

# **Protecting Trade By Legalizing Political Disputes: Why Countries Bring Cases to the International Court of Justice\***

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## Abstract

Why do countries use legal venues to solve disputes? In the absence of external enforcement, a court offers little leverage to change the underlying power distribution between states. Despite this lack of enforcement and a *de facto* requirement for mutual consent, 68 countries ranging in income and military capabilities have brought 134 cases to the ICJ since its inception in 1946. The literature suggests states are more likely to file cases when democratic leaders need political cover for difficult territorial concessions or when a state's legal tradition supports the use of courts. We advance an alternative explanation that states use the ICJ to protect trade flows from disruption. The uncertainty arising from intense political disputes between countries can depress trade flows and give rise to issue linkage. Those states most vulnerable to such hold-up will seek legal venues as a means to avoid negative externalities for trade flows from the dispute. We assess this argument by analyzing how trade dependence shapes the likelihood of a state filing a case against another state in the ICJ. Using data on 190 countries from 1960 to 2013, we explain patterns of ICJ case initiation. Our findings show that countries are more likely to file ICJ cases against important trading partners than against states with low levels of shared trade. We conclude that economic interdependence changes the incentives for *how* states resolve their disputes.

# 1 Introduction

Theories of commercial peace suggest economic interests give states a reason to avoid war. But it is not entirely clear how economic interdependence shapes political relations. Do states simply not have disputes because they are satisfied with the profits from trade? Or do they continue to have disagreements, but find other means of resolving them because conflict has become too costly?

Existing literature has closely examined the correlation between trade and war, but scholarly findings remain inconclusive and causal mechanisms are unclear. Our analysis is intended to shed further light upon this relationship, examining exactly how trade promotes more peaceful interactions between states by looking at legalized dispute resolution. If economic interdependence reduces disagreements between states, then states with high interdependence should have fewer disputes that would require seeking third party mediation. If instead, interdependence does not affect the number of disputes but rather the way that states handle disagreements, we should observe states with high interdependence being more likely to take disputes to international courts.

At first glance, it seems surprising that countries might use legal venues to solve disputes. In the absence of external enforcement, a court offers little leverage to change the underlying power distribution between states. Realist theory suggests that international law should have no power in international affairs. Indeed, the International Court of Justice (ICJ) seems to have been designed with such views in mind. For the ICJ to hear a case, both parties to a dispute must either have accepted the jurisdiction of the Court or have agreed to submit the specific dispute to the Court for a judgment. Even after the Court hears a case, states can essentially ignore its rulings since it lacks any authorization to use material sanctions to enforce its judgments. Despite these limitations, however, governments have turned to the ICJ for third party dispute resolution on a range of issues including territorial claims, political asylum, and environmental harm. In fact, 92 countries ranging widely in their income and military capabilities have participated in 134 ICJ cases since the Court's inception in 1946. While this represents a small fraction of the economic disputes addressed in the WTO or investment arbitration bodies, it nonetheless

constitutes an important area of cooperation.

We argue that states use the ICJ to protect trade flows from disruption. The uncertainty arising from intense political disputes between countries can depress trade flows. Legal action isolates the problem in a way that minimizes the potential negative externalities for trade flows. Delegating to an international court is not without costs—states have to pay expensive legal fees and risk the possibility of an unfavorable court ruling—but these costs are offset by the economic gains from protecting an important trading relationship. We expect this relationship to hold mainly for disputes with low-to-moderate stakes; some disputes may have such high stakes that the political or strategic costs outweigh any other considerations. On average, however, we argue that governments with higher trade dependence are more likely to decide that gambling on a court decision is better than risking that a dispute spills over into trade.

Surprisingly, with the exception of studies about economic policy disputes, research on international adjudication has given scarce attention to the role of economic interests. Some scholars emphasize how domestic political conditions encourage states interested in resolving territorial disputes to pursue adjudication as a means to overcome veto players or avoid blame (Simmons, 2002; Allee and Huth, 2006b). Others focus on the legal context within a country. With careful attention to how states view the law, Mitchell and Powell (2011) argue that domestic legal tradition shapes variation in which countries are more willing to use the ICJ. Both types of theories offer compelling insight into the underlying propensity of some countries to use international courts, but they do not explain why states reach the point where they want to resolve the territorial dispute even at the cost of delegating sovereignty to a third party. Our theory aims to fill this gap.

This paper presents the analytical foundation for our argument and provides empirical support for the relationship between trade dependence and bringing disputes to the ICJ. We begin by introducing our key assumptions and their basis in existing literature in order to develop our hypothesis that trade increases the willingness to use the ICJ. Second, we assess this argument by analyzing how trade dependence shapes the likelihood that a state files an ICJ case against another country. Using data on more than 190 countries from 1960 to 2013, we explain the patterns of ICJ case initiation with statistical analysis.

## **2 Trade, Conflict, and Adjudication**

We argue that countries turn to an international court in order to protect trade flows under conditions of high economic interdependence. Two assumptions are necessary for this argument. First, states believe that an international dispute over territory, fishing rights, or another salient issue could harm trade. Second, states view international adjudication as an effective way to end the dispute. Each point merits further discussion as the building blocks for our theory.

### **2.1 The adverse impact of conflict on trade**

A deep literature has debated the relationship between conflict and trade. The premise that conflict disrupts trade is central to the theory of commercial peace. Russett and Oneal (2001) draw on the work of philosopher Immanuel Kant to argue that interdependence promotes peace by raising costs of conflict. According to this line of reasoning, war interrupts trade while peace promotes stable commerce, leading states to calculate the gains of peace are significant compared to the costs of war. Gartzke, Li and Boehmer (2001) suggest an additional mechanism for a commercial peace that arises when economic interdependence allows states to signal their resolve through their willingness to bear economic costs from confrontation.<sup>1</sup>

A range of empirical studies support the expectation that conflict reduces trade (Keshk, Reuveny and Pollins, 2004; Long, 2008). In a comprehensive study of data from 1870 - 1997, Glick and Taylor (2010) find that the effect of war on trade is significant and persistent. Others show that the negative impact of conflict also extends to foreign direct investment (Lee and Mitchell, 2012, e.g.). The negative relationship is not limited to full-out war. Several studies demonstrate that political tensions may also suppress trade (Pollins, 1989; Davis, Fuchs and Johnson, 2014). Simmons (2005) finds that territorial disputes have a sizeable negative impact on trade even when there is not militarized action.

Those who dispute the adverse impact of conflict on trade suggest states anticipate this relationship, and therefore trade less to begin with if they think they are likely to go to war. In such a scenario, the

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<sup>1</sup>See Mansfield and Pollins (2003) for review of key points in the debate on interdependence and conflict.

marginal economic costs of war should be insufficient to change a state's calculation for going to war (Barbieri, 2002; Morrow, 1999). Gowa and Hicks (Forthcoming) contend that trade is largely diverted through third party channels, which compensates for having less direct trade with the adversary.

In this paper, we do not take a position on the empirical relationship between conflict and trade; however, we assume most leaders and business constituencies believe on average that conflict would be bad for trade relations. From the view of the government, conflict could lead domestic constituencies to push for the adoption of sanctions against an adversary or to restrict financial flows. From the view of the business community, conflict could disrupt trading routes and slow the movement of goods from one country to another. Even if substitution through third parties could alleviate the harm, this would increase trade costs.

