves them worse off. We develop (and later estimate) a decision-theoretic model that features both mechanisms. Let $\theta_i(D_i) \in \mathbb{R}_1^+$ represent the most attractive deal that an individual can negotiate, where $D_i = \mathbb{1}(\text{IBN})$ indicates whether i received the IBN training. Every individual also has an outside option that they value at $\beta + u_i(D_i)$, where $\beta > 0$ and $u_i(D_i) \sim F_D(\cdot)$. Our observation that, in the absence of the training, individuals accept deals worth less than their outside option suggests that for a substantial number of people, $u_i(0) \ll 0$ — their beliefs about their outside option are biased downward.

An individual will reach an agreement only if $\theta_i(D_i) \geq \beta + u_i(D_i)$ and will otherwise walk away. IBN could enhance individuals’ capacity to reach better deals ($\theta_i(1) > \theta_i(0)$), which should increase rates of agreement and surplus. It could also improve individuals’ ability to appraise their BATNA ($u_i(1) > u_i(0)$), raising their threshold for agreeing to a deal. The latter should reduce the rate of agreement and has ambiguous effects on the average surplus, as positive biases (i.e., over-estimation of the outside option) could preclude beneficial agreements.

3. Research Design

3.1 Context

Since 2002, deforestation has resulted in the loss of 14% of Liberia’s total tree cover (Global Forest Watch 2022), with the most felling coming from local chain-saw millers, who produce timber for primarily domestic consumption (USAID 2017). Our trainees are drawn from sixty rural communities in Bong County, Liberia. Nearly all of Bong County falls in Liberia’s “hinterland” — a legal term for the interior of the country, located further than forty miles from the coast — where private land titles are relatively rare. Land here is typically governed by a customary

property rights system, in which a community’s leaders grant access and allocate benefits that flow from investments on communal land (Christensen, Hartman, and Samii 2021b). In our study area, chain-saw millers and other investors negotiate with a community’s chief and other leaders (e.g., elders) if they want to operate in the community’s forestland.

3.2 Study Design

Our study design is summarized in Figure 1.⁶ We first identified 138 eligible communities in Bong County (see Appendix Section A). To be eligible, a community needed to have communal forestland, and its leadership needed to express interest in participating and give informed consent. We selected 120 of these communities for the study to minimize the potential for cross-community spillovers (Christensen et al. 2021). We randomly assign 60 of these communities to the IBN training.⁷ We used ancillary data (e.g., climate, road access, forest loss) to ensure that candidate randomizations satisfied a balance criterion (Bruhn and McKenzie 2009). Appendix Table A.5 shows balance from our final treatment assignment. We provide additional details about the blocking and randomization procedure in Appendix Section C.2.

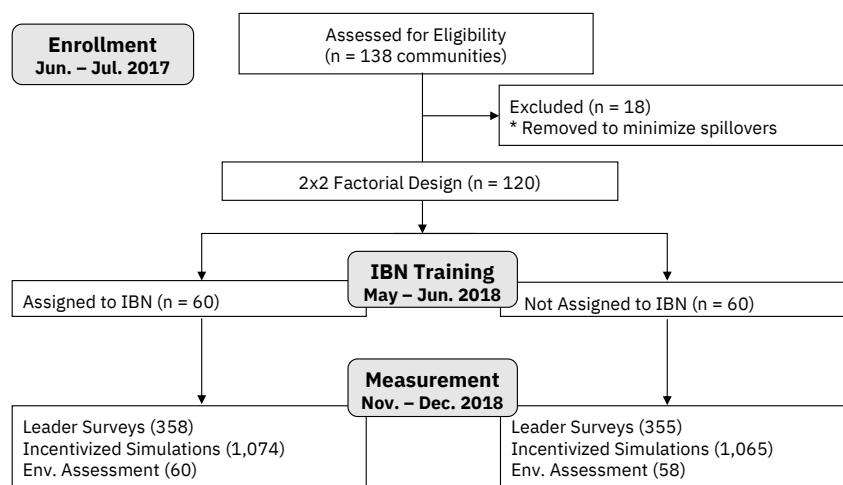
The IBN training was held from May to June 2018. In every community, we identified six community leaders; in treatment communities, these leaders received the IBN training. Leaders had to hold one of the following positions within their community: town chief, women’s leader, midwife, youth leader, chief elder, landlord, hunter leader, or teacher.⁸ This ensures, firstly, that respondents in treatment and control hold similar positions; randomly sampled controls would not provide a compelling counterfactual for village leadership. Second, individuals in these roles are

6. We pre-registered this study: AEA registry (AEARCTR-0007986) and EGAP (20171221AA). All pre-specified analysis can be found in Appendix Section D.2 with deviations listed in Appendix Section H.1.

7. The experiment is part of a larger study that also studied the impact of cross-randomized intervention on citizen monitoring of communal forests (Christensen, Hartman, and Samii 2021a). Our analysis focuses 60 communities randomly assigned to negotiation and 60 communities that serve as the control group.

8. Appendix Table A.2 shows that the same share held these positions in our treatment and control communities.

Figure 1: Study Design



more likely to be involved in decisions about how to manage their community’s natural resources (Appendix Table A.4 summarizes demographics).

3.3 Measurement

We started endline data collection six months after the IBN training to ensure that knowledge gains were not short-lived. We surveyed 713 community leaders, who each completed three negotiation simulations; surveyed five randomly selected households; and conducted 118 independent environmental assessments of communal forestland to measure forest use. The environmental assessment is based on objective assessments by trained experts who do not have a connection to the community.⁹ Appendix Section B describes these instruments.

To capture how individuals negotiate, we use a lab-in-the-field approach, with respondents participating in three incentivized simulations. Instructions to respondents encouraged them to negotiate the best possible deal, and respondents received prizes of soap and cooking spices for concluding deals that paid them more than the disagreement payoffs specified in the simulation scripts. Beyond withholding

9. We did not conduct a baseline survey due to funding constraints. Two control communities did not consent to the environmental assessment, because they did not approve of outsiders entering sacred communal land.

prizes, we do not penalize respondents who reach agreements that pay them less than the disagreement payoff specified in the simulation script.¹⁰ Respondents appear to invest effort in the simulations: the average simulation lasted three and half minutes in control; the training increased this average duration by just ten seconds.¹¹

We wrote these simulations to resemble real-world interactions in our study area. The IBN training did not include any incentivized simulations; trainees were not more familiar with the format or incentive scheme than their counterparts in control. In each simulation, the respondent controls a natural resource endowment (e.g., farmland), and they are approached by a buyer interested in exploiting that endowment. Respondents were read a script describing their endowment and its current yield (e.g., the dollar value of their annual harvest), completed a comprehension check, and were then given ten minutes to negotiate with the buyer. We reminded respondents before every simulation that they can “walk away at any time” and end the simulation. Such simulations are commonly used to assess students’ ability to negotiate (for additional details, see Appendix Section B.1).

This measurement strategy has several advantages. First, the simulation scripts provide a dollar-valued assessment of how much the endowment yields, anchoring the respondents’ BATNA. Second, we set the rules of the negotiation, particularly who respondents negotiate with and how that counterpart behaves. We trained enumerators to serve as the buyer and fully specified their strategy, i.e., what to do in response to the respondents’ behavior (see Christensen et al. 2021, for the full scripts). Variation in respondents’ outcomes is not a consequence of negotiating with buyers who vary in their interests, resources, or sophistication; we also include enumerator fixed effects in our analysis. Moreover, our buyers’ strategies did not depend on respondents’ assertiveness or confidence, which allows us to rule out self-presentation as a mechanism. Third, negotiations over natural resources

10. In consultation with our local partner, we decided that penalties (i.e., withdrawing payments) could generate anger among respondents. Our respondents are poor and might resent the (better-resourced) enumerators or NGO for withdrawing highly valued benefits over the outcome of a game.

11. Across both control and treatment, respondents who eventually “walk away” and refuse to make a deal spend longer negotiating than those who reach agreements.

are common in our study area — individuals report pit-sawing activity in 98% of the villages in our sample — but they are not happening every week or month (as lease or timber agreements typically cover longer stretches of time) and may involve multiple community members. The simulations provide statistical power through multiple, individualized observations.

Finally, the simulations are designed to capture whether participants can reach positive-sum agreements and avoid outcomes that pay them less than the current return on their endowment. For example, in one of the simulations, the respondent is approached about leasing their farmland to construct a cellphone tower. A respondent with high negotiation capacity should first uncover that the buyer only needs part of the seller’s land and, second, that the cellphone tower can be built in a rocky lot that does not otherwise produce crops. Thus, an agreement exists that allows the seller to collect the lease payment and maintain their agricultural production while permitting the buyer to proceed with construction — a clear win for both parties. On the flip side, this simulation also permits agreements in which the seller leases all or most of their land for a rate well below the value of their annual harvest. The surplus achieved by the buyer measures their capacity to incorporate dimensions beyond price — in this example, how much and what quality of land to lease, rather than just the rental amount — and, in doing so, envision a larger set of possible agreements. It also captures their ability to appraise possible agreements and walk away from those paying them less than their BATNA.

We group variables related to the same hypothesis and construct mean-effects indexes as in Kling, Liebman, and Katz (2007) (see Appendix Section B.4). Effects on these indexes are in terms of control-group standard deviations.