## **2.2 Adjudication as a conflict resolution mechanism**

When states decide to send a dispute to the ICJ, this choice not only indicates a willingness to end the dispute but also a preference for mediation by an international court. In making this decision, states eschew diplomatic negotiations or the use of military force. We assume most leaders are likely to fear the negative impact on trade flows of settling a dispute militarily. In research on militarized conflict, Bohmelt (2010) finds economic interdependence increases the likelihood that conflict participants seek third party mediation because countries recognize the ongoing opportunity cost of military conflict for their economic ties. Such cost calculations should operate prior to the militarization of the dispute itself. Indeed, Koo (2010) finds that states with a territorial dispute are less likely to escalate with military involvement when the respondent is trade dependent on the challenger state. However, the question remains why states would prefer the ICJ over diplomatic negotiations. We argue that states choose adjudication for three reasons: international norms, informational gains, and domestic obstacles to settlement.

The rise of norms of peaceful conflict resolution encourages states to use international law to resolve disputes. Finnemore and Sikkink (1998) contend that rule of law has come to shape the identity of states, which forms a meta-belief affecting views about appropriate action in both the domestic and

international spheres. States gain legitimacy when acting based on these norms. When international law has been established through fair procedures and offers coherent principles, it forms a legitimate source of authority in international affairs that generates an independent “compliance pull” on state behavior (Franck, 1990).

Theories of institutions suggest courts have informational benefits that help states coordinate policies and produce more cooperative outcomes. A court’s ruling can offer a focal point amidst uncertainty about how to interpret the terms of the agreement (Ginsburg and McAdams, 2004). As the record-keeper of past actions, courts support systems of tit-for-tat and reputational enforcement (Milgrom, North and Weingast, 1990; Carrubba, 2005). In these informational theories of courts, states may comply with court rulings in the absence of coercive measures or the threat of sanctions because the reputational costs of non-compliance are too high.

International courts may also offer a way for states to frame settlement in a way that appeals to domestic audiences. Beth Simmons notes that even when the same deal could be reached in negotiations or through a court decision, a negotiated settlement could be viewed as sign of weakness while a legal resolution would be seen as positive cooperation beneficial for future interactions (Simmons, 2002, p. 834). This dynamic occurs because “domestic groups will find it more attractive to make concessions to a disinterested institution than to a political adversary” (Simmons, 2002, p. 834). In research on several prominent ICJ cases, Fischer (1982) emphasizes the Court has helped governments to save face. Consequently, those governments unable to reach agreements over domestic opposition may find it easier to do so with the involvement of third party ruling. Allee and Huth (2006b) further extend this argument to show that governments with higher levels of domestic political constraints are more likely to choose adjudication over negotiation for settling territorial disputes, and domestic political constraints also increase the probability to file complaints at the WTO (Davis, 2012). In these arguments, governments facing opportunity costs from an ongoing dispute will find the legal venue offers an attractive way to end the dispute in face of domestic opposition.

Using courts, however, is not without costs. Hiring lawyers and going through formal proceed-

ings raises both financial costs and takes time. As legal venues draw more litigation, it can crowd out diplomatic settlements that might have otherwise occurred in the absence of litigation (Simmons, 2014; Johns, forthcoming). In some cases, the secrecy and flexibility of informal agreements reached as part of a diplomatic settlement would better serve the interests of states dealing with complex issues closely tied to state sovereignty (Abbott and Snidal, 2000).

Most importantly, third party mediation risks an unpredictable ruling. The ICJ has surprised observers with unexpected rulings on critical cases including Liberia and Ethiopia's territorial dispute with South Africa in the early 1960s and Mexico's consular relations case against the United States in 2004 (Johns, forthcoming). To the extent that the Court enjoys legitimacy within international society or domestic politics, defying a negative ruling may be more costly than to have not brought the case in the first place. A controversial win in court can also have negative consequences. Johns (forthcoming) argues that legalization presents a tradeoff because strengthening international courts increases the likelihood that states exit the regime after losing the ruling. A prominent example of this occurred when the United States withdrew from the ICJ compulsory jurisdiction in 1986. This decision was prompted by the Court's ruling that U.S. support for the insurgency in Nicaragua constituted a violation of customary international law and therefore the United States should pay war reparations to the government of Nicaragua. This type of institutional exit can destabilize the legal system, and offers little recourse to the complaining party. Disputants thus face a double risk: losing the ruling, or winning, but finding it to be an empty victory.

Common law countries in particular may be especially concerned about the unpredictability of the ICJ. Mitchell and Powell (2011) argue that countries try to create courts in their own legal image as a way to reduce uncertainty about how the court will constrain behavior. They demonstrate that civil law states are more likely to create and support international courts based on civil law principles, and show that within the ICJ the civil law countries make fewer reservations than common law countries. Civil law countries, however, have lower litigation rates, which could also make them less likely to use an international court like the ICJ to resolve disputes.

Given the costs and benefits of bringing a court case, and the fact that certain countries may have higher proclivities for legalized dispute resolution, it is necessary to examine more carefully the interests that make countries willing to take the gamble of bringing their dispute to the ICJ. Much of the discussion about international law compares the aggregate utility of international law from a normative standpoint or estimates the effect of law on behavior through analysis of treaties or regime membership. These approaches neglect the question of why states choose to use law for specific problems, and the conditions that account for variation in this pattern across states.

In addition to the domestic political conditions and legal conditions highlighted above, we emphasize the value of the bilateral relationship that is at stake in the dispute. Abbott and Snidal (2000, p. 433) suggest that “states that seek to minimize political conflict in relations with other states or in particular issue areas should favor hard legalization, for it sublimates such conflict into legal argument.” Taking disputes to the ICJ signals the willingness to resolve the matter according to established rules. Importantly, legal process isolates the dispute in a way that reduces spillover that could harm otherwise positive relations. Indeed, states have declared the importance of maintaining harmonious relations as a goal for bringing cases forward to ICJ (Fischer, 1982, p. 273). Our paper suggests it is the need to protect trade flows that tips many in favor of going to court.

### **2.3 The economic rationale for turning to law**

Given that harm to trade flows is a possible negative externality of war, states with valuable trade relations will face higher costs of going to war than those with lower value trade. In an effort to seek alternatives to military settlement, states may view adjudication as an attractive option. Adjudication may also appeal to states with disputes that cause political tension but fall far short of threshold for war. We argue that governments face pressure to do something about such disputes but are concerned about the ramifications for trade, and choose adjudication as the policy response to minimize harm to trade.

Filing an ICJ complaint helps to insulate trade relations from political tensions by providing information about intentions. First, the action signals that the filing state wants to resolve the issue at hand

and perhaps even future disputes through law and not force.<sup>2</sup> This reassures economic actors that their interests are not at risk from future escalation or expansion of the dispute. It is not only the outbreak of war but the anticipation of possible war that can suppress trade flows (Long, 2008). Economic actors are attuned to how disputes are likely to be resolved. Simmons (2005) argues that territorial disputes harm trade because of the uncertainty generated about the future, such that simply having a disputed border claim depresses trade relative to those with agreed upon borders.<sup>3</sup> Furthermore, Carter, Wellhausen and Huth (2014) find that foreign investment declines in presence of territorial dispute, but less so when there is a strong legal claim that indicates the matter will be solved by law and not force. For the state filing an ICJ complaint, it gains the dual benefit of reassuring investors and businesses about the impact of the current dispute and sending credible signals that future issues are also likely to be resolved in a similar manner.

Second, filing an ICJ complaint substitutes for trade sanctions. For countries confronting a political dispute, economic statecraft often calls for manipulating economic ties as a tool of influence (Baldwin, 1985; Carnegie, 2014). Whether through direct trade sanctions or more subtle forms of economic discrimination, governments take actions to punish adversaries.<sup>4</sup> But these are not one-way costs that only hurt the target country. Making economic actors change their contracts for political reasons is suboptimal for business interests on both sides of the dispute. In the capitalist peace, (Gartzke, Li and Boehmer, 2001) theorize that economic interdependence allows states to avoid war by self-inflicting economic harm to signal resolve. States unwilling to pay the economic cost of coercive economic diplomacy, however, may instead turn to adjudication. Countries with high trade dependence will be the most concerned about the potential for the political dispute to harm trade.