4. Average Treatment Effects

4.1 Estimation

We use a centered-interaction specification (Lin 2013) to estimate the average treatment effect (ATE) for outcome Y_{sibc} for negotiation simulation s for individual i

in block b and community c .¹² Equation (1) includes covariates for the cross-randomized community monitoring treatment (CM) described in Footnote 7; district fixed effects, which encompass our blocking strata; simulation fixed effects (when appropriate); enumerator fixed effects; and a set of respondent characteristics (age, gender, education, leadership position, simulation order). We cluster our standard errors on community, which is the unit of randomization. Additional details on the blocking and randomization procedure can be found in Appendix Section C.2.

$$\begin{aligned}
Y_{sibc} = & \alpha + \beta \mathbb{1}(\text{IBN})_{bc} && (\beta = \text{ATE}) \quad (1) \\
& + \phi_1 \tilde{\mathbb{1}}(\text{CM})_{bc} + \phi_2 \mathbb{1}(\text{IBN})_{bc} \times \tilde{\mathbb{1}}(\text{CM})_{bc} && (\text{Other Treatment}) \\
& + \sum_{b=1}^{B-1} [\phi_{3b} \tilde{\mathbb{1}}_b + \phi_{4b} \mathbb{1}(\text{IBN})_{bc} \times \tilde{\mathbb{1}}_b] && (\text{Block FEs}) \\
& + \sum_{s=1}^2 [\phi_{5s} \tilde{\mathbb{1}}_s + \phi_{6s} \mathbb{1}(\text{IBN})_{bc} \times \tilde{\mathbb{1}}_s] && (\text{Simulation FEs}) \\
& + \sum_k^K [\phi_{7k} \tilde{X}_{k,ibc} + \phi_{8k} \mathbb{1}(\text{IBN}) \times \tilde{X}_{k,ibc}] + \varepsilon_{sibc} && (\text{Covariates})
\end{aligned}$$

We also hypothesized that agreeing to a deal generates a larger surplus for trainees than for non-trainees. This implies that the training moderates the effect of reaching an agreement on the respondents' payoff. To assess this, we include in Equation (1) an indicator for whether an agreement was reached, and the interaction between that indicator and the treatment (see Appendix Section C.5). This analysis on the intensive margin relies on stronger assumptions: if treatment changes the types of people who reach agreements, this could confound our conditional-on-positives estimate. Fortunately, the characteristics we can observe (age, gender, education, position)

12. The centered-interaction specification de-means the covariates (as indicated by the $\tilde{\cdot}$ operator in Equation (1)) and interacts each with treatment. Lin (2013) shows that this specification improves precision in estimating the ATE.

appear to be balanced even among respondents who reach deals.¹³ Moreover, our specification includes pre-specified covariates and also interacts these characteristics with treatment to limit possible confounding.

4.2 Results

We had very high compliance: over 90% of the invited trainees recall attending the IBN training, including its location and duration (see Appendix Table A.8). We report intent-to-treat estimates; these are only slightly attenuated relative to treatment-on-the-treated estimates. Appendix Table A.6 provides control-group levels for all pre-specified outcomes.

Knowledge and skill deployment. We start by assessing whether individuals can recall information taught in the training six months later. We find that trainees are 20% more likely to correctly define IBN and recognize that negotiations can be positive-sum, i.e., that win-win agreements may exist.¹⁴ Aggregating these knowledge questions into a mean-effects index, we find an increase of 0.34 standard deviations (see Table 1). This indicates that trainees could recall key concepts several months later.

We show that trainees better apply this knowledge while negotiating: our mean effects index “Deployment of IBN skills” increases by 0.21 standard deviations. Trainees are more likely to invoke a bundle of relevant concepts, such as referring to their “bottom line” (i.e., BATNA), and also 44% more likely to discover a win-win deal during one of the simulations.

While it was a shorter module, the training also conveyed the value of maintaining a positive relationship while negotiating and discussed strategies for diffusing conflict. We do not, however, find a substantively large effect on whether respondents

13. While training increases the likelihood of reaching an agreement by 7.2 percentage points, that effect does not vary significantly by age, gender, education, or position. Using an omnibus test, respondent characteristics do not predict treatment assignment even in the subset who reach agreements.

14. Appendix Table A.8 includes treatment effects on the sub-components of all mean-effects indexes. Appendix Table A.9 reproduces Appendix Table A.8 without covariate adjustments; treatment effects are essentially unaffected.

Table 1: Average Treatment Effects of IBN on Simulation and Survey Outcomes

| | Effect of IBN | | | |
|---|--------------------------------|------------|-----------------|------|
| | ATE | Std. Error | <i>p</i> -value | N |
| H1: Knowledge of Negotiation Skills[†] | 0.335 | (0.068) | 0.00 | 705 |
| H2: Knowledge of Inter-personal Skills[†] | -0.082 | (0.076) | 0.28 | 705 |
| H3: Deployment of IBN Skills[†] | 0.214 | (0.084) | 0.01 | 705 |
| H4: Deployment of Inter-personal Skills | 0.025 | (0.014) | 0.06 | 2115 |
| H5: Positive Surplus | 0.060 | (0.023) | 0.01 | 2115 |
| H6: Total Surplus | 2.742 | (1.472) | 0.07 | 2115 |
| | Effect of Agreement on Surplus | | | |
| | QOI | Std. Error | <i>p</i> -value | N |
| H7: Differential Effect of Agreement on Surplus for Trainees | 4.845 | (2.41) | 0.05 | 2115 |

Table 1: Average treatment effect estimates on negotiation outcomes using Equation (1). Standard errors in parentheses are clustered at the community level. [†] stands for mean-effects index. QOI stands for quantity of interest.

display anger or frustration during the simulations (as recorded by enumerators), just 0.03 standard deviations. The control-group levels for this variable were quite high (93% did not display anger), leaving little room for improvement.

Negotiation success. We next look at (H5) whether the training affected the likelihood that an individual achieved a “positive surplus” in a simulation, defined as reaching an agreement that exceeds the disagreement payoff noted in the simulation script. We also analyze a continuous measure of the total surplus achieved during a simulation. If someone walks away from a simulation, we code their total surplus in that simulation as zero. If someone reaches an agreement, then we subtract the value of that agreement from the disagreement payoff in the simulation script. The total surplus can be negative if an individual agrees to a deal that is less than the disagreement payoff: for example, an individual leases their land for \$50 when they could have made \$100 selling crops grown on the same land.

Among leaders who did not attend the training, we find that 47% do not earn a positive surplus in any of the three simulations they play. Averaging across the

three simulations, 27% of non-trainees have a negative average surplus. Appendix Figure A.2 shows high rates of agreement in control even when the negotiated deal pays less than the BATNA stated in the simulation script. These levels indicate the frequency of negotiation mistakes absent IBN training: over a quarter would have been better off if they had immediately walked away from every negotiation. We find that the IBN training increases the probability of earning a positive surplus by 27%, and it raises the total surplus earned by \$2.74 USD, which is a 42% increase. We do not find that the training has a different effect on the total surplus or rate of agreement when we restrict attention to the final simulation played by each respondent. Trainees do not appear to wait until the final simulation to bargain more aggressively, e.g., in hopes of maintaining a positive relationship by being agreeable in earlier rounds.

The higher average surplus among trainees reflects effects on the extensive margin (i.e., whether to make a deal) and the intensive margin (i.e., the value of agreements). To better isolate the effect on the intensive margin, we estimate the effect of reaching an agreement on the total surplus conditional on having received training. In the simulations that end in deals, we find that trainees earn 37% more (H7 in Table 1).

5. Mechanisms

Our conceptual framework features two mechanisms: training in IBN could (1) increase trainees' capacity to identify valuable, mutually agreeable deals and (2) improve their ability to appraise their outside options, reducing the likelihood of agreeing to deals worth less than their BATNA.

We start by estimating the effect of the training on individuals' knowledge — whether they recall concepts related to these mechanisms. We create two new indexes: (1) knowledge of possible deals and (2) knowledge of outside option (Appendix E.1). In our surveys, we ask, for example, what should be considered before walking away from a negotiation. Individuals might respond that they should consider deals that could advance the other party's interests (i.e., they know more than

one deal is possible). This response would contribute to their value on our first index. They may also consider their own "bottom line" (i.e., they know that a proposed deal may not best their outside option); such a response contributes to their value on our second index. While motivated by theory, these indexes were not pre-specified. As a check, we take all of the measures in these indexes and estimate the first two principal components. We find that the second component is highly correlated with knowledge of possible deals ($\rho = 0.67$); the first component, with knowledge of outside option ($\rho = 0.99$).¹⁵

We find, first, that the IBN training had a positive effect on both knowledge indexes. At the top of Table 2, we report that both improved by roughly 0.3 standard deviations. These knowledge gains are also apparent in Figure 2, which plots the average index value and average surplus in each community (after residualizing all variables using pre-specified covariates). In the left and right panels, communities whose leaders attended the training (triangles) tend to fall to the east of control communities (circles), suggesting the IBN training improved knowledge of both concepts. The (reduced-form) effect of the training on surplus reported in Table 1 is also reflected in treatment communities tending to fall north of control communities in these plots.

We find, however, that only the first index, knowledge of possible deals, is associated with higher surpluses in the negotiation simulations. The slopes of dashed lines in Figure 2 reflect the partial correlations (at the community-level) between our knowledge indexes and negotiated surplus. Communities where leaders have greater knowledge of the outside option do not achieve systematically larger surpluses. We conduct a mediation analysis using our individual-level data, decomposing the total effect of the IBN training (0.16) into the indirect effects of these knowledge indexes and a direct effect (see Table 2). Knowledge of possible deals generates a large indirect effect (0.15) that represents roughly 90% of the total effect; knowledge of outside options generates an indirect effect that is many times smaller (0.02).¹⁶

15. Similar estimates are found when the two principal components are used in the mediation

Figure 2: Relationship between Mediators and Surplus at Community-level

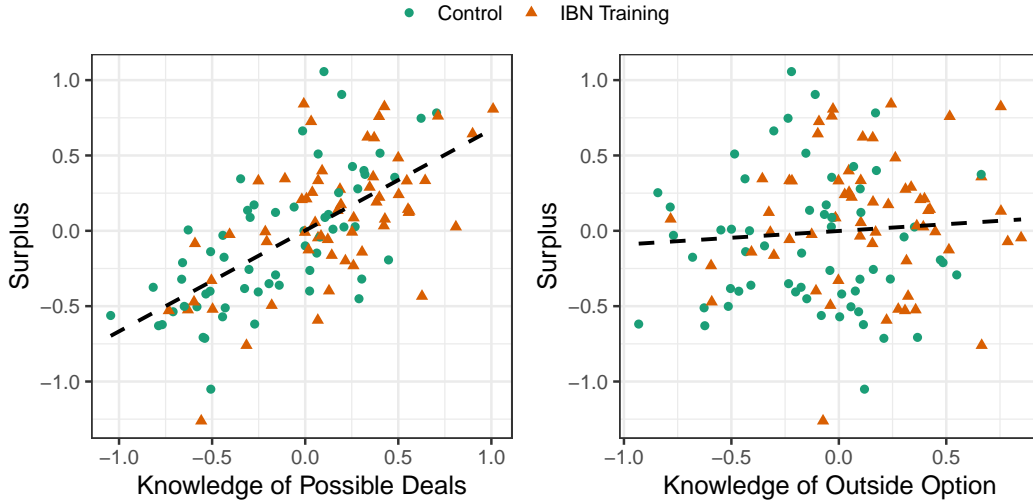


Figure 2 presents a graphical representation of the mediation analysis. The figures are constructed in three steps. First, we residualize the standardized surplus (i.e., a mean effects index of the total surplus achieved in the three simulations) and knowledge indexes with the pre-specified covariates. Second, we average at the community level: each green dot represents a control community, while each red triangle represents a treated community. Third, we produce a scatter plot with the community-level observations and a dashed, best-fit line.