In sum, the rising opportunity cost of conflict for trading partners encourages them to seek adjudication. This offers the best trade-protecting response that appeals to economic actors to reassure them that

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<sup>2</sup>Mitchell and Powell (2011) argue that accepting compulsory jurisdiction of the court signals information about the type of a country abiding by law. Using the court for a case offers additional information. We assess how economic conditions shape whether countries want to engage in this signaling behavior.

<sup>3</sup>See also Carter and Goemans (2014) for analysis about how status of border shapes trade flows.

<sup>4</sup>On the tendency for states to trade more with allies, see Gowa (1994); Mansfield and Bronson (1997), and on sanctions literature see Martin (1992); Drezner (2000).

political disputes will not threaten trade.

**Hypothesis:** *Higher levels of trade dependence with another country will increase the likelihood that a state will initiate a complaint at the International Court of Justice.*

### **3 The International Court of Justice**

#### **3.1 Voluntary jurisdiction**

Any country may file a case against another state at the ICJ, as long as the Court has jurisdiction over the matter. The ICJ has broad jurisdiction over many different types of cases, but the Court remains limited to issues where states have voluntarily submitted to its authority. This process occurs in one of three ways. First, a state can submit a declaration recognizing the jurisdiction of the Court as compulsory. This allows any other state that has accepted compulsory jurisdiction to bring a case against the state in question. While compulsory jurisdiction might seem to grant the ICJ expansive authority over states, in fact most states attach reservations to their acceptance intended to exclude specific controversial disputes.<sup>5</sup> Above and beyond these reservations, states that have accepted compulsory jurisdiction may still object to the cases brought against them.<sup>6</sup>

States can also grant the ICJ jurisdiction over disputes through treaties or special agreements. Article 66 of the UN Convention Against Corruption, for example, stipulates that State Parties to the agreement may submit a dispute to the ICJ for arbitration. In cases where the ICJ has not already been granted jurisdiction over a matter, states may agree to submit a dispute through a special agreement, as provided for in Article 36 of the ICJ statute. Since the court's inception, 17 cases have been brought through special agreements.

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<sup>5</sup>Japan's declaration, for example, stipulates the government accepts the jurisdiction of the ICJ over "all disputes arising on or after 15 September 1958" with "any other State accepting the same obligation" (ICJ, 2007). The date restriction effectively excludes many of Japan's territorial disputes from compulsory ICJ jurisdiction, and the reciprocity condition guarantees it will not face demands from countries such as China or Korea unless they were to also decide to accept ICJ compulsory jurisdiction.

<sup>6</sup>If both countries have accepted jurisdiction, an applicant may file a case over the objections of a respondent. This occurred in 1984, when Nicaragua brought a case against the United States regarding US training of rebel fighters in Nicaragua (ICJ, 1984). In 1986, the ICJ ruled that the United States owed Nicaragua war reparation, leading the United States to withdraw from compulsory jurisdiction (CFR, 2011).

Table 1: ICJ Cases by Dispute Type

	Number	Percent
Aerial Incident	14	10
Borders/Maritime Delimitation	39	29
Diplomatic or Consular Relations	14	10
Use of Force	23	17
Property Rights	17	13
Trusteeship or Decolonization	5	3
Other	24	18
Total Cases	134	100

Note: This table classifies ICJ court cases by dispute type. All categorizations through 2009 are from Johns (2014); we have used this same typology to code all ICJ cases as of 31 October 2014.

The ICJ’s terms of jurisdiction mean that some disputes require consent by *both* parties in the specific dispute, while others can be brought unilaterally. Many of the ICJ cases face the strongest legal argumentation over the question of jurisdiction.

### 3.2 The ICJ Docket

ICJ disputes cover a wide range of topics, from complaints about specific diplomatic incidents to territorial claims over long-disputed boundaries. Most ICJ cases can be broadly categorized as focusing on one of six topics: aerial incidents, border or maritime delimitation, diplomatic or consular relations, use of force, property rights, or decolonization (Johns, forthcoming). A seventh miscellaneous category accounts for about 1/5 of all disputes, and includes issues such as the Court’s 2010 ruling in which it determined that an environmental impact assessment was required by international customary law.<sup>7</sup> Table 1 shows the number and percentage of ICJ disputes in each of these categories.

### 3.3 Who Files?

Since 1947, 68 countries have filed 134 cases at the ICJ. Although filing an ICJ case can be expensive, the countries that file disputes represent a range of income levels and political configurations. Table 2 shows the range of countries that have brought disputes to the ICJ since its inception. Notably, although

<sup>7</sup>In “Pulp Mills on the River Uruguay (Argentina v. Uruguay),” the ICJ evaluated the claim of Argentina that Uruguay had infringed on its treaty rights when giving permission for the construction of a large pulp mill on the River Uruguay that runs between the two states. See Payne (2010).

Table 2: ICJ Filing Countries By Income Level

Low Income	Lower-Middle Income	Upper-Middle Income	High Income
Benin	Bolivia	Argentina	Australia
Burkina Faso	Cameroon	Bosnia and Herzegovina	Belgium
Cambodia	Djibouti	Botswana	Canada
Chad	El Salvador	Colombia	Croatia
Congo	India	Costa Rica	Denmark
DRC	Indonesia	Dominica	Finland
Ethiopia	Georgia	Ecuador	France
Guinea	Honduras	Hungary	Germany
Guinea-Bissau	Nicaragua	Iran	Greece
Liberia	Nigeria	Libya	Israel
Mali	Pakistan	Macedonia	Italy
Niger	Paraguay	Malaysia	Liechtenstein
Somalia	Timor-Leste	Marshall Islands	Malta
		Mexico	Netherlands
		Namibia	New Zealand
		Nauru	Portugal
		Peru	Qatar
		Romania	Slovak Republic
		Serbia	Spain
		Tunisia	Switzerland
			United Kingdom
			United States

Note: List of countries that have filed cases at the ICJ. Country classifications are drawn from the World Bank, and are based on each country's 2013 Gross National Income per capita. For more information on this classification scheme, see: [http://data.worldbank.org/about/country-and-lending-groups#Low\\_income](http://data.worldbank.org/about/country-and-lending-groups#Low_income).

higher income countries are more likely to bring disputes, more than 1/3 of cases have been filed by low or lower-middle income countries.

Since the ICJ's creation, countries have filed about 2 cases per year at the Court. Figure 1 shows the total number of cases filed over time. The Court was most active in the fourteen years following its creation. Between 1947 and 1960, countries filed 37 cases, many focused on property rights or in reaction to diplomatic incidents. Following this initial burst of activity, however, countries relied less on the ICJ. The Court experienced a resurgence in the late 1990s, beginning with Serbia's 10 cases against NATO countries following the bombing in Kosovo. Since 2000, countries have filed 3 or more cases at the ICJ in 9 of the last 12 years.

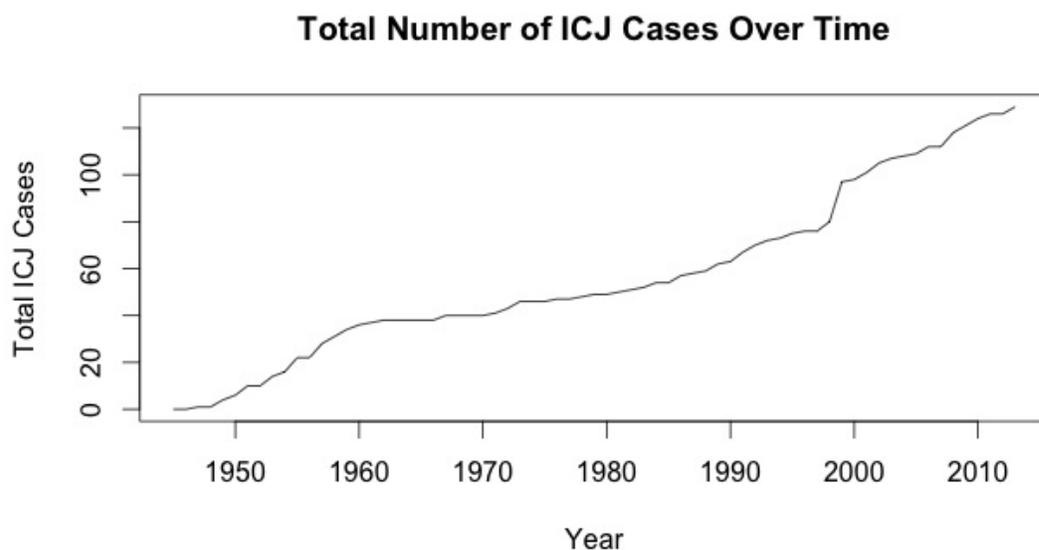


Figure 1: The figure shows the total number of ICJ cases that have been filed over time. The court experienced a surge in cases between 1950 and 1960, and again in 1999 when Serbia filed 10 cases against NATO countries in response to the bombing of Kosovo. On average, however, countries have filed between 2-3 cases at the ICJ every year.

## 4 Empirical Analysis

Our central hypothesis is that countries are more likely to file ICJ cases against important trading partners than against states with low levels of trade. When dyadic trade dependence is high and a crisis arises, a country has a strong incentive to try to protect its relationship with its trading partner and prevent the crisis from disrupting imports and exports.

First, at a descriptive level we examine the correlation of trade dependence with ICJ initiation. Looking at the period from 1960 to 2013, we compare dyads where a country has filed an ICJ case against another state at one time with dyads that have never sent a dispute to the ICJ. As Figure 2 shows, the average level of trade dependence in ICJ dyads is significantly higher than in non-ICJ dyads. While the correlation is suggestive evidence in support of our hypothesis, we conduct a more comprehensive analysis to fully assess the relationship. This section describes our strategy for isolating the effect of trade dependence on a country’s likelihood of filing a case at the ICJ and displays our results.

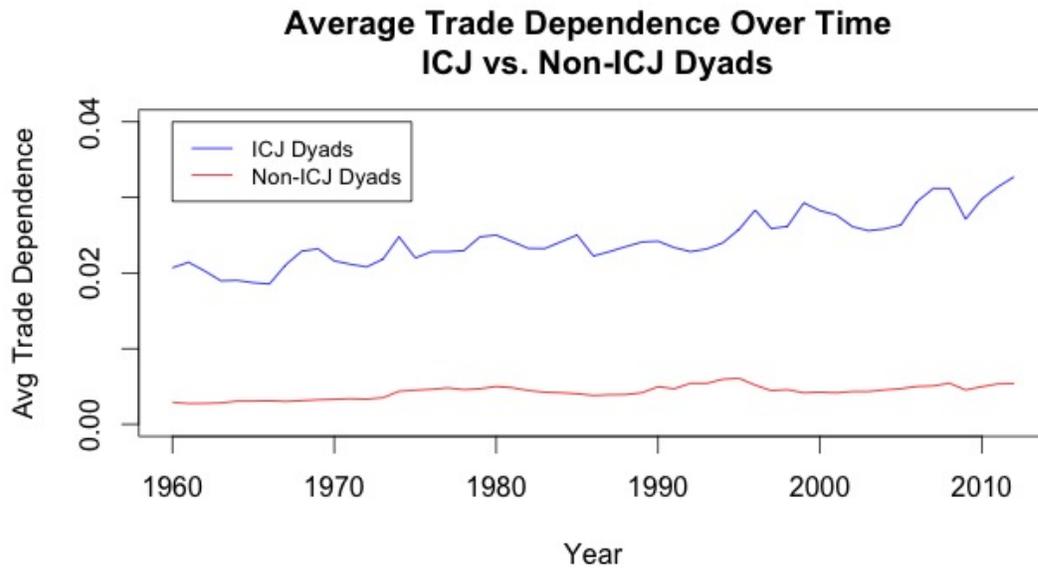


Figure 2: The figure shows the average level of trade dependence for each year, comparing dyads that have ever participated in an ICJ case with dyads that have never gone to the ICJ. Trade dependence is calculated as dyadic bilateral trade divided by the GDP of applicant in the dyad. The figure starts at 1960 because IMF trade data is not available before this year.

#### 4.1 Research Design

As shown above, ICJ cases cover a range of different topics and issues. The diversity of dispute types makes it difficult to identify *a priori* potential disputes as is common in the territorial dispute literature. While 30 percent of ICJ cases are related to borders or maritime delimitation, and are probably long-standing disputes, many other types of issues arise due to unexpected diplomatic incidents. For example, when Spain filed an ICJ case against Canada in 1995, the dispute had its origins in Canadian legislation passed only a year earlier in response to a decline in the Canadian fishing industry.<sup>8</sup>

We assemble two versions of potential ICJ disputes with which to test our theory. The first data set contains all observations where at least one country in a dyad-year has accepted ICJ jurisdiction as compulsory. The likelihood for a dispute arising between these pairs to go before the ICJ increases

<sup>8</sup>The Canadian legislation was designed to protect “straddling stocks,” which are fish that live both within a country’s exclusive economic zone and in the adjacent high sea area. The legislation was vigorously opposed by the European Union, and the conflict came to a head when Canadian authorities intercepted a Spanish vessel 245 miles from the Canadian coast and arrested the ship captain. In response, Spain filed a case against Canada at the ICJ.

because of the ex ante commitment to accept the jurisdiction of the court.<sup>9</sup> Of course for any given case, ICJ jurisdiction may not apply. The second data set follows the standard approach in analyses of the outbreak of war by focusing on politically-relevant dyads, i.e. those that contain contiguous countries or at least one great power.<sup>10</sup> Focusing on politically-relevant dyads builds on the observation that contiguity forms an important basis for territorial disputes, which make up close to 1/3 of the ICJ cases. More generally, geographic proximity has been seen as strong predictor for conflict (e.g. Bremer, 1992; Reiter and Stam, 2003). Standard trade models are also premised on positive relationship between distance/contiguity and trade.

## 4.2 Data and measurement

Our data focuses on ICJ cases that occurred between 1960 and 2013. As discussed above, we test our theory with two data sets: the ICJ jurisdiction data set consists of 581,075 observations while the politically-relevant dyad data set has 122,340 observations. In both samples, ICJ filing is extremely rare. The ICJ jurisdiction data set includes 67 incidents of countries filing cases with the ICJ, an occurrence rate of approximately 0.01 percent. The politically-relevant dyad sample includes a slightly higher incidence of filing—75 cases or approximately 0.06 percent.

Our unit of observation is the directed dyad-year. In the conflict literature, directed dyad analysis has been commonly used to allow for possibility that either side in the dispute may influence the likelihood of conflict initiation (Morrow, 1999; Reiter and Stam, 2003; Hegre, 2004). We follow this approach because we are interested in understanding why countries choose to file disputes at the ICJ. We emphasize filing rather than the case disposition for several reasons. First, the decision to file lies clearly within the control of governments who are the key actor in our theory. Many disputes are filed over the objections of the respondent country, and the ICJ's first judgment for cases is often whether it has jurisdiction on

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<sup>9</sup>See Gilligan, Johns and Rosendorff (2010) for theory about conditions under which strengthening the jurisdiction of the court increases probability of trial for weak court like ICJ.