The IBN training increases knowledge on both dimensions, yet increasing participants' knowledge about the outside option does not seem to improve their negotiation outcomes. One statistical explanation is that our measure of knowledge is noisy, and this measurement error attenuates the estimated relationship between knowledge of outside options and surplus. Another plausible explanation is that individuals gained knowledge but struggled to apply it when negotiating. They could, for example, define a BATNA but could not operationalize it while negotiating.

To adjudicate between these, we adopt a more structural approach. We specify analysis (Appendix Table A.16).

16. Interpreting our indirect-effect estimates in Table 2 as causal requires sequential ignorability and the independence of the mediators (Heckman and Pinto 2015; Imai et al. 2011). We control for (1) all pre-specified covariates, which include age, gender, education, position, and several design features; and (2) include both mediators in the "second-stage" regression. This increases our confidence that associations between the mediator and surplus do not simply reflect omitted respondent characteristics or simultaneous changes in the other mediator.

Table 2: Mediation Analysis and Structural Estimates

| Mediation Analysis | Effect of IBN on Knowledge Indexes | | |
|----------------------|--|--------------------------------|-----------------|
| | Possible Deals | Outside Option | |
| | 0.31 (0.07) | 0.25 (0.06) | |
| | Indirect Effects of Knowledge Index on Surplus | | Direct Effect |
| | 0.15 (0.04) | 0.02 (0.01) | -0.01 (0.07) |
| Structural Estimates | Effect of IBN on Model Parameters | | |
| | Capacity (\hat{k}) | Appraisal ($\hat{\delta}_1$) | |
| | 3.49 (1.77) | -0.11 (0.08) | |

Table 2 presents the mediation analysis and the structural estimates. The top panel presents the mediation analysis with the “first-stage“ estimates (i.e., the ATE on the mediators) and then the indirect effects of the mediators. The bottom panel presents the structural estimates for the full sample. \hat{k} is our estimate of the IBN training’s effect on capacity; $\hat{\delta}_1$, our estimate of the IBN training’s effect on appraisal of the outside option. Standard errors in parentheses are clustered at the community level.

a decision-theoretic model and then use the outcomes of our negotiation simulations — what deals people negotiated and whether they agreed — to estimate the training’s effect on participants’ *capacity* to identify valuable deals and how they *appraise* their outside options. This approach does not require us to measure knowledge and, thus, avoids attenuation bias due to potential measurement error in our mediators.

To fully specify our model, we add a few assumptions to our conceptual framework. We represent an individual’s negotiation capacity as $\theta_i(D_i) = \theta_i + D_i \cdot k$, where $k \in \mathbb{R}^1$ is the extent to which the IBN training adds or detracts from their capacity. Individuals idiosyncratically value their outside option at $\beta + u_i(D_i)$, where $u_i(D_i)$ captures how their beliefs depart from the objective value of the option, β . We assume that $u_i(D_i) \sim \mathcal{N}(-\delta_0 + D_i \delta_1, \sigma^2)$. If $\delta_0 < 0$, then leaders in control villages tend to undervalue their outside option. If $\delta_1 > 0$, then trainees more generously appraise their outside option and, thus, have a higher threshold for making a deal.

We estimate k by comparing the value of the most attractive deal negotiated by

trainees versus leaders from control villages using Equation (1). We set the rules of the simulations, so we know what value an individual could have earned in each simulation given their tactics, regardless of whether they agree to a deal. We find a positive and statistically significant increase in capacity, which we report at the bottom of Table 2.¹⁷

Our decision-model implies that an individual will only agree to a deal if its value exceeds their outside option. Agreeing to a deal can, thus, be expressed using a latent-index model, where $\text{Agree}_i = \mathbb{1}\{\theta_i(D_i) - \beta \geq \sigma u_i - \delta_0 + \delta_1 D_i\}$, where u_i is distributed standard normal, and β is the stated value of the outside option in the simulation script. We estimate δ_1 using a probit model, in which we regress whether agreement has been reached on an indicator for treatment (D_i) and the negotiated value $\theta_i(D_i)$. More intuitively, $\widehat{\delta}_1$ will be positive if, when facing a deals of equivalent value, trainees are more likely to take their outside option and walk away.

At the bottom of Table 2, we find that the IBN training had a negative but statistically insignificant effect on trainee’s appraisal of their outside option. Conditional on the deal negotiated, trainees were not more inclined to walk away, which implies that they do not place more value on their outside option relative to control. (If anything, the point estimates indicates trainees were more eager to make a deal.) These structural estimates reinforce our conclusion from the mediation analysis: the IBN training improves individuals’ negotiation capacity but does not meaningfully improve their appraisal of their outside option.¹⁸ Our null finding on appraisal cannot be blamed on noisy measures of respondents’ knowledge, as these indexes do not enter the structural estimation. Trainees earn a larger surplus because they can envision more valuable deals, not because they are choosier about which deals they agreed to.

17. Appendix Table A.17 reports the Lee bounds for capacity (\widehat{k}), allowing for effect heterogeneity and endogenous non-agreement.

18. In Appendix Table A.18, we calculate the counterfactual change in the probability of agreement that is attributable to the training’s estimated effects on capacity (k) and appraisal (δ_1).

6. Effects on Real-World Forest Use

We randomized at the community level and can explore whether the training affected real-world forest use measured six months after the training. In Table 3, we find a reduction of 0.27 standard deviations ($p = 0.052$) in forest use by external actors (primarily, pit-sawers) in treatment communities. The index of forest use by external actors includes the count of external forest-use activities (concessions, mining, pitsawing) detected in the environmental assessment and self-reported in the survey over the previous 3 months.¹⁹

Respondents report reduced forest use by external actors. We do not believe demand effects contaminate these self-reports: large majorities of respondents in treatment and control communities prefer continued or intensified external forest use. If anything, IBN trainees express greater support for clearing communal forestland. Importantly, independent environmental assessments (EAs) also uncover less activity related to agriculture, logging, or mining on communal forestland. Enumerators conducting the EAs (which was limited to three hours) were provided with a simple map of the community forest drawn by a key informant the day before the EA took place and used a mobile survey to record and geo-locate forest use activities (e.g., small-scale logging, charcoal production).²⁰ Additionally, Appendix Table A.15 presents effects on remotely-sensed deforestation, where we find a statistically insignificant reduction.²¹

While external forest use is lower, respondents do not report receiving fewer benefits from external investments in their community forest. These findings are consis-

19. Appendix Table A.7 provides control-group levels for the real-world outcomes in Table 3. We treat the set of outcomes as testing independent hypothesis in Table 3, but insofar as one may be concerned with multiple hypothesis testing, we report the Romano-Wolf adjusted p-values in Appendix Table A.12.

20. More details on the environmental assessment can be found in Appendix Section B.3. In control communities, these assessments counted one external activity on average; we also observe a sizeable (44%), if imprecisely estimated, reduction in forest use in the environmental assessment.

21. In addition to any prediction error, our remotely-sensed measures contain noise due to the infeasibility of demarcating the boundaries of communities or their forestland. We measure clearing activity in circular buffers that encompass each town but only crudely approximate the forestland under the leaders' control.

tent with trainees — many of whom play influential roles in managing their community’s forest land (see Appendix Table A.19) — setting a higher bar for the agreements they reach with external investors. Although the effect is not statistically significant, we find that trainees would demand a higher average price for clear-cutting their communal forestland, suggesting that their appraisal of the forest has increased. Additionally, trainees report more engagement around forest use in their communities and are more likely to report that their community has a rule against logging on communal forestland without permission.

Table 3: Average Treatment Effects of IBN on Community Forest Use

| Outcome | ATE | Std. Error | <i>p</i> -value | N |
|--|--------|------------|-----------------|-----|
| Forest Use by External Actors[†] | -0.265 | (0.135) | 0.052 | 705 |
| Benefits from External Forest Use[†] | 0.054 | (0.136) | 0.691 | 705 |
| Engagement around Forest Use | | | | |
| Neighbors Consulted about Forest in Last Week | 0.850 | (0.497) | 0.090 | 677 |
| Rule in Community against Logging w/o Permission | 0.091 | (0.029) | 0.002 | 703 |
| Preferences around Forest Use | | | | |
| Does <i>Not</i> Want to Reduce Logging Activity | 0.031 | (0.020) | 0.136 | 705 |
| Price Demanded to Clear Forest (logged) | 0.151 | (0.264) | 0.568 | 705 |

Table 3: Average treatment effect estimates on real-world outcomes using Equation 1. Standard errors in parentheses are clustered at the community level. † stands for mean-effects index.

We can also rule out two alternative explanations. First, we do not find that trainees prefer less logging; if anything, trainees are more likely to favor logging on communal forestland. This also suggests that demand effects do not account for the reductions in self-reported forest use: trainees are not bashful about expressing their desire for greater external exploitation of communal forestland. Second, we do not see evidence of spatial spillovers — namely, control communities that lie close to treatment communities do not see increased forest use by external actors (see Appendix Table A.14). Pit-sawyers are not simply displaced to nearby control communities.

Finally, one might worry that trainees’ gain is to the detriment of other households in their communities. In Appendix Table A.13, we show that randomly selected

households (who are never eligible for the IBN training) do not report significantly fewer benefits from external forest use or less satisfaction with their leadership in treatment communities. The absence of such within-community spillovers suggests that the IBN training is not exacerbating accountability problems that exist in these communities with unelected leaders.

7. Conclusion

This paper studies an intensive IBN training, designed to enable community leaders in rural Liberia to better negotiate over their natural resources. Using a set of behavioral games, we find that trainees are 27% more likely to reach beneficial agreements, and those deals pay them 42% more relative to the performance of untrained leaders from control communities six months after the training. The changes in these behavioral outcomes correspond to reductions in real-world forest use without a decline in the benefits that flow from such investments. These findings are consistent with trained leaders in treatment communities demanding more of investors who want to exploit communal forestland.