<sup>10</sup>Our contiguity codings are drawn from the Correlates of War (COW) project. Because many ICJ disputes involve maritime conflicts or boundary issues, we use the broadest definition of contiguity, which includes both countries separated by a land or river border and also countries separated by up to 400 miles of water. We rely on the COW coding of great powers, which includes China (post-1949), France, Germany (post-1990), Japan (post-1990), Russia, the United Kingdom, and the United States.

a particular matter. Even if the case should be dismissed, however, it remains on the record as an ICJ case and may have achieved some part of its purpose to shape politics within or between the countries. Second, the filing state initiates discussions on the matter and is more interested in seeking legalized dispute resolution, even when some form of consent is given by the respondent state. Analyzing dyadic data without distinguishing between the applicant and respondent would miss these dynamics.

Our dependent variable, ICJ FILING, is coded 1 if the applicant in the dyad files a claim against the respondent in a given year, and 0 otherwise. Approximately 15 percent of ICJ cases are joint filings where both countries submit a joint application to the ICJ. In such cases, we have coded our dependent variable as equal to one for both directions of the dyad.<sup>11</sup>

Our main explanatory variable is the level of trade dependence. We focus on the importance of the trading relationship to the applicant country, since our dependent variable is tied to whether the applicant files a case against a particular respondent. For this reason, we calculate trade dependence as the total amount of bilateral trade divided by the GDP of applicant. This takes into account the relative value of the trade volume for the economy of the country. Trade dependence is a continuous variable that ranges from 0 to 4.7 (or, in percentage terms, 0 to 470 percent),<sup>12</sup> but as can be seen in Figure 2, the average level of trade dependence for both dyads that have participated in an ICJ case and those that have not is under 5 percent. In keeping with the standard approach, we take the natural log of all non-zero values of trade dependence, which allows us to easily interpret percentage change in this variable.<sup>13</sup>

In addition to the level of trade dependence, the absence of any trading relationship between countries might have a distinct effect on the likelihood of a country filing a case against another at the ICJ. For this reason, we include the variable ZERO TRADE DEPENDENCE, which indicates there is no bilateral trade for a given dyad-year and therefore trade dependence is equal to 0. Zero trade dependence is a dichotomous variable, coded 1 for all observations with zero bilateral trade and 0 for all others.

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<sup>11</sup>For example, in July 2010 Burkina Faso and Niger submitted a Special Agreement to the ICJ requesting the Court review an ongoing border dispute. In our data set, the ICJ FILING variable is coded as 1 for both Burkina Faso-Niger-2010 and Niger-Burkina Faso-2010.

<sup>12</sup>A small number of countries, such as Hong Kong, have trade dependence levels higher than 1.

<sup>13</sup>Instead of taking the natural log of 0, which is undefined, the logged trade dependence value for countries with zero trade dependence is set at 0. To account for this change in the distribution, we include a separate variable indicating a country has zero trade dependence.

We control for several aspects of a country's historical relationship with the ICJ. Existing scholarship has shown that countries with previous experience in an international court are more likely to file cases in the future. Davis and Bermeo (2009) find, for example, that when countries participate in WTO adjudication either as applicants or respondents, they are more likely to initiate WTO disputes in the future. To account for this dynamic, we include the variable ICJ EXPERIENCE, which indicates whether a country has previously participated in an ICJ case either as a applicant or respondent.

Countries that have accepted ICJ jurisdiction may be more likely to bring cases to the ICJ. This could occur because accepting ICJ jurisdiction indicates an underlying predisposition toward legal forms of dispute resolution, or because countries may accept ICJ jurisdiction in anticipation of possible conflicts with other states. We include the variables ICJ JURISDICTION - APPLICANT and ICJ JURISDICTION - RESPONDENT as dichotomous indicators of whether a country has accepted ICJ compulsory jurisdiction in a given year.<sup>14</sup>

The Cold War shaped international politics in ways that may have affected which countries filed cases at the ICJ. A comparison of the ICJ cases filed during the Cold War suggests that Cold War dynamics affected which countries were likely to file and against whom. The United States, for example, filed nine cases during the Cold War, mostly against the Soviet Union and Soviet satellite states, but has filed no cases since 1987. To account for this time dynamic, we include the dichotomous variable COLD WAR, which is equal to 1 up through 1991.

There are a number of country-specific attributes that might affect a country's likelihood of filing a case against another at the ICJ. Proponents of democratic peace theory suggest that democratic countries do not fight each other because elections and transparency increase the political costs of war for leaders (Russett and Oneal, 2001); if democratic dyads are less likely to go to war, they may be more likely to use international dispute settlement mechanisms like the ICJ. To test this alternative explanation, we include a control DEMOCRATIC DYAD, which is equal to 1 if both countries in a dyad-year are democracies

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<sup>14</sup>Our data through 2002 is drawn from Mitchell and Powell (2011). We have updated this data through 2008 based on the information contained in the annual ICJ yearbook. Updates from 2009 to 2013 were based on information available on the ICJ website. We do not code for reservations.

and 0 otherwise.<sup>15</sup> Domestic political structure may also have an independent effect on a country's propensity toward legal dispute resolution (Allee and Huth, 2006a). We test this hypothesis by including the controls POLITY - APPLICANT and POLITY- RESPONDENT for the level of democracy in each country. These variables are drawn from the Polity IV dataset, which codes countries along a 21-point scale ranging from -10 is equivalent (most autocratic) to 10 (most democratic).<sup>16</sup>

Alliance structure should change the costs and benefits of filing a case at the ICJ. When crises arise between allies, countries are clearly less likely to resort to war or coercive actions like sanctions to try and resolve the dispute. For this reason, an alliance between two countries should increase the likelihood of a dispute going to the ICJ. We control for this possibility by including the variable ALLIANCE, which is drawn from the Correlates of War dataset. This variable is equal to 1 if any kind of formal alliance exists between two countries, and 0 otherwise.<sup>17</sup>

A country's capacity could also affect its likelihood of filing a case against another at the ICJ. While this is difficult to measure, we follow others in assuming that level of economic development is correlated with capacity, and include the controls GDP - APPLICANT and GDP - RESPONDENT (e.g. Guzman and Simmons, 2002).

Finally, a state's domestic legal tradition may also influence its attitude toward the ICJ (Mitchell and Powell, 2011). To account for this factor, we include dichotomous indicators of a country's legal tradition: CIVIL LAW, COMMON LAW, ISLAMIC LAW, and MIXED LAW.<sup>18</sup>

Descriptive statistics of these variables are shown in Table 3.<sup>19</sup>

We use two different approaches to model the relationship between these variables and the likelihood of ICJ filing. Since our primary interest is in comparing how high or low interdependence across dyads

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<sup>15</sup>We consider a country to be a democracy if it has a polity scores of 6 or higher in a given year.

<sup>16</sup>We use the Polity IV data, updated through 2013. Because the Polity IV Project does not code states with populations under 500,000, we supplement with data from Gleditsch (2013).

<sup>17</sup>The COW project defines 'formal alliance' as a defense pact, a neutrality or non-aggression treaty, or an entente agreement between two countries. The COW alliance data is drawn from Gibler (2008), which is up to date through 2008. We have extended the 2008 codings up through 2013.

<sup>18</sup>Variables are included for both the applicant country and the respondent country. These variables are drawn from Mitchell and Powell (2011), which codes countries as belonging to one of four groups: common law, civil law, islamic law, or mixed law.

<sup>19</sup>Descriptive statistics are for the ICJ jurisdiction data set. Descriptive statistics for the politically-relevant dyad sample are available in Table 8 in the Appendix.

Table 3: Descriptive Statistics for ICJ Jurisdiction Dyads

Statistic	Mean	St. Dev.	Min	Max
ICJ Filing	0.000	0.01	0	1
Trade Dependence	0.004	0.03	0.0	4.7
Zero Trade Dependence	0.2	0.4	0	1
ICJ Experience - Applicant	0.3	0.5	0	1
ICJ Jurisdiction	0.6	0.5	0	1
GDP - Applicant	278.0	916.7	0.1	14,498.6
GDP - Respondent	273.0	908.7	0.1	14,498.6
Polity - Applicant	3.8	6.9	-10	10
Polity - Respondent	3.7	6.9	-10	10
Democratic Dyad	0.3	0.5	0	1
Alliance	0.1	0.3	0	1
Civil Law	0.6	0.5	0	1
Common Law	0.2	0.4	0	1
Islamic Law	0.1	0.3	0	1
Mixed Law	0.1	0.3	0	1

Note: Descriptive statistics for logged variables are shown for variables in their original denominations, rather than in logged forms. GDP values are in billions. Legal tradition variables are coded separately for applicant and respondent countries, but the descriptive statistics are identical for both sets of countries.

shapes the likelihood of countries using the ICJ, we pool observations in our main analysis and run a logistic regression model with robust clustered standard errors. An alternative approach would ask how changes of interdependence within a dyad influence the timing for ICJ initiation and implement a dyad-fixed effects specification. The nature of trade dependence, however, makes it problematic to predict the timing of legal action based on changes of trade dependence. Levels of trade dependence within specific dyads change slowly over time, which makes it less likely that trade dependence in the year of filing will be significantly higher than the average level of trade dependence.<sup>20</sup> Additionally, a dyad-fixed effects specification would not allow us to explore our key relationship of interest—how trade dependence shapes the overall approach to dispute resolution across dyads.

We supplement our pooled analysis with a second analysis examining what makes an applicant country more likely to file against a particular state. For this specification, we run a conditional logit model,

<sup>20</sup>In a dyad-fixed effects specification, coefficients measure deviation from the overall within-dyad average of particular variables. Preliminary tests of this specification of within-dyad comparison do not show any relationship between trade dependence and the likelihood of filing a case at the ICJ.

which allows us to estimate country-fixed effects and analyze why applicant countries are more likely to file against some states than others. Conditioning on those countries that file an ICJ dispute, the analysis examines whether they are more likely to have filed against a major trade partner.

In both regressions, we lag all of our variables to account for the possibility of simultaneity, which would make it difficult to observe the relationship between the explanatory variables and a country filing a case at the ICJ. Filing an ICJ dispute can be financially and politically costly, and governments are likely to take some time to make this decision. For this reason, the effect of trade dependence on ICJ filing may be slow to operate.

### **4.3 Results**

The results provide strong support for the relationship between trade dependence and ICJ filing. In both specifications, trade dependence has a positive and statistically significant effect on the likelihood that a country files a case in the ICJ. Table 4 shows the results of this analysis for the ICJ jurisdiction sample.

Since logistic regression coefficients are not easily interpretable, we calculate marginal effects to examine how incremental increases in the level of trade dependence affect the probability of a country filing an ICJ case, holding all other variables at their means. Figure 3 shows the results of this analysis based on the estimates of model 2 in Table 4. Trade dependence has a consistently positive and statistically significant effect on filing, and the strength of this effect increases as trade dependence approaches 1.<sup>21</sup> Those pairs with zero bilateral trade are significantly less likely to have an ICJ dispute between them.

In addition to trade dependence, two other variables have positive and statistically significant effects on the likelihood that a country files a case in the ICJ: whether the filing country has accepted ICJ compulsory jurisdiction, and whether the applicant and respondent are in an alliance. To compare the relative magnitude of these effects, we calculated predicted probabilities to estimate how a one-standard deviation increase or a change from 0 to 1 increases the likelihood of filing a case at the ICJ. The results of this analysis are available in Figure 4, and are based on the estimates of model 2 in Table 4.

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<sup>21</sup>We have converted the x axis to show the original scale of trade dependence as a percentage, which is easier to interpret than the log of trade dependence used in regression.

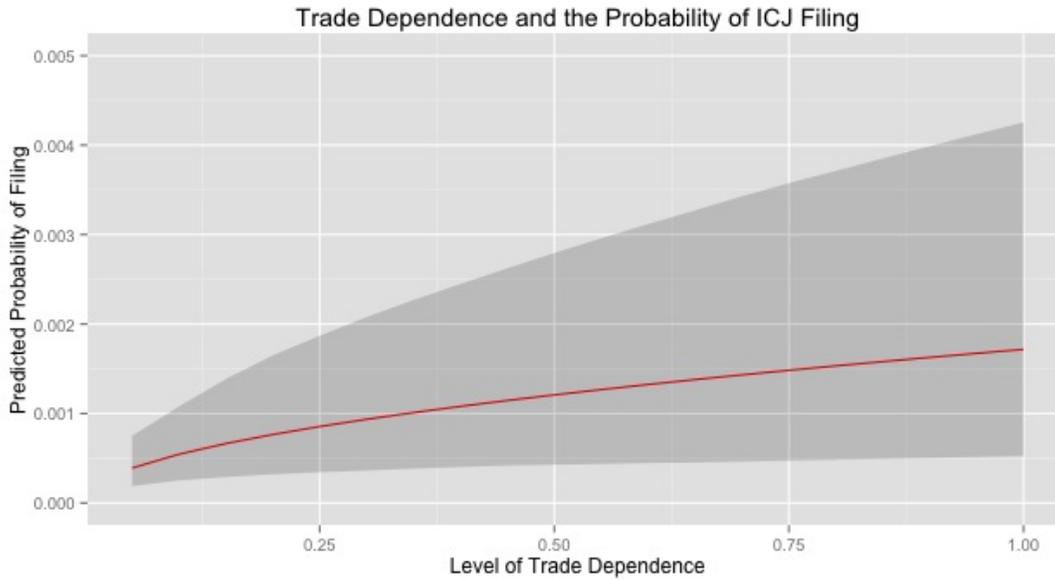


Figure 3: The line shows the marginal effect of increasing trade dependence on the probability of filing a case at the ICJ. The dark grey shaded area is the 95 percent confidence interval.

For trade dependence, moving from the logged average of trade dependence up one-standard deviation increases the probability of filing an ICJ dispute by 11 percent. This effect is substantively larger than the effect of accepting ICJ compulsory jurisdiction (1 percent increase) or the effect of forming an alliance (3 percent increase).

Our results are consistent for the politically-relevant dyad sample. Table 5 shows that trade dependence has a positive and statistically significant effect across all three specifications for this second sample.