Both our mediation analysis and structural estimates indicate that the positive effects we uncover are primarily attributable to trainees' increased capacity to find beneficial (i.e., positive-sum) deals. We do not find that the training improved individuals' appraisal of their outside options. If anything, our structural estimates suggest that the training made people keen to strike deals, which is consistent with them undervaluing the benefits associated with walking away. Future IBN training should better emphasize that while win-win agreements can exist, not all deals are win-win or worth making.

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Supporting Information

Interest-based Negotiation over Natural Resources: Experimental Evidence from Liberia

Following text to be published online.

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A. Sampling

A.1 Evaluation Sample

In collaboration with Liberia Chainsaw and Timber Dealers Union and our implementing partner, we identified communities in Bong County hosting active pit-sawing (also referred to as chainsaw milling) crews and with community forests. Given concerns about the unsustainable growth of unregulated chainsaw milling, our evaluation sample was drawn (primarily) from these communities.

Communities that do not have a communal forest — a forested area where individuals from the community enjoy usufruct rights — are further excluded from the evaluation sample. This includes communities where the community forest is only used for traditional purposes (e.g., secret society meetings) and, thus, can not be entered by outsiders. This exclusion criterion was motivated by a community monitoring treatment, which was cross-randomized with the IBN training that is the focus of this pre-analysis plan.

Table A.1 presents the descriptive statistics on the study sample as well as the Bong County and Liberia.

Table A.1: Characteristics of Sampled Communities

| Feature | Mean | Median | SD | Min | Max | Missing | N |
|---------------------|--------|--------|---------|-------|----------|---------|-------|
| Liberia | | | | | | | |
| Population | 259.40 | 53.00 | 1177.74 | 1.00 | 41182.00 | 0 | 13365 |
| Urban | 0.04 | 0.00 | 0.19 | 0.00 | 1.00 | 0 | 13365 |
| Under 18 | 0.46 | 0.48 | 0.12 | 0.00 | 1.00 | 0 | 13365 |
| Literate | 0.35 | 0.33 | 0.23 | 0.00 | 1.00 | 0 | 13365 |
| No School | 0.74 | 0.76 | 0.21 | 0.00 | 1.00 | 0 | 13365 |
| Wealth Index | 0.93 | 0.80 | 0.75 | 0.00 | 2.56 | 0 | 13365 |
| Displaced by War | 0.47 | 0.43 | 0.41 | 0.00 | 1.00 | 0 | 13365 |
| Bong County | | | | | | | |
| Population | 125.04 | 39.00 | 693.58 | 1.00 | 30380.00 | 0 | 2667 |
| Urban | 0.02 | 0.00 | 0.15 | 0.00 | 1.00 | 0 | 2667 |
| Under 18 | 0.46 | 0.48 | 0.11 | 0.00 | 0.80 | 0 | 2667 |
| Literate | 0.27 | 0.24 | 0.20 | 0.00 | 1.00 | 0 | 2667 |
| No School | 0.82 | 0.86 | 0.18 | 0.00 | 1.00 | 0 | 2667 |
| Wealth Index | 0.76 | 0.60 | 0.67 | 0.00 | 2.56 | 0 | 2667 |
| Displaced by War | 0.37 | 0.13 | 0.41 | 0.00 | 1.00 | 0 | 2667 |
| Study Sample | | | | | | | |
| Population | 300.04 | 127.75 | 437.27 | 12.50 | 2639.00 | 0 | 120 |
| Urban | 0.05 | 0.00 | 0.21 | 0.00 | 1.00 | 0 | 120 |
| Under 18 | 0.46 | 0.47 | 0.06 | 0.12 | 0.65 | 0 | 120 |
| Literate | 0.31 | 0.31 | 0.14 | 0.03 | 0.63 | 0 | 120 |
| No School | 0.78 | 0.80 | 0.14 | 0.48 | 1.00 | 0 | 120 |
| Wealth Index | 0.73 | 0.59 | 0.49 | 0.00 | 2.41 | 0 | 120 |
| Displaced by War | 0.36 | 0.25 | 0.34 | 0.00 | 1.00 | 0 | 120 |

Table A.1: Descriptive statistics on sampled communities from census.

A.2 Sampling of Respondents

We used a random walk to randomly select four households, stratified by quarter (i.e., neighborhood). We also surveyed the chief and five community leaders, who had to hold one of the following positions: (1) Town Chief, (2) Quarter Chief, (3) Women’s Leader, (4) Midwife, (5) Youth Leader, (6) Hunter Leader, (7) Chief Elder, or (8) Teacher. By virtue of their positions, community leaders tend to be more involved in decision-making. More importantly, only leaders who held these positions could be recruited for the negotiation training (see Section 3.3). All consenting respondents completed an in-person survey and received a small gift of soap as a thank you. Only the community leaders completed the negotiation simulations described in Section B.1.

Table A.2: Composition of trainees in treated and control communities

| Position | Control | IBN |
|----------------|---------|-----|
| Town Chief | 16% | 17% |
| Women's Leader | 16% | 16% |
| Midwife | 17% | 16% |
| Youth Leader | 16% | 15% |
| Chief Elder | 17% | 18% |
| Landlord | 15% | 16% |
| | 97% | 98% |

Table A.2: Composition of trainees in treated and control communities.

Table A.3: Characteristics of Households in Sampled Communities

| Feature | Mean | Median | SD | Min | Max | Missing | N |
|-------------------|-------|--------|-------|-----|-----|---------|-----|
| Female | 0.26 | 0 | 0.44 | 0 | 1 | 0 | 476 |
| Age | 43.35 | 42 | 12.43 | 18 | 85 | 0 | 476 |
| Any Edu. | 0.63 | 1 | 0.48 | 0 | 1 | 0 | 476 |
| Any Sec. Edu. | 0.34 | 0 | 0.47 | 0 | 1 | 0 | 476 |
| Born in Community | 0.79 | 1 | 0.41 | 0 | 1 | 0 | 476 |
| Owns Land | 0.45 | 0 | 0.50 | 0 | 1 | 0 | 476 |
| Christian | 0.99 | 1 | 0.08 | 0 | 1 | 9 | 467 |
| Kpelle | 0.88 | 1 | 0.32 | 0 | 1 | 0 | 476 |
| Bassa | 0.05 | 0 | 0.22 | 0 | 1 | 0 | 476 |

Table A.3: Descriptive statistics on households in sampled communities. Owns Land is a dummy equal to 1 if the respondent owns land. Kpelle and Bassa are two ethnicities in Liberia.

Table A.4: Characteristics of Negotiation Sample

| Feature | Mean | Median | SD | Min | Max | Missing | N |
|-------------------|-------|--------|-------|-----|-----|---------|-----|
| Female | 0.35 | 0 | 0.48 | 0 | 1 | 8 | 705 |
| Age | 52.23 | 52 | 14.15 | 19 | 99 | 8 | 705 |
| Any Edu. | 0.50 | 0 | 0.50 | 0 | 1 | 8 | 705 |
| Any Sec. Edu. | 0.28 | 0 | 0.45 | 0 | 1 | 8 | 705 |
| Born in Community | 0.81 | 1 | 0.39 | 0 | 1 | 8 | 705 |
| Owns Land | 0.55 | 1 | 0.50 | 0 | 1 | 8 | 705 |
| Christian | 0.99 | 1 | 0.08 | 0 | 1 | 16 | 697 |
| Kpelle | 0.89 | 1 | 0.31 | 0 | 1 | 8 | 705 |
| Bassa | 0.06 | 0 | 0.23 | 0 | 1 | 8 | 705 |

Table A.4: Descriptive statistics on the negotiation sample. Owns Land indicates whether an individual owns land; Kpelle and Bassa are major ethnic groups in Bong County, Liberia.

B. Measurement

B.1 Negotiation Simulations

The simulations always involved two enumerators and the respondent. One enumerator was allied with the respondent as the seller. This enumerator told the respondent that they would serve as a “trusted advisor” during the negotiations: “You will counsel me on what to say and do. You can ask me to say what you are feeling – to ask questions, raise problems, make offers.” During piloting, we found that respondents were more comfortable and communicative if they had someone on their side and did not have to directly interact with the buyer. The enumerator allied with the respondent was not allowed to coach or guide the respondent or re-interpret the respondent’s directives. Their role was strictly circumscribed: they passed information between the respondent and the buyer.

The second enumerator played the buyer. To try and ensure that every respondent played against the same buyer, the enumerators were given strict instructions about how to play (e.g., what counteroffers they could make, what deals they could accept). We filmed enumerators during piloting and coached them to increase compliance with these instructions prior to data collection.

The enumerator allied with the respondent read the script of the simulation. They then asked a set of comprehension questions to ensure that the respondent understood key details. If the respondent missed any of these comprehension checks, the enumerator went back over the scenario. We provide the text of the three negotiation simulation, including the instructions followed by the enumerator (i.e., buyer) and the comprehension checks in the pre-analysis plan (Christensen et al. 2021).

The respondent was told that each simulation would last a maximum of ten minutes. They were reminded: “It is ok if you don’t make a deal in that time, and you can always ‘walk away’ if you think you can’t make a good deal.” We told respondents that they would receive a small bonus for reaching a good deal but did not reveal the formula to respondents.

The simulations could be played in three different orders:

1. (a) Telecom, (b) Woodbuyer, (c) Peanut Farmer;
2. (a) Woodbuyer, (b) Peanut Farmer, (c) Telecom; and
3. (a) Peanut Farmer, (b) Telecom, (c) Woodbuyer

We randomized which ordering the respondent played in. As we note below, in our analysis of control-group data, we find that playing the peanut-farmer simulation first had a demoralizing effect and include this in our covariate adjustment (Christensen et al. 2021). .

B.2 Household Survey

We administered an in-person survey to the heads of all sampled households and the community leaders.

B.3 Environmental Assessment

At endline enumerators completed an independent environmental assessment (EA) modeled on the patrols conducted under the citizen monitoring program. Two enumerators were given three hours to complete an EA and instructed to take a “wide walk and try and see as much of the community forest as possible.” They could be accompanied by someone from the community (often a requirement for an outsider to secure entry), but this could not include a trained citizen monitor. Enumerators were provided with a simple map of the community forest that was drawn by a key informant (who also could not be a citizen monitor) the day before the EA took place. During the EA, enumerators used a mobile survey to record and geo-locate forest use activities (e.g., small-scale logging, charcoal production).

B.4 Index Construction

When multiple outcome variables fall under a hypothesis, we construct a mean-effects index (Kling, Liebman, and Katz 2007). To create an index from K variables, we first reverse the scale where necessary such that a higher value indicates a better outcome across all variables. We then compute $\tilde{y}_i = \frac{1}{K} \sum \left(\frac{y_{ik} - \mu_{0k}}{\sigma_{0k}} \right)$, where μ_{0k} and σ_{0k} are the estimated control-group mean and standard deviation for outcome k . Our estimates thus represent standard deviation differences relative to the control group. Following Kling, Liebman, and Katz (2007), in case y_{ik} is missing but another sub-component of the family is measured, we impute the mean from the same treatment arm.

C. Research Design

C.1 Ethics and Permissions

Institutional Review Boards at UCLA (18-001684), UCL (10205/003), and NYU (FY2017-912) have approved the study. All subjects gave consent to participate in our study. Two communities (Foequelleh and Kpolyoyah) do not permit outsiders in their community forest and refused the environmental assessment.

Parley Liberia consulted with government and local authorities prior to implementation and data collection to obtain their permission to operate in their communities. Parley Liberia also received a written endorsement of the project from the Bong County Superintendent, Selena Polson Mappy.

C.2 Randomization

We have a balanced full-factorial design that crosses the IBN training with a community monitoring program that is the subject of a separate study. We assigned treatments using a restricted, blocked randomization. The blocking is done in two stages. First, we created district-blocks that consisted of groupings of geographically close districts. These district blocks group districts as follows:

1. Salala and Suakoko,
2. Fuamah and Sanayea,
3. Zota and Panta-Kpa,
4. Jorquelleh, and
5. Kokoya and Saclepea.

Then, within each of these district blocks, we applied a second level of blocking based on minimum-Mahalanobis distance clustering on the covariates listed in Table A.3. This created blocks of four communities each. Randomization took place within these blocks of four to one of four conditions: (1) Control, (2) Community Monitoring, (3) Negotiation, or (4) Community Monitoring and Negotiation.

The restriction on the randomization applies what Bruhn and McKenzie (2009) refer to as the “big stick,” which limits the set of possible assignments to those that satisfy a covariate balance criterion. We produced 50,000 candidate randomizations and then accepted as candidate randomizations the 6,003 for which the minimum naive p -value of the F -test from a regression of each of

these blocking covariates on the treatment indicators was above 0.30. We then randomly selected one of the 6,003 randomizations as our actual random assignment. This is displayed in Figure A.1. Morgan and Rubin (2012) point out that heavily restricted randomization can yield departures from uniform first- and second-order assignment probabilities, and when this is the case, one needs to account for such variation for unbiased inference. In our case, the departures appear to be very mild, as shown in the pre-analysis plan (Christensen et al. 2021). As such, we analyze the data as if we used complete block random assignment.

Figure A.1: Treatment Assignment

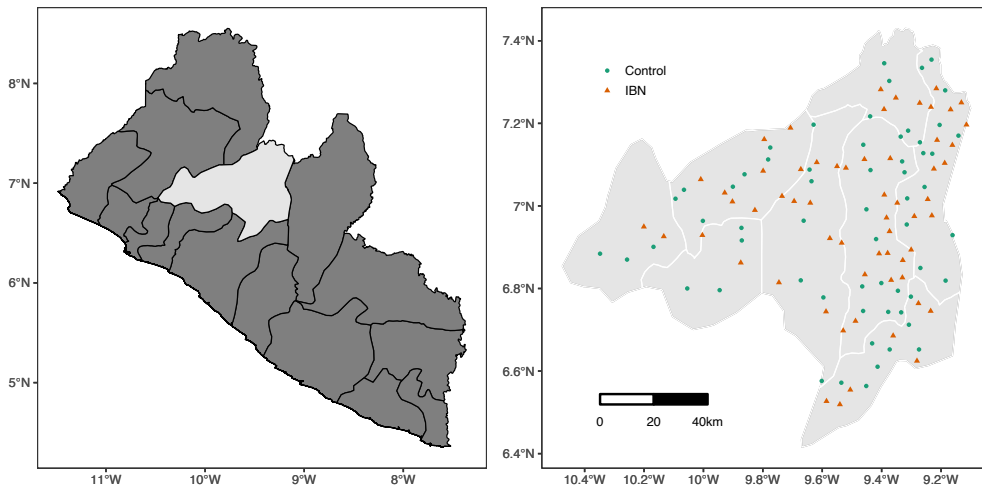


Figure A.1: Treatment assignment for the 120 communities in the evaluation sample. Communities were organized into blocks and then randomized into one of four groups: (1) Control and (2) IBN training.

Community locations and eligibility were difficult to assess ex-ante due to incomplete or inaccurate administrative data. Moreover, we could not verify that every community in our sample had a communal forest. As such, we use the 18 communities that we trimmed to maximize the distance between units as replacement sites. These replacement sites were then ordered on the basis of their Mahalanobis distance from the covariate values of other sites within their respective district-clusters. These replacement sites were to be drawn upon in this ordering in case any of the assigned sites was inaccessible, ineligible, or otherwise unavailable for use in the experiment.

Minimizing Geographic Spillovers. To minimize the risk of spatial spillovers, we deliberately trimmed our evaluation sample prior to randomization. Our algorithm for trimming is straightforward. Suppose that N units are eligible for inclusion in the evaluation sample, but we can only afford to include $M < N$. For each community $i \in N$, we computed the minimum (great-circle) distance between i and all other units $-i$. We determined the pair of units that are most proximate and eliminated one unit in this pair, leaving us with $N - 1$ eligible units. We repeat this process

until M units remained. In our case $N = 138$, and we could afford data collection and programming in $M = 120$ communities.

We did not run a baseline survey. The endline data described below was collected in November and December 2018. To limit attrition, we tracked down and surveyed a small number of respondents in January and February of 2019.

C.3 Balance

We did not conduct a baseline survey. Publicly available pre-treatment data at the community level are used to assess balance. Table A.5 presents the balance tests.

Table A.5: Balance Table

| Measure | Control Mean | Control SD | IBN | Standard Error | <i>p</i> -value | N |
|------------------------------------|--------------|------------|---------|----------------|-----------------|-----|
| Population 2012 (Landsat) | 807.68 | (1510.67) | -232.51 | (207.08) | 0.26 | 120 |
| Nightlights 2013 (NOAA) | 0.11 | (0.69) | -0.09 | (0.1) | 0.37 | 120 |
| Nightlights 2012 (NOAA) | 0.07 | (0.53) | -0.07 | (0.07) | 0.33 | 120 |
| Elevation (Worldclim) | 249.45 | (55.09) | 7.16 | (6.46) | 0.27 | 120 |
| Precipitation (Worldclim) | 2140.07 | (151.07) | -30.25 | (18.73) | 0.11 | 120 |
| Temperature (Worldclim) | 254.20 | (5.4) | -0.64 | (0.46) | 0.17 | 120 |
| Forest Loss (Global Forest Change) | 0.14 | (0.03) | -0.01 | (0.01) | 0.23 | 120 |
| Distance to Monrovia | 160.02 | (32.66) | 4.07 | (2.9) | 0.16 | 120 |
| Distance to Primary Road (LISGIS) | 9.97 | (7.96) | 1.31 | (1.19) | 0.27 | 120 |
| Distance to Any Road (LISGIS) | 2.11 | (2.72) | 0.82 | (0.48) | 0.09 | 120 |
| Longitude | -9.53 | (0.31) | 0.04 | (0.02) | 0.12 | 120 |
| Latitude | 6.96 | (0.21) | 0.01 | (0.03) | 0.59 | 120 |

Table A.5: Balance table estimated using community-level data.

C.4 Estimation

Given random assignment of the negotiation treatment, we improve precision in estimating the ATE by fitting the following centered-interaction specification (Lin 2013):

$$\begin{aligned}
 Y_{sibc} = & \alpha + \beta \mathbb{1}(\text{NEG})_{bc} \\
 & + \phi_1 \tilde{\mathbb{1}}(\text{CM})_{bc} + \phi_2 \mathbb{1}(\text{NEG})_{bc} \times \tilde{\mathbb{1}}(\text{CM})_{bc} \\
 & + \sum_{b=1}^{B-1} [\phi_{3b} \tilde{\mathbb{1}}_b + \phi_{4b} \mathbb{1}(\text{NEG})_{bc} \times \tilde{\mathbb{1}}_b] \\
 & + \sum_{s=1}^2 [\phi_{5s} \tilde{\mathbb{1}}_s + \phi_{6s} \mathbb{1}(\text{NEG})_{bc} \times \tilde{\mathbb{1}}_s] \\
 & + \sum_k^K [\phi_{7k} \tilde{X}_{k,ibc} + \phi_{8k} \mathbb{1}(\text{NEG}) \times \tilde{X}_{k,ibc}] + \varepsilon_{sibc}
 \end{aligned} \tag{2}$$

where Y_{sibc} corresponds to the outcome for simulation s for individual i in district randomization block b and community c . $\mathbb{1}(\text{NEG})_{bc}$ is an indicator variable for whether community c in block b was selected for the negotiation training. (For individual-level outcomes, we omit the s subscript; for community-level outcomes, we omit si subscripts.) We control for whether the community also

received a second randomized treatment arm (subject to a separate analysis), which was a citizen monitoring program ($\mathbb{1}(\text{CM})_{bc}$). The $\tilde{\cdot}$ operator means that the variable is centered. We include district block fixed effects ($\mathbb{1}_b$, omitting one because of the constant term) and, for analyses that estimate average effects across simulations, simulation fixed effects ($\mathbb{1}_s$, omitting one because of the constant term). We also include additional individual-level covariates in \mathbf{X}_{ibc} : (1) the respondent’s educational attainment; (2) age; (3) gender; (4) role in their community; (5) whether the respondent was randomly assigned to play the peanut-farmer simulation first; and (6) fixed effects for the enumerators who administered the simulations.²²

The term β is our average treatment effect estimate for the negotiation training. (Because the $\tilde{\mathbb{1}}(\text{CM})_{bc}$ term is centered, β estimates the marginal average treatment effect of monitoring, averaging over communities both with and without the citizen monitoring.)

As educational attainment and gender are included in \mathbf{X}_{ibc} , we can recover the moderation analysis specified in Section 7 from this same equation. ϕ_{8k} is the coefficient on the interaction of the centered covariates with our treatment indicator. These coefficients estimate the deviation from the ATE within the subgroup of interest. We cluster our standard errors on community, which is the unit of assignment.