#### 4.4 Robustness tests

We probe the robustness of our analysis in a variety of ways. We consider two alternative specifications for our key explanatory variable, the economic importance of a trading relationship. We calculate trade share as a variable measuring the total level of bilateral trade divided by the total trade of the applicant country. This measure focuses on the importance of the respondent as a trading partner relative to the broader trade profile of the country. We also estimate a model including the total level of bilateral trade, rather than trade dependence, as the main explanatory variable. Our results are shown in the appendix

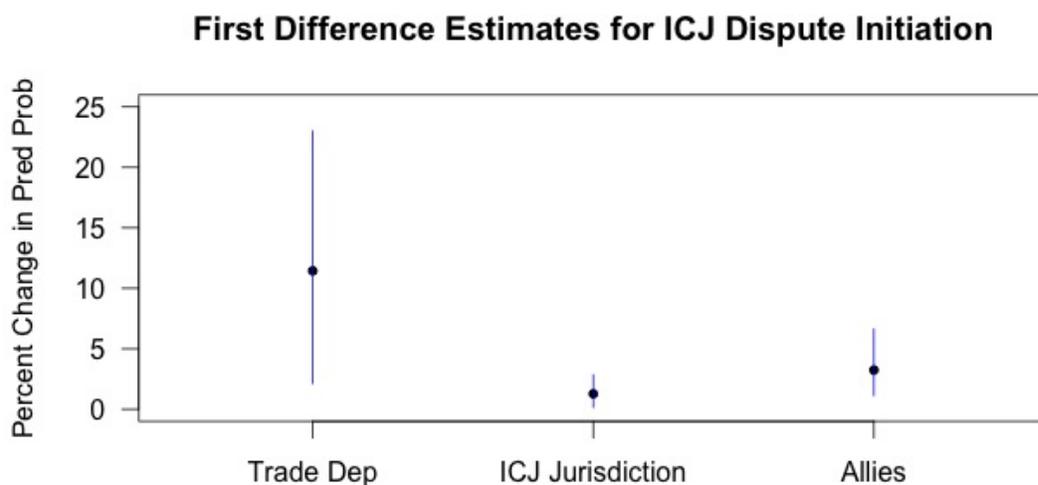


Figure 4: The figure shows the percent change in predicted probability and 95 percent confidence intervals for moving from the mean to a one-standard deviation increase for continuous variables and from 0 to 1 for dichotomous variables. In calculating the predicted probabilities, all other values in the data are held at their mean.

in Table 9, and support our key finding that the value of the trade relationship to the applicant is a positive predictor of the probability to file an ICJ complaint.

Another possible concern is that the low rates of ICJ filing make this a relatively rare event. King and Zeng (2001) suggest that statistical procedures such as logistic regression can underestimate the effect of a coefficient when scholars do not adjust for the low probability of an event occurring. For this reason, we also re-run our full model (model 2 in Tables 4 and 5) for the ICJ jurisdiction and the politically-relevant dyads sample, using a rare-event logistic regression. For both data sets, our results are robust when estimated with rare-event logit. Table 6 displays these results.

## 5 Conclusion

We find clear evidence that trade ties correlate with a higher tendency for a country to bring a dispute to the ICJ. Although it is difficult to identify potential ICJ disputes, the relationship between economic interdependence and ICJ filing holds for those states with some level of support for the ICJ, based on having recognized compulsory jurisdiction of the court. Moreover, the effect is substantively larger than

other leading factors in shaping a state's decision to initiate an ICJ case.

This finding supports the idea that commercial peace affects how countries solve their disputes rather than the incidence of disputes. Faced with high costs from militarized or diplomatic conflict, trading states seek other means to address disputes. Adjudication isolates the conflict within the legal parameters of the single issue taken before the court. For countries fearing spillover that could harm trade, this is a distinct advantage.

Ultimately the ICJ only reviews a handful of cases, and the origins of these disputes lie in a complex mix of context-specific historical and legal conditions. Governments base filing decisions primarily upon these specific considerations. Nevertheless, by changing how a country evaluates the possible risks of an ongoing dispute, trade stakes can make governments seek alternative ways to settle a conflict. For some, it is enough to tip the balance towards filing a complaint before a court that can be unpredictable in its rulings and weak in its enforcement. Why then do countries file? Because even a loss may be seen as a win if it helps to resolve the troublesome problem and spur trade growth between a pair of countries. Suing a trade partner is not an act of cooperation, but it is better than alternative ways of dealing with the problem.

Table 4: The Determinants of ICJ Filings - ICJ Jurisdiction Dyads

	<i>Dependent variable: ICJ Filing</i>		
	<i>logistic</i>		<i>conditional</i>
	(1)	(2)	(3)
Trade Dependence	0.565*** (0.068)	0.465*** (0.106)	0.451*** (0.083)
Zero Trade Dependence	-5.795*** (0.808)	-4.824*** (1.123)	-4.881*** (0.935)
ICJ Experience	0.516** (0.239)	0.363 (0.285)	-2.387*** (0.505)
ICJ Jurisdiction - Complainant	0.668* (0.365)	0.670** (0.336)	-0.628 (0.434)
ICJ Jurisdiction - Defendant	0.242 (0.376)	0.266 (0.377)	0.493 (0.312)
Cold War Indicator		-0.824** (0.326)	-0.845* (0.476)
GDP - Complainant		0.025 (0.085)	0.563 (0.536)
GDP - Defendant		-0.059 (0.100)	-0.045 (0.080)
Polity - Complainant		-0.090*** (0.032)	0.071 (0.050)
Polity - Defendant		-0.012 (0.028)	-0.003 (0.034)
Democratic Dyad		0.309 (0.417)	0.015 (0.513)
Alliance		1.552*** (0.320)	2.104*** (0.392)
Constant	-6.029*** (0.591)	-5.878* (3.201)	
Observations	569,873	452,350	189,321

*Note:*

\* $p < 0.1$ ; \*\* $p < 0.05$ ; \*\*\* $p < 0.01$

Note: The standard errors shown for Models 1 and 2 are robust, clustered at the dyad level. Legal tradition variables are included as controls in Models 2 and 3, but are omitted from this table. None of the coefficients for the legal tradition variables are statistically significant.

Table 5: The Determinants of ICJ Filing - Politically-Relevant Dyads

	<i>Dependent variable: ICJ Filing</i>		
	<i>logistic</i>		<i>conditional</i>
	(1)	(2)	(3)
Trade Dependence	0.292*** (0.052)	0.230** (0.114)	0.221** (0.098)
Zero Trade Dependence	-2.439*** (0.775)	-2.193* (1.220)	-2.346* (1.221)
ICJ Experience	0.357 (0.242)	0.403 (0.300)	-2.014*** (0.459)
ICJ Jurisdiction - Complainant	0.588** (0.262)	0.714*** (0.276)	0.034 (0.468)
ICJ Jurisdiction - Defendant	0.107 (0.273)	0.084 (0.300)	0.121 (0.298)
Cold War Indicator		-0.562* (0.287)	-0.432 (0.477)
GDP - Complainant		-0.080 (0.081)	1.006** (0.490)
GDP - Defendant		-0.153** (0.073)	-0.124 (0.078)
Polity - Complainant		-0.046 (0.029)	0.058 (0.044)
Polity - Defendant		0.038 (0.027)	0.042 (0.032)
Democratic Dyad		-0.127 (0.378)	-0.193 (0.460)
Alliance		1.393*** (0.342)	1.700*** (0.377)
Constant	-6.244*** (0.320)	-0.965 (2.423)	
Observations	119,112	95,273	38,840

*Note:*

\*p<0.1; \*\*p<0.05; \*\*\*p<0.01

Note: The standard errors shown for Models 1 and 2 are robust, clustered at the dyad level. Legal tradition variables are included as controls in Models 2 and 3, but are omitted from this table. None of the coefficients for the legal tradition variables are statistically significant.