C.5 Moderated-Mediator Analysis

Recall that Hypothesis (H7) proposes that the treatment will moderate the extent to which agreement will translate into surplus. This is a “moderated mediator” hypothesis: the treatment moderates the mediation effect of agreement.

To test this, we work with a specification that takes the same form as Equation 3, except that we also include an indicator for agreement as well as the interaction between agreement and the treatment:

$$\begin{aligned} \text{Surplus}_{sibc} = & \alpha + \beta_1 \mathbb{1}(\text{NEG})_{bc} + \beta_2 \mathbb{1}(\text{Agree})_{sibc} + \beta_3 \mathbb{1}(\text{NEG})_{bc} \times \mathbb{1}(\text{Agree})_{sibc} & (3) \\ & + \phi_1 \tilde{\mathbb{1}}(\text{CM})_{bc} + \phi_2 \mathbb{1}(\text{NEG})_{bc} \times \tilde{\mathbb{1}}(\text{CM})_{bc} \\ & + \sum_{b=1}^{B-1} [\phi_{3b} \tilde{\mathbb{1}}_b + \phi_{4b} \mathbb{1}(\text{NEG})_{bc} \times \tilde{\mathbb{1}}_b] \\ & + \sum_{s=1}^2 [\phi_{5s} \tilde{\mathbb{1}}_s + \phi_{6s} \mathbb{1}(\text{NEG})_{bc} \times \tilde{\mathbb{1}}_s] \\ & + \sum_k^K [\phi_{7k} \tilde{X}_{k,ibc} + \phi_{8k} \mathbb{1}(\text{NEG}) \times \tilde{X}_{k,ibc}] + \epsilon_{sibc} \end{aligned}$$

22. As we note in Section B.1, among respondents in control communities, playing the peanut-farmer simulation first appeared to have a demoralizing effect.

Hypothesis (H7) amounts to proposing that β_3 would be positive.

D. Additional Analysis

D.1 Control-group levels

Table A.6: Control-group Levels for Pre-Specified Outcomes

| Outcome | Mean | SD | Min | Max | N |
|--|------|-------|-----|-----|-----|
| MNP: Manipulation Checks | | | | | |
| Attended Negotiation Training | 0.01 | 0.10 | 0 | 1 | 186 |
| Correctly Reports Length of Training | 0.00 | 0.00 | 0 | 0 | 186 |
| Correctly Reports Location of Training | 0.01 | 0.07 | 0 | 1 | 186 |
| H1: Knowledge of IBN | | | | | |
| Correctly Defines IBN | 0.67 | 0.47 | 0 | 1 | 186 |
| Distinguishes Interest and Position | 0.55 | 0.50 | 0 | 1 | 186 |
| Count of IBN Concepts Invoked | 0.58 | 0.50 | 0 | 1 | 186 |
| Recognizes Potential for Win-Win | 0.63 | 0.48 | 0 | 1 | 186 |
| H2: Knowledge of Inter-personal Skills | | | | | |
| Count of Tactics Listed to Build a Positive Relationship | 2.14 | 0.78 | 1 | 5 | 186 |
| Acknowledges Importance of Positive Relationship | 0.47 | 0.50 | 0 | 1 | 186 |
| H3: Deployment of IBN Skills | | | | | |
| Count of IBN Skills Used in Peanut-Farmer Simulation | 0.97 | 0.81 | 0 | 4 | 186 |
| Count of Questions asked about Buyer | 0.56 | 0.65 | 0 | 2 | 186 |
| Count of Solutions Discovered in Woodbuyer Simulation | 0.28 | 0.50 | 0 | 2 | 186 |
| H4: Deployment of Inter-personal Skills | | | | | |
| Does Not Display Anger or Frustration | 0.93 | 0.26 | 0 | 1 | 558 |
| H5: Positive Surplus | | | | | |
| Achieves Surplus Greater than Zero | 0.22 | 0.41 | 0 | 1 | 558 |
| H6: Total Surplus | | | | | |
| Surplus Achieved | 6.55 | 26.21 | -50 | 60 | 558 |

Table A.6: Summary statistics for pre-specified outcomes using data from respondents who were not assigned to either the negotiation training or the other cross-randomized intervention.

Table A.7: Control-group Levels for Real-world Forest Use

| Outcome | Mean | SD | Min | Max | N |
|--|------|------|-------|-------|-----|
| Index: External Forest Use | 0.00 | 1.00 | -0.61 | 6.09 | 184 |
| Index: Benefits from External Forest Use | 0.00 | 1.00 | -0.20 | 5.01 | 184 |
| Rule cutting trees | 0.84 | 0.37 | 0.00 | 1.00 | 182 |
| Talked about community forest | 2.15 | 7.00 | 0.00 | 60.00 | 175 |
| Does Not Want to Reduce Logging Activity | 0.93 | 0.26 | 0.00 | 1.00 | 186 |

Table A.7: Summary statistics for real-world forest use from respondents who were not assigned to either the negotiation training or the other cross-randomized intervention. Indexes are normalized to have mean 0 and standard deviation 1 in the control group.

We also use data from our control group to look at the probability of agreement conditional on the negotiated surplus, the negotiated price minus the BATNA specified in the simulation script.

Figure A.2: Probability of Agreement Conditional on the Negotiated Surplus in Control Group

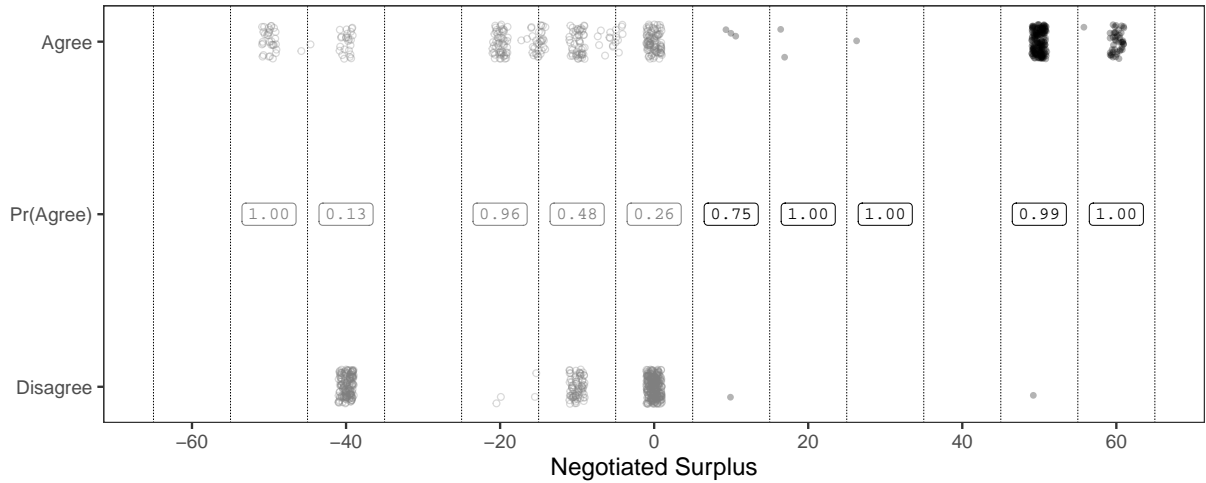


Figure A.2: Using data from our control group, we calculate the surplus that a respondent could have earned in a negotiation, which is the price they negotiate minus the value of the outside option as specified in the simulation script. We plot this value along the x-axis, jittering the points to prevent over-plotting, and whether they agreed along the y-axis. We group observations into bins that are ten units wide and calculate the probability of agreeing to a deal in each of those bins; these probabilities are printed in the middle of the figure.

D.2 Full PAP Analysis

Tables A.8 and A.9 present the pre-specified analysis with and without covariate adjustment discussed in Christensen et al. (2021).

Table A.8: Pre-specified Outcomes with Covariate Adjustment

| Outcome | ATE | Std. Error | <i>p</i> -value | N |
|--|--------|------------|-----------------|------|
| MNP: Manipulation Checks | | | | |
| Mean-effects Index | 11.637 | (0.252) | 0.00 | 705 |
| Attended Negotiation Training | 0.916 | (0.021) | 0.00 | 705 |
| Correctly Reports Length of Training | 0.930 | (0.02) | 0.00 | 705 |
| Correctly Reports Location of Training | 0.926 | (0.02) | 0.00 | 705 |
| H1: Knowledge of IBN | | | | |
| Mean-effects Index | 0.335 | (0.068) | 0.00 | 705 |
| Correctly Defines IBN | 0.128 | (0.031) | 0.00 | 705 |
| Distinguishes Interest and Position | 0.039 | (0.038) | 0.31 | 705 |
| Count of IBN Concepts Invoked | 0.105 | (0.04) | 0.01 | 705 |
| Recognizes Potential for Win-Win | 0.125 | (0.035) | 0.00 | 705 |
| H2: Knowledge of Inter-personal Skills | | | | |
| Mean-effects Index | -0.082 | (0.076) | 0.28 | 705 |
| Count of Tactics Listed to Build a Positive Relationship | 0.029 | (0.059) | 0.62 | 705 |
| Acknowledges Importance of Positive Relationship | -0.078 | (0.038) | 0.04 | 705 |
| H3: Deployment of IBN Skills | | | | |
| Mean-effects Index | 0.214 | (0.084) | 0.01 | 705 |
| Count of IBN Skills Used in Peanut-Farmer Simulation | 0.135 | (0.071) | 0.06 | 705 |
| Count of Questions asked about Buyer | 0.037 | (0.058) | 0.52 | 705 |
| Count of Solutions Discovered in Woodbuyer Simulation | 0.125 | (0.046) | 0.01 | 705 |
| H4: Deployment of Inter-personal Skills | | | | |
| Does Not Display Anger or Frustration | 0.025 | (0.014) | 0.06 | 2115 |
| H5: Positive Surplus | | | | |
| Achieves Surplus Greater than Zero | 0.060 | (0.023) | 0.01 | 2115 |
| H6: Total Surplus | | | | |
| Surplus Achieved | 2.742 | (1.472) | 0.07 | 2115 |
| H7: Moderated-Mediator | | | | |
| Differential Effect of Agreement on Surplus for Trainees | 4.845 | (2.41) | 0.05 | 2115 |

Table A.8: Pre-specified Outcomes with Covariate Adjustment defined in Equation (1). Standard errors in parentheses are clustered at the community level.