Table 6: The Determinants of ICJ Filing - Rare Events Logit

	<i>Dependent variable: ICJ Filing</i>	
	(1)	(2)
Trade Dependence	0.4609*** (0.0818)	0.225*** (0.0872)
Zero Trade Dependence	-4.583*** (0.944)	-1.682 (1.146)
ICJ Experience	0.363 (0.295)	0.401 (0.301)
ICJ Jurisdiction - Applicant	0.660** (0.331)	0.705*** (0.279)
ICJ Jurisdiction - Respondent	0.256 (0.314)	0.0784 (0.279)
Cold War Indicator	-0.814*** (0.304)	-0.548* (0.293)
GDP - Applicant	0.0231 (0.0745)	-0.0823 (0.0691)
GDP - Respondent	-0.0618 (0.0791)	-0.154** (0.0675)
Polity - Applicant	-0.0885*** (0.0337)	-0.0439 (0.0312)
Polity - Respondent	-0.0143 (0.0329)	0.0376 (0.0299)
Democratic Dyad	0.283 (0.475)	-0.150 (0.431)
Alliance	1.545*** (0.308)	1.374*** (0.318)
Constant	-5.700** (2.582)	-0.768 (2.191)
Observations	452,349	95,272

*Note:* \*p<0.1; \*\*p<0.05; \*\*\*p<0.01

Note: Model 1 displays the results of the rare events logit model for the ICJ jurisdiction sample. Model 2 shows the results of the rare events logit model for the politically-relevant dyads sample. Legal tradition variables are included as controls both models but are not statistically significant.

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## 6 Appendix

Table 7: Countries Recognizing ICJ Compulsory Jurisdiction in 2014

Country	Date	Country	Date
Australia	1946	Liechtenstein	1950
Austria	1971	Lithuania	2012
Barbados	1980	Luxembourg	1930
Belgium	1948	Madagascar	1992
<i>Bolivia</i>	1948	Malawi	1966
Botswana	1970	Malta	1966
<i>Brazil</i>	1948	Marshall Islands	2013
Bulgaria	1946	Mauritius	1968
Cambodia	1957	Mexico	1947
Cameroon	1994	<i>Nauru</i>	1987
Canada	1946	Netherlands	1956
<i>Colombia</i>	1937	New Zealand	1946
Costa Rica	1973	Nicaragua	1929
Cote d'Ivoire	2001	Nigeria	1965
Cyprus	1988	Norway	1946
Dem. Rep. of the Congo	1989	Pakistan	1960
Denmark	1946	Panama	1921
Djibouti	2005	Paraguay	1996
Dominica	2006	Peru	1946
Dominican Republic	1924	Philippines	1947
Egypt	1957	Poland	1990
<i>El Salvador</i>	1973	Portugal	1946
Estonia	1991	Senegal	1985
Finland	1946	<i>Serbia</i>	1999
<i>France</i>	1966	Slovakia	2004
Gambia	1966	Somalia	1963
Georgia	1995	<i>South Africa</i>	1955
Germany	2008	Spain	1990
Greece	1994	Sudan	1958
<i>Guatemala</i>	1947	Suriname	1987
Guinea	1998	Swaziland	1969
Guinea-Bissau	1989	Sweden	1946
Haiti	1921	Switzerland	1946
Honduras	1948	<i>Thailand</i>	1950
Hungary	1992	Timor-Leste	2012
India	1947	Togo	1979
Ireland	1946	<i>Turkey</i>	1947
<i>Israel</i>	1956	Uganda	1963
Japan	1958	United Kingdom	1946
Kenya	1965	<i>United States</i>	1946
Lesotho	2000	Uruguay	1921
Liberia	1952		

Note: List of countries that have deposited declarations recognizing ICJ jurisdiction as compulsory, as of October 2014 (ICJ, N.d). The date is the year of deposit for original declaration with the United Nations or the League of Nations. Italics indicate countries that previously recognized ICJ jurisdiction but have since withdrawn their declarations.

Table 8: Descriptive Statistics for Politically-Relevant Dyads

Statistic	N	Mean	St. Dev.	Min	Max
ICJ Case	98,015	0.001	0.03	0	1
Trade Dependence	98,015	0.02	0.1	0.0	4.7
Zero Trade Dependence	98,015	0.04	0.2	0	1
ICJ Experience - Applicant	98,015	0.4	0.5	0	1
ICJ Jurisdiction	98,015	0.4	0.5	0	1
GDP - Applicant	98,015	1,256.5	2,494.5	0.1	14,498.6
GDP - Respondent	98,015	1,239.3	2,482.0	0.1	14,498.6
Polity - Applicant	98,015	3.5	7.2	-10	10
Polity - Respondent	98,015	3.4	7.2	-10	10
Democratic Dyad	98,015	0.3	0.5	0	1
Alliance	98,015	0.2	0.4	0	1
Civil Law	98,015	0.5	0.5	0	1
Common Law	98,015	0.2	0.4	0	1
Islamic Law	98,015	0.1	0.3	0	1
Mixed Law	98,015	0.2	0.4	0	1

Note: Descriptive statistics for logged variables are shown for variables in their original denominations, rather than in logged forms. GDP values are in billions. Legal tradition variables are coded separately for applicant and respondent countries, but the descriptive statistics are identical for both sets of countries.

Table 9: The Determinants of ICJ Applicants - Alternative Trade Specifications

	<i>Dependent variable: ICJ Filing</i>			
	<i>logistic</i>	<i>conditional logistic</i>	<i>logistic</i>	<i>conditional logistic</i>
	(1)	(2)	(3)	(4)
Trade share (Bilat/Total)	0.536*** (0.113)	0.419*** (0.083)		
Zero Trade	-4.884*** (1.085)	-4.222*** (0.895)		
Bilateral Trade			0.558*** (0.104)	0.589*** (0.087)
ICJ Experience	0.392 (0.271)	-2.347*** (0.513)	0.352 (0.291)	-2.281*** (0.500)
ICJ Jurisdiction - Applicant	0.754** (0.325)	-0.531 (0.451)	0.805** (0.336)	-0.487 (0.448)
ICJ Jurisdiction - Respondent	0.335 (0.382)	0.450 (0.318)	0.347 (0.380)	0.447 (0.320)
Cold War Indicator	-1.009*** (0.355)	-0.590 (0.467)	-0.735** (0.343)	-0.636 (0.482)
GDP - Applicant	0.019 (0.082)	0.831 (0.544)	-0.455*** (0.100)	-0.079 (0.543)
GDP - Respondent	-0.089 (0.100)	-0.025 (0.081)	-0.084 (0.103)	-0.092 (0.083)
Polity - Applicant	-0.093*** (0.035)	0.098* (0.051)	-0.094*** (0.036)	0.088* (0.051)
Polity - Respondent	-0.012 (0.028)	-0.005 (0.035)	-0.013 (0.028)	-0.005 (0.035)
Democratic Dyad	0.314 (0.420)	0.048 (0.516)	0.247 (0.434)	0.066 (0.522)
Alliance	1.410*** (0.325)	2.166*** (0.393)	1.532*** (0.334)	2.040*** (0.409)
Civil Law - Applicant	1.167 (0.732)		1.050 (0.733)	
Civil Law - Respondent	-0.484 (0.472)	-0.741* (0.436)	-0.538 (0.487)	-0.759* (0.439)
Common Law - Applicant	0.724 (0.783)		0.636 (0.788)	
Common Law - Respondent	-0.392 (0.444)	-0.595 (0.490)	-0.536 (0.467)	-0.755 (0.496)
Islamic Law - Applicant	-0.195 (1.089)		-0.308 (1.095)	
Islamic Law - Respondent	-1.112 (0.866)	-1.157 (0.838)	-1.213 (0.863)	-1.144 (0.841)
Constant	-5.008* (2.997)		0.936 (3.906)	
Observations	436,469	436,469	430,015	430,015

Note: ICJ jurisdiction sample.

\*p<0.1; \*\*p<0.05; \*\*\*p<0.01