Table A.9: Pre-specified Outcomes without Covariate Adjustment

| Outcome | ATE | Std. Error | <i>p</i> -value | N |
|--|--------|------------|-----------------|------|
| MNP: Manipulation Checks | | | | |
| Mean-effects Index | 11.728 | (0.267) | 0.00 | 713 |
| Attended Negotiation Training | 0.923 | (0.023) | 0.00 | 713 |
| Correctly Reports Length of Training | 0.937 | (0.021) | 0.00 | 713 |
| Correctly Reports Location of Training | 0.934 | (0.021) | 0.00 | 713 |
| H1: Knowledge of IBN | | | | |
| Mean-effects Index | 0.385 | (0.076) | 0.00 | 713 |
| Correctly Defines IBN | 0.156 | (0.045) | 0.00 | 713 |
| Distinguishes Interest and Position | 0.045 | (0.036) | 0.21 | 713 |
| Count of IBN Concepts Invoked | 0.118 | (0.039) | 0.00 | 713 |
| Recognizes Potential for Win-Win | 0.138 | (0.035) | 0.00 | 713 |
| H2: Knowledge of Inter-personal Skills | | | | |
| Mean-effects Index | -0.073 | (0.071) | 0.31 | 713 |
| Count of Tactics Listed to Build a Positive Relationship | 0.046 | (0.062) | 0.46 | 713 |
| Acknowledges Importance of Positive Relationship | -0.083 | (0.037) | 0.03 | 713 |
| H3: Deployment of IBN Skills | | | | |
| Mean-effects Index | 0.267 | (0.085) | 0.00 | 713 |
| Count of IBN Skills Used in Peanut-Farmer Simulation | 0.152 | (0.073) | 0.04 | 713 |
| Count of Questions asked about Buyer | 0.070 | (0.058) | 0.23 | 713 |
| Count of Solutions Discovered in Woodbuyer Simulation | 0.148 | (0.043) | 0.00 | 713 |
| H4: Deployment of Inter-personal Skills | | | | |
| Does Not Display Anger or Frustration | 0.032 | (0.014) | 0.02 | 2139 |
| H5: Positive Surplus | | | | |
| Achieves Surplus Greater than Zero | 0.068 | (0.023) | 0.00 | 2139 |
| H6: Total Surplus | | | | |
| Surplus Achieved | 3.166 | (1.472) | 0.03 | 2139 |
| H7: Moderated-Mediator | | | | |
| Differential Effect of Agreement on Surplus for Trainees | 4.578 | (2.283) | 0.05 | 2139 |

Table A.9: Pre-specified Outcomes without Covariate Adjustment. Standard errors in parentheses are clustered at the community level.

D.3 Pre-specified heterogeneous treatment effects

Tables A.10 and A.11 present the pre-specified heterogeneous treatment effects discussed in Christensen et al. (2021).

Table A.10: Heterogeneous Treatment Effects for Above Primary Education

| Outcome | ATE | HTE | SE | p | N |
|--|--------|--------|---------|------|------|
| H1: Knowledge of IBN† | 0.335 | 0.018 | (0.176) | 0.92 | 705 |
| Correctly Defines IBN | 0.128 | 0.009 | (0.091) | 0.92 | 705 |
| Distinguishes Interest and Position | 0.039 | 0.146 | (0.084) | 0.09 | 705 |
| Count of IBN Concepts Invoked | 0.105 | -0.139 | (0.091) | 0.13 | 705 |
| Recognizes Potential for Win-Win | 0.125 | 0.006 | (0.1) | 0.95 | 705 |
| H2: Knowledge of Inter-personal Skills† | -0.082 | 0.021 | (0.18) | 0.91 | 705 |
| Count of Tactics Listed to Build a Positive Relationship | 0.029 | -0.128 | (0.148) | 0.39 | 705 |
| Acknowledges Importance of Positive Relationship | -0.078 | 0.097 | (0.093) | 0.30 | 705 |
| H3: Deployment of IBN Skills† | 0.214 | -0.090 | (0.247) | 0.72 | 705 |
| Count of IBN Skills Used in Peanut-Farmer Simulation | 0.135 | 0.088 | (0.194) | 0.65 | 705 |
| Count of Questions asked about Buyer | 0.037 | -0.018 | (0.16) | 0.91 | 705 |
| Count of Solutions Discovered in Woodbuyer Simulation | 0.125 | -0.139 | (0.122) | 0.26 | 705 |
| H4: Deployment of Inter-personal Skills | 0.025 | 0.015 | (0.036) | 0.67 | 2115 |
| H5: Positive Surplus | 0.060 | -0.032 | (0.055) | 0.57 | 2115 |
| H6: Total Surplus | 2.742 | -1.004 | (3.423) | 0.77 | 2115 |

Table A.10: Pre-specified heterogeneous treatment effects by education. † stands for mean-effects index. Standard errors in parentheses are clustered at the community level.

Table A.11: Heterogeneous Treatment Effects for Women

| Outcome | ATE | HTE | SE | p | N |
|---|--------|--------|---------|------|------|
| H1: Knowledge of IBN[†] | 0.329 | 0.051 | (0.147) | 0.73 | 705 |
| Correctly Defines IBN | 0.126 | 0.043 | (0.072) | 0.55 | 705 |
| Distinguishes Interest and Position | 0.036 | 0.031 | (0.081) | 0.70 | 705 |
| Count of IBN Concepts Invoked | 0.103 | 0.001 | (0.085) | 0.99 | 705 |
| Recognizes Potential for Win-Win | 0.125 | -0.015 | (0.084) | 0.86 | 705 |
| H2: Knowledge of Inter-personal Skills[†] | -0.081 | 0.314 | (0.157) | 0.05 | 705 |
| Count of Tactics Listed to Build a Positive Relationship | 0.025 | 0.266 | (0.115) | 0.02 | 705 |
| Acknowledges Importance of Positive Relationship | -0.075 | 0.059 | (0.084) | 0.49 | 705 |
| H3: Deployment of IBN Skills[†] | 0.208 | -0.320 | (0.173) | 0.07 | 705 |
| Count of IBN Skills Used in Peanut-Farmer Simulation | 0.131 | -0.281 | (0.156) | 0.07 | 705 |
| Count of Questions asked about Buyer | 0.032 | -0.182 | (0.113) | 0.11 | 705 |
| Count of Solutions Discovered in Woodbuyer Simulation | 0.124 | -0.040 | (0.078) | 0.61 | 705 |
| H4: Deployment of Inter-personal Skills | 0.027 | -0.053 | (0.031) | 0.09 | 2115 |
| H5: Positive Surplus | 0.058 | -0.021 | (0.039) | 0.58 | 2115 |
| H6: Total Surplus | 2.626 | -1.111 | (2.591) | 0.67 | 2115 |

Table A.11: Pre-specified heterogeneous treatment effects by gender. † stands for mean-effects index. Standard errors in parentheses are clustered at the community level.

D.4 Effects on Real-World Forest Use (Romano-Wolf p -values)

Table A.12: Average Treatment Effects of IBN on Community Forest Use (Romano-Wolf p -value)

| Outcome | ATE | Std. Error | Romano-Wolf p -value | N |
|--|--------|------------|------------------------|-----|
| Forest Use by External Actors[†] | -0.265 | (0.135) | 0.095 | 705 |
| Benefits from External Forest Use[†] | 0.054 | (0.136) | 0.715 | 705 |
| Engagement around Forest Use | | | | |
| Neighbors Consulted about Forest in Last Week | 0.850 | (0.497) | 0.198 | 677 |
| Rule in Community against Logging w/o Permission | 0.091 | (0.029) | 0.005 | 703 |
| Preferences around Forest Use | | | | |
| Does <i>Not</i> Want to Reduce Logging Activity | 0.031 | (0.020) | 0.198 | 705 |
| Price Demanded to Clear Forest (logged) | 0.151 | (0.264) | 0.715 | 705 |

Table A.12: Average treatment effect estimates on real-world outcomes using Equation 1. Standard errors in parentheses are clustered at the community level. [†] stands for mean-effects index. Romano-Wolf p -value to account for multiple hypothesis testing based on 1,000 repetitions.

D.5 Within-Community Spillovers

Four households (non-trainees) were randomly sampled in each community. We estimate the ATE on the non-trainees sample to observe if there are with-in community spillover. Table A.13 shows that the changes in material benefits from external forest use are similar to trainees. In addition, we do not observe change in satisfaction with leadership. Namely, in control communities, 10.5% of HHs report being unsatisfied with leadership, while in communities with IBN trainees, 11.6% of HHs.

Table A.13: Within-Community Spillovers

| Outcome | ATE | Std. Error | p -value | N |
|--|--------|------------|------------|-----|
| Benefits from External Forest Use[†] | 0.073 | (0.167) | 0.662 | 476 |
| Satisfaction with Leadership | | | | |
| Overall satisfaction | -0.028 | (0.040) | 0.434 | 476 |
| Satisfaction related to the community forest | -0.013 | (0.033) | 0.690 | 476 |

Table A.13: Within-community spillover from four households (non-trainees) randomly sampled in each community. Standard errors in parentheses are clustered at the community level. [†] stands for mean-effects index. * stands for sample restricted to control communities.

D.6 Spatial Spillovers

Table A.14 presents the estimates from equation $Y_{sic} = \alpha_s + \beta \text{Distance to IBN} + \varepsilon_{sic}$. We restrict attention to control communities and measure distance to the nearest IBN community (mean = 6.2 km).

Table A.14: Spatial spillover

| Outcome | Estimate ($\hat{\beta}$) | Std. Error | <i>p</i> -value | N* |
|---|----------------------------|------------|-----------------|-------|
| H1: Knowledge of IBN[†] | -0.003 | (0.016) | 0.87 | 355 |
| H2: Knowledge of Inter-personal Skills[†] | 0.003 | (0.015) | 0.84 | 355 |
| H3: Deployment of IBN Skills[†] | 0.028 | (0.022) | 0.24 | 355 |
| H4: Deployment of Inter-personal Skills | 0.003 | (0.002) | 0.32 | 6,333 |
| H5: Positive Surplus | 0.003 | (0.005) | 0.60 | 6,333 |
| H6: Total Surplus | 0.066 | (0.230) | 0.78 | 6,333 |
| Expl: Forest Use by External Actors | -0.011 | (0.028) | 0.71 | 351 |

Table A.14: Estimates from the spatial spillover. Standard errors in parentheses are clustered at the community level. † stands for mean-effects index. * stands for sample restricted to control communities.

D.7 Analysis of Remotely Sensed Deforestation

Table A.15 presents the ATE on remotely sensed deforestation. The outcome is the count of deforested pixels (30 m^2 / pixel) on a circular area centered on activities detected in the environmental assessment. We chose the area based on the distances covered in the EAs (in control)

Table A.15: Analysis of remotely sensed deforestation

| Outcome | ATE | Std. Error | p | N |
|--|---------|------------|-------|-----|
| Deforestation in CF (Area = 0.79 sq km.) | -16.011 | (41.915) | 0.703 | 120 |
| Deforestation in CF (Area = 1.85 sq km.) | -16.607 | (60.515) | 0.784 | 120 |

Table A.15: Average treatment effect estimates on the count of deforested pixels (30 m^2 / pixel) on a circular area based on the distance covered in the environmental assessment. Each specification includes covariates for forest stock and pre-treatment deforestation. Standard errors in parentheses are clustered at the community level.

E. Mediation Analysis

E.1 Knowledge of possible deals and outside options Indexes

We construct mean-effects indexes a la Kling, Liebman, and Katz (2007) to measure the knowledge of possible deals and the knowledge of outside options. The first index combines answers from correctly defining IBN, understating the importance of agreements that work for both parties, importance of developing strategies to improve relationship and preparation to understand the interest of the other party as well as behaviour from the simulations — i.e., respondent is able to find win-win agreements in the “telecom” and “woodbuyer” simulation. On the other hand, the second one combines answers from correctly defining IBN, understanding the difference between interest and position and how to appraise their outside option.

E.2 Mediation analysis with principal component analysis (PCA) index

We also compute the indices for the knowledge of possible deals and the knowledge of outside option by using principal component analysis (PCA). Using PCA, the first component loads more on variables we related to the knowledge of possible deals; while the second component loads on variables we related to the knowledge of outside option: $\text{cor}(\text{PC}_1, \text{knowledge of outside option}) = 0.999$ and $\text{cor}(\text{PC}_2, \text{knowledge of possible deals}) = 0.669$.

Table A.16: Mediation Analysis using Principal Components

| Panel A: First-Stage Estimates | | | |
|--|-----------------------|---------------------------------|------------------|
| | Outside option | Possible deals | Surplus |
| Treatment | 0.254 (0.069) | 0.268 (0.104) | 0.043 (0.076) |
| Possible deals | | | 0.289 (0.23) |
| Outside option | | | 0.19 (0.142) |
| Panel B: Decomposition of the Total Effect of IBN on Std. Surplus | | | |
| Total | 0.169 (0.085) | Indirect: possible deals | 0.078 (0.073) |
| Direct | 0.043 (0.076) | Indirect: outside option | 0.048 (0.033) |

Table A.16: Mediation analysis estimates with PCA indices. Panel A presents the first stage estimates, while Panel B presents the decomposition of the total effect of the IBN training on the surplus. Bootstrapped standard errors in parentheses are clustered at the community level.

F. Structural Model

F.1 Estimation of Lee Bounds for Negotiation Capacity

Lee (2009) bounds:

- Assume that treatment increases the rate of agreement (monotonicity)
- Estimate effect of treatment on the probability of agreement
- Remove share q from top and bottom of treatment group distribution and re-estimate

Intuition: suppose the share who agree due to treatment have the best and worst observed outcomes, and then remove these observations to construct bounds

Table A.17: Lee bounds for structural estimates

| Lower Bound | \hat{k} | Upper Bound |
|-------------|-----------|-------------|
| 0.62 | 2.43 | 5.88 |

Table A.17: Lee bounds for capacity (\hat{k}). \hat{k} is estimated when conditioning on reaching an agreement.

F.2 Change in the probability of agreement due to capacity (\hat{k}) and appraisal ($\hat{\delta}_1$)

Table A.18: Structural estimates

| Avg. Surplus | \hat{k} | $\hat{\delta}_0$ | $\hat{\delta}_1$ | $\Pr(A) _{k=0}^{k_1}$ | $\Pr(A) _{-\delta_0}^{-\delta_0+\delta_1}$ |
|--------------|-----------|------------------|------------------|-----------------------|--|
| 2.7 | 3.49 | -0.03 | -0.11 | 0.04 | 0.04 |

Table A.18: Structural estimates for the full sample. \hat{k} is our estimate of the IBN training's effect on negotiation capacity; $\hat{\delta}_1$, our estimate of IBN training's effect on appraisal of the outside option. $\Pr(A)|_{k=0}^{k_1}$ calculates the change in the probability of agreeing that is attributable to the estimated effect on capacity. $\Pr(A)|_{-\delta_0}^{-\delta_0+\delta_1}$ calculates the change in the probability of agreeing that is attributable to the estimated effect on appraisal.

G. Involvement in Forest Governance across Sub-groups

Table A.19: Participation in and influence over decisions about community forest use in the control group

| Age ⁺ | Edu ⁺ | Fem | Town Chief | Landlord or Elder | 1(Member CF) | Number meetings CF | Count of Neighbors Consulted about CF in Last Week | 1(Property rights for land) |
|------------------|------------------|-----|------------|-------------------|--------------|--------------------|--|-----------------------------|
| ✓ | ✓ | ✗ | 0.08 | 0.32 | 0.11 | 0.58 | 2.91 | 0.74 |
| ✓ | ✗ | ✓ | 0.00 | 0.04 | 0.06 | 0.24 | 0.39 | 0.51 |
| ✗ | ✓ | ✗ | 0.08 | 0.17 | 0.06 | 1.03 | 4.58 | 0.63 |
| ✗ | ✗ | ✗ | 0.19 | 0.12 | 0.10 | 0.29 | 0.52 | 0.70 |
| ✓ | ✗ | ✗ | 0.17 | 0.46 | 0.06 | 0.43 | 1.47 | 0.74 |
| ✗ | ✗ | ✓ | 0.03 | 0.00 | 0.06 | 0.28 | 0.24 | 0.62 |

Table A.19: Descriptive statistics on participation in/influence over decisions about community forest (CF) use in the control group. Age⁺ stands for above Median Age (52). Edu⁺ stands for above Primary Education. 1(Member CF) is a dummy equal to 1 if the respondent or somebody in respondent household is member of the community forest (CF) committee. 1(property rights for land) is a dummy equal to 1 if the respondent reports owning the land with property rights.

H. Analysis Plan

H.1 Deviation from the PAP

In this section, we report the deviation from the PAP (Christensen et al. 2021). We do not test for attrition as we collected only endline data. Instead, we regress treatment on pre-specified covariates and enumerators fixed effects. We reject the joint test that the pre-specified covariates predict the treatment status. The F-statistics of the joint test is 0.194 with a p-value of 0.999.

H.2 Exploratory analysis

In this section, we list all the exploratory analysis that we carry out in the paper:

- Construction of the appraisal and capacity index
- Mediation analysis
- Structural estimation

H.3 Variable Definitions

Variables constructed from Household Survey (SVY), Environmental Assessment (EA), Negotiation Simulations (SIM).

Table A.20: Variable Definitions

| Measure | Source | Definition |
|--|--------|--|
| Manipulation Checks | | |
| Attended Negotiation Training | SVY | Attended Negotiation Training |
| Correctly Reports Length of Training | SVY | Correctly Reports Length of Training |
| Correctly Reports Location of Training | SVY | Correctly Reports Location of Training |
| Knowledge of Negotiation Skills (H1) | | |
| Correctly defines IBN | SVY | Correctly defines IBN |
| Knowledge of IBN interests | SVY | Correctly distinguishes interest vs. position |
| IBN concept recall index | SVY | Count of IBN concepts recalled (0-3) |
| Recognizes Potential for Win-Win | SVY | Recognizes Potential for Win-Win Agreement |
| Knowledge of Inter-personal Skills (H2) | | |
| Acknowledges Importance of Positive Relationship | SVY | Acknowledges Importance of Positive Relationship |
| Count of Tactics Listed to Build a Positive Relationship | SVY | Count of Tactics Listed to Build a Positive Relationship (0-6) |
| Deployment of IBN Skills (H3) | | |
| Count of questions asked about Buyer | SIM | Count of Questions asked about Buyer (0-2) |
| IBN skills index | SIM | Count of IBN Skills Used in Peanut-Farmer Simulation (0-5) |
| IBN solutions index | SIM | Count of Solutions Discovered in Woodbuyer Simulation |
| Deployment of Inter-personal Skills (H4) | | |
| Respondent Does Not Display Anger or Frustration | SIM | Respondent Does Not Display Anger or Frustration the three simulations |
| Surplus and Agreement (H5-H7) | | |
| Total surplus | SIM | Surplus achieved |
| Positive surplus | SIM | Indicator for surplus greater than zero |
| Agreement | SIM | Agreement reached |
| Negotiated price | SIM | Highest price negotiated during simulation, regardless of whether an agreement is reached |
| Real World Outcomes | | |
| Rule in Community against Logging w/o Permission | SVY | Respondent reports rules against deforestation in their community |
| Count of Neighbors Consulted about Forest in Last Week | SVY | Number of people respondent discusses the community forest with in Last Week |
| Number of meetings community forest (CF) | SVY | Number of community forest (CF) meetings attended since the President took office |
| Does Not Want to Reduce Logging Activity | SVY | Does Not Want to Reduce Logging Activity |
| Price Demanded to Clear Forest (logged) | SVY | Logged price required to clear-cut the community forest |
| External Forest Use | EA | Count of external forest-use activities (concessions, mining, pitsawing) in the community forest (detected) |
| External Forest Use | SVY | Index of external forest-use activities (concessions, mining, pitsawing) in the community forest over the previous 3 months (self-reported) |
| External Forest Use beyond community forest | SVY | Index of external forest-use activities (concessions, mining, pitsawing) <i>outside</i> of the community forest over the previous 3 months (self-reported) |
| Benefits from External Forest Use | SVY | Index of benefits received from external forest-use (money, building materials, roads or bridges, other tokens, other services) |
| Overall satisfaction | SVY | Self-reported level of satisfaction with rules and decisions made by the leaders of this community |
| Satisfaction related to the community forest | SVY | Self-reported level of satisfaction with rules and decisions made about the community forest |

Data Sources: Household Survey (SVY), Environmental Assessment (EA), Negotiation Simulations (SIM).

Appendix References

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